

**Wednesday
5 January 2022**

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Wednesday 5 January 2022

HER MAJESTY'S GOVERNMENT

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

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Wednesday 5 January 2022

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

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

SEVENTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 706

TWELFTH VOLUME OF SESSION 2021-22

House of Commons

Wednesday 5 January 2022

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

NEW MEMBER

The following Member took and subscribed the Oath required by law:

Helen Margaret Lilian Morgan, for North Shropshire.

NEW WRIT

Ordered,

That the Speaker do issue his Warrant to the Clerk of the Crown to make out a new Writ for the electing of a Member to serve in this present Parliament for the Borough Constituency of Southend West in the room of Sir David Anthony Andrew Amess, deceased.—(*Mark Spencer.*)

Oral Answers to Questions

WALES

The Secretary of State was asked—

Rail Infrastructure

1. **Tony Lloyd** (Rochdale) (Lab): What plans the Government have to provide funding for rail infrastructure in Wales. [904895]

9. **Geraint Davies** (Swansea West) (Lab/Co-op): What plans the Government have to provide funding for rail infrastructure in Wales. [904903]

The Secretary of State for Wales (Simon Hart): May I wish you, Mr Speaker, and of course House staff and Members a very happy 2022? May I also take the opportunity to acknowledge some fantastic news for Welsh sheep farmers? As many in this House will be aware, the US ban on the import of UK lamb has been lifted as of 3 January, which brings Welsh farmers one step closer to putting their first-class lamb in front of more than 300 million US consumers for the first time in 20 years.

More than £340 million has been provided for enhancements to Welsh rail, including investing in the core valley lines, Cardiff Central station and the electrification of the Severn tunnel.

Tony Lloyd: Happy new year to you, Mr Speaker, and to all those involved with the House.

You will know, Mr Speaker, that the north Wales economy is massively integrated with the economy of the north-west. We have been promised, although it is very slow in coming, the northern powerhouse, because of the very poor infrastructure and very poor journey times across the north of England. Why have Welsh Ministers not demanded that north Wales be included in that northern powerhouse structure, and why are Welsh Ministers letting down north Wales so badly?

Simon Hart: I disagree with the hon. Member's comments about infrastructure. As he knows, we introduced the Union connectivity review; its proposals have just been published and we are working through them as we speak. We have spent a huge amount of money on road and rail infrastructure throughout Wales—and, for that matter, the rest of the Union—so he should not take such a gloomy view of things. I absolutely endorse his comments, however, about the fact that north Wales and the north-west of England—and, indeed, the rest of the UK—are integrated economies, and we need to look at them holistically.

Geraint Davies: Blwyddyn newydd dda—happy new year—Mr Speaker.

The Secretary of State knows that HS2 will halve the time it takes to get from London to Manchester from two hours and 10 minutes to one hour and 10 minutes, but it will still be three hours to get to Swansea. Will he be taking forward the Welsh Affairs Committee's proposal to give Wales its fair share of HS2 funding on the same basis as Scotland, which would give us an extra £4.6 billion for levelling up, net zero and connecting the Union? Will he meet me and Professor Mark Barry to help prepare to make the case to the Treasury to take this forward?

Simon Hart: I am always happy to meet the hon. Gentleman. He is nothing if not persistent and consistent in his campaigning. I should remind him—I suspect I do not need to—of the significant rail funding that has already come into Wales, but if it helps, I am always keen to look at new, innovative ways that will encourage investment and create jobs. I am very happy to do that.

Mr Speaker: May I welcome the new shadow Secretary of State, Jo Stevens, to her new position, and thank her for what she did previously?

Jo Stevens (Cardiff Central) (Lab): Thank you very much, Mr Speaker; happy new year to you, and, if I may, blwyddyn newydd dda i chi i gyd—happy new year to all.

I am afraid I was a bit disappointed with the Secretary of State's answer to the question from my hon. Friend the Member for Swansea West (Geraint Davies) about HS2 reclassification as an England-only rail project, because it is utterly illogical to designate it an England and Wales project. Crossrail has an England-only classification; HS2 should as well. In addition to that missing £4.6 billion of rail funding for Wales, the analysis of his own Treasury colleagues confirms that HS2 will result in an economic disadvantage to Wales estimated at £150 million every year. Levelling up will remain an empty Government slogan unless he persuades his Cabinet colleagues to cough up, so will he do that?

Simon Hart: May I also welcome the hon. Lady to her place? I much enjoyed our time on the Digital, Culture, Media and Sport Committee where we worked in harmony on many different subjects for quite a long time, and I was hoping we might be able to continue that habit across the Dispatch Box; things are starting quite well, I think. However, I am grateful for the hon. Lady's question and look forward to further discussions. I would just point out that there has been more than £430 million of rail funding so far, including £125 million for the core valley lines and £58 million for Cardiff Central station; I could go through the list but I think Mr Speaker would stop me. This constant refrain, and going over old ground, about whether HS2 has any benefits for Wales is an overused cliché; we all know there are significant direct and indirect benefits to Wales from the HS2 project and that will continue to be the case.

Jo Stevens: There is another conversation the Secretary of State should be having with Cabinet colleagues about HS2 and Wales. Ministers have previously confirmed that around 2 million tonnes of steel will be used across HS2, but I am going to upset him again by mentioning that £4.6 billion that the Government are cutting from Wales. The Transport Minister has just confirmed that

there is no target for the use of UK or Welsh steel in HS2 construction, so will the Secretary of State commit today to making the case in Cabinet for a Welsh steel target for HS2 construction to protect Welsh steel jobs, and will he come back to the House to confirm that he has done that?

Simon Hart: I am very happy, as ever, to make the case for Welsh steel; indeed, we have done so on numerous occasions, and if the hon. Lady is in any doubt about our commitment to it she need only turn her mind back to the beginning of the pandemic when nearly 1,000 steelworkers in her own city were saved as a result of Government intervention. Our commitment to Welsh steel, and in particular its being used strategically and extensively in UK infrastructure projects, is completely undiminished, and I am always happy to join forces with her to make that case.

Renewable Energy Generation: North Wales

2. **Mr David Jones** (Clwyd West) (Con): What recent discussions he has had with Cabinet colleagues on the development of large-scale renewable energy generation in north Wales. [904896]

The Secretary of State for Wales (Simon Hart): We recently opened the contracts for difference renewable energy support scheme, with £285 million per year available for projects in Wales, Scotland and England. Nuclear will also play an important role as a low-carbon source of electricity and we continue to explore how we might support a nuclear project at Wylfa.

Mr Jones: If we are to achieve net zero while maintaining economic growth, we need more large-scale low-carbon generating projects of the sort represented by the tidal lagoon proposed for Colwyn bay in my constituency. That would have an in-store capacity of over 2 GW and make a huge contribution to national energy security, so is my right hon. Friend prepared to meet me and my hon. Friends the Members for Aberconwy (Robin Millar) and for Vale of Clwyd (Dr Davies), who also have a constituency interest, to discuss this project and see what the Government can do to help move it forward?

Simon Hart: I can definitely give my right hon. Friend that commitment, and I would be more than happy if he wanted to bring additional stakeholders from the area into that meeting because there is not only huge potential for nuclear; he mentioned a tidal lagoon and there is also the commitment already made around the Holyhead hydrogen hub; and of course there is almost limitless potential in the Celtic sea for floating offshore wind. I would like to discuss with him and others exactly what opportunities they present.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Blwyddyn newydd dda, Mr Llefarydd—I wish you a wonderful new year. A National Trust-run hydro scheme with eight sites in Eryri has reached its target of producing 20 million kW of energy within eight years; that is enough electricity to power 5,300 homes for one year. The scheme has helped local communities to develop their own community hydro schemes but technical issues in connecting to the grid make that no easy task. What is the Secretary of State's Government doing to upgrade the electricity grid in rural Wales to enable more such schemes?

Simon Hart: The right hon. Lady has raised this issue with me a few times and her point about that initiative is really well made. I am very happy to go with her and talk about particular infrastructure requirements. These things are not straightforward, as she knows, but if there are sensible proposals that we can discuss with not only the relevant Department, but the Welsh Government, who will have a role in this, I would be very happy to do that.

Liz Saville Roberts: I have heard the Secretary of State mention the offshore wind potential of the Celtic sea. He will know that, as part of Plaid Cymru's co-operation agreement with the Welsh Government, both parties agree that further powers are needed to support our path to net zero—specifically on the management of the Crown Estate and its assets in Wales. Two months ago, the Under-Secretary of State for Wales, the hon. Member for Monmouth (David T. C. Davies), said that he would look with interest at my Crown Estate (Devolution to Wales) Bill. Given that there is now a clear majority in the Senedd to support the principle of Wales having the same powers, remember, as there are regarding the Crown Estate of Scotland, will the Minister also support my Bill to ensure that the profits of offshore wind go to the people of Wales?

Simon Hart: The Under-Secretary of State for Wales, my hon. Friend the Member for Monmouth (David T. C. Davies), was very disappointed not to be here to answer this question in person; he is diligently following Welsh Government regulations on covid isolation and sends his apologies. That said, the relationship that the Crown Estate enjoys with the UK Government, the Welsh Government and stakeholders works very well. I do not think there is any public interest or appetite for altering the terms of that arrangement. Frankly, it is a case of, "If it ain't broke, don't fix it", but I am always happy to listen to the right hon. Lady's arguments.

Covid-19 Booster Vaccinations

3. **Fay Jones** (Brecon and Radnorshire) (Con): What steps the Government are taking to support the roll-out of covid-19 booster vaccinations in Wales. [904897]

The Secretary of State for Wales (Simon Hart): Booster vaccinations are absolutely critical in strengthening our defences. That is why I and the Secretary of State for Defence have made an additional 98 armed forces personnel available to support the vaccination programme in Wales. We have confirmed an additional £270 million that the Welsh Government can spend in advance of budgets being finalised at supplementary estimates.

Fay Jones: Blwyddyn newydd dda, Mr Speaker. The personnel that the Secretary of State mentioned have been brilliantly organised from Army HQ Wales, which is based in Brecon barracks in my constituency, and I put on record again my thanks that the plans to close the barracks have been scrapped. The Army has been brought in three times to help us in Wales, most recently during the booster programme. The fact that we have a military assistance programme ready to support us in times of need is a strength of our Union, so will he continue to liaise with the Welsh Government to ensure that they have all they need to manage the pandemic?

Simon Hart: Absolutely. My hon. Friend is right, and I cannot begin to tell the House how many times I have met members of the public in the past few months who have been filled with confidence and pride when they have arrived at a vaccination or testing centre to see representatives of the armed forces there to greet and look after them through that often quite difficult process. The comments that she makes are well received, and will be by the number of servicemen in her area. The answer to her question is emphatically yes. I note that the Welsh footprint of the MOD—the number of MOD personnel in Wales—has now increased as a result of recent MOD announcements, and that will make this job that much easier.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Over 75% of eligible adults in Wales have already had their booster, thanks in no small part to the fact that the Welsh Government have earned the respect and trust of the people of Wales due to the clear and consistent messaging throughout the pandemic. What lessons does the Secretary of State think that the Prime Minister and his Government could learn from the example set by the Labour Government in Wales?

Simon Hart: That is a slightly cheap shot, especially in a week when, under Welsh Government guidelines, it seems that it is all right for people to go to a pub but not to their office. They can watch the rugby from the clubhouse but not from the touchline. They can go to a gym but they cannot partake in an outdoor activity such as parkrun. There is a huge number of mystifying and contradictory positions—the hon. Gentleman goaded me into that. The vaccine programme has to be one of the best examples ever of co-operation, not competition, between Governments. That has been absolutely essential and it has been done in a good spirit, with professionalism, and has been an enormous success.

Support for Businesses

4. **Owen Thompson** (Midlothian) (SNP): What recent discussions he has had with Cabinet colleagues on support for businesses in Wales. [904898]

8. **Kirsten Oswald** (East Renfrewshire) (SNP): What recent discussions he has had with Cabinet colleagues on support for businesses in Wales. [904902]

The Secretary of State for Wales (Simon Hart): I am pleased that the Welsh Government have followed the lead of the UK Government in offering business rate relief to support the hospitality sector. The UK Government have supported Welsh businesses through £2.4 billion of coronavirus-related loans, £3.5 billion to the self-employment income support scheme and other measures.

Owen Thompson: The Federation of Small Businesses has warned that only a quarter of its members are ready for the new Brexit import controls, and that many will simply abandon trading with the EU if they are unable to receive support. What plans do this Government have to support businesses in Wales and the other countries of the United Kingdom in bearing the costs of their failed Brexit policies?

Simon Hart: The hon. Gentleman's comments are not reflected by the businesses that I speak to in Wales. They are looking forward in an optimistic and positive way as we climb our way out of covid. They accept the decision in Wales where, unlike his, nearly 55% of our nation voted in favour of leaving the European Union, so they are simply reflecting the views of the majority. They are confident that there is a healthy future to be had, and what is more, there are more people in work now than there were before the pandemic.

Kirsten Oswald: With the Prime Minister promising to take advantage of the freedoms of Brexit, further divergence from EU standards and rules appears to be likely. That will amplify trade disruption and increase costs for businesses, so can the Minister explain exactly how trade disruptions and barriers will be advantageous to businesses and whether the UK Government will provide any support to ameliorate the cost of these benefits?

Simon Hart: The UK Government have been doing everything they can, including providing substantial investments in Wales under my jurisdiction, to address a number of the challenges that have been presented. As I said before, there is no appetite whatsoever in Welsh businesses and communities to keep trying to go back four or five years and pretend that the referendum result did not happen. It did happen, it happened in Wales and it got a resounding majority. Those businesses are reflecting that position.

Michael Fabricant (Lichfield) (Con): Having spent Boxing day and new year's in Wales, the home of my beloved mother, I met a number of business people in the evening who said that Mark Drakeford's plans for covid restrictions were nothing but political posturing and that they were damaging their economy. Have they got it wrong?

Simon Hart: My hon. Friend makes a good point. There has been a huge effort on the part of the UK Government and the Welsh Government to maintain public confidence through what has been an incredibly trying period, and a number of people in Wales were happy to give the First Minister the benefit of the doubt. However, the recent raft of announcements, including the confusing examples that I gave the House a moment ago, have got even the most loyal people doubting whether he is still making the right decisions.

Strengthening the Union

5. Dame Andrea Leadsom (South Northamptonshire) (Con): What steps his Department is taking to strengthen the Union. [904899]

The Secretary of State for Wales (Simon Hart): Wales is a strong believer in the Union, with three in four voters opting for Unionist parties in the 2021 Senedd elections. The overwhelming majority of people in Wales are passionate about their national identity and proud supporters of the Union. The two things are not exclusive.

Dame Andrea Leadsom: I am sure you would agree, Mr Speaker, that parkruns are fantastic for people's physical and emotional health. I am sure you enjoyed many of them yourself over the Christmas recess. Does my right hon. Friend agree that the Welsh Government's

decision to prevent people from taking part in parkruns—not just Welsh citizens but those from the English side taking part in Welsh parkruns—has meant that those people have been significantly detrimentally affected by such a bonkers decision?

Simon Hart: I know that it might not look like it, but I am a veteran of 175 parkruns myself, and I absolutely endorse my right hon. Friend's position. It seems mystifying and bizarre, when we talk about covid regulations needing to be clear and concise in order to command public confidence, that people in Wales can go to the pub but be fined if they go to their office, that they can watch rugby in a crowded club room but not from the touchline, and that they can have a gym session in their own property but not go and do a parkrun, which is known to have enormous health and mental health benefits.

Baglan Energy Park: Power Supply

6. Stephen Kinnock (Aberavon) (Lab): If he will take steps with the Secretary of State for Business, Energy and Industrial Strategy to help ensure ongoing power supply for Baglan energy park until a permanent connection to the grid is secured. [904900]

The Secretary of State for Wales (Simon Hart): Contingency planning for Baglan and support for businesses once the official receiver has carried out its duties is the responsibility of the Welsh Government. Along with the Business Secretary, I will continue to work closely with the Welsh Government to support this work.

Stephen Kinnock: In just nine days' time the supply of power to Baglan energy park will be cut off by the official receiver. Not only will this leave businesses in the area in a completely untenable position but the power supply also feeds the energy park's waste water pumps, which could have a massive and catastrophic effect on businesses and homes in the area. The UK Government are in a position to work with the official receiver to keep the power supply on. Will the Secretary of State engage with the official receiver and with his colleague, the Business Secretary, to avert potential catastrophe for my constituents and businesses on the Baglan energy park?

Simon Hart: The hon. Gentleman makes a very good point. He and I have been following this saga closely, and the exact position is that the UK Government provided funding indemnity to the official receiver on 24 March 2021 to enable it to carry out its duties as liquidator of the Baglan group. The official receiver has temporarily maintained power to Baglan energy park while developing its plan to disclaim the site.

Transport Connections

7. Mark Fletcher (Bolsover) (Con): What discussions he has had with Cabinet colleagues on improving transport connections between Wales and the rest of the UK. [904901]

The Secretary of State for Wales (Simon Hart): Effective and resilient cross-border transport links are vital for levelling up every part of Wales and the rest of the UK, which is why we commissioned Sir Peter Hendy to lead the Union connectivity review. Notably his review recognised the importance of the north and south Wales transport corridors.

Mark Fletcher: The Secretary of State will know that certain roads, such as the M4 and the A55 in north Wales, connect our great Union and are therefore the property of the whole Union. Does he agree that these roads should be treated as pan-UK roads and should be overseen in a similar way to how the European Union oversees the trans-European transport network?

Simon Hart: My hon. Friend makes a very good point. He will have heard me refer to the M4 on many occasions as a vital asset that joins the European mainland to the Republic of Ireland. It is not just a Welsh road; it is of economic significance to the UK and more widely, and it plays a strategic role. That, combined with the slightly mysterious position that the Welsh Government have adopted on a moratorium on road building, leads me to the conclusion that he has reached, which is that there are better ways of maintaining and improving the UK-wide network, including roads that are exclusively in Wales.

Omicron Covid-19 Variant

10. **Stephen Crabb** (Preseli Pembrokeshire) (Con): What recent discussions he has had with the Welsh Government on the impact on Wales of the omicron covid-19 variant. [904904]

The Secretary of State for Wales (Simon Hart): The UK Government have worked closely with the Welsh Government throughout the pandemic. We continue to do so in tackling the omicron variant, and Ministers in both Governments are in regular discussions.

Stephen Crabb: With Labour Welsh Government Ministers now introducing fines to try to stop people going to their workplaces, with the crazy decision to prohibit parkruns at this time and with the Welsh hospitality sector effectively under lockdown through new year, does my right hon. Friend share my deep concern that, yet again, Wales faces the most burdensome and most intrusive restrictions in any part of the United Kingdom? Does he agree that these measures are driven more by fear and pessimism than by good science?

Simon Hart: My right hon. Friend and constituency neighbour makes a good point. I might have found myself disagreeing with him if it could be demonstrated that the results of covid controls in Wales are in some way better than the results in the rest of the UK, but they are not. It is absurd that the popular parkrun in his own town of Haverfordwest cannot take place and that people cannot watch rugby from the touchline, but they can cram into a club where they ought not to be. That is nonsense. It is throttling the recovery and it is throttling economic activity.

Transport Connectivity and Infrastructure

11. **Rob Roberts** (Delyn) (Ind): What recent discussions he has had with the Secretary of State for Transport on connectivity and infrastructure in (a) Wales and (b) between Wales and the rest of the UK. [904905]

The Secretary of State for Wales (Simon Hart): The Union connectivity review recommended a multimodal review of the north Wales transport corridor, including the A55 and the north Wales main line. We are considering this and the other recommendations in the review.

Rob Roberts: We received the Union connectivity review five months later than scheduled; will my right hon. Friend indicate when its recommendations will be implemented? Will he throw the weight of his office behind the proposals for the new station in Greenfield, which is vital to connectivity in the region?

Simon Hart: The hon. Member raises a good point. We do not have a precise date as yet, but there is some imminence to it. I ask him to bear in mind the fact that, thanks to interventions and recommendations by the Treasury, other funding models are also available. He should not overlook the work that he can do in future with his local authority in respect of things such as the levelling-up fund and the shared prosperity fund.

Mr Speaker: Before we come to Prime Minister's questions, I would like to point out that the British Sign Language interpretation of proceedings is available to watch on parliamentlive.tv. BSL interpretation will also be available for the Prime Minister's statement following PMQs.

PRIME MINISTER

The Prime Minister was asked—
Engagements

1. [904881] **Dr Jamie Wallis** (Bridgend) (Con): If he will list his official engagements for Wednesday 5 January.

The Prime Minister (Boris Johnson): May I start by wishing you, Mr Speaker, and all Members a happy new year?

Thanks to the heroic efforts of our vaccination programme and people coming forward up and down the country, we managed to ensure that families could still celebrate Christmas. With more than 34 million people now boosted, I want to take this opportunity to say that anybody who has not yet done so should come forward and get boosted now.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Dr Wallis: With Sadiq Khan's Transport for London in tatters and the Welsh Labour-nationalist coalition in Cardiff Bay an unfunded devolved disaster, does the Prime Minister agree that the great British public do not need to look back at the last UK Labour Government to see what the Opposition's answer to all our problems is? It is to bang at the doors of the Treasury and demand that the taxpayer bail them out of their own ineptitude and incompetence.

The Prime Minister: It is not just Labour's record in London or in Wales: every Labour Government in history since the second world war has left office with unemployment higher than when they came in. That is because only Conservatives can be trusted to deliver on the economy and on the people's priorities, which is why, thanks to the policies that we have pursued, this country now has the fastest economic growth in the G7.

Angela Rayner (Ashton-under-Lyne) (Lab): A happy new year to you, Mr Speaker, and to the rest of the House.

Over the Christmas break, the world lost a giant in the fight for equality and human rights: the great Desmond Tutu. I offer my condolences to his family and to the people of South Africa.

I thank all the key workers who have kept our essential services running over the festive period. In particular, I thank all the staff and volunteers working at vaccination sites and our amazing NHS staff, who are working incredibly hard in incredibly stretched circumstances. We will come to that after Prime Minister's questions, with the Prime Minister's statement. I also thank the formidable Sue Gray, who has been busier than Santa over the festive period.

In October, the Prime Minister said that fears about inflation were "unfounded", but working people across the country are starting the new year facing rising bills and ballooning prices, so how did he get it so wrong?

The Prime Minister: Of course, I said no such thing, because inflation is always something that we have to be careful about. We are making sure that we protect the people of this country throughout what is unquestionably going to be a difficult period, which is why we have lifted the living wage by record sums and why we make sure that people have cold weather payments, the warm home discount and all the other protections, including the £500 million fund we have put in to help local councils look after people through what will be a difficult period. The most important thing we can do to look after people during this very difficult time is to ensure that we take the balanced and proportionate approach that we are taking to ensure that we are able to keep our country and our society going, which is exactly what we are doing. That is why we have doubled down on the booster programme and why we are sticking with plan B. That is the right approach for the country.

Angela Rayner: Inflation is about to hit 6%. That is the highest rate since the early '90s, when the Conservatives had been in power for more than a decade—when they were mired in sleaze, with a divided party and a Prime Minister losing the support of his Back Benchers and governing shambolically, and a Labour party ready to take over and provide Britain with a better future. Familiar stuff, Mr Speaker? The Prime Minister promised that wage rises would offset inflation. They have not and they will not. Millions of British workers now face a further pay cut and the Chancellor is handing them a tax hike. What will the Prime Minister do to get a grip of this?

The Prime Minister: It is great to be here with the right hon. Lady, the shadow Secretary of State for the Future of Work—we know the future job that she has in mind. I wish her well. What we are focused on is delivering jobs for the British people. It is a quite extraordinary thing that there are now record numbers of people in work—420,000 more than there were before the pandemic began. We have youth unemployment at a record low. Never let it be forgotten that when omicron hit this country, what was the instinctive response of Labour Members? *[Interruption.]* That is right, Mr Speaker. They said that we needed a road map to lock down. If we had listened to them, we would not have anybody working at all.

Angela Rayner: I have heard on the grapevine that there might be a vacancy for Prime Minister soon, so perhaps I should have aspirations.

The Prime Minister pretends that it is not his fault. He blames the global forces. He blames the markets. We are an aspirational party. Perhaps the Prime Minister needs to be more aspirational for this country. The Prime Minister has made political choices that have led us to this place. His Government have failed to invest in long-term energy security. His Government decided to let gas storages collapse. His Government let the energy market run out of control: 27 energy companies have gone bust in the past year, and now household bills are going through the roof, or, as the Money Saving Expert Martin Lewis put it, there will be a "seismic" hit to energy bills. Cannot the Prime Minister see what is happening? Yet again, working families are picking up the tab for his incompetence.

The Prime Minister: The right hon. Lady talks about energy. I think the House would agree that she has a lot more energy than the current Leader of the Opposition. I welcome her point, because what the Government are doing is supporting people throughout the pandemic: 2.2 million people supported with the warm home discount, worth £140 per week, which we introduced; pensioners supported with the £300 winter fuel payments; and there are cold weather payments worth £25 a week for 4 million people up and down the country. That is what we are doing, and that is on top of everything that we are doing to support people on low incomes. We are cutting taxes for those on universal credit and increasing the living wage—£1,000 more for everybody on the living wage. These are record sums. Let me remind the House of the fundamental difference between that Labour party and this Government. Labour Members would have kept us in lockdown in July. When omicron hit, they were calling for further restrictions. *[Interruption.]* That is right, Mr Speaker. We have been able to keep this country moving, keep the economy growing, and keep the money going into people's pockets.

Angela Rayner: I will tell you what this Prime Minister is doing, Mr Speaker. He is increasing taxes for the hard-working people of this country. That is what he is doing. That is what he did not promise to do in his manifesto, but that is what he is doing to the people.

"The poorest households spend three times more of their income on household energy bills than the richest households spend",

and

"VAT on...energy bills...makes gas and electricity...more expensive."

Those are not my words, but the words of the Prime Minister himself. When energy bills are to be hiked again in April, any decent Government would find a way to help British families. Even Tory Back Benchers have finally accepted Labour's call for a cut in VAT on energy bills, so will the Prime Minister finally stand up to his Chancellor and do the same?

The Prime Minister: The right hon. Lady obviously did not listen to my previous answer. Let me remind her that the warm home discount already supports 2.2 million people to the tune of £140 a week. Pensioners are supported with £300 through the winter fuel payment, and there are cold weather payments for 4 million people. The Opposition now have the effrontery, having

campaigned to remain in the European Union—and she did too, did she not? [HON. MEMBERS: “Yes!”] Oh yes, she campaigned to remain in the EU. [Interruption.] Oh yes she did—and they now have the barefaced cheek to come to this House of Commons and say that they want to cut VAT on fuel—[Interruption.]—and so did the shadow Foreign Secretary—when everyone knows full well that that would be absolutely impossible if we were to do what Labour would do, go back into the EU and remain aligned with the EU single market. That is the objective of the Labour party. It cannot be trusted on Brexit, and it cannot be trusted on the economy.

Angela Rayner: Prime Minister, how’s it going? Are you okay?

The Prime Minister and his Chancellor have presided over economic mismanagement, low growth, and neglect of our public services, and what is their solution to fix that? Whacking more taxes on to working people. When the tax rises are combined with soaring energy prices, the average family faces a £1,200 hit. This is an iceberg, right ahead of us, so will the Prime Minister finally stop and change course—[Interruption.]

Mr Speaker: Order. We did not start the new year in the way we left the last one. I was given an assurance that we would try to calm down, so if we could, it would be helpful.

Angela Rayner: Given that hit of £1,200, will the Prime Minister finally stop and change course, or will he plough on towards what will be a disaster for thousands of families?

The Prime Minister: As a direct result of what we have already done on universal credit, a single mother with two kids is £1,200 better off. As a result of what we have done with the living wage—introduced by this Conservative Government, never let it be forgotten—everyone on that living wage has seen another £1,000 of income every year. But that is not the point. We will continue to look after people throughout the pandemic, but the fundamental point is that because of the steps that the Government have taken—because of the tough decisions we have taken, and because of our balanced and proportionate approach to covid—we have been able to keep this country open and keep our economy moving. We have kept our economy more open than any comparable economy in Europe, and the Opposition know it, although they opposed it on every step of the way. That is why people are seeing increases in employment, and increases in their pay packets as well.

Angela Rayner: The Prime Minister always gives with one hand and takes away more with the other. Under this Prime Minister, the country is worse off. Prices of everyday goods are soaring out of control. Hard-earned savings will be hit, and the wages of working people will not go as far. Inflation is not an economic theory; it has serious consequences for people’s lives. We need serious solutions to stop people falling into poverty or debt, but instead we have this Prime Minister and his incompetent leadership.

Every time we are faced with a challenge, he denies that there is a problem. He tries to laugh it off. He looks for someone else to blame. May I suggest to the Prime Minister that this is not about brushing his hair, but

about brushing up his act? Does he accept that his incompetence is taking our country backwards and costing our country dear?

The Prime Minister: No—what I would tell the House and the country is that Labour incompetence has ruined this country time and time again. There has never been a Labour Government that have left office with unemployment lower than when they came in. And what is the right hon. Lady’s answer to the energy crisis? It is to nationalise our energy.

It was in fact Labour’s failure to invest in supply over a decade or more that reduced our ability to have cheaper, cleaner energy. We are rectifying that. We are taking the tough decisions that this country needs for the long term. It is because we have taken those tough decisions—because we have taken the balanced and proportionate approach we have that they opposed every step of the way—that we have youth unemployment at a record low. We have 420,000 more people in jobs now than there were before the pandemic began, and we have not only the most open society and economy in Europe but the fast economic growth in the G7. That is completely contrary to what the right hon. Lady has just said, and it is because of our stable, balanced and proportionate approach. Never let it be forgotten that when omicron presented itself, what did they vote for? They reached for the lever of more restrictions. They said lockdown; we said boosters. They carp from the sidelines; we get on with the job.

Hon. Members: More!

Mr Speaker: You want more? You won’t get more at this rate, will you? Mr Penrose has been waiting patiently. Why do you not want to hear him? I do.

2. [904883] **John Penrose** (Weston-super-Mare) (Con): The biggest factor driving up our fuel bills and cost of living is the sky-rocketing international price of gas, which is currently dancing to a tune set in Moscow. Does the Prime Minister agree that Labour’s short-term proposals to shift the burden from bill payers to taxpayers will not address the fundamental underlying problem at all, and that the crisis demands structural reforms to the energy price cap, rather than just resetting it to later this year, as well as energy self-sufficiency to uncouple us from Russian gas?

The Prime Minister: Yes. I thank my hon. Friend, who is completely right. That is why this Government are taking the tough decision to invest in the long-term future of our energy supply, investing in massively increasing our supply of renewables but nuclear as well. That is the right way forward for this country. It was Labour, of course, who completely failed to take those decisions, with the result that nuclear, in particular, fell away dramatically. It is absolutely farcical that Labour’s answer today to the energy price rises that my hon. Friend correctly diagnoses is to nationalise our energy—[Interruption.] Yes it is. Is it? Well, maybe they have changed their minds now, but it was. Maybe they have had second thoughts. But their answer was to nationalise our energy sector and to send bills even higher, and that is not the way forward.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I wish you, Mr Speaker, colleagues and all staff a guid new year.

Over the last few weeks, serious warnings have grown over the Tory cost of living crisis, which will hit the majority of families over the coming months. New research from the Resolution Foundation has found that, on average, families will be £1,200 worse off from April as a result of Tory cuts, tax hikes and soaring energy bills. For members of the Tory Government, £1,200 might not seem very much. For the Foreign Secretary it is just another taxpayer-funded lunch in Mayfair. For the Prime Minister it is just a roll of fancy wallpaper for his taxpayer-funded flat. But for the vast majority of families, losing £1,200 a year will be catastrophic. For some it will mean that they cannot afford to pay their rent and bills, to heat their homes or to put food on the table. So will the Prime Minister apologise for leaving millions of families worse off, and will he commit to an emergency financial package to reverse his Tory cost of living crisis?

The Prime Minister: I find that criticism hard to take from the humble crofter, if I may say so—with whom, I stress, I normally have very good relations off the pitch. What we are doing is helping families up and down the country with the taper rate, ensuring that a single mother with two kids gets £1,200 more on universal credit, £1,000 more as a result of the increase to the living wage. The crucial thing I am trying to get over this afternoon is that we, unlike virtually any other European economy, have been able to keep going and keep people in work. We now have more people in work than there were before the pandemic began. That is because of the balanced and proportionate approach we have taken, and the right hon. Gentleman's support would be welcome and deserved.

Ian Blackford: My goodness, Mr Speaker—we are talking about a Tory cost of living crisis. So much for a new year, a new start: it is the same nonsense from this failing Prime Minister. We have had the year of Tory sleaze, but now we have the year of Tory squeeze for family budgets. Economists have warned that UK living standards will worsen in 2022, with the poorest households hit hardest by Tory cuts, tax hikes and soaring inflation driven by his Government's policy. Under this Prime Minister, the UK already has the worst levels of poverty and inequality in north-west Europe. Now the Tories are making millions of families poorer. In Scotland, the SNP Government are mitigating this Tory poverty crisis by doubling the Scottish child payment to £20 per week. I ask the Prime Minister this: will he match the Scottish Government and introduce a £20 child payment across the UK, or will the Tories push hundreds of thousands of children into poverty as a direct result of his policies?

The Prime Minister: The right hon. Gentleman is talking, I am afraid, total nonsense. This Government are absolutely determined, as I have said throughout this pandemic, to look after particularly the poorest and the neediest. That is what the Chancellor did: all his packages were extremely progressive in their effect. When I came in to office, we ensured that we uprated the local housing allowance, because I understand the importance of that allowance for families on low incomes. We are supporting vulnerable renters. That is why we are putting money into local authorities to help families up and down the country who are facing tough times. The right hon. Gentleman's fundamental point is wrong. He is just wrong about what is happening in this country.

If we look at the statistics, we see that economic inequality is down in this country. Income inequality is down and poverty is down, and I will tell you why—because we get people in to work. We get people in to jobs. That is our answer.

3. [904884] **Sir Robert Neill** (Bromley and Chislehurst) (Con): The London Borough of Bromley has achieved the fastest and most significant improvement in children's services of any local authority in England. Much of the credit is due to its exceptional chief executive, Mr Ade Adetosoye. Will my right hon. Friend join me in congratulating Mr Adetosoye on his appointment as a Commander of the British Empire in the new year honours list, and congratulate the Conservative majority on the council on delivering the only debt-free council in London?

The Prime Minister: I cannot believe that Hillingdon is not included in that list, but it is no surprise to me that Bromley runs such a tight ship; I have been familiar with Bromley over many years and my hon. Friend and I have campaigned there together. I commend particularly Ade Adetosoye CBE on his achievement.

Mr Speaker: I call Ed Balls—I mean Ed Davey.

Ed Davey (Kingston and Surbiton) (LD): Happy new year, Mr Speaker! I am sure the Prime Minister will want to join me and my Liberal Democrat colleagues in welcoming my hon. Friend the new Member for North Shropshire (Helen Morgan).

People's already high heating bills are about to jump by more than 50%, with average energy bills rising by nearly £700 a year. Gas price rises will push millions more families into fuel poverty, when we know many are already afraid even to open their heating bills. Does the Prime Minister accept that he could be doing much more than he is to prevent millions of people from going hungry and cold this year while he remains—for now at least—in the warmth and comfort of No. 10?

The Prime Minister: Of course I welcome the hon. Member for North Shropshire (Helen Morgan) to her place; but as for the rest of what the right hon. Gentleman had to say, I think balls was the word—you were right first time, Mr Speaker. Your word, Mr Speaker, not mine. I simply advise the House to go back over what I have just said about all the protections that we are putting in place—the winter fuel payments, the warm home allowance, what we are doing to support pensioners, the £650 million we are putting in to support local councils. He talks about long-term energy solutions; is this the same Ed Balls/Davey who was an Energy Minister?

4. [904886] **Jeremy Hunt** (South West Surrey) (Con): Hospitalisations in London have peaked, so the Prime Minister was absolutely right to hold his nerve on new restrictions in the last few weeks, but does he agree that the NHS faces not just omicron staffing absences, but permanent and dangerous staffing shortfalls in nearly every specialty? Will he end the cycle whereby those shortfalls continually threaten not just patient care, but sometimes even our freedoms, by overhauling workforce planning by backing Baroness Cumberlege's amendment to the Health and Care Bill in the House of Lords, having a word with his neighbour in Downing Street and making 2022 the year we finally solve this problem?

The Prime Minister: I think my right hon. Friend's amendment may have re-emerged in another place, and I thank him. He knows a great deal about the issue and I understand what he is trying to do. We are taking, for the time being, a different approach, and that is having record numbers of people working in our NHS—more than ever before, with 5,000 more doctors this year than last year, and 10,000 more nurses. That is thanks to the investment that this House voted through, and that that Opposition, unbelievably, opposed.

6. [904889] **Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn, Lefarydd. My mother, Dr Nancy Saville, was diagnosed with dementia just before Christmas. She had a stroke a year ago. I was called to sit with her in hospital on Monday because of a covid staff shortage but I fear that, like many of our constituents in similar circumstances, we are likely to be separated indefinitely when she is moved into an EMI, or elderly mentally infirm, nursing home. John's Campaign has successfully campaigned in every UK nation that people disabled by dementia have a special need for person-centred care—under the Equality Act 2010—but in reality there remain many care homes and hospitals where even the most minimal visits can be denied, leading to isolation and separation, which cause irreversible damage to wellbeing. Does he agree that the human rights of disabled people, sick people and the elderly are not fair-weather luxuries, and that everyone with dementia, wherever they live, has the right to family life?

The Prime Minister: May I extend my deepest sympathies to the right hon. Lady? I am sure the whole House, and everybody who has listened, will have shared her feelings and will simply wish to extend their condolences in view of her mother's condition. I know how her feelings must be exacerbated by the difficulties that so many people up and down the country are facing because of the restrictions that we are having to put on care homes, and I sympathise deeply. We do have to try to strike a balance and to keep home care residents safe and to do what we can to prevent the epidemic from taking hold in care homes. We continue to allow three nominated visitors to care homes, and there should be no limit to the duration of those visits. I understand the particular distress and anxiety that the right hon. Lady's circumstances are causing. May I suggest that she has a meeting, as soon as it can be arranged, with my right hon. Friend the Secretary of State for Health and Social Care?

5. [904887] **Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): Many of my constituents have contacted me with their concerns about rising utility bills and the high cost of fuel for their cars. People in rural constituencies such as Sleaford and North Hykeham are particularly affected by this, because rural areas are colder in the winter, many homes are not on the gas grid, rural people are much more reliant on their cars, and public services are very much further from home. I therefore ask my right hon. Friend what more he can do, particularly in rural communities, to ensure that my constituents have a reliable and affordable source of energy and fuel.

The Prime Minister: My hon. Friend has drawn attention to a very important consideration as we try to abate the increases in the costs of gas and of energy. For people in rural constituencies such as her own, it will be important

that we have frozen fuel duty for the 12th year in a row, that the energy price cap itself remains in place, and that we are doing everything we can to help people with the energy efficiency of their homes. We are also taking all the other measures that I have explained to the House, but the most important thing that we can do to help people in her constituency and across the country is to have sustainable, clean, cheaper forms of energy, and that is what this Government are investing in now. We are taking the tough decisions necessary.

8. [904892] **Andy McDonald** (Middlesbrough) (Lab): Statutory sick pay is worth £3 a week less in real terms compared with the start of the pandemic, and millions of workers are being forced to choose between isolating and putting food on their table. In Germany, 100% of workers' salaries is covered by sick pay, whereas in the UK, the figure is a pitiful 19%. If the Prime Minister thought earning £250,000 from his second job was "chicken feed", how on earth does he expect working people to survive on £96 a week when they get sick? If he agrees that many lives and livelihoods could be saved by increasing sick pay, will he commit here and now to raising it to the level of the real living wage?

The Prime Minister: Of course, as the hon. Gentleman knows, one of the first things we did when covid struck was make sure that statutory sick pay was payable from day one, so it is up to 75% more generous if a person needs to self-isolate. The current statutory sick pay is, of course, a minimum—more than half of employees get contractual sick pay from their employer—but the most important thing we can do is ensure that we continue to keep people in work and in higher-wage, higher-skilled jobs, and that is what we are doing.

7. [904890] **Mr Richard Holden** (North West Durham) (Con): Later today, I will present a Bill to extend auto-enrolment in pensions to everyone aged over 18, including part-time workers. That would see trillions of pounds in long-term savings levelling up the retirements of workers, especially women, in the towns and villages of North West Durham and across the country. As the Prime Minister seeks to build back better from the global pandemic, will he throw his weight behind these important changes that would benefit workers across our United Kingdom?

The Prime Minister: Over 10 million people have been automatically enrolled into workplace pensions already: that has put another £28.4 billion into pensions, so it is a great success. I am sure that my right hon. Friend the Secretary of State for Work and Pensions will be listening closely to what my hon. Friend the Member for North West Durham (Mr Holden) has said.

9. [904893] **Neil Coyle** (Bermondsey and Old Southwark) (Lab): We know the Prime Minister is happiest at Peppa Pig World, but in the real world, people in Southwark face rising energy bills, rising shopping costs, and a new Tory tax. Leaseholders also face huge costs for fire safety works post Grenfell required by his Government, so will the Prime Minister try to keep just one promise in 2022 and protect all leaseholders from those costs, and will he back the cross-party campaign to make those works exempt from VAT in order to add £1 billion to the building safety fund?

The Prime Minister: Actually, in my experience, what most Londoners want is protection from high-taxing Labour councils, but what they will also get is that we will deliver on our pledge to protect residents from serious fire safety risks, and also to manage the injustice that leaseholders face. The House can look forward to being updated shortly.

10. [904894] **Simon Fell** (Barrow and Furness) (Con): The very best of British science has been on display over the past 18 months, being responsible for the design and manufacture of many of the vaccines that have kept us safe during this pandemic. The focus of the Department for Business, Energy and Industrial Strategy on making the UK the best place to practise life sciences and to innovate is therefore welcome, as is its cluster strategy. With that in mind, will my right hon. Friend back Ulverston as the pioneer place for the cluster strategy to be rolled out, enabling high-wage and high-growth jobs to be based in my constituency?

The Prime Minister: Yes, because we are going to get on with our job of levelling up across the whole of the UK, making sure that every part of this United Kingdom shares in our ambition to be a science superpower, which is what we are and what we will be. Ulverston has a rich history in the life sciences, and we are in regular consultation—not just officials in BEIS—with my hon. Friend and with officials in the sector to see what more we can do to further investment in the area.

Navendu Mishra (Stockport) (Lab): A number of people in my constituency have contacted me about the lack of NHS dentists and the prohibitive cost of private dental treatment. Just a few weeks ago one constituent contacted me and said:

“I work full-time as a mental health support worker, I am on minimum wage and can barely afford the reduced NHS dental costs. In the past three months I have had to go to the emergency dentist three times for the same tooth, with the infection initially getting so bad I collapsed at work. The problem is not being dealt with because you need a second appointment which isn’t classed as an emergency and thus needs your ‘regular’ dentist.”

Does the Prime Minister agree that such stories amount to nothing less than a national scandal? What steps will he take to reduce the backlog of NHS dental appointments, and will he commit to increasing the number of NHS dentists across England?

The Prime Minister: I thank the hon. Gentleman, but that goes to show why it is so important to keep this country going and to keep people going to the dentist. One of the troubles we have had during lockdown is that people have not been going—there are 10 million unfilled fillings, I am told. That is why we are putting record investment into dentistry and into the NHS—£36 billion. [Interruption.] For all their caterwauling, the Opposition opposed that investment.

Andrew Selous (South West Bedfordshire) (Con): Can we remedy the current flawed budgetary process whereby it is possible to build 14,000 new homes in my constituency without any commensurate increase in general practice capacity? As we house the next generation, we must make sure that the infrastructure goes in at the same time.

The Prime Minister: Yes. I thank my hon. Friend, and he is completely right: we cannot build new homes without putting in the infrastructure to go with it. That is why we have a colossal programme of infrastructure investment—the biggest for a century. That is why we are not only investing in more GPs but investing another £250 million into more GP practices—[Interruption.] The Opposition are cachinnating away as usual. They voted against that spending.

Sammy Wilson (East Antrim) (DUP): Millions across the United Kingdom are facing great difficulty with their energy bills. Some 30% of those bills is actually driven by the Government, in the form of VAT and various green levies. Now that we have left the EU, can we use our Brexit freedom to at least review the VAT on those bills? Given that some of the green levies are spent on madcap ideas, such as subsidising Drax B power station to the tune of £1 billion a year and bringing in wood chips from America when there is fuel down the road, can we have a review of the green levies as well so that people are not faced with the burden of unsustainable fuel bills?

The Prime Minister: I thank the right hon. Gentleman. I can tell him that we are addressing the issue of fuel. We should not forget that the cap is still in place, and all the mitigations that I have talked about are there, but we are determined to do what we can to help people through this pandemic. What we must do above all is make sure this country has a better supply of cheap and affordable energy, which the Opposition hopelessly refused to institute during their 13 wasted years in government.

Saqib Bhatti (Meriden) (Con): Last week my constituent Edna Constable turned 100 years old. She lived through the second world war, and now she is living through a pandemic. Will my right hon. Friend join me in wishing her a belated happy birthday, and will he pay tribute not just to the care workers taking care of her in Fountains care home but to care workers across my constituency and across the rest of the country, who go over and above to protect the most vulnerable in our society?

The Prime Minister: I thank my hon. Friend very much. I want to thank all the staff at Fountains care home for everything they have been doing to look after people throughout the pandemic. In particular, I want to join my hon. Friend in wishing the centenarian Edna a very happy 100th birthday.

Charlotte Nichols (Warrington North) (Lab): Groundbreaking research published yesterday in the *Journal of Psychopharmacology*, from King’s College London in partnership with Compass Pathways, has now established that psilocybin can be safely administered and may have significant therapeutic benefit in treatment-resistant depression and post-traumatic stress disorder. As someone who knows first-hand how debilitating PTSD is, as well as hearing from many constituents who have developed the condition as a result of sexual assault or their experience serving in our armed forces, I ask the Prime Minister to commit today to a review of the regulatory regime that would allow further and more rapid research in this vital area of mental health support, for which current treatment options are sorely lacking.

The Prime Minister: I thank the hon. Lady for her question, and I appreciate the personal experience that makes her interested in psilocybin. I am aware of interest in the area and it has been talked about several times. I propose that she has a meeting, as soon as it can be arranged, with the relevant Minister in the Department of Health and Social Care.

Sir Edward Leigh (Gainsborough) (Con): Apparently the Government are thinking of relaxing visa controls for India in order to get a free trade deal. While a free trade deal is valuable in itself, we should not be held to ransom. Does the Prime Minister agree that our new working-class voters who voted for Brexit did not vote to replace immigration from Europe with more immigration from the rest of the world, any more than that when they were told that we would take back control, we would lose control of the channel? Will he convince us that he is determined to connect to our supporters and control immigration?

The Prime Minister: Yes. I do not recognise the account that my right hon. Friend has given: we do not do free trade deals on that basis. Indeed, I can tell him that since we took back control, net immigration has gone down—[*Interruption.*] That is all the Opposition want—their answer is, everywhere and always, uncontrolled immigration. That is their approach to the economy, and it is not the right way forward. That is why our Nationality and Borders Bill, currently in the House of Lords, is so important—it will enable us to take back control of our borders properly and to tackle illegal immigration. What would be good would be to hear some support from the Labour Benches.

Kevin Brennan (Cardiff West) (Lab): Five years ago, when the Prime Minister was Foreign Secretary, my constituent Luke Symons was taken captive by the Houthis in Yemen. Fortunately, the Prime Minister has

a former Foreign Secretary sat next to him and another behind him, both of whom served in the last five years. Luke Symons is still in captivity in Sanaa, even though other nations—including the Americans—have managed to get their citizens released. Will the Prime Minister pledge that his Government will do everything they can to get Luke released from captivity in Yemen and arrange for the Foreign Secretary to meet my constituent, Mr Robert Cummings, who is Luke's grandfather, to discuss how to go about doing that?

The Prime Minister: I thank the hon. Gentleman for raising this case again. I remember it, and it is very sad. I know that our staff in the Foreign, Commonwealth and Development Office work hard to try to release people from the positions they find themselves in around the world. Luke Symons is no exception, but I will certainly make sure that the hon. Gentleman has a meeting with the relevant Minister to report on the progress we are making.

Angela Rayner: On a point of order, Mr Speaker. Nobody wants to mislead the House, and I am sure that the Prime Minister would not wish to do so. I quoted the Prime Minister saying that fears about inflation were “unfounded”, and he said that he did not say that. However, the Sky journalist Beth Rigby has now put the clip on social media. I wonder whether the Prime Minister would like to correct the record.

Mr Speaker: If the Prime Minister wants to come back, he can do. If he does not, what I would say is that it is not a point of order.

The Prime Minister *rose*—

Mr Speaker: Sorry, Prime Minister. I am not going to extend the debate. It is a point of clarification, and that has been achieved.

Covid-19 Update

3.44 pm

The Prime Minister (Boris Johnson): With permission, Mr Speaker, I will make a statement on the omicron variant and our measures to contain this virus, fortify our NHS and keep our country open.

First, I am sure that the whole House will join me in paying tribute to everyone working in our NHS and social care for their extraordinary efforts in the teeth of yet another wave of this pandemic, and for all that they have done, together with thousands of volunteers, to get Britain boosted. Since we began the Get Boosted Now campaign just over three weeks ago, we have delivered 10 million extra boosters across the UK; we have doubled the rate of vaccination from 450,000 doses a day to a peak of more than 900,000; we have matched the NHS's previous record day, then beaten it again and again; and we have met our target of offering a booster to every eligible adult in England a whole month early.

As a result, we have a higher level of booster protection than all our European neighbours, with more than 34 million boosters having been administered across the UK, reaching in England more than 90% of the over-70s and 86% of the over-50s. Together with the evidence that omicron causes less severe disease than previous variants, and the way in which the public have conscientiously changed their behaviour in response to plan B, that level of protection means that we are in a very different position than we were during previous waves.

I know that some hon. Members may therefore ask whether that means we can now do away with measures altogether, but I am sorry to report that hospital admissions are rising rapidly—doubling around every nine days—and there are more than 15,000 covid patients in hospital in England alone. We are experiencing the fastest growth in covid cases that we have ever known; over 218,000 cases were reported yesterday, although that included some delayed reporting. Potentially of greatest concern, case rates are now rapidly rising among the older and more vulnerable—doubling every week among those over 60, with the obvious risk that that will continue to increase the pressures on our NHS.

In response to the latest data, the Cabinet agreed this morning that we should stick with plan B for another three weeks, with a further review before the regulations expire on 26 January. People in England should carry on working from home whenever they can, wear face coverings on public transport and in most indoor public places, and take a test before going to high-risk venues or meeting the elderly or vulnerable. All of these measures are helping to take the edge off the omicron wave, to slow the spread of infection, to manage the immediate pressures on our NHS and to buy time for the boosters to take effect. Those in Scotland, Wales and Northern Ireland should, of course, continue to follow the rules where they live.

Faced with those pressures on our NHS, I know that some Members may ask the opposite question: whether we should go even further and move towards a full lockdown. But lockdowns are not cost-free; they impose a devastating toll on our physical and mental wellbeing, on our businesses, jobs and livelihoods and, worst of all, on the life chances of our children, so the Government do not believe that we need to shut down our country again.

Instead, we are taking a balanced approach, using the protection of the boosters and the plan B measures to reduce the spread of the virus, while acting to strengthen our NHS, protect critical national services and keep our supply chains open. We are building on-site Nightingale hospitals and creating 2,500 virtual beds to increase NHS capacity. We have bought more antivirals per person than anywhere else in Europe, and we are working to identify those trusts that are most likely to need military support, so that that can be prepared now.

From 10 January, we will provide 100,000 critical workers in England with free lateral flow tests for every working day to help to keep essential services running. That includes those who work on critical national infrastructure, national security, transport, and food distribution and processing. Those tests are separate—and in addition—from those already allocated to our public services, such as in education, where we have delivered 31 million testing kits to schools and colleges for the start of the new term.

We have the biggest testing programme in Europe, registering almost twice as many tests as France, and four times as many as Germany. Last month alone, we distributed 300 million lateral flow devices, enabling millions of people to get tested and keep their loved ones, friends and colleagues safe in the run-up to Christmas. Thanks to the sheer size of the omicron wave, we still need to take steps to ensure that our testing capacity reaches those who need it most, so we will be suspending the need to do a PCR test to confirm the result of a positive lateral flow test. From next Tuesday in England, if someone tests positive on a lateral flow device, they should just record that result on gov.uk and begin self-isolating.

Our balanced approach also means that where specific measures are no longer serving their purpose, they will be dropped. When the omicron variant was first identified, we rightly introduced travel restrictions to slow its arrival in our country, but now omicron is so prevalent, these measures are having a limited impact on the growth in cases while continuing to pose significant costs for our travel industry. I can announce that in England, from 4 am on Friday, we will be scrapping the pre-departure test, which discourages many from travelling for fear of being trapped overseas and incurring significant extra expense. We will also be lifting the requirement to self-isolate on arrival until receipt of a negative PCR, returning instead to the system we had in October last year, where those arriving in England will need to take a lateral flow test no later than the end of day 2 and, if positive, a further PCR test to help us to identify any new variants at the border.

All these measures are balanced and proportionate ways of ensuring we can live with covid without letting our guard down, and we can only do this thanks to the biggest and fastest booster campaign in Europe. Yet there are still almost 9 million people eligible who have not had their booster. As many as 90% of those in intensive care with covid have not had their booster and over 60% of those in intensive care with covid have not had any vaccination at all.

There are 2 million slots available in the next week alone, so I urge hon. Members on both sides of the House to do everything possible to encourage their constituents to get boosted now. This is the very best

way to save lives, reduce pressure on our NHS and keep our country open. I commend this statement to the House.

3.51 pm

Angela Rayner (Ashton-under-Lyne) (Lab): I thank the Prime Minister for advance sight of his statement. I wholeheartedly back him in asking people to come forward to get their jabs and booster jabs. It is of course right that plan B measures must stay in place during this wave of the pandemic. It was the Labour party that made sure that the Government had the votes to pass those measures in the House. If not for Labour's actions, the NHS would be facing even greater pressure, and the likelihood is that we would have needed much harsher restrictions. My message to the Prime Minister is that, despite the people sitting behind him, and those eyeing up his job alongside him, Labour will always act in the national interest and put public health before party politics.

The Prime Minister said that we have to ride out the omicron wave, but the NHS is not surfing; it is struggling to stay afloat. We have seen several hospital trusts declare critical incidents, which means that they cannot provide services for cancer and heart disease patients. In my home of Greater Manchester, non-urgent surgery is being halted. I thank those trusts that have come forward and been up front about the reality that they are facing, and I thank our NHS staff who are going above and beyond, once again, to get us through this period.

Is it not time for the Prime Minister to be straight with people and give a frank assessment of the state of our NHS? He mentioned the use of the Army, but how many trusts have declared a critical incident and what does he plan to do about that? People in the north-east are being told to call a cab or phone a friend if they are suffering a suspected heart attack or stroke. That is shocking.

Even before omicron hit, however, thousands of suspected heart attack or stroke victims in England were forced to wait more than an hour and 40 minutes for their ambulance. Is it not true that our health service went into this wave of infections with the largest waiting lists on record, the longest waiting times on record and major staff shortages? After a decade of Tory mismanagement, the NHS was not prepared for covid and did not have the spare capacity to cope with omicron. It is not just that the Conservatives did not fix the roof when the sun was shining; they dismantled the roof and removed the floorboards.

Getting testing right remains the best way to avoid further restrictions. It is welcome that the Government are requiring daily testing to protect critical national infrastructure, but that will not begin until next week. Our essential services are buckling under the pressure now. Doctors, nurses, carers, teachers and pupils cannot get the tests they need now to do two tests a week. Emergency workers are reportedly stuck in isolation because they cannot get their hands on a test. So why did the Health Secretary claim on 13 December that there is "no shortage" of actual tests? Why was the Government's delivery service allowed to go on holiday over Christmas with no contingency plan in place? The Government have been asleep at the wheel, and the result is total shambles. I am sure the Prime Minister will join me in thanking the Welsh Labour Government

for sharing 4 million tests with England. Thank goodness that they had the foresight to plan ahead and secure enough tests for this period.

In April 2020, the Government published a strategy to scale up the covid-19 testing programme. They promised to work with the UK's world-leading diagnostics companies to build a British diagnostics industry at scale, yet two years on, this has never materialised. How much taxpayers' money was spent on this programme and why, Prime Minister, two years into the pandemic, are we still reliant on tests from China, instead of building the capacity to make the tests here in Britain?

The Prime Minister: That is rubbish.

Angela Rayner: The Prime Minister can chunter away, but he will have his opportunity in a minute.

People will be returning to work this week, but the Government are refusing to guarantee all workers sufficient sick pay, leaving working people with the choice of going to work to feed their families or staying at home to protect public health. Will the Prime Minister finally raise sick pay so that people are no longer faced with an impossible choice of doing the right thing or feeding their family?

In some of the poorest countries in the world, less than 10% of the population is vaccinated. This is shameful. We know we can do more to assist the international vaccine effort, and what are the Government doing about that? If we are going to break this endless cycle of new variants, we have to vaccinate the world. This is not just a question of doing the right thing for others; it is in our national interest, too.

Finally, there are Conservative Members sitting behind the Prime Minister who have spent recent weeks attacking hard-working public servants. Is it not time that the Prime Minister stood by our experts, professionals and officials, who are doing all they can to protect public health? If he was happy to defend Dominic Cummings, the former Health Secretary and Owen Paterson, why will he not defend those public servants who are actually doing the right thing?

The Prime Minister: When it comes to attacking hard-working public servants, why does the right hon. Lady continually attack our testing operation, for instance, which has done a fantastic job throughout this pandemic?

There were several things in that intervention that were simply completely the inverse of the truth. We are not cutting cancer services; we have invested more in oncologists. We have 4% more oncologists this year than last year and 5% more radiologists. She asks about ambulances, and yes, of course everybody should get an ambulance who needs one. That is why we have invested £55 million more in the ambulance service. There are 500 more ambulance staff now than there were in 2018, 10,000 more nurses and 5,000 more doctors than there were last year. That is because of the investment that we are making—£36 billion—every penny piece of which the Opposition voted against.

To come to testing, it really is extraordinary that the Opposition run down this country and its achievements time and again. We are doing 520,000 PCR tests every day and 1.25 million tests every day. We have done 400 million tests in the country—more tests per head in this country than in any other European country. The right hon. Lady talks about schools. We delivered 31 million

[The Prime Minister]

tests to schools in the run-up to Christmas. She made an incredible point: she said that this country did not have its own diagnostics capabilities. She does not know what this country is doing—unbelievable! Let me tell the Opposition Front Bench that in this country we have the largest lateral flow test manufacturing facility—in this country! They should go and visit it. They do not know what they are talking about. It is in Nottingham, and we buy them all. By the way, the right hon. Lady talks about the testing regime, but it is thanks to the efficiency of our testing regime that the Leader of the Opposition, whom we wish well, is not currently in his place. It is thanks to the testing regime that the right hon. Lady is able to speak from the Dispatch Box at all, so she might as well support it. It has done an incredible job.

Two final points. The Opposition voted continually against our funding for the NHS that has made this possible, and let us be in no doubt that they would have kept this country in lockdown from 19 July. They were opposed to our measures. Members on their Front Bench chorused that we needed tougher restrictions as we came into omicron and said that we needed a road map for lockdown. That was their approach, and what would have been the result? Another body blow to the UK economy and to our ability to fund our NHS. That is the fundamental difference between this Government and that Opposition: we have a plan for getting through covid; all they do is carp from the sidelines.

Mrs Theresa May (Maidenhead) (Con): I commend my right hon. Friend for resisting calls from the Labour party and others for more restrictions before Christmas, and also for the changes that he has announced today. Omicron is less serious than previous variants. We will see new variants appear in future, and the likelihood is that they will continue to be less serious. It is not in the national interest to partially or wholly shut down sectors of our economy every time we see a new variant. Will my right hon. Friend take this opportunity to inform the House whether and how the Government will change their approach when new variants arise?

The Prime Minister: My right hon. Friend is totally right in what she says. We simply cannot go on, as a country and as a society, reaching endlessly for lockdown, which is the Opposition's instinct, no matter what the cost and no matter what damage it does. We have to remain cautious, and I am afraid that I cannot tell the House that we can rule out absolutely everything to protect the public, but as I said to the country last night, I am confident—that is why I am repeating it today—that we can get through this wave of omicron with the balanced and proportionate approach that we are taking. I am glad to have my right hon. Friend's support. For the future, we need the polyvalent vaccines that can deal with any type of covid mutation and variant, as well as the therapeutics, and that is what we are investing in as well. And as the right hon. Member for Ashton-under-Lyne (Angela Rayner) should know, we are investing more per head than any other country in Europe.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I thank the Prime Minister for giving me advance sight of his statement. I hope that he had a safe and restful

break, and that his festive parties were perhaps more sensible and legal than they were in 2020. He is right to say that the booster programme is absolutely crucial. Getting a booster reduces the chance of getting covid, protects against serious illness and helps to reduce pressure on our NHS, but his central approach of riding out the omicron wave is a reckless gamble that risks lives and risks the NHS. Let us talk about what "riding it out" means. It means allowing the omicron variant to rip through communities. It means avoidable deaths, long covid and stretching the NHS to breaking point. That is why the correct approach is to show continued caution and to slow transmission. That is the proactive, sensible and cautious approach being taken by the Scottish Government and the other devolved nations. It is the UK Government who are once again out of step. Recklessness has been the hallmark of this Prime Minister. He has acknowledged that parts of the NHS will feel temporarily overwhelmed, but hospitals in England are already overwhelmed, with heart attack patients being told to make their own way to hospitals. How appalling, Prime Minister! What a failure!

Will the Prime Minister now listen to his chief scientific adviser and chief medical officer, who acknowledge that the disease is moving up the age ranges and that we can expect increased pressure on hospitals? Will he act to slow the rate of transmission? The reality is that he has no choice but to ride it out, because he is too weak to get a more cautious and sensible approach past his divided Cabinet and mutinous Back Benchers. He knows he does not carry the moral authority to protect the public when he broke previous restrictions himself.

The public are faced with a Prime Minister who does not have the political leadership or the authority to act to keep these islands safe, so will he finally acknowledge that he is riding it out and risking lives and the NHS because his Back Benchers are now calling the shots?

The Prime Minister: I think the right hon. Gentleman should take back what he said.

Ian Blackford: You don't like the truth.

The Prime Minister: The right hon. Gentleman should be respectful of the tradition of this House that you do not accuse people of things they have not done. It is totally untrue. This Government have taken—
[Interruption.]

Mr Speaker: Order. Mr Blackford, please. We just want to calm it down. This is a new year. Let us start off as we mean to go on, and not in the way we are behaving.

The Prime Minister: While the Scottish National party continues to do serious economic damage in the way they do, we will continue to get on with a balanced and proportionate—

Ian Blackford: You're damaging us.

Mr Speaker: Order. Either we behave—[Interruption.] I do not need any advice from anybody over there. That is the last thing we need. We just need to calm it down. This is a very important debate, and the country is watching. They want to hear what is going on. Catcalling across the Chamber is not good for anybody.

The Prime Minister: I am grateful, Mr Speaker. I think what we need to do is get on together with a plan that is both balanced and proportionate and that does a huge amount to protect the public. It is the right way forward in dealing with omicron.

Ian Blackford: It is out of step.

The Prime Minister: The right hon. Gentleman says the UK Government are out of step with what the Scottish nationalist party wants, but we overwhelmingly do the same thing at the same time. There is far more that unites us than divides us. You may not like it, but that is the reality.

I take exception to the language used by the right hon. Gentleman. When it comes to the Union, he should reflect on the great success achieved by UK scientists working together on vaccines, on the formidable effort of test and trace operations I have seen in Glasgow and elsewhere, on the heroic actions of the British Army in ferrying vulnerable people who needed urgent covid treatment from remote Scottish islands to places where they could receive care, and on the huge furlough operation that saw many billions of pounds spent in Scotland, and a fine thing, too. He should take back some of his more intemperate remarks, which do him no credit at all. We should do our level best to work together in a civilised and collegiate way to get through this pandemic, and that is what this Government intend to do.

Mr Speaker: I did not hear what was said because Members were chuntering at the same time. I want us to calm it down and to use language that is appropriate to this Chamber. Please make sure we treat each other with the respect that I expect from all of you.

Bob Seely (Isle of Wight) (Con): Thank you, Mr Speaker. I congratulate the Prime Minister on his balanced approach, unlike that of others in this House. There is increasing concern among epidemiologists, modellers, oncologists and scientists about the use of modelling and forecasts. Among the comments are that the forecasts we may have been using over the past two years are “almost hysterical,” “lurid,” “spectacularly wrong,” “consistently overconfident” and “substantially inflated.” Those comments are from scientists, not journalists or politicians. Does the Prime Minister trust the modelling he is getting, and will the Government consider an inquiry into the use of modelling and forecasts, many of which have been found to be unrelated to reality?

The Prime Minister: It is important for everybody to understand the limitations of models; they are not forecasts, but mathematical projections based on the data the modellers currently have, particularly when it came to Omicron, about the severity of the disease. That is why, when we feed assumptions about severity that are excessive into the models, we get results that are excessive; that is what my hon. Friend is driving at. Some of the models or calculations are much closer to what is happening now, and models are useful and cannot be dispensed with as we need to have projections, and we in this House should not in any way try to undermine or attack the independent scientists, whose independence is absolutely vital for our ability to handle this disease.

Chris Bryant (Rhondda) (Lab): The Prime Minister knows that one of the big issues facing the NHS is capacity, in particular in the workforce. May I make some simple suggestions that would have an effect very quickly? We should reward people for staying on in the NHS right through to retirement. We should also reward people for returning from retirement. We must deal with the gender pay gap, too, as that is making it difficult for many women to stay on in the profession. We should also provide sabbaticals so that people do not burn out in the profession. Finally, we must deal with the problem of overtime, which is now barely worth doing for many doctors and nurses; if we increase that, perhaps we could increase capacity and save many more lives.

The Prime Minister: We are doing everything we can to ensure flexibility in the NHS so that staff can move more easily, by electronic passes and so on, from one place to another. We are also getting many doctors back to the service. We have, too, our volunteers in the vaccine roll-out and now in helping hospitals with the current pressure. More fundamentally, we are recruiting large numbers of NHS staff, and there are now more people working in the NHS than at any time in its history—about 50,000 more, all told, this year than last year. That is a result of the investments we are making.

Greg Clark (Tunbridge Wells) (Con): I welcome the changes the Prime Minister has announced: all of us should want to be protected by vaccines rather than restrictions in future. He will be aware that on new year's eve the UK Health Security Agency published a report that says that booster doses wane in their protection against infection but not against severe disease after 10 weeks. Given that NHS and care workers started having their booster doses in the middle of September, which is over 16 weeks ago now, is it right to consider giving those vital workers a fourth dose, as is happening for similar workers in Israel?

The Prime Minister: My right hon. Friend makes an important point and the Joint Committee on Vaccination and Immunisation continues to keep fourth jabs under continuous review.

Ed Davey (Kingston and Surbiton) (LD): Parents, teachers and pupils are incredibly nervous that due to the unprecedented spike in covid numbers children might once again face hundreds of thousands of hours of lost learning. The reality is that due to staff shortages many of our schools are at breaking point, and an entire generation has already lost years of learning they might never get back. So will the Prime Minister do the right thing and properly fund a catch-up programme, starting by providing every parent with a £30 catch-up voucher for every day their child misses school? This Government are not only letting down millions of children, but, by short-changing them, are damaging the future of our country.

The Prime Minister: That is why it is so important to keep schools open and why it was so important to take the balanced and proportionate approach that we have. It is very important to ensure that schools are safe and I thank parents and teachers for everything that they are doing, but the right hon. Gentleman is wrong in what he says about catch-up. We are investing massively in

[*The Prime Minister*]

catch-up. We have a £5 billion programme of investment in catch-up. We are innovating the whole time, particularly with investment in one-to-one tuition, or one-to-two-or-three tuition, for kids who need it. That is a huge development, which is of massive benefit to pupils up and down the country.

Mrs Maria Miller (Basingstoke) (Con): I thank the Prime Minister for his statement today. I also thank people such as Dr Tim Cooper in my constituency who took up the Prime Minister's challenge and enabled absolutely every eligible person in my constituency to have their boosters over the Christmas period, with walk-in clinics continuing until Sunday of this week. Can the Prime Minister take care to remember some younger residents in particular who have had covid and have had to wait for their booster through no fault of their own? Can the situation of those individuals be taken into account if any new measures are considered, or, indeed, can he think of ways that we could perhaps ease the restrictions on their access to boosters?

The Prime Minister: My right hon. Friend makes a very important point; it is a fundamental point about fairness. It was raised with me last night at the press conference by one of the public questioners. It would not be fair to insist on boosters as meaning that someone has been fully vaccinated until young people in particular have had a chance to get boosted.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): We have seen a huge demand for lateral flow tests. Does the Prime Minister regret urging everyone at his press conference to get "tested, tested, tested", without making sure that there were the supplies necessary to deliver on that?

The Prime Minister: No, because it is thanks to the efforts of the NHS testing operation and of testing manufacturers not just around the world, but in this country—there was stupefying ignorance displayed by those on the Labour Front Bench—that we have been able to triple our testing capacity. We are testing more per head than any other European country. Usually, they love these European statistics, but they seem a bit shy about this one. That is the reality though. Testing is a good thing. It is very important that people do it, and people should certainly get a test.

Mr Steve Baker (Wycombe) (Con): I have certainly disagreed occasionally with my right hon. Friend in the course of this crisis, but I also credit him with doing his very level best to preserve freedom, lives and prosperity in this country. None the less, he will know, as I do, that the public are now yearning to know when we will get back to the old normal. Investors need to know, the wider public needs to know, and every business person in the country needs to know when the sword of Damocles of further restrictions will not be hanging over them. Will he please bring forward a plan to get back to the old normal?

The Prime Minister: The plan is the one that we have in place. It is to get on with plan B. As my hon. Friend knows, there will be a review of it—indeed, the plan B

measures expire on 26 January. By then, we hope to have greatly increased the already extraordinarily high number of people in this country who have been not only vaccinated, but boosted.

The number of people who have been boosted in the UK is currently 34 million. There are a further 9 million that we still need to reach. As I said to the House before Christmas, our plan was to double the speed of the booster roll-out, which we did. Every eligible adult got a slot before new year. We need to increase the number of boosted members of the population, and, as omicron blows through—it is very much my hope and belief that it will blow through—I do believe that we will be able to get back to something much closer to normality. That does not mean that there will not be further challenges, but I think that life will return to something much, much closer to normality. It will not be necessary to keep the current restrictions in place, and business investors will have all the confidence that they need. To be frank, Mr Speaker, we are already seeing huge investments in this country because of the approach that we have taken.

Mr Speaker: I think I need to help a bit. Prime Minister, I am here in the Chair, not over that way—that will help us all. The other thing I would say is that I do not want to keep you here forever, Prime Minister, but a lot of people are standing to be called and we do want to hear from them, so it might be easier for you if you could shorten some of the answers.

Joanna Cherry (Edinburgh South West) (SNP): At Prime Minister's questions, my right hon. Friend the Member for Dwyfor Meirionnydd (Liz Saville Roberts) movingly raised the plight of care home residents, especially those with dementia, who have been left without visits from their loved ones during the pandemic. We on the Joint Committee on Human Rights have repeatedly raised our concerns about care homes implementing highly restrictive visiting rules, potentially contrary to the Government's guidance and in contravention of the human rights of residents and loved ones. We have recommended that proper individualised risk assessments be carried out in all cases. I noted the Prime Minister's sympathy for the plight of my right hon. Friend and her mother, but what specific steps will his Government take to make sure that visiting restrictions are proportionate across the board?

The Prime Minister: I repeat my expression of sympathy for all those who need to visit people in care homes and for the loved ones in care homes who are desperate to be visited. As I said, we have in place a system that allows for unlimited-duration visits for three nominated persons, which is an improvement on where we were—the hon. and learned Lady might remember—at earlier stages in this pandemic. We want to continue with a balanced and proportionate approach that does not allow the disease to get back into care homes in the way that it did. The faster we can get through omicron, the quicker we will be back to normal.

Mr Speaker: We congratulate Sir Robert Buckland on his knighthood.

Sir Robert Buckland (South Swindon) (Con): Thank you, Mr Speaker.

I am sure that we on the Government Benches warmly welcome my right hon. Friend's statement.

I had the honour of joining an army of volunteers at my local vaccination hub over Christmas to help to get people jabbed—there have been thousands of people every day and it has been a huge privilege. My local hospital, the Great Western Hospital, has declared an internal critical incident. I would be extremely grateful to my right hon. Friend and the Secretary of State for Health and Social Care if I received maximum assurance that the hospital leadership will get all the support it needs to maintain essential services for the people of my constituency and beyond.

The Prime Minister: I echo your congratulations, Mr Speaker, to my right hon. and learned Friend. The hospital he mentions will get every support throughout this difficult period and we will do everything we can to engage with him on the issues he raises. As I told the House, that support is made possible through the funding we are putting in.

Janet Daby (Lewisham East) (Lab): Will the Prime Minister take this opportunity to join me in thanking the Welsh Labour Government for sharing 4 million tests with England?

The Prime Minister: Actually, the UK Government have supplied tests to the whole country. We are very proud to collaborate with people and testing organisations throughout the country.

Robert Jenrick (Newark) (Con): I thank the Prime Minister, whose judgment was proven to be absolutely correct over the holidays.

As a parent, I know that although the wearing of masks at school may seem a small price to pay to ensure that kids are back in the classroom getting the vital face-to-face teaching they deserve, it is not cost free and does affect the quality of teaching and our children's wellbeing. What assurance can my right hon. Friend give to me and parents throughout the country that the measure will be constantly reviewed and last only as long as is absolutely necessary?

The Prime Minister: I can give my right hon. Friend a categorical assurance that masks in schools will last not a day longer than we need them.

Afzal Khan (Manchester, Gorton) (Lab): Winter is always a difficult time for the NHS, but we are now in an unsustainable situation. Last night, 17 hospitals across Greater Manchester announced that they were suspending non-urgent surgeries because of the impact of covid-19, and at least 10 trusts throughout England have been forced to declare critical incidents since Christmas. Last week, the Prime Minister said that he hoped we could "ride out" this wave, but I do not think our hard-working NHS staff or the Government's scientific advisers would agree. What additional steps will he now take to ensure that Greater Manchester's hospitals do not become critically overwhelmed?

The Prime Minister: What we are doing is supporting hospitals in Greater Manchester and up and down the country with record investment and, as I said in an earlier answer, by making sure that we supplement the staff by calling doctors back to the colours and with

volunteers, new therapeutic treatments and all the extra things that we are doing. But fundamentally, there is also a job for this country: to follow plan B and the guidance that we put in place and get boosted. That is the most important thing we can do.

Harriett Baldwin (West Worcestershire) (Con): I warmly welcome the boost that the Prime Minister gave to the "Get Boosted Now" programme. Over the recess, almost 1 million boosters a day were given to people and I thank everyone involved. I also welcome the leadership that he showed on the COVAX facility and in making sure that vaccinations have been spread around the world. Given the risk of variants emerging in places where vaccination rates are not as high as in the UK, is there more that we can do to boost vaccination rates around the world?

The Prime Minister: The UK can be proud of what we are doing—my hon. Friend knows this area well—to support vaccination around the world. Thanks to the deal we did with Oxford-AstraZeneca, 1.5 billion doses were administered to people who needed them around the world at cost—that was thanks to the deal negotiated by the UK Government. We put £478 million into COVAX and we have a pledge to deliver 100 million surplus vaccines around the world by June this year.

Kim Leadbeater (Batley and Spen) (Lab): Throughout the pandemic, people in education have worked heroically to keep our schools open and children learning, but they are struggling. I spoke to a headteacher in my constituency this morning who is currently working as a school caretaker, receptionist, classroom teacher and covid tester. Can the Prime Minister at least admit to overstretched staff working in education that communication with schools needs to be better and that more could and should have been done before schools returned to prevent this highly predictable situation?

The Prime Minister: I share what the hon. Lady said about the amazing work that is being done by teachers and schools up and down the country. I have been to many of them and they have done incredible things to make their schools covid-compliant and protect against infection. They have done a fantastic job. We communicate with them the whole time. My right hon. Friend the Secretary of State for Education has done a formidable job of interacting with teachers and parents to try and get our messages across. I know that the hon. Lady will want to be in the Chamber for the statement that he is about to make.

Andrew Percy (Brigg and Goole) (Con): In their critique, the Opposition Front Benchers forgot about the 50,000 hospital beds that they cut when they were in power, including closing entire wards at Goole and District Hospital—but I digress. I remind the Prime Minister of the important role that volunteers are undertaking in the NHS, particularly those in services such as the ambulance service who will be attending more and more jobs in the coming weeks and months to support our NHS. Given that we will rely on our NHS to rightly keep the economy open, will he look closely at possible future reward and recognition payments to our NHS staff for the extra efforts that they will make this winter?

The Prime Minister: I thank my hon. Friend very much. He makes an incredibly important point about the record of the Opposition, because the pressure on the NHS is caused by the limit to the number of beds that we have—there are only about 100,000. That is why this Government are getting on with building 40 more hospitals—[*Interruption.*] Yes, we are. And that is why we are recruiting 50,000 more nurses. They opposed the lot of it.

Hilary Benn (Leeds Central) (Lab): Up until now, the advice to care homes has been that if someone tests positive with a PCR test, they should not be tested using a PCR or a lateral flow test for 90 days unless they develop new symptoms during that time, in which case they should be retested immediately using a PCR test. Given the changes to the testing arrangements that the Prime Minister has announced today, does that advice still hold?

The Prime Minister: No, it does not, and I will make sure that the right hon. Gentleman is advised on the new arrangements.

David Morris (Morecambe and Lunesdale) (Con): The University Hospitals of Morecambe Bay NHS Foundation Trust has been overwhelmed recently with people effectively bed blocking because they cannot get back into the care homes. I know we are putting tents in car parks; I have seen that on the news. However, in a helpful way, I ask whether my right hon. Friend does not think it would be right to enact, in areas such as mine—more rural areas going north—the big Nightingale centres like we had in Preston.

The Prime Minister: I am grateful to my hon. Friend, but what we are doing is ensuring that we support hospitals up and down the country that are facing the pressures he describes, not only with more staff but with more facilities and on-site Nightingales, as I said in my statement.

Kirsten Oswald (East Renfrewshire) (SNP): My hon. Friend the Member for East Dunbartonshire (Amy Callaghan) and the hon. Members for Chatham and Aylesford (Tracey Crouch), for Bradford West (Naz Shah) and for North East Fife (Wendy Chamberlain), all of whom have been affected by the lack of proxy voting and remote participation, have jointly written to the Leader of the House seeking the reintroduction of remote provision. That is not just a covid issue, but we certainly see now how much it is needed. It matters because, as things stand, Parliament is excluding MPs and disenfranchising their constituents. Will the Prime Minister throw his weight behind their calls to modernise and ensure that no Member is prevented from fully representing their constituents?

The Prime Minister: I am grateful to the hon. Lady. I think I speak for everybody here when I say what we want to see is the House getting back to normal business as fast as possible, and to that end I suggest that everybody follows the guidelines and gets boosted.

Steve Brine (Winchester) (Con): The Prime Minister deserves real credit for his recent decisions on covid. He has followed the evidence, but he has also taken the wider view of our society and our economy, and that has to be right. In my opinion, England is not out of

step with Scotland and Wales—they are out of step with us. May I ask my right hon. Friend to also take the long view? It is increasingly clear that we are a long way from learning to live with covid, but we also have an NHS on a permanent war footing, and that is not sustainable. What is the long-term plan for living with covid in 2022, and could that include any changes to mandatory isolation and test and trace? For instance, we see different isolation dates in the United States and Germany from here in the UK.

The Prime Minister: We will continue to keep isolation timings under review. We do not want to release people back in to society or to their workplace so soon that they just infect all their colleagues; that would not be sensible. As I said in my earlier answers, we have a good chance of getting through this difficult wave and getting back to something like normality as fast as possible. It is important that omicron seems to provide some sort of immunity against delta, for instance, and that may be a positive augury for the future.

Mr Kevan Jones (North Durham) (Lab): I thank the Prime Minister for his statement. He has announced that those testing positive with a lateral flow test will no longer have to go for a PCR test, but that it will be down to the individual to inform the Government of the result. May I ask what percentage he thinks will do that—and, more importantly, will not do that? As PCR tests are important for analysing the genome of the virus, what affect will that non-reporting have on our ability to look at new variants that develop?

The Prime Minister: I am grateful, but I must say that throughout the pandemic the public have continually surprised on the upside with their determination to take this seriously. Rather than undermining confidence in them, a very high proportion of them continue to do the right thing and I believe always will.

Mr Mark Harper (Forest of Dean) (Con): May I press the Prime Minister on a couple of previous answers? He has come to the House today to extend plan B restrictions for a further three weeks, but he will know that the chief scientific adviser has said that covid is going to be with us forever, and we are going to have variants forever, so may I press him on his answer to our right hon. Friend the Member for Maidenhead (Mrs May) about an exit strategy? We cannot respond to every new variant in the way we have to this one. We must have a plan to live as normal with this virus forever. When will he set out that plan in this House so that we all know where we stand?

The Prime Minister: If my right hon. Friend looks at what we are doing, he will see that the measures we have in place expire on 26 January, as he knows. Whatever the situation may be then, we will continue with the fundamental tools that we have—that is, vaccination, therapeutics and testing. But it is important that omicron already seems to provide some sort of immunity against delta. That is a point that he should feed into his capacious brain.

Mr Speaker: I welcome the new Member, Helen Morgan. [HON. MEMBERS: “Hear, hear.”]

Helen Morgan (North Shropshire) (LD): Thank you, Mr Speaker.

Ambulance services and paramedics are desperately struggling to maintain a safe and timely service across the country. My constituency of North Shropshire is no exception, and inexplicably has seen two of its ambulance stations closed, as well as waiting times sky-rocket. With the crisis in emergency care escalating, will the Prime Minister commit today before this House to supporting my call for a full and proper review of ambulance services by the Care Quality Commission?

The Prime Minister: It is very important that everybody should get the ambulance service that they need. That is why we are investing £55 million more and that is why there are 500 more people on the ambulance staff than there were in 2018.

Michael Fabricant (Lichfield) (Con): Is my right hon. Friend aware that the eyes of the world are literally upon us, with *The New York Times* and newspapers in France, Germany and Israel, among others, talking about the Prime Minister's bold initiative in sticking to plan B and recognising that omicron is less serious than previous variants? They say that Britain was the first to recognise that, and that we were the first to start a vaccine programme in Europe and also the largest testing programme in Europe. Will my right hon. Friend still, however, maintain a watching brief on other variants, because there may be more serious variants in the future—we just do not know? Will he also take this opportunity, again, to correct what the right hon. Member for Ashton-under-Lyne (Angela Rayner) said and say that we are not cancelling any cancer operations?

The Prime Minister: Yes indeed. I really think that she should withdraw that because it is not—[*Interruption.*] She did say that. [*Interruption.*] She did, and it was totally untrue. It is because we are the most boosted and the most tested, and because we have the most antivirals of any European country, that we are able also to be the most open. That is thanks to the efforts of this Government, but also hundreds of thousands of people up and down the country—millions of people—who are doing the right thing.

Zarah Sultana (Coventry South) (Lab): NHS workers say that they are broken—overworked, exhausted and undervalued, pushed to the brink before the pandemic and now abandoned by the Government. So will the Prime Minister listen to workers and trade unions and support NHS staff by protecting doctors and nurses who treat covid patients by giving them FFP3 masks and properly rewarding them not with cuts or pay rises that are actually pay cuts when you take inflation above 5% into account, but with a genuine pay rise of 15%, making up for a decade of falling pay? If he asks how we are going to pay for it, he could look at the £37 billion put towards the privatised test and trace budget.

The Prime Minister: I really think that the hon. Lady should listen to what is actually going on in this country today. We are investing record sums in the NHS. There are 5,000 more doctors and 10,000 more nurses now than there were last year. There are record numbers of people in the NHS. That, in my experience, is what NHS staff want to see, in addition to the extra money

we have put into pay rises. That has been made possible through the £36 billion that we have voted through and that she opposed. [*Interruption.*] Maybe she did not, but I think the record will show that she voted against it.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): United Lincolnshire Hospitals NHS Trust declared a critical incident on 1 January, not due to the number of omicron patients but due to pressures on staffing caused by omicron cases and isolation pressures. Local MPs have been reassured that acute services are safe and open. Will my right hon. Friend join me in thanking the staff of United Lincolnshire Hospitals for their work and dedication under extraordinary circumstances, and will he give me his assurance that he will do all he can for United Lincolnshire Hospitals, and that his Government will provide it with all the support that is necessary?

The Prime Minister: I thank my hon. Friend for her question. I know United Lincolnshire Hospitals: I remember going there with my right hon. Friend the Member for West Suffolk (Matt Hancock), the former Health Secretary—whose grandmother worked there, if I recall correctly—and I know what an incredible job its staff do. I know how difficult it has been for them, and as I said to the House and to the country, it will continue to be difficult in the course of the next few weeks, but we will get through it, and we will give the NHS all the support it needs.

Stephanie Peacock (Barnsley East) (Lab): Average pay in Barnsley is in the lowest 30% in the country, and those on lower incomes are more likely to rely on statutory sick pay. Does the Prime Minister accept that the shockingly low levels of sick pay in this country will impact the number of people able to isolate, and can I ask him again to commit to increasing those levels?

The Prime Minister: As I said in an earlier answer, we have made sure that sick pay for those who are isolating kicks in on day one. That is equivalent to a 75% increase, but what we are also doing—because I do appreciate that some families are finding it very tough at the moment—is increasing the £500 million hardship fund that is available through local councils to help people through a difficult time. What would not be sensible is to follow the advice of so many on the Opposition Benches and go for tougher measures, locking down the economy, which would be something that would impoverish the people of this country.

Mr Speaker: Congratulating him on his knighthood, I call Sir Bill Wiggin, or Sir William Wiggin.

Sir Bill Wiggin (North Herefordshire) (Con): My right hon. Friend has touched on the number of people in intensive care: 90% of those have not had their booster, and 60% have not had any vaccination at all. He will know that there are people out there with very good reasons not to be vaccinated, who get tarred with the same brush as people who have been reading nonsense on the internet. Can we have better stats, so that people can see the benefits of vaccination and be encouraged to take it up? Obviously, everybody benefits if those people are not in hospital.

The Prime Minister: My hon. Friend makes a very powerful and important point: we should not bully or demonise those who, for medical reasons or for whatever reason, simply cannot get vaccinated. Of course that is right, but it is also very important that people understand the benefits to them and their families of getting boosted in particular. The benefits are overwhelming—they are there for everybody to see—and I am afraid that that tragic statistic about the people in ICU is also plain for all to see.

Mr Clive Betts (Sheffield South East) (Lab): The Government were right to encourage people to get tested over the holiday period. Like many of my constituents and thousands of people across the country, I went around several pharmacies, and all I saw were notices in the window saying, “No lateral flow tests available.” That is the reality of the situation, so I ask the Prime Minister two simple questions: first, what steps did he take before the holiday period to get an assurance for himself that tests were going to be freely available? Secondly, when did he become aware that millions of tests were locked away in a warehouse and would not be available until after the holiday period?

The Prime Minister: We took every possible step to step up our supply of tests. We tripled the supplies, and deliveries went up to 900,000 a day. To listen to Labour Members, Mr Speaker, you would not believe that this was the country that was conducting more tests per head than any other in Europe. They are simply refusing to give credit where it is due. I appreciate that huge numbers of people want to be tested, but we are doing our level best to meet demand.

Damian Green (Ashford) (Con): I very much welcome my right hon. Friend’s announcements today. One of the best things we could do, both for public health and for our hard-pressed hospitals, is to make sure that the small but significant number of people who refuse vaccination altogether are persuaded of the error of their ways, so can I ask my right hon. Friend to redouble the Government’s efforts? Some people will no doubt be completely, misguidedly recalcitrant, but I believe that the vast majority are persuadable. Whether through education, advertising, or frankly anything this side of coercion, can he redouble the Government’s efforts to persuade those who are unvaccinated to take the jab?

The Prime Minister: My right hon. Friend is quite right, and that is why we are enlisting the help of community leaders up and down the country—anybody who speaks with authority in communities—to get that message across. That is also why the vaccine taskforce, as I recall, spent £675,000 on outreach to hard-to-reach groups. What did the Opposition say? They said that the funding could not be justified.

Sammy Wilson (East Antrim) (DUP): I give the Prime Minister credit for not rushing into new restrictions, despite the hysterical views of some medical advisers. I only wish the Health Minister in Northern Ireland had taken some advice from him rather than rushing into restrictions. I also welcome the lifting of restrictions on the aviation industry and of the need for pre-departure tests.

The Prime Minister rightly identified that one of the problems is the shortage of staff in the national health service because of the need to isolate. Looking forward, however, what concerns does he have and what plans has he made for when the vaccine mandate applies to health service staff? The assessment of the Secretary of State for Health and Social Care is that up to 114,000 staff will not be available because they have not been or will not have been vaccinated. Is the Prime Minister concerned about the pressures on the health service come April?

The Prime Minister: We are actually seeing very encouraging signs of take-up in the health sector and in social care. That is a great and positive thing for individuals in both those professions.

Shailesh Vara (North West Cambridgeshire) (Con): At the start of the pandemic, there was evidence that members of the black, Asian and minority ethnic community were more vulnerable to the covid virus. Has any analysis been carried out to determine whether omicron acts in a similar way? The Prime Minister will appreciate that that is of particular relevance given the significant number of people from the BAME community who work in the health and care sector.

The Prime Minister: My hon. Friend asks an extremely important question. I think the answer is that there is currently no evidence, but there is certainly evidence that the different levels of vaccine take-up, and booster take-up in particular, are affecting outcomes.

Mike Kane (Wythenshawe and Sale East) (Lab): Disraeli gave his one nation speech in Manchester in 1872; I doubt he would recognise the party political knockabout that the Prime Minister is engaging in over a national crisis. What I will say about the situation is that tonight, with case rates rising in Greater Manchester, there are 600 patients across GM who cannot get out of hospital due to social care staff shortages. About half of care homes are not currently accepting anyone. That is not just to do with the pandemic; it is historical under-investment in our social care sector. Surely the Prime Minister sees that.

The Prime Minister: I have a couple of points—I do not think the hon. Gentleman knows much about Disraeli, by the way. The Mayor of Greater Manchester actually just said that the Government are taking the right approach. To the hon. Gentleman’s point about fixing the problems of the social care sector, which is valid, it is this Government, after decades of failure by Labour to do it—[*Interruption.*] Absolutely true. We are fixing social care, and they would not even support it.

Aaron Bell (Newcastle-under-Lyme) (Con): Mr Speaker, I hope you had a good Christmas break—a better break than the shadow Health and Social Care Secretary, who, since we last met, has taken a number of positions. On 19 December, he said that the Government need to “act now” and Labour called for actions before Boxing day. On 20 December, he said that the British public know that “additional restrictions are inevitable”. On 21 December, he criticised the delay. On 27 December, he said that

“people will be relieved to see no new restrictions”.

We all want a responsible and constructive Opposition, but does the Prime Minister agree that that is not opposition, but opportunism?

The Prime Minister: That sums up all people need to know about the Labour party. It instinctively reaches for measures to lock down the UK economy and do huge damage. We are taking a balanced and proportionate approach. There are difficulties ahead, but we are taking the right approach. If the Opposition are now saying that they support it—*[Interruption.]* Are they saying they support it? I do not know. Let us wait for Captain Hindsight to come back.

Ben Lake (Ceredigion) (PC): The Prime Minister has made his position clear in saying that the Government will see out the current wave with no further restrictions or new support for businesses, but, as he will know, the Government in Wales have implemented new measures to limit the spread of the virus. Does he not agree that it would be better for Wales to be afforded the fiscal powers required to support those public health measures, so that the Welsh Government's response can be as flexible and effective as possible?

The Prime Minister: The UK Government have supported Wales, and the UK as a whole, throughout the pandemic to the tune of billions and billions of pounds. We supply the vaccines, we supply the testing kits, and furlough will continue to do everything to support the whole of the UK.

Fay Jones (Brecon and Radnorshire) (Con): On Friday, I will be holding my team meeting in the local pub because under Welsh Government rules we are not allowed to go to our socially distanced office. We cannot do parkrun and we cannot watch outdoor sport on the touchline—but we can cwtch up together in the clubhouse to watch it. May I commend the Prime Minister for his bold decisions, and ask whether he agrees that the inconsistencies in the rules in Wales are not just ludicrous, but are harming the Welsh economy?

The Prime Minister: I have tried to be consensual across the House—*[Interruption.]* I have, and I have tried to build on those aspects of our handling of covid—*[Interruption.]* I was very consensual to the right hon. Member for Ross, Skye and Lochaber (Ian Blackford), and, frankly, I thought he was rather rude.

Let me put it this way. There is much, much more that unites all parts of the UK in our handling of covid than divides us. In comparison with any other European country, we are moving virtually in lockstep. There are some baroque eccentricities in various other parts—in Wales—and I will make no comment on those, but I will repeat what I have said: we will continue to provide support throughout the UK.

Justin Madders (Ellesmere Port and Neston) (Lab): Many of my constituents who were doing the right thing and self-isolating are becoming frustrated on days six and seven because they cannot gain access to the lateral flow tests that they need to be released early, although just three weeks ago the Health Secretary told the House that the country had tens of millions of tests.

Can the Prime Minister tell us what has gone wrong, and will he apologise to my constituents for putting them in this position?

The Prime Minister: I certainly share the frustrations of everyone who has found it difficult to get a test during a time of unbelievable demand. We have taken responsibility by tripling supply and creating our own home-grown UK lateral flow testing manufacturing capability, of which the Labour Front Bench was in unbelievable ignorance when this debate began.

Sir Edward Leigh (Gainsborough) (Con): Earlier this week the Lincolnshire hospitals declared a critical incident, and people in Lincolnshire no doubt thought that they were being overrun with covid. However, NHS officials told the Lincolnshire MPs yesterday that of all the intensive care beds in Lincolnshire, only two were taken by people because of or with covid, and although there were large numbers of staff absences, a quarter could be accounted for by staff being absent because they were isolating. The suspicion is that the NHS is being brought to its knees not by covid, but by the rules that require people to isolate for so long. What is the road map for shortening the period of isolation?

The Prime Minister: What we are doing is supporting the NHS, supporting staff and making sure that we have as much capacity as possible, and absenteeism, although high, is not as high as it has been at some other points during the pandemic, although that is no cause for complacency. What we will do is keep the period of isolation under constant review, and if we think we can bring it down without increasing infection, of course we will do so.

Alex Sobel (Leeds North West) (Lab/Co-op): The Prime Minister is right to laud our life science industry, as British universities and British scientists have helped us to get through covid; so why, after developing the UK's Vaccine Manufacturing and Innovation Centre with taxpayer money alongside British universities, have the Government decided to sell it off so that in future pandemics future vaccines will be held not in public for all of us, but in a few private hands?

The Prime Minister: What we are doing is investing hundreds of millions to make sure that we have a dynamic vaccine industry. Clearly the Government need to work hand in glove with the private sector, as we have done. No matter how deep the abhorrence of the private sector on the Opposition Benches, it was private-sector private capital that produced the vaccine success.

Mary Robinson (Cheadle) (Con): At the beginning of 2020, Stepping Hill Hospital in my constituency was under such severe winter pressures that it was reaching critical OPEL, or operations pressure escalation level, 4. Since then, doctors, nurses and staff have worked tirelessly during the course of the pandemic, but covid is now taking its toll, particularly the omicron virus, and it is one of 17 hospitals that have said they will be taking a pause on non-urgent surgery. Will my right hon. Friend and my right hon. Friend the Secretary of State for Health and Social Care work with the Greater Manchester hospital trusts to ensure that they get all the support they need through this critical time?

The Prime Minister: I thank my hon. Friend for all the support that she gives to hospitals in the Greater Manchester area, which I know well, in which she knows we are investing hugely. I thank them for the care and the trouble that they are taking in a very tough time. They will get all the support that they need.

Chris Stephens (Glasgow South West) (SNP): The Prime Minister has to make decisions based on evidence. However, reinfections are not included in the UK Government covid cases figures, despite warnings by scientists at Imperial College London that up to 15% of omicron cases could be of people who have had coronavirus before. So can the Prime Minister assure us that reinfections will be tracked and recorded on the UK Government's dashboard, and if so, when?

The Prime Minister: I am grateful to the hon. Gentleman, but the decision is up to the UK Health Security Agency.

Edward Timpson (Eddisbury) (Con): I welcome the ongoing support, financial and otherwise, for our hospitality sector, particularly in cases where it is a critical lifeline, even still. Of course, the best thing we can do for them is to take away all restrictions that remain in place, but we also have to recognise that there may be an opposite scenario where new restrictions are considered in the future. To that end, can my right hon. Friend confirm that weddings and funerals would be exempt from any further restrictions?

The Prime Minister: There are no restrictions on them at the moment, and that is certainly the way we wish to keep it.

Matt Western (Warwick and Leamington) (Lab): In Warwickshire last year, there were 436 excess deaths caused by covid in care homes. Currently, 77% of residents and staff in care homes are boosted; the other 23% are not. What are the Government doing to ensure that they get the booster vaccination, so that we do not repeat the mistakes of last year?

The Prime Minister: Often the problem in care homes is that someone may have had covid recently and therefore is not eligible for the booster, so people have to come round, but we are doing that as fast as we possibly can.

Dr Luke Evans (Bosworth) (Con): It was welcomed by both sides of the House when, in the summer, the Prime Minister came to the Dispatch Box to announce that an inquiry would take place on the lessons learned. Just before we broke for the recess it was announced that Baroness Hallett would be leading that inquiry. Can the Prime Minister give us an update on how the panel is forming, the timings of when that will happen and the terms of reference, if they should appear?

The Prime Minister: I thank my hon. Friend. Under the Inquiries Act 2005, as the House knows, it is up to the chair of the inquiry to begin framing the terms of reference herself.

Ellie Reeves (Lewisham West and Penge) (Lab): As is the case for Members across the House, many pharmacies in my constituency are out of stock of lateral flow tests, and when people try to order online it says that none

are available. Yet *The Sunday Times* reported this week that British manufacturers of lateral flow tests are battling with the Government after their kits failed to be cleared for use in this country, despite being available in Europe. When will the Prime Minister pull his finger out to boost testing capacity and boost British manufacturing?

The Prime Minister: Of course kits need to be approved—[*Interruption.*] Perhaps the hon. Member for Ilford North (Wes Streeting) wants kits that are not approved to be on the market. They have to be approved by the Medicines and Healthcare products Regulatory Agency, and that is the right thing; but my understanding is that we have been up at 15% of lateral flow tests in this country being supplied in the UK, from zero.

Tom Hunt (Ipswich) (Con): I congratulate the Prime Minister on sticking to his guns and not bringing in additional restrictions over the festive period and threatening to charge people £60 for going to work, like they did in Wales. However, the mental health damage done by even the threat and fear of restrictions has been significant. Some of my constituents have actually said it was worse this time than it was when the lockdown happened, because then they thought there was a light at the end of the tunnel, and their fear now is that this could be a never-ending nightmare. Could the Prime Minister give me assurances that mental health is at the heart of the decisions on covid that we will make in the future?

The Prime Minister: My hon. Friend makes an incredibly powerful point, which I think should be heard in all parts of the House. As for those calling for restrictions—as the hon. Member for Ilford North, who I think speaks on health matters, did repeatedly before Christmas—lockdowns have an effect on people, and particularly on mental health.

Tony Lloyd (Rochdale) (Lab): Will the Prime Minister make it very clear to some of his Back Benchers that a strategy for living with covid cannot include every hospital in Greater Manchester being unable to deliver elective surgery? Other hon. Members have raised that point. Will he make it clear that the strategy will include resources being put in to make sure that we catch up in Greater Manchester for people such as one of my close friends, who needs a hip replacement because she is in such pain?

The Prime Minister: Yes, and that is why we have the NHS and social care fund. That is why we are putting that measure through. How unbelievable that you guys did not vote for it—not you, Mr Speaker.

Holly Mumby-Croft (Scunthorpe) (Con): I was fortunate to visit our new vaccination hub in Scunthorpe and speak to the healthcare professionals and staff who are doing a tremendous job, not just of jabbing people in the arm very efficiently but of reassuring the small number of residents who are still nervous about joining the rest of us in having our vaccinations. Will my right hon. Friend thank the wonderful volunteers and staff across my constituency for the important work that they are doing and their contribution to the national effort that he is leading?

The Prime Minister: I share my hon. Friend's sentiments entirely. I thank the NHS staff and all our incredible volunteers.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): As chair of the all-party parliamentary health group, I have been contacted by people up and down the United Kingdom who tell me that they are still having great difficulty in accessing GP appointments. GPs are working flat out during the pandemic, but ongoing capacity issues remain. What more can be done to support GPs to increase capacity, which is needed because other illnesses that must be seen at an early stage are continuing during the pandemic, and ensure that everyone who needs to see a GP is able to do so timeously and safely?

The Prime Minister: I agree completely with the hon. Lady about GPs: they have been particular heroes of the vaccine rollout. We have 1,300 more GPs this year than last year. We need to do more—that is why we have put £250 million into supporting GPs now.

Dr Ben Spencer (Runnymede and Weybridge) (Con): I thank my right hon. Friend for holding firm on plan B and for rolling back travel restrictions, which will relieve many of my constituents. I also welcome the increased use of lateral flow tests for diagnostic testing. For clarity, is it the case at the moment that that is only for asymptomatic testing—for people who do not have symptoms—and that if people have symptoms, they will still be required to get a PCR test? If so, can I urge him to look further into using lateral flow tests for that purpose, because if people with symptoms have to trundle over to a PCR testing centre, wait 24 hours to get the results and self-isolate until negative, we will not be living with the virus?

The Prime Minister: That is right. We will encourage people to do so, but it will not be compulsory.

Kerry McCarthy (Bristol East) (Lab): In response to my hon. Friend the Member for Sheffield South East (Mr Betts), who talked about the severe shortages of lateral flow tests in pharmacies, the Prime Minister was incredibly dismissive and seemed to suggest that my hon. Friend was making it all up. The Prime Minister might like to speak to my constituent who both phoned and emailed me on Monday desperate to go to work the next day as a crucial frontline NHS worker but who could not get his hands on a test. I ended up popping round myself with some spare tests. Can the Prime Minister assure me that from now on my constituent will be able to get the tests that he needs when he needs them, so that he can go to work and do his job in the NHS?

The Prime Minister: The hon. Lady really must not misrepresent what I said. I began by saying that I shared the frustrations of people up and down the country who had been unable to get the tests that they wanted. I also pointed out that we had huge demand for tests that we were doing our level best to meet, that we tripled supply, that we were making tests in this country on a scale never seen before, and that we were doing more testing than any other country in Europe. Those are positives. I fully accept that it has been difficult for people to get tests, but we are stepping up supply the whole time.

Felicity Buchan (Kensington) (Con): Representing a constituency with a very international outlook, I warmly welcome the changes to the travel regulations. My constituency is also very dependent on commuters coming into central London, and certain businesses are suffering as a result of the work from home guidance. Can my right hon. Friend assure me that we will drop the work from home guidance at the earliest possible opportunity?

The Prime Minister: We will do so whenever it is safe, but as my hon. Friend knows, the measures will expire in any event on 26 January.

Fleur Anderson (Putney) (Lab): Parents of children who are of primary school age and have disabilities will have been disappointed not to hear in the statement about a roll-out of the vaccine for five to 11-year-olds. Two Putney parents have written to me this week, one with a child with cystic fibrosis and one with a child with Down's syndrome. Those children have been shielding since March 2020, and they are desperate to leave shielding. They really want the vaccine but they cannot get it. Can the Prime Ministers say more about when the vaccine will be rolled out to vulnerable children aged five to 11?

The Prime Minister: We have accepted the advice of the JCVI on at-risk five to 11-year-olds, and we will be rolling it out later this month.

Jacob Young (Redcar) (Con): I welcome the announcement of no new restrictions and of the changes to testing for travel, which will make it far easier and cheaper for families to go abroad, but many immunosuppressed people in Redcar and Cleveland are unsure about what they should be doing in the face of omicron. Can the Prime Minister give a message to those who were previously shielding?

The Prime Minister: My hon. Friend has raised the issues of the immunosuppressed before, and I understand the points that he makes. We have contacted 1.3 million of them with a view to giving them treatment with antivirals.

Bill Esterson (Sefton Central) (Lab): The Prime Minister's answers on the shortages of tests would have more credibility if he were to support British manufacturing. My hon. Friend the Member for Lewisham West and Penge (Ellie Reeves) asked him earlier why British manufacturers had not been given permission to make lateral flow tests and sell them in this country while they had permission to do so in the European Union. Why is it that the European Union has given them that permission when the British Government have not done so? Could he find out the answer to that? Giving them that permission would increase the supply of tests, which are currently in chronically short supply as we have heard again and again this afternoon, and it would be a great way of supporting of the British economy and manufacturing in this country.

The Prime Minister: I am afraid the hon. Gentleman is talking total nonsense. There was no manufacturing capability at all for lateral flow tests in this country, but we now have the largest single manufacturing plant for LFTs in Europe. Let me repeat that, because I do not think the Opposition knew this. The UK has the largest manufacturing plant for LFTs in Europe—

Valerie Vaz (Walsall South) (Lab): Why aren't you using them?

The Prime Minister: We are using them. It is also important that all manufacturers that want to supply lateral flow tests should pass the Medicines and Healthcare products Regulatory Agency's tests. That is what the public would expect.

Kate Green (Stretford and Urmston) (Lab): For the digitally excluded, the need to go online to obtain a code to take to a pharmacy in order to obtain their lateral flow tests has proven to be a real barrier. Can the Prime Minister say what assessment of the Government have made of the extent of this problem, and how it will be addressed?

The Prime Minister: The hon. Lady raises an important point. We try to make sure that we help people by delivering tests, and many pharmacies are more than happy to do it without an online booking.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): Last summer, the respected senior journalist Paul Waugh reported that the Prime Minister had been accused of making empty promises to British bioscience firms after it emerged that rapid covid tests being offered to NHS staff were manufactured by a Chinese firm. Is the NHS now buying British, or were the Prime Minister's words today about British manufacturing simply more hot air?

The Prime Minister: I really do not think that the Opposition Front Benchers, or indeed any of them, have the faintest idea about what is going on. They have six or seven different positions on lockdown. They came to the statement this afternoon not even knowing that this country has the largest lateral flow manufacturing facility in Europe—they did not know it.

Daisy Cooper (St Albans) (LD): In his statement, the Prime Minister indicated that lateral flow tests would be given to 100,000 critical workers, but the national railways alone employ almost double that number, and GPs and pharmacists in my constituency of St Albans are wondering why they have not been included as critical workers. Indeed, we could add supermarket workers to that list. Would the Prime Minister explain where that number of 100,000 came from, because it seems at the moment to have been plucked out of the air for yesterday's press conference?

The Prime Minister: I understand the point that the hon. Lady makes, and I know that a lot of people will have jumped to the same conclusion as she did about what we could do. We have targeted the 100,000 that we have in mind. Obviously, all the public sector has access to free tests, including teachers and everybody else, but what we wanted to do particularly was to ensure that those vital nodes such as railway signalling hubs, and other crucial services such as HGV drivers, had access to tests.

Sam Tarry (Ilford South) (Lab): I would like to thank the Prime Minister for heaping praise on the amazing scene at Redbridge town hall in Ilford South led by Dr Seedat, who managed on Christmas day and Boxing day to vaccinate 1,700 people—a phenomenal effort. At the same time, we hear that NHS workers across the

country, in their thousands, are not at work because they cannot get the tests that they need. When is the Prime Minister going to sort that out, and when is he going to prioritise tests for NHS and other frontline staff, such as in transport? He needs to get a grip, and he needs to get a grip fast.

The Prime Minister: I am afraid that the hon. Gentleman is not right, because there are many reasons why NHS staff are sadly absent, but an inability to get testing kits is not one of them. They have access to the NHS supply, and to community supplies as well.

Rachael Maskell (York Central) (Lab/Co-op): Letting covid rip through our communities has come at a serious cost, placing new burdens on business and putting more risk in our health and care system, along with unnecessary risks to lives. In York, infection rates are on a par with London, and are still rising sharply. Can the Prime Minister explain not only why tests have been rationed but why there is a doubling of the contact tracing time released to our local authorities, delaying the vital opportunity to lock down the virus quickly?

The Prime Minister: I know that the hon. Lady is pro-lockdown, but I do not think that that is the right way forward. We are taking a balanced and proportionate approach, and that is what this country is going to do.

Mr Speaker: Last but certainly not least, happy new year to Jim Shannon.

Jim Shannon (Strangford) (DUP): I must have the strongest legs in the Chamber, as I have been bobbing for the past hour and a half.

I thank the Prime Minister very much for his statement and his replies. Will he outline whether he intends to work with the Chancellor and the Treasury to provide a scheme for small businesses that employ fewer than five people and have to close with no income if there is a contagious omicron case or a close contact? Too many businesses that are viable and successful can no longer hang on by a thread, and they need a further package of help right now.

The Prime Minister: As the hon. Gentleman knows, we have given significant support to businesses throughout the pandemic, and we keep that under review. What would not be good for businesses would be to release people back to the workplace too soon so that they infect everybody else who is there.

Ian Blackford: On a point of order, Mr Speaker.

Mr Speaker: Is it relevant to this statement?

Ian Blackford: Yes, it is. I am disappointed that the Prime Minister has left the Chamber, because I informed him that I would be making a point of order at the end of his statement. During his statement, he twice asked me to withdraw remarks that I had made during the statement. I do not withdraw any of the remarks that I made in the statement, because I am happy to confirm that everything that we have said was truthful and was about making sure that the Prime Minister was addressing the comments that we were making. That is in sharp contrast—

Mr Speaker: Order.

Sir Desmond Swayne (New Forest West) (Con): Further to that point of order—

Mr Speaker: No, there is no “further” for a minute. Just let us hang on a moment. First of all, we are not going to continue the debate—

Ian Blackford *rose*—

Mr Speaker: The right hon. Gentleman should bear with me; I have not quite finished. What you have done is corrected, and put on record your views and opinions, and I am quite happy for that to be noted. I do not want to get into a debate. I hear that there was some unparliamentary language from both sides. I do not expect it. I do not want it. I want us to start going forward in the new year with more tolerance and better respect for each other. I do not want to continue this argument or the debate any further. We have two more statements and other business to get through, so just for now let us turn the temperature down. I do not want to get into further arguments about what was said from each side, which is where we were going.

I am very happy that the point is on the record. It has, in your opinion Mr Blackford, been corrected. It is up to the Prime Minister whether he wishes to take that view. I do not like the sniping from the sidelines. I know some carried on afterwards, but I really want to move on. Nadhim Zahawi is going to make a statement.

Several hon. Members *rose*—

Mr Speaker: Points of order really should be made at the end of the statements. I have been very generous. Let us get moving and get through the business.

Ian Blackford: On a point of order, Mr Speaker.

Mr Speaker: I really do not want to go on with this. It had seriously better be a point of order, because the last one was not—it was a correction.

Ian Blackford: The point is that the Prime Minister asked me to withdraw remarks, when what we had done was speak truth to power. However, there were several things that the Prime Minister said that were quite simply incorrect in relation to both myself and the deputy Leader of the Opposition, most importantly on the issue of poverty. Figures from the House of Commons Library and, indeed, from the United Nations confirm that poverty in this country has increased, and we need to stop the situation where the Prime Minister can come and make up his facts in the House of Commons.

Mr Speaker: Order. Can I just say to the leader of the SNP that that is on the record? You have corrected it. I am not going to continue with a debate. I am going to get on with the statement, because the statement matters to all our constituents. I am not going to continue a debate that has already ended.

Education: Return in January

5.16 pm

The Secretary of State for Education (Nadhim Zahawi): May I begin by wishing you and the whole House a happy new year, Mr Speaker?

With permission, I would like to make a statement regarding the return to all educational settings for children, students and staff. There have been a number of adjustments to the start of this term, and I am grateful for the chance to update the House in more detail on what that means.

Although we are beginning the transition from pandemic to endemic, covid has undoubtedly been the greatest threat to our way of life since the second world war, but just as we did then, we are going to get on with the job. I know that our teaching communities have been adversely affected by the omicron variant, which is why I issued our recent call to arms, urging any teachers who have stepped away from the profession or who have retired to return, even if it is for just a few hours a week, so that we can keep children learning. I am glad to say that we have already seen the first volunteers heading back to our classrooms, including at least two of our own, my hon. Friends the Members for Eastbourne (Caroline Ansell) and for Stoke-on-Trent North (Jonathan Gullis), as well as staff from my Department who have answered that call. They do this House great credit, and I am sure I speak for the whole House when I say that we thank them and wish them well. I will have a better idea at the end of this week of the exact number of former teachers who have come forward to lend their support.

Even so, schools will be suffering some degree of staff absences. At the end of last year the figure was about 8% of staff off and that is likely to rise, with increasing cases in school and among young people as we return to school. However, let me say this: I have absolute faith in our teaching communities. Teachers, classroom assistants, nursery providers, heads and lecturers in all our education settings have worked miracles throughout this pandemic and continue to do so. To ease some of the burden, there will be a short temporary break from Ofsted inspections during the first week of term as schools undertake on-site pupil testing. Ofsted will also encourage settings that have been hit badly by covid-related staff absences to ask for a deferral of planned inspections. We will work with supply agencies to make sure that schools can continue to function, and that we prioritise children's learning face to face and, of course, in the face of staff absences.

In November, we reopened the covid workforce fund, and we are extending it to the February half-term to support schools that are facing the greatest staffing and funding pressures. I would like right now to be crystal clear about one thing: we must do everything—everything in our power—to keep all education and childcare settings open and teaching in person. Face-to-face education is the best way for children and young people to learn and develop. You do not have to be the Education Secretary to know this. Teachers know it, parents know it and kids know it better than any of us.

I would now like to outline the additional measures we have put in place to make that possible and at the same time limit the spread of infection. On 26 November, every single nursery, school, college and university was

[Nadhim Zahawi]

invited to order supplies of lateral flow tests, and they will have received their allocation of the 31 million tests, in advance of their pupils, students and staff returning, through a dedicated supply channel. As a result, all our education and childcare settings were already well prepared for the start of this term.

It is because we know that one of the most effective weapons in our covid arsenal is a robust testing programme that all secondary schools were asked to provide one on-site test for pupils at the start of term. They are getting on with that job right now, and I thank them for it. All college and university students and all staff have been asked to self-test at home before they return to the classroom. Secondary, college and university students, and education staff and childcare staff should then continue to test themselves at least twice a week. If any school or college runs out of testing kits, they can order more through the usual online ordering channel, or call 119 to receive further advice and support about their supply. We continue to work closely with the UK Health Security Agency to maintain supplies for all our education settings.

We continue to welcome international students to the United Kingdom, and universities stand ready to support any students who are required to quarantine on arrival. Overseas students should not worry, because visa concessions remain in place for international students to allow them to study remotely until 6 April this year.

The best way people can safeguard themselves and their families is by getting jabbed. The British public have responded magnificently, with around 60% having received all three jabs. We want to make sure that everyone gets vaccinated as soon as possible, which is why I have been urging parents to get the second doses for 12 to 15-year-olds that are now on offer. They can make appointments for both doses on the NHS booking service, and any children who are at risk in the five-to-11 age group can also get a jab by the middle of this month. There will also be a vaccination service in schools for those children who are eligible for jabs, beginning on Monday.

We have already delivered more than 350,000 carbon dioxide monitors, which settings have found extremely helpful in managing ventilation. Teachers have told us that they are finding the monitors helpful to manage ventilation, and in the majority of settings existing ventilation measures are perfectly adequate for the job. For the few—the very few—cases where maintaining good ventilation is more challenging, we are sending out up to 8,000 air cleaning units from next week. Alongside other protective measures such as testing, vaccinations and better hygiene, these will help to manage transmission and keep settings open.

To keep as many people as possible learning in school and college and higher education, we have said that face coverings should be worn in classrooms and teaching spaces for pupils and students in year 7 or above. We would not normally expect teachers to wear face coverings in classrooms if they are mainly at the front of the class delivering a lesson. I know people feel very strongly about this, and some have said we are wrong to do it. I follow the data, however, as I have always done. The UK Health Security Agency has said that the measure will help reduce transmission at a time when rates of infection are so high with the omicron variant. My

Department has also looked at observational data from a sample of 123 schools where face coverings were in use in the autumn term and found that there was a greater reduction in covid absence compared with those where students did not wear face coverings.

Obviously, wearing face coverings is not ideal. It is distracting for children at a time when they should be concentrating or listening to their teachers. I also know that it is not great for any child's wellbeing and I have commissioned staff from my Department to conduct further research to better understand the negative impacts of face coverings on education along with publishing the initial findings today, but I have to strike a balance between the vital need to keep schools open and reducing the spread of infection. As my hon. Friend the Member for Stoke-on-Trent North rightly pointed out in his article in *The Times*,

"Facemasks are a price worth paying to keep kids where they belong, in the classroom."

So, for the shortest possible time, and not a day more, that is what we will recommend. It is the sensible and pragmatic thing to do, and it is a proportionate thing to do.

I will review the recommendation on 26 January when I hope the data will allow us to ditch masks in class. Our young people have put up with an awful lot over the past two years. By doing everything that has been asked of them, they will have sacrificed many of the things all of us here took for granted when we were growing up. I am determined that we take whatever precautions we have to take now for the shortest possible time so that children can get back to the life that they should be leading and that they deserve.

We all owe it to this generation to give them the world-class education they deserve. For this reason, I commend this statement to the House.

5.27 pm

Bridget Phillipson (Houghton and Sunderland South) (Lab): Happy new year to you, Madam Deputy Speaker, and to the House.

I thank the Secretary of State for advance sight of his statement. I am glad that children are back at school this term, and I pay tribute to all the staff working right across education, whose commitment, dedication and hard work make that possible. Labour wants children to be in school, learning and playing together. Every day missed from school is a day they do not get back in their lives and in their learning. Last term alone, children in England missed over 10 million school days for covid-related reasons. More than 1 million children have left secondary school since the pandemic began. Almost 2 million of our youngest children have never known a normal school year. That is why Labour has set out a clear, costed and ambitious children's recovery plan that would support our children where they have missed out, with school activities, breakfast clubs, and small-group tutoring. The Government's plans are so limited and inadequate that their own recovery chief resigned in protest.

We will get on top of this disease by driving down transmission through vaccinating eligible children, ventilating our classrooms and testing regularly and frequently, but the steps the Government have taken so far, with further details announced at the very last minute and in the House today, simply do not rise to the challenge we face.

The Christmas break was an opportunity for the Government to ensure proper ventilation was in place in our classrooms, to get eligible children vaccinated and to ensure an ample supply of tests for families. On ventilation, 18 months ago, in July 2020, the Scientific Advisory Group for Emergencies considered a paper on the aerosol transmission of covid, and recommended:

“Particular attention should be paid to planning for winter to ensure that spaces can be effectively ventilated without significantly compromising the thermal comfort of occupants.”

In July 2021 we were told that an air purifier trial, a pilot study, was under way in Bradford, but by the time the full report of that study is available, it will be more than 30 months since the Government first ordered schools to close. How can anyone look at that timeline without concluding that for this Government our children are an afterthought?

Meanwhile, at the weekend, we heard that a further 7,000 air cleaning units are to be issued to schools. That trial will tell us either that those units are a waste of money, or that for hundreds of thousands of classrooms 7,000 units is wholly inadequate to meet the challenge they face. Which is it? While Ministers take their time to decide, it is winter. Windows are open in schools across England, and children are having to be wrapped up in their coats to learn. It is incompetent, complacent and inadequate. Our children deserve better.

On vaccination, on 30 December barely half of eligible children aged 12 and over had received even their first vaccination. We have seen in the past month with the booster jab what can be done when the political will is there, but for this Government our children are never a priority. On testing, the Government have encouraged parents to ensure their children take lateral flow tests twice a week. I looked last night for lateral flow tests online. There were none available for home delivery. We cannot test our children twice a week if there are not the tests available to do it.

In closing, I ask the Secretary of State some of the questions not addressed by his statement. What guarantee will he offer parents about the availability of vaccination slots for their children, in schools or elsewhere? What is he doing about those who peddle misinformation on vaccines, and will he bring in exclusion zones around schools? How does he plan to ensure that parents can get lateral flow tests for their children? When does he intend to publish the interim findings of the Bradford air purification trial? What confidence has he that 7,000 devices are enough—and why? Can he confirm that they will not be available until the end of February and that he expects children to sit in classrooms with open windows, in their coats, in winter?

Has the Secretary of State spoken to the Chancellor, who said last summer that he had “maxed out” on supporting our children and refused to fund the recovery plan that Sir Kevan Collins recommended? What advice has the Secretary of State had on whether face coverings would still be necessary if vaccination levels among children were higher and ventilation better? Can he explain why he is unable to tell the House today how many retired teachers and others have come forward to help in classrooms following his last-minute call? What guarantees can he give students with exams this month and later this year about whether they will go ahead? Lastly, but most importantly, when does he plan to

return to this House to set out the ambitious recovery plan for our children’s disrupted education that they so richly deserve?

Nadhim Zahawi: I fear the hon. Lady has very little experience of operationalising anything, given the way she has attempted to misrepresent the efforts we have made to ensure that schools are safe and hygienic. She omitted the fact that we have delivered 350,000 CO₂ monitors to our school system. That has allowed us to be confident that, where schools are able to ventilate, they are doing so and therefore do not need the air purifiers. Where schools do need additional help, those 8,000 air purifying devices are going out as of next week, especially to special needs and alternative provision settings, which as she knows are the most vulnerable, and to all other schools that cannot mitigate the problem of ventilation in the classroom.

There has been some corroboration of that modelling by Teacher Tapp, which I am sure the hon. Lady will look at in her own time online. If we take the 350,000 CO₂ monitors and look at the data reported back from schools and which schools have had issues, 8,000 air purifiers is a similar number to the one derived there.

The hon. Lady asked about lateral flow tests. She heard from the Prime Minister earlier that we have trebled the number of lateral flow tests going out, from 300,000 a day to 900,000 a day, and supply from 100 million a month to 300 million a month, but in her response to my statement, she unfortunately chose to traduce a testing infrastructure that is probably the best of breed in the world.

On retired teachers, again operationally, it is a bit difficult to say as we have had only one day of school. I need to wait until the end of the week at least before I can talk to the agencies and hear exactly how many teachers and temporary staff have been needed. I will happily share that information with the House, but, alas, the hon. Lady has clearly not had much experience of operationalising.

Some £5 billion is going into catch-up and there will be 6 million tutoring sessions. By any measure, that is a massive scale-up of tutoring. Half a million training opportunities will also be available—we cannot have a great education without having great teachers—and £5 billion will go into that.

The hon. Lady asked about vaccination. I can report to her that the school age vaccination programme will begin vaccinating in schools again as of Monday, as I mentioned in my statement, which she chose to ignore. Parents can also book online, go to GPs or walk-in centres to have their children vaccinated. We already have over 50% vaccinated.

Finally, on exams, vocational exams scheduled to take place in January will go ahead, because those students have worked hard studying for them and they deserve to be able to take those exams. Those who may be down with omicron and need to self-isolate will be able to get in touch with their awarding bodies and have their exam rescheduled. In the summer, we will also go ahead with exams, and rightly so, recognising that there has been much disruption to students’ studying, which is why we are doing it in two steps to go back to the rigorous grading of pre-covid pandemic levels.

Jonathan Gullis (Stoke-on-Trent North) (Con): I welcome my right hon. Friend's statement and thank teachers, lecturers and support staff across Stoke-on-Trent North, Kidsgrove and Talke for their heroic efforts in getting kids tested on the first day back as well as for promoting getting the vaccine and I join them in those calls. I wait by the phone to be called into the classroom on either a Thursday or a Friday sometime soon.

I am delighted to hear my right hon. Friend's reassurance about exams. Can we hear from the Secretary of State one more time that there is no plan B for the summer, just plan A, so that teachers, parents and pupils have the confidence that exams will go ahead as normal, and that we will get back to the exam structure to which everyone is so desperate to return?

Nadhim Zahawi: I can absolutely give my hon. Friend that assurance.

Valerie Vaz (Walsall South) (Lab): I wish a happy new year to you, Madam Deputy Speaker, and to all colleagues.

Given that there is a break in Ofsted inspections, could the Secretary of State speak to Ofsted about having some of the inspectors return to the classroom, making their inspections more efficient in future?

Nadhim Zahawi: I am grateful to the right hon. Lady for her question. Just to be very clear, for this first week, because secondary schools are conducting the tests that we have asked them to do for the students' return, there will be an Ofsted inspection break. Schools can also request a deferral if they have high absenteeism. Moreover, practitioners who are currently heads of schools and also inspectors will not be asked to carry out inspections when Ofsted returns to inspecting after this first week. Equally importantly, because of the safeguarding requirements for children in social care, inspections will carry on as normal.

Sir Desmond Swayne (New Forest West) (Con): Is it proportionate to test asymptomatic children, and then, when they are negative, to mask them up anyway? Will my right hon. Friend publish the study to which he referred during his statement about those schools that had lower absences during the autumn?

Nadhim Zahawi: I am grateful to my right hon. Friend for his question. We have today published that report of evidence, and I will happily send him a copy of it after this statement.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): When school pupils had to have laptops, the Government stepped in, but in future years schools are having to replace laptops out of their own funding. With the catch-up teachers—the retired teachers—coming back, who is funding them and how long will that funding continue?

Nadhim Zahawi: I mentioned in my statement the covid fund that we have made available, which we have extended further, so schools that need additional support in terms of temporary staff have access to that fund.

Mr Steve Baker (Wycombe) (Con): It is very much to my right hon. Friend's credit that he has published the evidence as he promised he would on talkRADIO on Monday. However, as I think I have just demonstrated, these face masks are an incredible inconvenience to

us all, and they are an especially harsh imposition on children. I do not have time to put all the caveats in the data on the record, but does he accept that that data needs a lot more work to be really conclusive, and therefore will he really be looking to end this imposition absolutely at the first possible moment?

Nadhim Zahawi: Not a day longer than necessary.

Stephanie Peacock (Barnsley East) (Lab): Just before Christmas, I received an email from a local teacher who said that his experience in the classroom was that schools are at breaking point due to serious underfunding issues. As a former secondary school teacher, I can only imagine how difficult it has been for schools over the past two years. Given that 20 primary schools across Barnsley East are receiving less funding in real terms than five years ago, what investment are the Government going to put into Barnsley schools to help them through this incredibly difficult time?

Nadhim Zahawi: I remind the hon. Lady that at the spending review settlement we achieved a funding settlement for schools of £4.6 billion, which school leaders, certainly those I spoke to, welcomed.

Angela Richardson (Guildford) (Con): I welcome my right hon. Friend's statement. I thank him and his ministerial team, and the officials at the Department for Education, for working tirelessly throughout the Christmas break to get our children back to school. Labour has repeatedly flip-flopped and muddied the waters for parents on the safety of schools remaining open to pupils. Speaking as a parent myself, can my right hon. Friend confirm categorically to me, to my constituents and to every parent in the country that every step is being taken to keep schools safely open?

Nadhim Zahawi: I thank my hon. Friend for her remarks. It is a huge team effort by many of my brilliant civil servants in the Department, and of course the frontline teachers and headteachers, but also the support staff in schools. We must never, ever forget that the support staff in schools have done an incredible job; they have gone above and beyond. It is absolutely clear to me that the best place for children is at school learning with their friends, classmates and inspirational teachers. We saw that in the Children's Commissioner's brilliant Big Ask survey, to which half a million children responded: they said they wanted to be back at school. It was brilliant teachers who helped me when I came to this country without a word of English. So I will do everything in my power to make sure that schools, colleges and nurseries remain open and that we begin, I hope—I have said this many times at the Dispatch Box—to be the first major economy to demonstrate to the rest of the world how we transition this virus from pandemic to endemic and live with it in the future.

Munira Wilson (Twickenham) (LD): We have known since early on in the pandemic that air purifiers are one of the most effective and cheapest ways of reducing covid transmission in the classroom, as shown by countries such as the US and Germany, which implemented them many, many months ago. The Secretary of State's defence today for the very belated announcement of only 8,000 air purifiers for over 300,000 classrooms in England is

that they do not need them. Will he publish the data from the CO₂ monitors that show that only 8,000 classrooms need them? Why is his Department recommending Dyson air purifiers when actually there are far cheaper ones available on the market?

Nadhim Zahawi: I think it is worth just taking a step back. We delivered 350,000 CO₂ monitors. The majority of schools did not report any issues with the atmosphere in the classroom. The reason why we ordered 8,000 purifiers was that the data we received, the feedback from those schools using their CO₂ monitors, demonstrated to us that there are probably classrooms that cannot mitigate easily and will therefore need air purifiers. That is the funnel that we go through, otherwise we waste public money—taxpayers' money—on buying 300,000 air purifiers for classrooms that simply do not need them. I am sure the hon. Lady can understand that.

Munira Wilson: Why Dyson?

Nadhim Zahawi: Why Dyson? Because my civil servants also set up a marketplace for other schools that want to buy air purifiers, and they have looked at what is available in the market and recommended more than just the Dyson brand in that marketplace.

Dr Andrew Murrison (South West Wiltshire) (Con): Happy new year to you, Madam Deputy Speaker. My right hon. Friend's statement is very much to be welcomed. He is right to point out, however, that masks are not a cost-free option. What evidence does he have about their effectiveness, particularly since the evidence from the US suggests that the effectiveness of masks varies from 98% for an N95 respirator down to about 25% for a three-layer cotton mask? If he is insisting that children wear masks, he is presumably also contemplating the sort of guidance he should issue about the constitution of those masks and how they should be worn to ensure maximum effectiveness at preventing transmission.

Nadhim Zahawi: Masks are one of a number of mitigations. The most important mitigation is the vaccine—that is indisputable, whether it is the first two jabs or, now, the booster campaign—and then the testing we are conducting in secondary schools this week, which I have just described, and in other settings as we have guided. I have today published the work we have done on masks, and it has been referred to in the House; I will share that with my right hon. Friend as well. That work is based on an observational study that we conducted in the Department of 123 schools where they rigorously applied the wearing of masks. By the way, we have supplied the masks so that schools have them available and are able to make them available to their students as necessary.

However, in the face of a highly infectious variant, masks are one mitigation that I thought was necessary, based on that observational study and the recommendation from UKHSA, including some of the evidence from places such as Germany and elsewhere. It is something that I did reluctantly, because the challenges around learning are evident as well, and I want to keep them for as short a time as possible, just as we begin to—I hope—get through the bumpiest of the next couple of weeks with omicron.

Lilian Greenwood (Nottingham South) (Lab): I am sure that I am not alone in hoping that when the Secretary of State next replies to questions from the shadow Education Secretary, my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson), he drops the rather patronising tone he took.

The Secretary of State has asked all university students to test themselves before returning to campus, which is very welcome, especially in Nottingham, where we are very proud to be home to 60,000 university students. I know that those students will want to do the right thing to protect themselves, their housemates, university staff and the wider community, but with a national shortages of tests, can he explain how he will guarantee that they are able to do that right thing and test before they come back to Nottingham?

Nadhim Zahawi: Nottingham has much to be proud of: not only its students getting themselves vaccinated—over 90% of university students have now taken the vaccine, and I thank them for doing so—but being home to the largest manufacturer of lateral flow tests in Europe, which the Prime Minister spoke about earlier.

One of the ways in which we have mitigated and made sure that we deliver more lateral flow devices is by trebling the number. We used to deliver about 300,000 a day: we have increased the delivery infrastructure so that we can do 900,000 lateral flow devices a day. I recommend that people refresh the website so that they can order their devices. On supply, we have gone from 100 million to 300 million a month. As the Prime Minister mentioned, we probably have the largest testing infrastructure in Europe.

Steve Brine (Winchester) (Con): Happy new year, Madam Deputy Speaker. The Secretary of State knows that I do not like the classroom mask mandate one bit. What so many constituents who have contacted me have said—this saddens them and puzzles me—is that we are again holding children to a different standard from the one for the rest of the population. There are masks in classrooms, so why not masks in every single office where people have to go to work? We are testing, testing, testing our children; that has an impact on them and their mental health. Where does he see that in six months' time or in 12 months' time when they return after next Christmas? In short, I am asking him: what is his exit strategy for schools from covid?

Nadhim Zahawi: I remind the House that it is guidance—rather than mandate—on mask wearing in communal parts as part of plan B, which we announced at the end of last year, and now on wearing masks in secondary schools in the classroom. My hon. Friend mentioned the unfairness of this. I agree—I hope my statement struck the right tone—about what children have had to endure over the past two years because of the pandemic. However, I remind the House about a slight difference: we are asking people to work from home wherever possible, so they do not need to go into the office at present, but we want to children to be in school, in a classroom, learning, because we know that that is the best place for them—for their education and for their mental health.

Our plan is clear. As the Prime Minister set out, we will review all the plan B measures on 26 January—in fact, they will sunset then—and I hope that, by then, as we see more evidence, which at the moment, clearly

[*Nadhim Zahawi*]

demonstrates that the Prime Minister was absolutely right not to go any further and lock down the country at Christmas or in the new year, we will be one of the first major economies in the world to demonstrate how we transition this virus from pandemic to endemic. I hope that we will get back to what normal life looks like for students as well as for the rest of the economy.

Rachael Maskell (York Central) (Lab/Co-op): I want to return to the issue of exams and assessments. Young people have a real sense of fairness. When they are seeing some areas of the country where infection levels are incredibly high and other areas where these are lower, they are concerned that there will not be equality across the country to demonstrate their ability and for their futures. How will the Secretary of State ensure that every single child will have their assessment in such a way that their full ability will come to the fore?

Nadhim Zahawi: I am grateful for the hon. Lady's important and thoughtful question. We are doing several things. As I have made clear, we are going back to examination. Exams will take place this month—some of the vocational examinations that are coming through—and then in the summer. I spoke about our work with the regulator, Ofqual, on recognising the disruption to students' learning because of the covid pandemic. Through Ofqual, we will also share advance information with teachers and schools so that we, again, recognise the challenges around exams this summer for students. As I mentioned, we will go back in two steps to pre-covid grading, recognising the challenge that students have faced.

Greg Smith (Buckingham) (Con): It is vital that schools remain open and I warmly welcome my right hon. Friend's clear determination to keep them open. I share, however, the concerns of other hon. Members who have spoken about the mask mandate, which I believe will cause harm to all children in terms of concentration, their educational development and social interactions. There are some for whom that impact will be even more severe. A teacher in my constituency wrote to me earlier today to say that three of the pupils he teaches are partially deaf and depend entirely on lip-reading. He tells me:

"Their experience over the next few weeks will be awful as they are denied normal interactions".

What can my right hon. Friend say to those children to ensure that they will not be left behind?

Nadhim Zahawi: I am grateful to my hon. Friend for raising an important point. I remind the House that when teachers are standing at the front of their classroom, they are not required to wear masks, and those students who are deaf and rely on lip reading will obviously continue to be able to learn. Nevertheless, it is an important point that a number of children will be unable to wear masks, whether because of a disability or otherwise, which is why it is guidance and at the discretion of teachers and school leaders. We trust teachers to do the right thing on this.

Ellie Reeves (Lewisham West and Penge) (Lab): The importance of ventilation in schools was first highlighted in spring 2020, yet it has taken until 2022 for the

Government to offer just 7,000 air-cleaning units when there are well over 20,000 schools and 300,000 classrooms in England. Schools in my constituency are doing a brilliant job, but I have seen an email from one school asking children as young as four to come to school in extra layers so that the windows can be kept open in winter. Is not the Government's failure to get to grips with ventilation in our schools another example of them treating our children's education as an afterthought?

Nadhim Zahawi: I thank the headteachers, teachers and support staff in the hon. Lady's constituency for their work. Teachers have gone above and beyond. Some 99.9% of schools were open at the end of last term and we are seeing similar numbers now that are determined to stay open and be a place of enrichment for young people.

I will not repeat myself, but we have roughly 24,300-plus schools and we have sent out 350,000 CO₂ monitors. The feedback from the majority has been that they do not need air purifiers. When we did the modelling, we thought that they would need roughly 8,000, which is what we have. The first ones go out next week. That is the right, proportionate and cost-effective way to deal with it.

By the way, the 350,000 CO₂ monitors cost £25 million of taxpayers' money. We are stewards of taxpayers' money; we have to be responsible in how we support schools to remain open and do what they do brilliantly, which is educate young people.

Felicity Buchan (Kensington) (Con): My constituents, old and young alike, believe that it is of paramount importance to keep schools going, no matter the circumstances. I welcome my right hon. Friend's statement and its clarity, which is in big contrast to what the Opposition have done during the pandemic, which is to sow confusion with their flip-flopping about whether schools should be open.

Nadhim Zahawi: I hope that the shadow Front-Bench team will continue to think about their position and change their mind.

Mr Kevan Jones (North Durham) (Lab): May I wish you a happy new year, Madam Deputy Speaker? I also thank the Secretary of State for his statement. Local directors of public health have been important in the fight against covid, especially in schools in earlier waves. My hon. Friend the Member for York Central (Rachael Maskell) raised with the Prime Minister the issue of real-time information getting to local directors of public health. Clearly, he did not give her an answer—he never does to anything—so I ask the Secretary of State directly whether he can give an assurance that the information from the testing that is going on in schools will be given in a timely way to local directors of public health, who can react to it to assist schools to drive down break-outs where they occur.

Nadhim Zahawi: The right hon. Member raises a really important question. This week, I deliberately had a Zoom meeting with pretty much all local directors of public health—more than 200 attended—because I wanted, first, to thank them, and secondly, to hear from them what they are seeing and picking up on the ground and

to get that evidence. It is important for me and my team to ensure that we have that communication. I will go further and say that it is about local directors of public health working with school leaders, and the communication must be absolutely paramount. That is why I wanted to have that conversation directly with the directors so that they could hear from me how important they are in this whole endeavour. Local doctors who are responsible for public health are equally important.

Mark Pawsey (Rugby) (Con): I congratulate the Secretary of State on the work that he, his team and the entire teaching profession have done to keep our children in the place that is best for them, which is in the classroom, learning. So many children have fallen back over the past two years. The Secretary of State spoke earlier about the plans to enable catch-up; will he say a little more about when we might be able to implement them?

Nadhim Zahawi: Absolutely. We managed to secure further funding in the spending review, so the total amount of funding going into catch-up is now just short of £5 billion—I think it is £4.9 billion. Those students who have the least time left in education—that is, 16 to 19-year-olds—are getting, in effect, an additional 40 hours of education, because it is important that we focus on their catch-up. Secondary and primary schools focus very much on disadvantaged students.

The major tutoring programme through which we are delivering 6 million tutoring sessions, each of which is, in effect, 15 hours of tutoring for those kids, means that we are seeing a real difference in outcomes. Tuition used to be the luxury of the very wealthy, but we want to make sure that every child has it available to them and I want parents to make sure that they ask schools what they are doing about the additional tuition that we are making available.

Jim Shannon (Strangford) (DUP): I thank the right hon. Gentleman for his positive statement. What discussions have been held with the devolved Administrations and the Northern Ireland Assembly to ensure that the focus is on ensuring that children—particularly those with big exams coming up, whether GCSEs or A-levels—are taught at school? Furthermore, will additional funding be available for schools to run catch-up classes as and when they are needed?

Nadhim Zahawi: I mentioned earlier the funding settlement in the SR, and when I talk to school leaders, they say that they think that has been a good outcome for us in education. Of course, I also spoke about the £5 billion of catch-up funding. We are sometimes in danger of getting into an arms race in respect of how much we can announce, but my focus is on output: how many children have we managed to get to catch up, whether through the tuition partners scheme or any of the other schemes I have mentioned?

Dr Luke Evans (Bosworth) (Con): I am grateful for the Secretary of State's answer to my hon. Friend the Member for Rugby (Mark Pawsey) about the £4.9 billion for catch-up. Going forward, there is an opportunity to make sure that we get our pupils in front of teachers, and one way to do that is to extend the school day. The idea was raised with the Secretary of State's predecessor, my right hon. Friend the Member for South Staffordshire

(Gavin Williamson), and the Chair of the Education Committee, my right hon. Friend the Member for Harlow (Robert Halfon), is a big advocate of it. Is my right hon. Friend the Secretary of State considering taking the idea forward as a long-term plan to make sure that pupils really are educated to the best of their ability?

Nadhim Zahawi: That is what we are doing as part of catch-up for 16 to 19-year-olds, who have the least time left in education and therefore in effect face the greatest challenge because of covid. I have also said at the Dispatch Box previously that because of our research capability in the Department we now know that the average school day is 6.5 hours; I would like those whose days are below average to move towards that average. I will always look at what the high-performing schools and multi-academy trusts do to deliver additional work, and not just academic work. The Minister for School Standards is looking at all the other things that deliver a rounded, healthy individual who becomes a brilliantly capable adult.

Ben Everitt (Milton Keynes North) (Con): Happy new year, Madam Deputy Speaker. We all agree that there is nothing better for attainment and learning than keeping pupils in school, but will the Secretary of State assure me that mental health has been considered in his priorities for keeping schools open? As the Milton Keynes youth cabinet highlighted to me a few months ago, there is a potential mental health time bomb from children losing the structure of a school day, so will he confirm that it is our absolute priority to keep schools open?

Nadhim Zahawi: I am grateful to my hon. Friend for his incredibly important question. He cites the Milton Keynes feedback that he has received. Half a million children responded to the Children's Commissioner's Big Ask survey, including 2,500 children of Gypsy and Roma families and 16,000 children with special educational needs and disabilities. This generation is not a snowflake generation—it has been a pretty resilient generation through covid—but, actually, one thing the children cite very clearly is the impact on their mental health of schools not being open, and obviously being available only for the most vulnerable children and children of critical workers. I think that was a painful lesson for us to learn. I will never want to repeat that, and I will do everything in my power to keep schools open.

Madam Deputy Speaker (Dame Eleanor Laing): Finally, I call Ben Bradley.

Ben Bradley (Mansfield) (Con): Thank you, Madam Deputy Speaker. It is a shame to find myself bottom of the class, but I guess I must try harder.

I welcome the Secretary of State's statement and his commitment to keeping schools open, which will be really important to parents in my constituency. It is not without its challenges, but given what we know about the lower health risk to children and the emerging evidence about perhaps the less severe impact of the omicron variant, arguably the biggest challenge is staffing, which is why some of the measures he took over Christmas are so important.

[Ben Bradley]

I have two questions. First, could the Secretary of State tell my residents whether his scheme to promote people coming back into classrooms is still open, and if so, how can I encourage my constituents to sign up or where can I encourage them to sign up? Secondly, along with teachers, support staff are clearly hugely important—at Mansfield council, we have found shortages of cleaners and all sorts of other very important roles in schools—so has his Department considered what support or advice he might offer schools about those roles?

Nadhim Zahawi: My hon. Friend is certainly not bottom of the class. His experience of local government and his contribution to national Government are exemplary. That was a very good double question. On the first question, we have set up a dedicated site where people can register, inquire and come forward, and then be signposted to local agencies in their area to be able to sign up. On his second very good question, I am also looking at and monitoring support staff absenteeism because of the omicron virus, because they are equally important in making sure that our schools continue to remain open for face-to-face education.

Madam Deputy Speaker: Thank you. The House is very grateful to the Secretary of State. We now come to the next item of business—she said slowly, in order to allow a dignified exchange of personnel while keeping social distancing. I think we have achieved that now.

UK-Australia Free Trade Agreement

Madam Deputy Speaker (Dame Eleanor Laing): I call the Secretary of State for International Development—*[Interruption.]* Oh, I beg the right hon. Lady's pardon. I have just called the wrong Secretary of State. Take two: I call the Secretary of State for International Trade.

6.8 pm

The Secretary of State for International Trade (Anne-Marie Trevelyan): Thank you, Madam Deputy Speaker. In a former incarnation, I was indeed in that other role.

I am really delighted to be able to report to the House that, just before Christmas, the Australian Trade Minister, Dan Tehan, and I signed a comprehensive free trade agreement between the United Kingdom and Australia. This agreement deepens our bond of common values and a shared belief in the combined power of democracy, free trade and high standards. This is the first new trade deal the UK has negotiated from scratch since leaving the European Union. It is truly a world-class partnership, allowing our businesses to trade and invest more freely.

The deal will uphold high standards and foster collaboration on challenges such as tackling climate change, unfair trading practices and growing the low-carbon economy, going further than ever before in many important areas and showing what we can do as an independent trading nation. It eliminates tariffs on 100% of UK exports, and includes flexible rules of origin, meaning that UK businesses can use some imported parts and ingredients, and still qualify for the new 0% tariffs when exporting to Australia. It gives UK firms new legally guaranteed access to bids for over £10 billion of Australian Government contracts on an equal footing with Australian firms. It provides unprecedented new opportunities for young Britons to live and work in Australia, and it paves the way for the UK to join the comprehensive and progressive agreement for trans-Pacific partnership, or CPTPP, which would further open 11 markets worth £8.4 trillion in GDP for British exporters and investors. Accession to the CPTPP could see 99.9% of UK exports being eligible for tariff-free trade with some of the biggest economies of the present and future, from Japan to Mexico, and from Canada to Indonesia, Malaysia and Singapore. Unlike EU membership, it would achieve that while allowing us to continue to keep control over our laws, our borders and our money.

This deal is expected to increase trade with Australia by more than 50%. It is expected to add £900 million to household wages, and to deliver a boost for the economy of over £2 billion by 2035—compared with what we would see if we did not have a deal—benefiting communities and helping to level up every region and nation of our United Kingdom.

The agreement that I have signed delivers for the whole of the Union. The economies of Wales, Scotland and Northern Ireland are estimated to benefit from a combined boost of £200 million, and the economic impact assessment that we have published shows that the west midlands, the north-east, the north-west, the south-east, the south-west and Wales are set to see the biggest proportional gains. The deal will benefit Scotland's financial services industry, boost innovative aerospace design and manufacture in the west midlands, provide new opportunities for Welsh fintech companies, allow

Northern Ireland's manufacturers to export more competitively, and help car makers to support thousands of jobs in the north-east.

The agreement means that Australia will remove tariffs from all its UK imports, making it more competitive for the 15,300 UK businesses who currently export iconic products such as Jaguar and Aston Martin cars, Scotch whisky, London gin and UK fashion to Australia. It will encourage new companies to enter the market, including small businesses and family-run firms which will find it easier, cheaper and faster to sell their fantastic goods and services to Australia for the first time. It also delivers for consumers. The removal of UK tariffs on Australian favourites such as Jacob's Creek and Hardys wines will help to keep prices down. UK manufacturers will benefit from cheaper access to important Australian machinery parts, allowing them to be more competitive and to grow.

The agreement means that investing in Australia will be easier than ever before. It more than quadruples the threshold that UK investments need to meet before being subject to review by Australia's Foreign Investment Review Board, which will help to save time, save money and cut red tape. The UK's world-class services industry will now have unprecedented and legally guaranteed access to the Australian market, allowing UK legal and engineering firms to compete on an equal footing with domestic firms in Australia.

Ambitious tech start-ups, financial services firms and the creative sectors will benefit from new opportunities to trade digitally. The agreement secures the free flow of data while locking in a legal requirement for personal data protection in both countries, guarantees fair access to Australia for telecoms companies, and forges greater co-operation on 5G and cyber-security. It includes the world's first dedicated innovation chapter in a free trade agreement, establishing a strategic innovation dialogue to ensure that the deal keeps up with technological developments and drives the commercialisation of new technologies.

Our British businesses will also benefit from unrivalled new access to business visas, allowing staff to relocate more easily and travel more freely to work in Australia. It will enable Britons aged 18 to 35 to travel and work in Australia for up to three years, and they will no longer have to work on a farm to obtain a working holiday maker visa. Australian firms will no longer have to prioritise hiring Australian nationals over a British national. Additionally, executives and managers who are transferred to their company locations in Australia will have the right to stay for four years instead of two. They can also bring their spouses and dependent children, who will have the same four-year right to work.

The agreement has been crafted through consultation with UK businesses and interested parties at all stages of the negotiations. It offers a suite of arrangements going further than Australia has ever gone with any other country in a free trade agreement, which is a testament to the strength of our relationship and the hard work of my brilliant officials at the Department for International Trade and their Australian counterparts. It includes ambitious commitments to work together in addressing the shared challenges of environmental conservation, women's economic empowerment and poverty reduction. It includes a commitment to maintain high animal welfare standards.

We have also secured protections relevant to the NHS and Australia's health system in the agreement, which keep the NHS out of scope of the agreement. The NHS is not, and never will be, for sale to the private sector.

British food and drink is world-renowned for its quality, and this trade deal will deliver benefits to the industry—from tariff-free access to the Australian market to faster customs arrangements. The deal could see a wide range of iconic UK products, including Scotch whisky, Irish cream and Welsh cider, given protected geographical indication status in Australia. By creating new opportunities, this deal will help continue a trend of booming UK food and drink exports to Australia, which have more than doubled in the last decade. So we should be unafraid of fair competition and positive about the export opportunities that exist.

Let me also take the opportunity to alleviate the concerns of some colleagues regarding meat imports from Australia. The reality is that beef imports from Australia account for only a small fraction of our overall beef imports. Just 0.1% of all Australian beef exports went to the UK last year. Also, it is relatively unlikely that large volumes of beef and sheep will be diverted to the UK from lucrative markets in Asia, which are much closer to Australia. More than 75% of Australian beef and 70% of Australian sheepmeat exports last year went to markets in Asia and the Pacific—markets that we are also keen to grow in through our membership of the CPTPP.

With regard to animal welfare and food standards, we have been clear throughout this process that we will not compromise on our high standards, and we have delivered on that. All imports into the UK will have to comply with our existing food standards requirements—including the ban on hormone-treated beef. The deal also includes a dedicated chapter and non-regression clause on animal welfare. This will help to ensure that neither country lowers their animal welfare standards in a manner that impacts trade.

This agreement also supports the UK's climate change commitments, reaffirming both parties' commitments to all of the Paris agreement objectives—the first time that Australia has included a substantive climate change article in any trade deal. It also sets out areas for future co-operation on emissions reduction, zero emissions technology, energy efficiency and sustainable transport. So UK businesses will benefit from zero tariffs on all low-carbon exports to Australia, including of wind turbine parts and electric vehicles, creating more opportunities to grow the low-carbon economy.

The Government are committed to transparency and inclusiveness in all our future trading arrangements, and the House will now have substantial opportunity to scrutinise this deal in detail. We have already presented the full treaty text, a draft explanatory memorandum and the independently scrutinised impact assessment to Parliament, and we anticipate that there will now be a period of several months before the agreement is formally laid before Parliament for the 21 sitting days of formal scrutiny under the Constitutional Reform and Governance Act 2010, otherwise known as CRAg. That will allow ample time for the Trade and Agriculture Commission to prepare its advice, as well as for the International Trade Committee and International Agreements Committee to produce a report on the agreement, should they so wish. I have already written to the new Trade and

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Agriculture Commission to seek its advice on the deal with respect to our domestic statutory protections for agriculture. That will help me to inform the Government's own report on this issue, as required under section 42 of the Agriculture Act 2020. I also wish to highlight that any legislative changes required to give effect to the deal will be scrutinised by Parliament in the usual way ahead of ratification.

So this is a landmark agreement and will be a feature of the relationship between our two great countries for many years to come. As a newly independent trading nation, the UK is reaching out to seize the opportunities of the future—opportunities that we are uniquely well placed to take. The deal I have signed with Australia, one of our closest and most important allies, is just the latest chapter in our progress towards that brighter future, forging an open, enterprising economy, enabling us to build back better from the pandemic, and levelling up every region and nation of our United Kingdom.

I commend this statement to the House.

6.19 pm

Nick Thomas-Symonds (Torfaen) (Lab): I am grateful to the Secretary of State for her statement and for advance sight of it.

I would say at the outset that we on the Labour Benches are in favour of negotiating trade deals that benefit UK workers and businesses and promote our values around the world, and we will not hold the Government to impossible standards, but we will hold Ministers to what they have promised people they will deliver from the negotiations. Those promises make it even more important that Ministers show strength at the negotiating table and defend UK interests to the utmost. Other countries, in future negotiations, will look at what was conceded to the Australian negotiators and take it as a starting point.

We already have a UK-Japan trade deal that benefits Japanese exporters five times as much as it does UK exporters. A worrying pattern is emerging of not standing up for UK interests. It is what makes the Government's failure in so many aspects of this deal so costly for the United Kingdom. The Government's own impact assessment shows a £94 million hit to our farming, forestry and fishing sectors and a £225 million hit to our semi-processed food industry.

The Government claim that they are trying to mitigate that with tariff-free access being phased in over several years, but what is being done is totally inadequate. On beef and sheepmeat, the phasing-in period is 15 years, but the quotas being set by the Government for imports from Australia are far higher than the current level of imports. On beef imports, for example, when Japan negotiated a deal with Australia it limited the tariff-free increase in the first year to 10% on the previous year. South Korea achieved something similar and limited the increase to 7%. But this Government have negotiated a first-year tariff-free allowance of a 6,000% increase on the amount of beef the UK currently imports from Australia. On sheepmeat, in the first year of the deal, the Government have conceded a 67% increase in the tariff-free quota. Why did Ministers not achieve the same as Japan and South Korea?

Why have Ministers failed to ensure that Australian agricultural corporations are not held to the same high standards as our farmers? The Secretary of State mentioned animal welfare standards in her statement, but what the Government have agreed is a non-regression clause. To be clear, that does not mean that the standards will be the same in both countries. That is not fair competition. What will actually happen is that meat produced to far lower animal welfare standards will get tariff-free access to the UK market. So much for the promise of the Secretary of State's predecessor that the Government had no intention of striking a deal that did not benefit our farmers. Is it any wonder that Australia's former negotiator at the WTO said:

"I don't think we have ever done as well as this"?

On climate change, which the Secretary of State mentioned, the COP26 president said, on 1 December, that the deal would reaffirm

"both parties' commitments to upholding our obligations under the Paris agreement, including limiting global warming to 1.5°."—[*Official Report*, 1 December 2021; Vol. 704, c. 903.]

But an explicit commitment to limiting global warming to 1.5° is not in the deal. Perhaps the Secretary of State can tell us what went wrong in those final days. Does the Secretary of State also accept that the failure to include that explicitly in this important deal damages the UK's ability to lead on climate change on the world stage—[*Interruption.*] Ministers shout at me, but they told the House on 1 December that it would be included. What went wrong?

The Secretary of State has confirmed that she has asked the Trade and Agriculture Commission, as she is required to do, for advice on the impact of the deal on statutory protections for agriculture. Will she confirm when the Government's own report will be available?

On scrutiny, why are the Government promising a monitoring report approximately two years after the agreement comes into effect, and every two years thereafter? Why not every year? In addition, the Secretary of State spoke about the impact of trade deals on the whole of the United Kingdom. Can she confirm what steps she will take to address any concerns raised by the devolved Administrations, and how she will formally involve them in the ratification process?

Tariff-free access to our UK market is a prize Ministers should not give away easily. However, looking at the concessions made by this Government, are people not right to worry that the Government are more interested in a quick press release announcing a completed deal than they are in standing up for UK jobs and livelihoods?

Anne-Marie Trevelyan: I am glad the right hon. Gentleman supports international trade, but I come away slightly less than enthused that he is genuine in that, and I hope we will be able to persuade him in the months and years ahead that the Government's commitment to giving UK businesses the opportunity to share their incredible goods and services around the world is absolutely the focus of the work we are doing. I will try to cover all the points he raised, but if I miss any, I will be happy to write and confirm them.

On quotas, let us be clear—I highlighted this in my statement—that the vast majority of beef and sheepmeat being sold from Australia is going to the Asia-Pacific for the time being, and the quotas have been brought in

on a very clear and slow trajectory to allow our farmers to consider the markets. Really importantly, we are looking much more widely, and this is the first of what I hope will be many deals; indeed, this is about not only free trade agreements, but the removal of various barriers to exports—things such as the lamb export ban that has been in place with the US for over 20 years. Just before Christmas, we agreed that it would be removed so that our lamb farmers would be able to export some of the finest lamb in the world—I speak with a personal interest, from Northumbria farmers’ perspective—into US markets for the first time in two decades. So there are some really exciting things coming, and the Australia deal is the first of many deals that will afford our businesses, including our farmers, many new market opportunities.

On standards, the animal welfare chapter is the first one the Australians have ever done. Their commitment to moving forwards—as the right hon. Gentleman says, there is the non-regression piece—and to working with us is really important. In the same way that the environmental chapter does, that commitment shows their very clear policy objective as a nation to move forwards. The environmental chapter is, again, the first they have ever committed to, and in it they have committed to the Paris agreement. As we were in the final throes of the negotiations—I was very much involved, and it was a great honour, at COP26 with the President of COP26—Australia brought forward a net zero commitment, which is something that many have failed to do in Australian politics. That commitment, alongside this environmental chapter, shows a very strong commitment by the Australians to move forward on this issue. We will work together, not only as mutual friends and allies, but with other countries to help them meet their net zero commitment. That is a really important commitment.

This is a broad, liberal agreement; we talk about tariff-free access to the UK, but we also have tariff-free access to Australian markets. This is a broad, liberalising, fair and well-balanced trade deal between partners who want to work together as closely as possible in the decades ahead.

Mark Garnier (Wyre Forest) (Con): May I congratulate my right hon. Friend on her achievement in this trade deal? She is absolutely right that, despite the fact that we have signed 70 trade deals, this is the first ab initio trade deal that we have signed as an independent nation. I hope there will be many more agreements, including with the Kingdom of Thailand, for which I am the Prime Minister’s trade envoy.

My right hon. Friend rightly talks about the scrutiny process for these trade deals, and as a member of the International Trade Committee I can confirm that it is a fantastically complicated proposition to try to go through these deals. She mentioned three items that are incredibly important to the scrutiny process, but can she give a more specific indication of when we expect the Trade and Agriculture Commission report and the Government’s section 42 report and when the CRaG process will be triggered? Could she also consider publishing the Government’s negotiating positions in future trade deals, so that we can scrutinise and compare what is achieved against what was intended?

Anne-Marie Trevelyan: I thank my hon. Friend, who is a former Minister in the Department, for all his work and for his continued passion and commitment in driving

forward the UK’s opportunities to find these fantastic trade deals. He is now doing great work with Thailand, and it is interesting that we already have nearly £5 billion-worth of bilateral trade with Thailand. So many countries are knocking at the door saying, “We want to do more. We want to have better deals with you.” That is a really exciting and strong message. Now that we are on the global platform, those countries want to do that trade, because they know that we have the best businesses in the world and they want to have a close relationship with us. I think it is very exciting.

In answer to my hon. Friend’s question on parliamentary scrutiny, he is not wrong. It is a relatively complex journey that we are about to take with our first deal. We anticipate that there will be a period probably of several months before we lay everything before Parliament. We have asked the Trade and Agriculture Commission to crack on with its review, and once it reports back to me, I can submit the section 42 measure required by the legislation, and I hope that his Committee and the Committee in the other place will submit their own perspectives once they have had a chance to look through—I apologise for this, but in a way I do not—what is a very large tome of nearly 2,000 pages.

Alyn Smith (Stirling) (SNP): A good new year to you, Madam Deputy Speaker, and to colleagues.

I, too, am grateful for sight of the statement by the Secretary of State. Trade deals are the ultimate curate’s egg—there are things to admire and things to dislike in all of them. There are things to admire in this deal. I am grateful for that, and I welcome such progress as has been made. In the European Parliament, I was in favour of ambitious trade deals, and often found myself voting against the deals that had been negotiated because I thought that they could go further on environmental standards, human rights and climate change. In this deal, there really is a missed opportunity on climate change. It could have gone an awful lot further with one of the key countries in the world in the fight against climate change, and the standards could have been an awful lot higher.

I am struck, as ever, by the capacity of Government Members to become giddy with excitement about the upsides and hypothetical benefits of Brexit while ignoring the real-world consequences in the cost and heartache of leaving the European Union—in Scotland’s case, very much against our will. In the best-case scenario, taking the Government’s figures at their best, this deal will increase UK GDP by 0.08% by 2035. That is not nothing—and I welcome it—but the Office for Budget Responsibility, by contrast, has calculated that we will lose a full 4% of GDP. We need to look at that in the round, and Members need to see the deal in context.

This is not the last time that we will discuss this issue, so I will limit my remarks to agriculture and future scrutiny. I quote Martin Kennedy, the president of the National Farmers Union of Scotland:

“The final deal...shows a complete dearth of proper consultation with farming and food sector interests across the UK. While we are not against free trade, this deal appears to be very one sided, with little to no advantage for Scottish farmers”.

I could not have said it better. If covid and Brexit have taught us anything it is that indigenous food production across these islands—indeed, across this continent—and short supply chains are vital to our national security

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and national resilience, however we define “national”. Anything that undermines that will be viewed with extreme scepticism by SNP Members.

On scrutiny, to what extent can anyone influence a deal that has already been signed? If the Trade and Agriculture Commission makes a recommendation against part of this deal, what happens? That is a genuine question. What input will there be for the Scottish Parliament, the Welsh Senedd and the Northern Ireland Assembly. If any of them says no to any part of the deal, what happens?

Anne-Marie Trevelyan: I am thrilled to hear that the hon. Gentleman is a supporter of ambitious trade deals, and I look forward to working closely with him in the months and years ahead as we continue to do many more. This is the first of many. It is an exciting, broad, liberalising trade deal for both parties, and I am disappointed that he thinks differently. Australia has for the first time ever agreed to an environmental chapter and made climate change commitments to embed in a treaty with us its commitment to the Paris agreement, which we all understand very clearly and which was reiterated at COP26 in Glasgow. The aim to keep 1.5 alive continues to be the commitment that the world makes. Australia has, as I have just said, made the commitment for the first time to a net zero strategy for its own nation. We should commend its effort to do that and its willingness to embed in a treaty with the UK—a world-leading nation when it comes to driving the environmental agenda—the fact that it wants to work closely with us to make sure that we make progress.

I am disappointed to hear about the views of a few in Scotland. I hope that as they have had the chance to read the document over the Christmas holidays, perhaps having a few days off for rest, because it is a weighty tome, they have discovered the safeguards that we have built in for farmers, which address some of the anxieties that were raised with us in extensive consultation with many partners throughout food and drink supply chains. They will find that those measures are robust and they should be reassured. I am incredibly proud of the indigenous food production that comes out of all parts of the United Kingdom. Scotland should be proud of its beef and Scotch whisky for instance, and I think Scottish producers will take great advantage of the tariff liberalisation on Scotch whisky.

Neil Parish (Tiverton and Honiton) (Con): I also welcome this trade deal, because I think democratically it is of great importance, but of course indigenous food supply and making sure we maintain our high welfare standards are important not only to animal welfare but to keeping British farming competitive. Can the Secretary of State assure me that there is enough protection for British farming in this trade deal? When the Trade and Agriculture Commission comes forward with its findings, will she take heed and go along with them rather than, dare I say it, override them?

Anne-Marie Trevelyan: I thank my hon. Friend for his commitment as Chair of the Environment, Food and Rural Affairs Committee and also for his support of the free trade deal and indeed what international trade affords all of our amazing food and drink producers, who have some of the finest foods and drinks in the world.

To reassure my hon. Friend on the safeguards, which are as robust as they come, we have secured three levels of protection. The first, the tariff rate quota, sets a maximum level for tariff-free imports in the first 10 years; specific agricultural products are listed and anything above that would face a much higher tariff. The second level applies from years 11 to 15 of the agreement and is known as the product specific safeguard; it has a broadly similar effect, bringing high tariffs above a volume threshold. The third is a general bilateral safeguard mechanism, or temporary safety net, allowing measures to be imposed in the form of increasing tariffs or the suspension of tariff liberalisation completely under the agreement for up to four years, and they can be applied on all products liberalised under the agreement at any point to protect a particular domestic industry. I hope that reassures my hon. Friend.

Neil Parish: And on the recommendations of the Trade and Agriculture Commission?

Anne-Marie Trevelyan: Absolutely. We hope that the TAC review will give us a good report and we await that; this cohort is there exactly to answer some of the challenges and anxieties brought to us, and I am very hopeful that we will pass its examination well. In addition, going forward, as I mentioned earlier, we are opening up many other new markets for our farmers, not only because we want our indigenous food suppliers to thrive, but because we want to make sure the rest of the world can enjoy their products too.

Tony Lloyd (Rochdale) (Lab): Happy new year, Madam Deputy Speaker.

The Secretary of State will know that at some point we will need to have a sanitary and phytosanitary agreement with the EU; that is in the interests of our agricultural community across the board, and in Northern Ireland in particular. Can she give an absolute guarantee that there is nothing in this agreement or any other negotiations she is contemplating that would put that SPS agreement at risk?

Anne-Marie Trevelyan: This agreement has a very detailed SPS chapter, and I would be very happy to sit down with the hon. Gentleman and ask the officials to talk him through it in more detail and reassure him accordingly.

Bim Afolami (Hitchin and Harpenden) (Con): I know that the Secretary of State cares a lot about services trade and the positive impact that that can have not just for Britain but across the world, and I welcome what she said in her statement about what is in this particular trade agreement. Will she set out in detail how she thinks this trade agreement is a step forward for services, particularly business and professional services, and commit to working with me and others outside the House over the next few weeks and months to strengthen our services offer in trade deals, not just this one per se but other deals that we are seeking to do in the coming months and years?

Anne-Marie Trevelyan: Absolutely. Our services sectors are second only in the world. They are a fantastic part of our export market, and we want to make sure that we showcase them in all the trade deals we do and find the best tools and opportunities to share them across the world. This particular deal, as I set out in my statement,

has a number of important mobility features to help provide certainty and longer continuity for those who want to move into these sectors. There is also a huge amount of opportunity through the £10 billion of Government procurement that is now available to UK businesses. This will continue to be a central part of every free trade deal that we look to arrange, and I am very happy to meet my hon. Friend to discuss it in more detail.

Sarah Olney (Richmond Park) (LD): When we compare the original economic impact assessment of the Australia deal, which was released back in the summer, with the Government's impact assessment published last month, we see that there has been a 1,000% increase in the estimated boost to UK GDP, but the small print makes it clear that that is because the Government have changed the economic model they are using to analyse the deal to one that produces a higher estimate of GDP. Can the Trade Secretary present any justification for this change, or is it simply a case of cooking the books?

Anne-Marie Trevelyan: Last year's impact assessment was obviously a snapshot at the time. As the deal has continued to evolve from the agreement in principle back in June 2021, which was 12 pages of broad-brush direction of travel, the team has genuinely worked tirelessly. Working with a country in a different time zone, the team has worked through the night for many months to make sure that we drew this deal together. The continued development of all these areas has enabled us to review the original assessment. I am very happy for my officials to sit down with the hon. Lady to talk her through in more detail how we have reached this point. All these things are a moment in time, and we now have an assessment that I very much hope will be an underestimate as we see new business—we have been working on the basis of the existing businesses. We look to new businesses taking up the opportunities that this trade deal affords, so that we can grow our bilateral trade even further.

Martin Vickers (Cleethorpes) (Con): I welcome my right hon. Friend's statement on this very encouraging agreement. She says that more than 15,000 companies already export to Australia and that she wants to encourage small family businesses to do so, too. I urge her to build on the excellent support that the Department gives to such businesses, as we need to encourage more businesses, particularly small businesses, into the export market. What will the Department do to enhance the existing service in that respect?

Anne-Marie Trevelyan: I thank my hon. Friend, who is an active and effective trade envoy to the Balkans. He raises an important point, and we have a great opportunity to help small businesses, which have fantastic goods and services, to take up the opportunities that these free trade deals will afford them and to find new export markets. The Minister for Exports, my hon. Friend the Member for Finchley and Golders Green (Mike Freer), has taken on that challenge with gusto.

With the export support service and a number of other tools, we are driving forward the opportunities that organisations such as the Federation of Small Businesses and the CBI provide to encourage businesses that have not yet tested the opportunity to export, so that we can share the amazing goods and services they produce with the rest of the world.

John Spellar (Warley) (Lab): I welcome a trade deal with our allies, friends and family in Australia, especially for the motor industry. Along with AUKUS, I hope it will provide a renewed international democratic dynamic and closer working for more resilient supply chains in both goods and raw materials. I am concerned that Ministers may have been desperate to do any deal, rather than getting the best deal. If there are concerns about meat imports, will the Secretary of State press other Departments, the NHS and schools to prioritise local meat, just as every other country does?

Anne-Marie Trevelyan: I thank the right hon. Gentleman for his support and enthusiasm for this important deal with one of our closest allies and partners. Indeed, the AUKUS relationship is now developing and will be a very long-standing and close relationship, as we have had in many other ways. He raises an important point about local supply chains and the use of local goods, and I will make sure that that is passed on to my relevant colleagues.

Sir Desmond Swayne (New Forest West) (Con): Might the worries of those who are concerned about the increase in quotas over the next 15 years be assuaged somewhat by the fact that existing quotas are largely unused?

Anne-Marie Trevelyan: My right hon. Friend makes an extremely important point. He highlights the fact that we should be reassured that our farmers have fantastic products that we will all, as UK consumers, want to continue to eat, and that indeed our Australian partners are keen to sell their products into the Asia-Pacific market, where there is a growing demand. We will also want to take up those market opportunities. That is why we are working very hard and very closely with those in the CPTPP to get an accession to that free trade group, because there we will have the opportunity to sell our fantastic produce to those Asia-Pacific markets too.

Kerry McCarthy (Bristol East) (Lab): Happy new year, Madam Deputy Speaker.

Australia is the only country in the developed world on WWF's list of global deforestation hotspots, and beef production is the No. 1 driver of this. In the great barrier reef catchments, 94% of land clearance is linked to it. It is destroying the habitats of threatened species, including the koala—and I am sure we would all want to preserve the koala's habitats. Can the Secretary of State assure me that we will not, under this trade agreement, allow the import of more beef that is linked to deforestation? This morning we had a debate in Westminster Hall and the reassurances from the Minister there were pretty weak. Can she confirm that this will be something the Government try to uphold?

Anne-Marie Trevelyan: In this free trade agreement, the UK and Australia have committed to combat illegal logging and related trades, which, as the hon. Lady pointed out, is critical to the preservation of our natural environment and that critical biodiversity—an area that the UK has led on in the COP26 discussions led by Lord Goldsmith through the nature track in Glasgow. The environment chapter in this free trade agreement recognised the importance of sustainable forestry management, and it strengthens our relationship of co-operation and information sharing on a bilateral basis. We have also agreed provisions on promoting and

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co-operating on the transition towards a circular economy in reducing waste that goes beyond the CPTPP arrangements that Australia has with its neighbours, alongside working in further areas such as air quality and marine litter. There is a really important starting point for the work that we will do together with Australia to ensure that deforestation becomes a thing of the past.

Duncan Baker (North Norfolk) (Con): We have had another fantastic trade deal that epitomises the cornerstone of one of the reasons people voted to leave the European Union, which was to set our own independent trade policy. We have heard a lot about agriculture but not a lot about young people, particularly professional young workers. Will my right hon. Friend explain the benefits of this deal for those young professional workers who will now have easier access to the wonderful lived experience of working down under?

Anne-Marie Trevelyan: I thank my hon. Friend for his enthusiasm and for highlighting again just how important this deal is. This is the first deal that we have negotiated from scratch as an independent trading nation. It is a broad and deep liberalising trade deal that affords, among other things, the opportunity for young Britons—anyone still under 35; sadly, that is not me—to travel and work in Australia for up to three years. Historically, to be able to get that, they had to have a commitment to work in an agricultural environment, but that will no longer be the case, so our young people will be able to go anywhere in Australia for up to three years to take their talent and get the opportunities afforded to them in any area that they want. That is a really exciting development that will continue to build on the close relationship that we want to maintain.

Dave Doogan (Angus) (SNP): Fair play to Canberra, because they have no' half scored a great deal with this one. It must be delicious to have scored such a great trade deal over your former overlords in London. I look forward to the benefits that this will bring to Scottish distilling—gin and whisky—but if exports of lamb and sheep meat from Australia to the United Kingdom are so insignificant to the Australians, why did you not write them out of the deal, because it is what you are getting the most heat on—

Madam Deputy Speaker (Dame Rosie Winterton): Order. The hon. Gentleman knows that he does not refer directly to the Secretary of State.

Dave Doogan: I beg your pardon, Madam Deputy Speaker. Why did the Minister not seek to write those exports out of the deal, and will she take a second opportunity to answer the question of my hon. Friend the Member for Stirling (Alyn Smith) about what she will do if she finds herself at odds with the devolved Administrations in the devolved nations? Will she simply ram through her agenda with the UK United Kingdom Internal Market Act 2020?

Anne-Marie Trevelyan: I am thrilled that the hon. Gentleman is so pleased for those Scottish food and drink producers, who I absolutely agree will have great opportunities. They are very exciting new market opportunities that those producers will, I have no doubt, take up with gusto.

Again, I reiterate that I am reassured by the safeguards we have brought in. The quota levels are built, but the existing quotas are not being used at all because the markets that Australia chooses to sell into at the moment—because the prices are better—are the Asia-Pacific ones, where there continues to be a growing middle class looking to have good-quality meat as part of their diet. I am looking forward to our ability to accede to the CPTPP, through which our farmers will also have opportunities to access those new markets.

Mr Jonathan Djanogly (Huntingdon) (Con): First, I welcome the Secretary of State's very positive win-win attitude towards trade negotiations, as opposed to that of some others in this House. She mentioned visas, specifically for young people. Could she give the House a little bit more information about the projected numbers of workers likely to be going backwards and forwards, and the sectors they are likely to be involved with?

Anne-Marie Trevelyan: I will ask the team to write to my hon. Friend about the technical detail, because I do not have those figures to hand. However, really importantly, beyond the question of the opportunities that under-35s on a three-year visa have, being free to choose what they want to do when they go and work in Australia, that shift from a two-year visa to a four-year visa for executives and managers who want to work in any number of sectors—and, indeed, for their families to be able to work in Australia as well—is a huge opportunity for our workforce to go and enjoy Australian opportunities, and also to bring UK expertise to our great friend and ally.

Mr Kevan Jones (North Durham) (Lab): I wish you a happy new year, Madam Deputy Speaker. From the enthusiastic way in which the Secretary of State is selling this deal, she has clearly been drinking a lot of the Prime Minister's Kool-Aid, but no matter how much positive spin she puts on it, it is a bad deal for County Durham beef and sheep farmers, including those in my constituency. Those people are already struggling because of the restrictions that have come about because of Brexit, so I ask her what discussions she has had with her counterparts in the Department for Environment, Food and Rural Affairs about support for those farmers in years to come. In many cases, they are marginal anyway, and if they are opened up to worldwide competition from Australian lamb and beef, that will make their job 10 times harder.

Anne-Marie Trevelyan: I cannot speak for my colleagues in DEFRA, but I know that progress on the environmental land management schemes framework is developing at pace. That framework will be a really important tool to help our farmers make the right choices, not only about the food production that they choose to do, but about managing the environment that they are stewarding on our behalf as we move forward and—to the question of the hon. Member for Bristol East (Kerry McCarthy) earlier—make sure that we look after the biodiversity and the nature that surrounds us.

However, I disagree with the right hon. Gentleman that this deal is bad for his farmers, because there are great opportunities coming. As I mentioned earlier, the release of the lamb imports plan for the US is opening up a whole new series of markets, and as we continue to

do more trade deals and with the opportunities in Asia-Pacific, our amazing farmers will have opportunities to move into new markets that they have not had before. However, as I will continue to say and as the right hon. Gentleman knows, there is nothing like eating local. Our farmers continue to advertise and very successfully sell their products to the British markets too, and I know that my colleagues in DEFRA work very closely with farming groups to help ensure that happens.

Andrew Rosindell (Romford) (Con): What a great way to start 2022. I commend not only the Secretary of State and her predecessor, but the Australian high commissioner, the hon. George Brandis, who has been so passionate about the relationship between the two nations, and strongly support all the work that has gone on to make today possible and have this fantastic trade deal become reality. Is it not fantastic that this deal has been achieved? We were told that it would take 10 years to do any trade deal, and this has been done in a matter of just over a year. Does the Secretary of State agree that this is a golden opportunity in this year of the Queen's platinum jubilee also to extend more trade and more co-operation to the Commonwealth, and other realms and territories? Please let us not forget that trade is not just within the United Kingdom; we have territories and dependencies for which we are also responsible, so can we make that a priority in the coming years?

Anne-Marie Trevelyan: I concur absolutely with my hon. Friend's comments that the high commissioner, George Brandis, has been a huge advocate and supporter of the deal and indeed has assisted in some of the logistics challenges of carrying out, using mostly virtual methods, the very complex trade negotiations through different time zones to make sure that we were able to deliver this in an incredibly timely manner. That is reflected in the fact that both countries are very keen to build on their very close and long-standing relationships with what is one of the most liberalising trade deals that exists.

Tim Farron (Westmorland and Lonsdale) (LD): I am passionate about free trade, and so are the farmers in Cumbria and so, I assume, are the farmers in Northumberland. No free trade is really free if it is not fair. When it comes to animal welfare, this deal clearly is not fair. I wonder whether the Secretary of State truly comprehends the astonishing difference in terms of animal welfare standards between farming, and livestock farming in particular, in her own community and in mine compared with Australia. There are staggering and astonishing differences in scale—the fact that we have close husbandry in this country and vast areas and no husbandry in Australia. Moreover, there is the lack of humane standards in abattoirs and also when it comes to the transportation of livestock. Surely this deal undermines our farmers, undermines the standards that we hold dear and throws our agriculture under a bus in order to get a cheap deal. How will she reply to her own farmers who will be as shocked and appalled as I am by much of this deal?

Madam Deputy Speaker (Dame Rosie Winterton): Order. We need slightly briefer questions if we are to get everybody in. There is a ten-minute rule Bill and then business after that. If I am to get everybody in, we just need to speed up a little bit.

Anne-Marie Trevelyan: I will direct all our farmers who have concerns to the level of the safeguards that I set out earlier, which should reassure them, and, importantly, to the continuing growth in new markets of the opportunities for them to sell our fantastic UK produce to the rest of the world. The standards are very clear and the animal welfare chapter has set out, in a way that Australia has never committed to in any other trade deal, that non-regression and working together is the way to move forward. We have not looked at anything in the poultry, pigs and eggs sector precisely because we did not believe that we could find a level of compatibility in standards, but we are comfortable with what the animal welfare chapter sets out and that it will help us all move forward. Really importantly, our fantastic producers—in the case of the hon. Gentleman and me they are our sheep farmers who make some of the finest lamb in the world—should be excited at the prospect not only of this free trade deal, but of all the free trade deals and, indeed, the release of the US import ban for them to find new markets.

Mark Pawsey (Rugby) (Con): The trade deal that the Secretary of State has announced is an excellent step to doing more business and increasing exports with Australia. It will be up to UK companies to take advantage of the new arrangements. Does she agree that, to do so, they will need first-class sales skills? Are we doing enough to improve those skills and get better at selling, and what advice, support, guidance and encouragement will there be to companies wishing to sell their products in Australia?

Anne-Marie Trevelyan: As part of our export strategy, which we launched at the end of last year, we have a number of tools in the toolbox to help those businesses that are either already exporting or that want to discover new markets and learn how to move their products into new markets to do so. I look forward to all colleagues wanting to work with their businesses and our teams to maximise those opportunities.

Daniel Zeichner (Cambridge) (Lab): The Secretary of State started her statement by saying that she had signed a deal and concluded by saying that she had passed it to the Trade and Agriculture Commission for comment. Will she take a third opportunity to try to answer what she will do with the comments from the Trade and Agriculture Commission? Frankly, it is a bit like listening to the commentary on the Ashes series—interesting to listen to, but has no impact on the outcome. We were shafted at cricket and I fear we will be shafted in agriculture.

Anne-Marie Trevelyan: The Trade and Agriculture Commission is a group of independent experts who will review in detail the agricultural elements of the deal. I look forward to receiving its report, whence I will draw up my section 42 report and bring it to Parliament.

Greg Smith (Buckingham) (Con): New free trade deals are incredibly important for securing the future prosperity of our country, and I congratulate my right hon. Friend and all involved on securing this one. Agriculture is enormously important in my constituency, and I know that farmers will be reassured by her clear statement that all imports from Australia will have to meet our existing food standards. Although she gave

[Greg Smith]

very low numbers of current imports from Australia, can she reassure the House that her Department will do everything humanly possible to bang the drum for British farmers to get more of our world-class produce to Australia?

Anne-Marie Trevelyan: We want to see our fantastic British produce sold around the world, including to Australians. As I mentioned, our teams working in the UK and around the world are there to help our farmers and those who want to sell British produce into those markets.

Bill Esterson (Sefton Central) (Lab): Happy new year, Madam Deputy Speaker. In the Committee stage of the Trade Act 2021, I tabled a series of amendments to include environmental chapters in all future trade agreements. The Government rejected all our amendments of that nature on the basis that such chapters would be included on a deal-by-deal basis, but that was not true, was it? The procurement chapter of the agreement specifically excludes the environmental chapter. As my right hon. Friend the Member for Torfaen (Nick Thomas-Symonds) said, the failure to include 1.5°, added to the exclusion of an environmental chapter, means that the Government have completely undermined in this trade agreement any commitment to tackling the climate crisis.

Anne-Marie Trevelyan: I am very proud that we have the environmental chapter in the free trade agreement, which sets out a mutual commitment to the Paris agreement. As I set out earlier, that was reiterated as meaning keeping 1.5° alive at COP26, where the Australians and we led the charge to ensure that we all work together to try to meet that challenge and maintain our climate.

Richard Graham (Gloucester) (Con): The new free trade agreement is another step forward in our commitment to the Indo-Pacific region, and I congratulate the Secretary of State. What are the next steps in our application to join the CPTPP and what progress has been made on a new framework for Government-to-Government contracts which, as she knows, is a live issue at the moment for at least one deal in the region?

Anne-Marie Trevelyan: The CPTPP process is in play. We put in our application last year and we are being vetted. I am not sure how best to describe it—it is a bit like passing a set of exam questions, and we have to submit our answers. We are in the final throes of that phase, which is good, and we hope to be able to move to market discussions in the very near future. In relation to my hon. Friend's question about the new framework for Government-to-Government contracts, we are looking at those in detail at the moment and I will report back in due course.

Jim Shannon (Strangford) (DUP): I thank the right hon. Lady for the comprehensive positives in her statement, but I wish to reflect the concerns and opinions of the National Farmers Union and the Ulster Farmers Union—I declare an interest as a member of the latter. Will she outline how we can encourage our close friends and allies in Australia to produce meat products using the same high animal welfare standards that we in the United Kingdom of Great Britain and Northern Ireland are proud to stand for?

Anne-Marie Trevelyan: I thank the hon. Gentleman for his continued support of farmers in his constituency. In the animal welfare chapter, we have agreed a non-regression clause and a number of co-operation matters on which we will work with the Australians. We are clear that our standards are non-negotiable and that food coming into the UK must meet our food standards and safety levels, and that will continue.

Pensions (Extension of Automatic Enrolment)

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

7.4 pm

Mr Richard Holden (North West Durham) (Con): I beg to move,

That leave be given to bring in a Bill to extend pensions automatic enrolment to all jobholders aged at least 18; to remove the lower qualifying earnings threshold for automatic enrolment; and for connected purposes.

As the Prime Minister said today at Prime Minister's questions, what we have seen over the past few years—worked on since our time in opposition and introduced under the coalition Government—is a huge increase in pensions take-up among the British population. Now, 10 million more people are saving for their pensions than did before: an increase from 46.5% of the population saving in 2012 to 77.6% in 2020. By any stretch, that is a massive increase and a huge boon to people in our country who are saving for the long term.

Bringing forward the Bill is all about ambition—not mine, but the ambition of people to look after themselves, their families and their communities. I know many red wall MPs such as myself and my hon. Friend the Member for Sedgefield (Paul Howell) think about that. People are ambitious not just for themselves, but for the towns and villages they live in. In my patch, from Consett to Crook, Burnhope to Langley Park, they are ambitious for themselves, for their towns and villages and for those who live in them, their friends and neighbours. Many of those people are excluded from auto-enrolment purely because they do not earn enough money to be enrolled.

The other reason I mention ambition is that this measure is the Government's stated aim. They have an ambition to start to extend auto-enrolment by the mid-2020s, but, as everybody who has ever seen some of those great comedy programmes will know, and I remember Malcolm Tucker saying it:

“‘Should’ does not mean ‘yes’.”

I really want the Government to say yes to this proposal. People need to know that it is going to happen. Business needs to be able to plan for it. Our country needs to feel long-term levelling up in action, and one of the best ways we can do that is to give people certainty that this is coming down the track and that their pensions will be there for them, providing for them.

I am grateful to Onward for its help in the past few months, working with me on the report it has published today on some of the specifics that the Bill will provide. The key is the extra £2.77 trillion that would be invested in our pensions for the lower-paid and younger workers who the Bill seeks to address. That money would be saved by people in part-time work or aged 18 to 22 who do not qualify for auto-enrolment.

I will give the House a couple of statistics to highlight why that is so important. At the moment, three quarters of those aged 22-plus are auto-enrolled into pension schemes, but under the age of 22 it is only 20%—and that is 20% of people in work, not students. That is a big difference, and the difference that auto-enrolment has made since 2012. For part-time workers, while some will earn more than the £10,000 threshold, auto-enrolment

is 57.8% compared with almost 90% of workers in full-time jobs. If we assume a similar take-up, the Bill could see an extra 30% of the part-time workforce auto-enrolled: millions of people, mostly women, and much more likely to be from ethnic minority communities, to be socially disadvantaged or to have other burdens on their time, maybe as carers. Those are the people the Bill seeks to address and make a difference for.

Where are those part-time workers? The analysis Onward has done shows exactly where they are. They are in places such as Workington in Cumbria, or Hyndburn in Lancashire, or Mansfield in Nottinghamshire, as well as large parts of the south-west, the midlands and the north-east and north of England. They are in areas of the country that seek that levelling up and transformational change more broadly.

I want to give a few short examples of the people that we are looking to help. A full-time worker on the national living wage would gain almost an extra £100,000 into their lifetime's pension—a 60% increase on today. As for younger people, if the average person working full time on the living wage between 18 and 22 paid in just a few hundred pounds a year—literally a few pounds a week—in between those years, they would see another £25,000 in their pension on retirement. They would pay about £1,000 or £1,500 in and have £25,000 coming out, because compound interest would build up over 45 to 50 years. That will make a transformational difference to people's lives in retirement.

This is the one that really gets me: workers with two part-time jobs. At the moment, people earning £9,000 for two jobs, maybe working 12, 16 or 18 hours a week in my constituency, do not get the real benefits of auto-enrolment at all. A woman doing two different jobs, juggling them around childcare, would see her pension savings triple under this proposal, from under £100,000 to £300,000. Think of the transformation to that woman, aged 65. With £300,000 she might be able to give a deposit to her kids and also have a much more comfortable retirement than she would with the savings that she has at the moment. The change that has been made so far by the Government through auto-enrolment and its expansion has been fantastic, but now we need to go that step further to help people who are the backbone of our country.

The big differences are also particularly stark because at the moment that woman earning £18,000 a year working two jobs does not get the benefit, but someone earning £180,000 does. She does not get that tax benefit, but that other person does. How can it be right that we give tax benefits to Members of this House or well-paid people across the country but not to people working part time? It just does not seem fair to me.

Before I wind up, I would thank the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Hexham (Guy Opperman), who is ill today so cannot be here, and the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Mid Sussex (Mims Davies), who is here in his place. We have talked about this, and I know that the Department have the ambition and are now looking at the idea. I also thank the Secretary of State and her team, with whom I have also talked about it.

I thank James Blagden and Will Tanner at Onward for the huge amount of work that they have put into the report over the past few months; it has been really

[Mr Richard Holden]

welcome in bringing out some of those key numbers and statistics. I would also like to thank Aviva who, with some of their actuaries, helped behind the scenes as well. That has been very welcome, because drilling down into some of the pension numbers and how they impact people over decades is sometimes very challenging.

If we want to level up for the long term, this is a serious piece of legislation that could make serious change. I sat recently in proceedings on a private Member's Bill and the Pensions Minister stood at the Dispatch Box, and the hon. Member proposing some changes said that introducing those changes was initially thought of in 1978, and then in the late 1990s—and it is only now that they are being brought forward in a private Member's Bill. I do not want this long-term levelling-up measure, which would benefit some of the lowest-paid in our society, to slip, too, because there is always a reason not to do it. The answer is that we must table legislation now so that business can prepare for the future. If we are to build back better after this covid pandemic, there is no better way, particularly to help low-paid workers, many of whom, in constituencies like mine, will have been working in the care sector, the retail sector or hospitality throughout this period. They are the ones who will directly benefit from the legislation.

This legislation would transform the lives of millions of working people—not in great jobs but in low-paid work—who are the backbone of our country. The Prime Minister said in the constituency of my hon. Friend the Member for Sedgefield that votes were lent to us at the last general election and we have to deliver for those people. I think the Bill is one of the clearest ways that we could do so, and I commend it to the House.

Question put and agreed to.

Ordered,

That Mr Richard Holden, Matt Vickers, Simon Fell, Gary Sambrook, Dehenna Davison, Paul Howell, Mark Jenkinson, Duncan Baker, Sally-Ann Hart, Antony Higginbotham, Dr Jamie Wallis and Mrs Natalie Elphicke present the Bill.

Mr Richard Holden accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 25 February, and to be printed (Bill 221).

Public Service Pensions and Judicial Offices Bill [Lords]

Second Reading

7.15 pm

The Chief Secretary to the Treasury (Mr Simon Clarke):
I beg to move, That the Bill be now read a Second time.

Our public servants do so much to support this country, and over the past 22 months their efforts have been more vital than ever before. NHS employees have worked long hours on the frontline of the fight against the covid pandemic, in hospitals and in the community; teachers have helped their classes in the most challenging of circumstances; and our police, firefighters and armed forces have kept people safe and solved new, unforeseen problems throughout these difficult months. Just as public servants have supported the country during the coronavirus crisis, so it is only right that in turn the Government should support them, which is why the Government have introduced this Bill to make sure that public servants of all ages receive guaranteed rights in their retirement that are among the best available, on a fair and equal basis.

In addition, the Bill includes measures to help to address the resourcing challenges that face our judiciary, to ensure that it can meet the demands of both the present day and the future. The Bill also lays the foundations for new public service pension schemes for beneficiaries of the existing Bradford & Bingley and NRAM—formerly Northern Rock—pension schemes. Currently, those pensions reside under UK Asset Resolution, the holding company for those businesses.

Let me turn to the Bill's details. I shall start with how it creates fairer, more equitable and more sustainable public service pensions. As Members will recall, in 2010 the coalition Government established the Independent Public Service Pensions Commission, chaired by Lord Hutton of Furness. The commission carried out a deep, structural review of public service pensions. Following the review, the Government accepted the commission's recommendations as the basis of discussions with members and their representatives, and ultimately introduced a number of major changes. Pension benefits would be based no longer on an individual's final salary but, instead, on career average revalued earnings. Member contribution rates were increased and the normal pension age was linked to the state pension age for all schemes, except those for the police, firefighters and the armed forces. The changes were fairer for low earners because they resulted in a more generous pension for many. In addition, the reforms were estimated to save taxpayers £400 billion over the next 60 years.

Before the implementation of the reforms in 2015, the Government agreed, after trade union negotiations, to allow those closest to retirement to remain in the legacy schemes. Members within 10 years of retirement in most public service pensions were allowed to remain in the final salary scheme instead of being moved to the career average scheme. This was known as transitional protection. However, the courts found in 2018 that this transitional protection discriminated unlawfully against younger public service scheme members. Although the legal challenge related only to the judicial and firefighter schemes, the Government accepted the need to remedy the position across all public service schemes. A thorough programme of work therefore followed, to identify and implement a robust solution.

Following public consultations in 2020 and Government responses last year, the Bill creates the framework to bring the remedy into effect. For the remedy period—that is, from when the reforms were implemented on 1 April 2015 to 31 March 2022—all eligible members will be given a choice between the legacy and reformed scheme benefits. Some members, especially lower earners, may be better off in the reformed schemes, so it is important that individuals get to choose which benefits they want to receive. For most members, that choice will be made at retirement, when it will be clearer which scheme is best for them. That is known as a deferred choice. There are three exceptions to this. The first involves members who have already retired. They will be given a choice once the necessary legislation and operational implementation are in place. The second involves the judicial schemes, where affected members will make their decisions in an options exercise to be held once the necessary legislative and data requirements are in place. This process is in line with the approach favoured by respondents to the judicial consultation. The third involves the local government pension scheme, which requires bespoke measures to reflect the unique features of that scheme. I intend to table amendments ahead of Committee stage to ensure that members of the local government pension scheme are also provided with a robust remedy. In short, these measures will ensure that all members of a public service pension scheme are treated fairly, whatever their age.

Richard Graham (Gloucester) (Con): The Minister will know that some of us have received correspondence from constituents suggesting, probably on the advice of their unions, that they will lose up to £500 a year when pensioned as a result of these changes. Can he confirm whether this is true? If it is not, what method can we deploy to reassure our constituents accordingly?

Mr Clarke: I thank my hon. Friend for his question; it is a good one. It is important to provide reassurance on this point. The McCloud remedy aims to ensure that where pension members are offered a different benefit to remedy the discrimination they have faced, they will be returned to the same financial position that they would have been in had they always been entitled to the benefits that they end up choosing. That reassurance should be clear. For the majority of individuals affected, there will be no change to the tax position. It is important to get on record that there will be no change for the vast majority, and that the Government will ensure that all the appropriate guidance is provided in good time so that people can make an informed choice and not worry about incurring any losses.

As well as giving our public servants fair treatment for the remedy period, the Bill will ensure that remains the case into the future. From 1 April this year, all the legacy schemes will be closed to future accrual. All eligible members will be placed in the 2015 reformed schemes or, in the case of the judiciary, moved to a new scheme. This guarantees that members within each scheme will be put on an equal footing. It also underlines the Government's commitment to the 2015 reforms and the principles that underpin them. Those principles are greater fairness between lower and higher earners, fairness for the taxpayer, future sustainability and the affordability of public service pensions as a whole.

The Independent Public Service Pensions Commission also recommended that the new 2015 public service pension schemes should include a cost ceiling to protect

the taxpayer from unforeseen cost increases. However, the Government have chosen to go a step further in establishing a symmetrical cost control mechanism. This will not only protect the taxpayer from unforeseen increases in pension scheme costs but protect the value of pension schemes for members when costs fall.

On how the remedy in the Bill will interact with the cost control mechanism, it will give members a choice between two sets of benefits and allow them to choose which will be better for them. The result is an increase in the value of schemes to members, and, as is usual, this is managed through the cost control mechanism. Crucially, however, to ensure that no members' benefits are cut as a result, the Bill includes a measure to waive any result from the 2016 valuations that would otherwise have led to benefit reductions. That goes to the point made by my hon. Friend the Member for Gloucester (Richard Graham). In addition, the Government have committed to honour any benefit increases that are due.

Hon. Members will be aware that, in the light of concerns that the cost control mechanism was not operating as originally intended, the Government Actuary was asked to conduct an independent review of this particular element. Following that review, and a public consultation last summer, the Government confirmed that three changes would be made to the mechanism. All three changes are recommendations from the Government Actuary.

The first change is to implement a reformed scheme only design. This means that the cost of legacy schemes will no longer be included in the mechanism. The second is to widen the margin of the cost corridor, which triggers a correction, from 2% to 3% of pensionable pay. The third change is to introduce what is called a symmetrical economic check. This economic check will ensure that any breach of the mechanism is implemented only if it would still have occurred had the impact of changes to long-term economic assumptions been considered. These reforms will make the mechanism more stable and ensure that it operates more in line with its objectives of protecting the taxpayer and providing stability and certainty on member benefits and contribution rates.

I therefore wish to notify the House of my intention to table amendments before the Committee stage, to set the framework for implementing a reformed scheme only design and the economic check. The wider 3% corridor will be implemented through secondary legislation in due course. This approach will ensure that the reforms are in place in time for the next scheme valuations. That is important to ensure that the mechanism is operating more in line with its objectives to protect both taxpayers and members the next time it is tested.

As I have explained, the Bill builds on the existing legislative framework for all public service pension schemes. Each scheme is complex, because each one is tailored to fit each workforce's individual requirements. The Government intend the Bill to reflect those differences, many of which are found in the detail of scheme regulations. Additional detail will therefore come before Parliament in the form of statutory instruments for further scrutiny. To demonstrate the approach to secondary legislation, policy statements have been deposited in the Library of the House for further scrutiny.

Let me now turn to the next element in the Bill, the package of reforms to help to address the resourcing challenges facing the judiciary. Our justice system is world renowned for its excellence, objectivity and impartiality.

[Mr Simon Clarke]

That is due in no small part to the expertise of our court and tribunal judges, our coroners and our magistrates. However, as the demands on our courts and tribunals have changed, so too has the need to recruit and retain judicial office holders. While we have recruited about 1,000 judicial office holders a year since 2018, we have not been able to attract the full number needed across all courts and tribunals, which has inevitably put pressure on the system. Raising the mandatory retirement age to 75 will, our modelling suggests, retain about 400 judges and 2,000 magistrates per year at a time when we face challenges in resourcing and recruitment.

It is vital that we continue to attract and retain high-calibre judges. The Bill therefore lays the foundation of a new, reformed pension scheme for judges, increases the mandatory retirement age of judicial office holders to 75, and extends the potential for sitting in retirement to the fee-paid as well as the salaried judiciary. It puts judicial allowances on a firmer legal footing, including those for reserved and excepted posts in Scotland and Northern Ireland. I assure the House that the UK Government will engage with the respective devolved Administrations before the introduction of such allowances.

Taken together, these measures will ensure that a judicial career is more attractive, that more of our experienced judicial office holders are retained for longer, and that additional flexibilities are offered. It is vital that we enable our world-class judiciary to meet the demands of today and tomorrow.

Sir Robert Neill (Bromley and Chislehurst) (Con): I entirely support what the Minister says about judicial pensions reform, but, since he wears another hat in his capacity as Chief Secretary to the Treasury, may I raise a further issue that is sometimes an impediment to recruitment, namely the operation of the lifetime cap on pensions earnings? In particular, many who have earned well at the Bar and who might otherwise seek appointment to the High Court bench still encounter a disincentive because of the operation of the overall lifetime cap. At one point a carve-out was arranged to reflect that. Although this does not feature in the Bill, may I ask the Minister to take it away and perhaps speak to the Chancellor about it? It is the final bit of the jigsaw that could be sensibly introduced to encourage the very best people to seek appointment to the bench.

Mr Clarke: As Chair of the Justice Committee, my hon. Friend brings a huge amount of expertise to bear on this issue. I can make an absolute commitment that we will look at this, and I will always discuss plausible options to ensure that the judicial pension scheme supports recruitment rather than being in any way an impediment to it. That is very important, and it underpins our wider work on the new scheme for the judiciary. It will move from being tax-registered to being tax-unregistered, and a variety of consequential benefits will arise from that.

Richard Graham: If this were to be reviewed, it would be worth noting that a very similar issue applies to doctors, many of whom are inhibited from returning to work—following the appeal from the Health Secretary—by precisely the same lack of flexibility on the pensions and earnings issue.

Mr Clarke: I recognise my hon. Friend's considerable expertise on this issue. I thank him for making that point, which is well worth our taking away. I will certainly commit myself to returning to him following any further discussions if that would be helpful.

Let me finally deal with the measures to establish new public pension schemes for the beneficiaries of the existing Bradford & Bingley and NRAM pension schemes. These pensions currently reside under UK Asset Resolution, the company that holds the Government's remaining interests in Bradford & Bingley and Northern Rock. This is an important step in the Government's careful long-term management of the financial sector assets acquired as a result of the financial crisis. I stress that all members, some of whom have worked for these organisations for around 30 years, will be protected. Their benefits will be at least as good as they are now under the new schemes and these measures will provide a secure, long-term home for members' pensions.

My officials have worked closely and collaboratively with the devolved Administrations throughout the passage of the Bill. I am pleased to note that the Northern Ireland Executive have passed a legislative consent motion on the Bill and we are in discussions about a supplementary motion for the amendments that I have announced today. The Welsh Senedd is in the process of considering a motion and the Scottish Government are considering bringing a motion forward. I am grateful for their continued engagement on this issue.

Our public servants are the bedrock of our society. It is right that we reward them for what they do in a way that is fair, affordable and sustainable over the long term. The Bill's measures seek to achieve all this while helping to address the specific recruitment and retention issues facing the judiciary. For those reasons, I commend the Bill to the House.

7.30 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): It is a pleasure to respond to the Chief Secretary's opening speech. I begin by wishing you, Madam Deputy Speaker, and Members on both sides of the House a very happy new year.

Pensions are a very important part of workers' overall pay package. It is in the interests of individuals and society as a whole that good pension schemes and good pension benefits are available to workers in both the public and private sectors and that those who pay into pensions schemes should be able to look forward to a good and secure retirement. When that is not the case, there is more pensioner poverty, lower quality of life in old age and a greater reliance on means-tested benefits. In those circumstances, individuals suffer and society is worse off.

The Bill deals with public sector pension schemes. The experience of the past two years has underlined the contribution made by the public sector workers affected by this legislation. Many of them had to be at work physically throughout the pandemic, caring for the sick, delivering key services or keeping our streets and communities safe. They deserve decent pay and decent pensions.

Part 1 of the Bill seeks to correct what the Public Accounts Committee has termed a "£17 billion mistake" made in the reform of this system through changes

introduced by the Government in 2015. To state the obvious, £17 billion is a lot of money. Of course, that is the cost over a long period of time, not just one year, but let us think for a moment what that money could do for families facing energy bills which this year could rise by hundreds of pounds a year. Even a fraction of it could make a major difference to those families. Or to put it in another context, the cost of fixing this mistake made by the Government is around three times the annual bill for the £20-a-week universal credit uplift that the Chancellor largely removed in the autumn.

The Government's main changes to the pension system in 2015 were to move from final salary to career average pensions and to extend the normal pension age in most schemes. But—this is the crucial point regarding the Bill—there was also provision for those within 10 years of retirement to remain in the previous legacy schemes. That provision was challenged in the courts and found to be discriminatory on the grounds of age in what has become known as the McCloud judgment. The Bill seeks to respond to the McCloud judgment and ensure that people are not unfairly impacted on by the changes on account of their age.

The first question for the Minister must be: where will this £17 billion come from and who will pay the bill? Will it come from the taxpayer as a whole or from pension scheme members? We should remember that a very significant proportion of pensioners in this country are members of one of these schemes. It is very important that Ministers give the House clarity on this matter.

The second point is about the design of the remedy for the McCloud judgment set out in the Bill. Consultation took place on this, and the method chosen is known as the deferred choice underpin. It is perhaps not the most user-friendly title, but what it means in simple terms is that, when people retire, they will have a choice as to which pension scheme should apply for the affected years—between 2015 and 2022—to ensure that they maximise their available pension benefits. The second question I have for the Minister winding up is to clarify whether making this choice will incur any extra costs for the pension scheme members concerned. For example, if members opt to remain in their legacy scheme for the seven years affected, because the rate of accrual in that scheme is higher, will they have to pay any backdated pension contributions to do so?

Then there is the question of how people make their decision under this deferred choice mechanism. Anything that involves individual scheme members making a choice that could have a fundamental impact on their income in retirement raises another question, which is about the quality of information that enables a pension scheme member to make such a choice. The recent history of information on pensions has given rise to some real injustices. We have had unscrupulous advisers trying to exploit pension freedoms and get people to transfer out of perfectly good pension schemes in a way that was clearly not in those people's interests. Indeed, this House has only recently legislated, in the Compensation (London Capital & Finance plc and Fraud Compensation Fund) Act 2021, for an increased levy on the pension industry as a direct result of increased levels of pension fraud and mis-selling. So the third question to the Minister is this: how will the Government respond to what has happened in these examples and how will they ensure that, in this case, pension scheme members are

equipped with the best possible information to make the choices envisaged under the deferred choice underpin mechanism set out in the Bill?

Finally on this part of the Bill, there is a question about how the cost control mechanism will work. The Chief Secretary has already said that the Government will bring forward amendments on that, and we will have to examine those closely. In brief, it was originally envisaged that, under this mechanism, if costs breached the ceiling, benefits would be reduced, but the Government have said that, in this case, no member will see benefits reduced. What does that mean for where the funding for them will come from, and is there any time period after which this guarantee may lapse?

I now turn to part 2 of the Bill, which makes changes to the pension arrangements for former employees of Bradford & Bingley and Northern Rock. Their assets have, until recently, been managed by UK Asset Resolution, which is an arm of Government. The Bill provides assurance that the pension liabilities for these former employees will be met and underpinned by the Treasury. We welcome pension security for these pension scheme members, but can I ask the Minister what the estimated cost is of these provisions, and whether these costs are additional to the £17 billion budgeted for the McCloud response or part of the same overall costs?

Turning to the part of the Bill dealing with the judiciary, the Bill makes changes to the judicial pension scheme, allowing for the deregistering of this scheme for tax purposes on the basis that judges are an exceptional case. I want to return to the question posed a few minutes ago by the hon. Member for Bromley and Chislehurst (Sir Robert Neill), who asked about the annual allowance and the lifetime allowance. Could I ask the Minister to clarify what this deregistering means in the context of the annual allowance and the lifetime allowance? If it is the case that those two restrictions, as it were, do not apply to the judicial pension scheme, how will the Government respond to representation from others saying that they too are an exceptional case? We have already heard the example of doctors being raised. I would be very grateful if the Minister addressed those points in his winding up. Forgive the irony, but if I am right about the interpretation, how confident are the Government that, in making this exception, they will not open the door to legal action from other sectors arguing that they too should enjoy similar treatment?

The Bill also raises the retirement age for judges from 70 to 75, reversing a change made back in 1993. We understand the backlog in the judicial system, and we support measures to reduce the delays in bringing cases forward. There is truth in the old saying that justice delayed is justice denied, but when the Bill was being debated in the other place, concerns were raised that longevity of service might turn out to be the enemy of diversity in the system. How do Ministers respond to those concerns and what more will the Government do to enhance diversity in the judicial system, because it is important that as the country changes the institutions governing the country change with it?

The final issue on which I would like the Minister's response is the pensions trap, which has been raised by representatives of police officers, among others. Police pensions operate differently from other public sector schemes in that they are based on a 30-year service record rather than a specific retirement age. The Police

[Mr Pat McFadden]

Superintendents Association, the Police Federation, the Fire Brigades Union and others have raised fears that individual scheme members in their pension schemes could lose out because of the way that the affected years between 2015 and 2022 are treated. I accept that this is a complex matter, but the end result is that a number of police officers feel that a new discrimination is being introduced by the way in which the Government are applying the remedy for the McCloud judgment. In November, the Home Office acknowledged that there is an issue and said that further work was needed. Has any further dialogue taken place with police and fire staff representatives in the past two months, and can the Minister give any further information on how the issue might be addressed?

In conclusion, we will not oppose the Bill, because we understand that the Government had to respond to the McCloud judgment, and they have a duty to ensure that pension schemes do not operate in a manner that is found to be discriminatory by the courts, but in future we will take with a pinch of salt lectures from Ministers about fiscal probity, when the Government have had to introduce legislation to correct what the Public Accounts Committee has defined as a “£17 billion mistake”. We also want assurances that proper, clear and understandable information will be made available to pension scheme members who will have to make important choices for their retirement under the mechanism that we are legislating for today.

Given that the major part of the Bill arose from a court challenge to the Government’s pension arrangements, we also ask how confident the Government are that this is the end of the story, and there will not be further legal challenges that will mean that we have to return to the issue in the future. Labour hopes that this response to the McCloud judgment settles the issues and ensures good quality pension schemes for the workers affected. We owe them all a debt of gratitude for the service that they have given and, in particular, for the outstanding service they have given over the past few years as the country has struggled with the pandemic.

7.43 pm

Sir Robert Buckland (South Swindon) (Con): Thank you, Madam Deputy Speaker, for calling me first in the debate. I am delighted to make a contribution to the Second Reading of a Bill that was very much part of the work that I undertook as Lord Chancellor. I was keen to make sure that we made progress with the Bill on several grounds, the first of which was the necessary reform to judicial pensions in light of the McCloud judgment and other legal developments since the previous set of reforms to judicial pensions. The second was the important and generational issue of retirement age for judges. The previous reform to that retirement age had been back in 1995, and it was not of immediate application but took many years to come into effect, bearing in mind its adherence to non-retrospectivity. I took a different view about the way in which we should approach reform this time. I felt very strongly that any change to retirement age should have immediate effect, and that it should benefit those currently in judicial office. I make no apology for that, because with welcome changes and elongations to lifespan, health and wellbeing, I thought that we were losing many talented men and women at

the height of their career. I am not going to name names, but there are many people who served in the highest judicial office who left at the age of 70, but who I felt had much more to give. Some of them were able to carry on in retirement, sitting with special dispensation, but I felt that we needed to do something generational. I very much hope that the change that we are bringing about in the judicial retirement age will endure for many years, well into the middle part of this century. We are not saying that people have to sit at 75. We are not forcing people to sit beyond the time they wish to serve, but we are giving them an opportunity to do that.

Can I deal head-on with diversity, because I considered that matter very carefully indeed when I was Lord Chancellor? I have had the privilege of serving on the judicial diversity forum, which is a committee of the Judicial Appointments Commission, ably chaired by Lord Kakkar, and we take the issue of diversity very seriously indeed. In the other place, amendments were tabled to reduce the age of retirement to 72, on the basis that there were concerns about slowing the increase in diversity, but I believe that that worst-case scenario is based on a failure to act. In other words, it is incumbent on the Ministry of Justice, the Judicial Appointments Commission and others interested in and passionate about diversity to do more to attract people of diversity to the judiciary.

In particular, many women have had career breaks to bring up their family in their 30s and 40s. At the moment, they face quite a difficult decision to return to practice, and regard a 70 age limit as inhibiting their ability to take up part-time, then full-time, judicial office. Increasing the age limit to 75 will allow more women who have had career breaks actively to consider what is a career of up to 20 years if they are to enjoy the full benefits of the pension.

We should not forget that in 1995, one of my predecessors, Lord Mackay, not only reduced the pension age but increased the time that people had to serve to take their full judicial pension from 15 to 20 years. That combined decision had quite an effect on the career opportunities presented to lawyers when considering whether the bench was for them. In other words, people really had to make up their mind in their 40s if they were serious about reaching the bench. There are plenty of exceptions—some people who have done very well in their profession could go to the bench later and perhaps take a smaller pension—but many people felt that they could not take full advantage of a judicial career because of that time restriction.

That changes with a retirement age of 75. People can come to the bench in their mid-50s and serve the full 20 years. That is a huge opportunity, not just for women but for people who come to the legal profession slightly later in their career, mainly because the financial burdens are so onerous in their younger years that they do not feel able to join it in the first place. Contrary to suggestions in the other place and elsewhere, the measure could be a spur to the Government and the Judicial Appointments Commission to do even more to attract women, people from an ethnic minority, and people who join the profession late to a judicial career.

Sir Robert Neill: Can I perhaps reinforce my right hon. and learned Friend’s point? He may have noted from the statistics released by the Judicial Appointments Commission that there has been a particular shortfall in

appointments to the district bench and the circuit bench in recent rounds. Those are precisely the people for whom the ability to access a full pension is important. As my right hon. and learned Friend said, the high-earning silk who goes into the High Court may be able to deal with a lesser amount of pension, but the people I am talking about, who are the workforce, particularly in the criminal and family courts—the senior juniors, the senior solicitors—will be under the most pressure if they are not able to get the 20 years' full pension. That will be most difficult for them.

Sir Robert Buckland: My hon. Friend makes a really powerful point. There is no doubt that the district bench is under huge pressure at the moment. We are not getting the recruits and the applications that we need in order to have a full district bench. The work is some of the most difficult and challenging in the judiciary; it is unglamorous work, but it is vital because it is the bulk, for example, of the civil and family work that goes on in our courts day after day. We have increasing numbers of recruitment competitions seeking to attract more talented people to the bench, but often the vacancies cannot be filled, because there are not enough applications. That, frankly, is a problem. That is why not only the extended retirement age but the changes to the pension will really send a signal to practitioners that the Government value the judiciary and understand the vital importance of having the quality, independent and high-morale cadre of people we need. Without them, we really do suffer as a country.

I should have declared an interest at the beginning, in that I am the recipient, potentially, of a judicial pension because of my service as a recorder of the Crown court, which finished, of course, on my appointment as Lord Chancellor. That is another story, which I will not regale the House with today, but I did have to resign from the judiciary on my appointment as Lord Chancellor. That was not always the case prior to the Constitutional Reform Act 2005, and I think hon. Members know my strong views about the baleful effects of that piece of legislation. I am sure that, with leadership in the Ministry of Justice, we can come back to those issues, and that was certainly my intention when I was in office. However, I parenthesise.

Let me come back to the germane issue of the retirement age. I note the concerns that the senior judiciary and immediately retired judges in the other place had about the 75-year mark. However, I would respectfully but firmly disagree with them. Some 67% of respondents to the consultation agreed with my ultimate decision, which was to raise the retirement age to 75. The bulk of circuit judges, sheriffs in Scotland and other judges considered that the position absolutely pointed in the direction of 75. With the greatest respect to senior judges, many in the senior judiciary have already made their plans and their provision clear, and I do not expect that all of them will wish to serve until 75, bearing in mind the expectation prior to the expected change in the law. Therefore, I am not so persuaded that the logjam that some fear will take place, and I see no reason why there should not be a rise in the retirement age to 75, despite the concerns expressed in the other place.

I am particularly pleased that there was unanimity across the three jurisdictions that 75 was indeed the appropriate retirement age. I took a lot of time and trouble to make sure that colleagues in Northern Ireland

and Scotland were consulted. I was extremely grateful to the then Lord Chief Justice of Northern Ireland, Sir Declan Morgan, for his careful consideration of the matter and for all the consultations I undertook with him, and indeed to the President of the Court of Session, Lord Carloway, who himself undertook extensive consultations with the Scottish judiciary. I was very grateful to colleagues in the Scottish Government for agreeing with the position that I sought to take with regard to the retirement age, because I thought that a cross-jurisdictional, pan-United Kingdom retirement age was highly desirable, bearing in mind the fact that atop it all sits the United Kingdom Supreme Court, with the members of that court therefore able to enjoy the same retirement age limitations irrespective of jurisdiction. That was a very important consideration that I am extremely grateful to colleagues in the other jurisdictions for agreeing to.

We have reached a position where we have come to an elegant solution: one that allows professionals to make decisions that suit themselves within that outer limit of 75 and acknowledges the reality that we see now, where the Lord Chancellor is constantly asked to allow judges to sit in retirement post 70—up to 72, in any event. It acknowledges the fact that, thanks to modern science and medicine, we have an increasingly agile and able cadre of people in their early 70s who are willing to serve. In the light of other societal changes—in the light of the fact that, thankfully, we are able to do more things at a greater age than perhaps we were a generation or so ago—I warmly commend the increase in the retirement age, in particular to the age of 75, to this House.

When it comes to the magistracy, we have suffered quite a decline in numbers in recent years. It was not so long ago that we had 30,000 volunteer magistrates—let us not forget, these are volunteers—sitting and serving in our courts. That number has declined alarmingly, and therefore it seems to me a matter of very good housekeeping for us to make sure that we can retain as many magistrates as possible while encouraging the excellent recruitment exercises that the Ministry of Justice is undertaking at the moment. The MOJ is to be commended on the vigour and focus of the exercises it is currently conducting, but without that additional help, my worry is that we are going to reach a critical position with regard to the number of justices of the peace that would undermine the viability of the system. That, frankly, would be a real problem, particularly in the family proceedings courts, where the lived experience, good judgment and common sense of magistrates is brought to bear on a variety of very difficult and complex family situations every day of the week.

This Bill was something I wanted to see even more urgently. I am glad that it is getting its Second Reading in early January: if I had had my wish, it would have received Royal Assent by now, but I understand that my ministerial colleagues in Government have to work to timetables, and that they themselves have different and conflicting priorities. However, it is an important signal that we are sending to the judiciary and to other public servants: not only that the Government take the judgments of the courts very seriously but, I hope, to make the point that any perception that this Government are somehow at war with the judiciary—that they somehow see the judiciary as enemies of the people, or think of them as an inconvenient encumbrance—is thoroughly dispelled by measures such as these.

[Robert Buckland]

Without a world-class, independent judiciary of quality, this country is no longer a civilised place. Without the important input of robust judicial independence, none of the jurisdictions for which we sit could call themselves world leading. It is vital that in this world of conflicting and competing calls for international investment, we have the brightest and the best from our legal profession serving in judicial office, because that is the most eloquent way in which we can express to the world the fact that Britain and the three jurisdictions are safe and secure places in which to invest, safe places in which to live, and free and fair places in which we can all be equal under the law. I can perhaps be accused of labouring the point, but I think that this sort of measure, detailed and technical though it is, embodies our commitment to that essential quality. That is why I am delighted to endorse the Bill on Second Reading and look forward to seeing it make a swift passage through the House.

7.59 pm

Peter Grant (Glenrothes) (SNP): I begin by wishing a somewhat belated bliadhna mhath ùr—happy new year—to you, Mr Deputy Speaker, and to colleagues. I include in that colleagues across the House who would have had something positive to contribute to tonight's proceedings, or to the proceedings earlier in the day, but have been prevented from doing so because they are not able to travel to be here and for reasons that I will never understand are not allowed to participate without being physically present in this place.

The reason we have the Bill here today is that the court has ruled that the way that the Government have treated 3 million of our most valuable citizens is unfair, discriminatory and unlawful—a £17 billion mistake, as the right hon. Member for Wolverhampton South East (Mr McFadden) pointed out. We therefore have to approve either this Bill or something like it very soon. We cannot allow that illegality to continue. We will not oppose the Bill on Second Reading, although there are a number of areas where we have concerns, some of them echoing the concerns raised by the right hon. Gentleman. We may want to raise some of these matters in Committee in due course.

Before I go on to indicate some of the detailed concerns, I will set out some general principles. First, I entirely endorse the comments of the right hon. Member for Wolverhampton South East in that somebody who is giving valuable service anywhere in the public sector is absolutely entitled to a proper wage, to proper conditions of employment, and to a decent pension when they come to retire. This used to be quite a regular source of outrage for those on the Conservative Benches, egged on by their pals in the right-wing press—people like the Rothermeres and the Barclays who do not rely on a state pension, or any other kind of pension, all that much. They used to think it was outrageous that people who had worked a lifetime in the public sector were guaranteed a decent pension when they retired. It is not an outrage that somebody who gives 30 or 40 years of loyal service retires on a decent pension; it is an outrage that so many people who give 30 or 40 years of loyal service do not get to retire on a decent pension.

Although the Bill improves things following the mistake that was made, the Government have not even begun to look at possibly the single biggest weakness in a number

of big public sector public schemes, including the ones that we are talking about tonight—that is, that they are unfunded. That does not mean that there is no money for them, but it means, effectively, that somebody making a pension contribution today is paying not their own pension but the pensions of previous generations that have already retired. They are just hoping that when they come to retire a future generation of workers will be there putting into the pot to pay their pension, while the Government—the taxpayer—have to pick up any shortfall. It is almost like a legalised Ponzi scheme.

I would love to know what the thinking was when the schemes were set up. Why did anyone think that that was a good way to set up an employee pension scheme? It is intrinsically unstable, especially if the number of people employed and contributing to the scheme changes significantly over time, because a smaller number of people are trying to pay the pensions of a bigger number of retired colleagues—and clearly over the years most areas of the public sector have seen a reduction in employment. That is why we have the difficulty in affordability and sustainability that we are trying to address just now. To be honest, I do not envy whatever Government Minister it is who will eventually have to find a fair way of squaring that circle, but we cannot afford to keep ignoring it for ever.

Secondly, I believe in principle that for someone in a defined-benefits occupational pension scheme, a career-average scheme will be fairer than a final-salary scheme. It does not necessarily mean that it is cheaper. It does not necessarily mean that they have to contribute more. It does not necessarily mean that their pension has to be less. It would be quite possible to set up a scheme where the workers did not have to contribute any more and where most of them got the same pension or better than they already had. When I say that I agree with the principle that the Government have stated previously that a career-average model will tend to be fairer to a lot of workers than the current final-salary scheme, that does not mean that I want it to be used as an excuse to cut pensions, to force workers to contribute more of their wages to the pension scheme, or indeed to increase the pension age. We can move to a career-average scheme without having to do any of those things.

The third general point is critical. When somebody chooses to contribute to an employer's pension scheme on the basis of promises that have been made by the employer, by the scheme administrator or by the Government, those promises must be honoured. Retrospectively moving the goalposts is not acceptable. It is not acceptable for public sector workers with regard to their employment pension, and it was not acceptable for the WASPI women. I know that that means that it takes much longer for any changes to pension schemes to have their full effect, but there is an important question of trust at stake. In October 2010, the Independent Public Sector Pensions Commission said that protection of accrued benefits

“is a prerequisite for reform both to build trust and confidence and to protect current workers from a sudden change in their pension benefits or pension age.”

I know that the Government have said that they want to comply with that recommendation, but it remains to be seen whether the Bill, as it is now or as it may be amended later, achieves that.

The contribution that people have made to their final salary scheme gives them an entitlement to the benefits that they were promised from that scheme at the time that they made that contribution. The fact that there seems to be widespread acceptance now that those promises might no longer be affordable for the public sector finances is not the fault of the workers and it is not the fault of their employers. For decades, successive Governments have failed to provide a public sector pension scheme that was affordable and sustainable in the longer term.

The final general point is that we need the Bill because the Government got it catastrophically wrong. They passed legislation that embodied unlawful discrimination. Regardless of what remedy is eventually put forward and agreed, it will have a cost. It will have a direct cost in terms of changes to people's retirement age, changes to pension contributions, and changes to the pension they get when they do retire, and a substantial indirect cost as a result of the mountain of extra administrative work that will be needed. There should not be any argument about where these costs should fall. They should fall on the Government, not on the workers because it is not their fault, not on the employers, because it is not their fault, and not on the scheme administrators, because it is not their fault either. The Government created the problem and the Government should be making sure that they and they alone carry the costs of fixing it not only in the short term but permanently.

Let me turn now to some of the more detailed provisions of the Bill. The Government's impact assessment says that there is "a small number of people" who currently have a mix of legacy scheme and new scheme benefits and that that mix is more advantageous than it would be for them to have all of the eggs in one or other of those baskets. Clauses 6(7) and 10(5) will force those people to put all their eggs into one basket. They will lose out. The Government have said that they are only losing out on something that they should not have had, because the Government previously passed a bad law. That is a feeble excuse. I would like the Minister's clarification on this point. Table 4 on page 68 of the Government's equality impact assessment—this is not the same as an assessment of impacts, although, presumably, the two should be compatible with each other—says that about 245,000 people have what is termed tapered protection. What assessment have the Government made of the number of people who will lose out from clauses 6(7) and 10(5)? If that number is anywhere close to 245,000, is it right that the Government should just dismiss them as a small number of people? Two hundred and forty-five thousand livelihoods do not seem like a small matter to me.

Clause 5 allows regulations to be made that would let members opt back into a scheme if they opted out during what is termed a "remedy" period. That is only fair as it protects workers from losing out if the rules on which they based their decision are retrospectively changed. Later on in the same clause, subsections (5) and (6) appear to allow the regulations to require the member to provide certain information, including the reasons why they opted out or did not opt out at the time. An excellent briefing prepared for us by the House of Commons Library suggests that those subsections could be used in regulations to restrict the right to reinstatement except when the member can demonstrate that they opted out as a result of that unlawful discrimination.

A similar situation is explicitly set out in clause 24. It allows members retrospectively to pay additional voluntary contributions if they can show, on the balance of probabilities, that they would have done that during the remedy period had it not been for the unlawful discrimination. In both those scenarios, how is somebody supposed to prove, even only on the balance of probabilities, the reasons they did something or opted not to do something seven years ago? Who keeps that information for that length of time? Who will they have to convince—the Government or individual scheme administrators? If it is individual scheme administrators, how do we ensure that there is consistency and fairness in the way that different applications to different schemes are applied?

Most importantly, where will the legal risk lie if, as seems inevitable, somebody is aggrieved that they have been prevented from opting back into a scheme or from making backdated additional voluntary contributions and takes legal action? Will the legal risk lie with the Government who caused the problem or with the pension fund administrators who are desperately trying to fix it?

One further query concerns the admittedly hugely complex interplay that has been mentioned among the amount of money that someone contributes to a pension, the amount of money they get as a pension, and their tax liabilities when they are paying into a pension and when they are collecting it after they retire. Again, I do not want to give the impression that I doubt the Government's sincerity; I appreciate that they are entirely sincere in trying to ensure that tax consequences do not undermine the intention behind the Bill. All too often, however, I have seen the irrational way that the UK tax system works, even before the Bill has been enacted, so I genuinely do not have a good feeling about it. It concerns me that in passing the Bill, we will be relying on clause 11 of the Finance (No. 2) Bill, which is still in Committee and has not received Royal Assent, to sort out the problem that the Bill creates in relation to the potential impact on someone's pension annual allowance. I do not like the idea that we are deliberately giving Second Reading to a Bill tonight while relying on a Bill that is somewhere else in the parliamentary system to fix the problem that we are creating. It does not seem to be a good way to do business.

After Second Reading and several days of Committee in the Lords, the Government had to come back with 123 amendments on Lords Report, and we have just been told that they are preparing an unknown list of amendments to table on Commons Report. That should make us all wonder how many other serious flaws that nobody has yet spotted are still lurking in the 116 pages of the Bill. The Bill should receive its Second Reading tonight, but I fear that many further amendments may be required before it is close to being fit for its stated purpose.

8.12 pm

Robert Jenrick (Newark) (Con): I welcome the Bill and I am pleased to make a few brief comments. Like my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), I was involved in its preparation and followed the consequences of the McCloud judgment as a Treasury Minister and as Secretary of State for Housing, Communities and Local Government.

[Robert Jenrick]

I welcome the fact that the Bill will now provide certainty and enable the important reforms that began with Lord Hutton's report and were enacted in the Public Service Pensions Act 2013, the regulations that subsequently followed and the reforms of 2015. It will help to enable those changes to proceed and will enable all concerned to be given the confidence and certainty that they deserve.

Again like my right hon. and learned Friend, I welcome the changes to the judicial age of retirement. In the early 1990s, when I think there was no retirement age, it was right to bring in a retirement age of 70. Senior members of the judiciary, such as Lord Denning, retired at 83. It was then right to bring in a somewhat lower retirement age but of course, to all our benefit, the world has moved on and we are living longer, so it is right to have a somewhat later retirement age than was legislated for in the 1990s.

The primary reason that I wanted to speak in today's debate was with respect to an issue that arose out of the 2013 Act, which was ultimately tested by the Supreme Court when I was Secretary of State in 2020. The issue was whether the Government, acting through the Secretary of State at the Ministry of Housing, Communities and Local Government or its successor Department in this case, have the power to issue guidance to those who administer certain public service pension schemes, primarily funded pension schemes, the most prominent of which is the local government pension scheme, to guide those trustees and administrators away from making investment decisions that are contrary to the United Kingdom's foreign and defence policy.

The reason why this came to court in 2020 was that when it was brought forward, initially by my predecessor, now the noble Lord Pickles, and his successor, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), the guidance issued by the Department was designed to guide local councils, primarily, away from adopting boycott, divestment and sanctions policies against Israel through their pension funds, although of course other examples were occurring at the time and might occur in future.

The Department issued guidance at that stage that was entirely within the spirit of the then law in 2013, but was subsequently found by a split decision in the Supreme Court to overstep the Secretary of State's legal powers. The guidance was, I think, perfectly valid; it said that "there are certain circumstances where the trustees of the pension schemes should be careful not to make decisions which would conflict with UK national foreign policy and defence policy."

Two issues arose when this was tested in the Supreme Court, in a case brought by a campaign group. The first was that some members of the Supreme Court felt that the 2013 Act itself did not give the Secretary of State the necessary powers. The Act clearly states that the Secretary of State can bring forward guidance on how the fund should be administered, but there was perfectly legitimate debate within the Supreme Court about whether the guidance went sufficiently far to cover this particular point. Three of the Supreme Court judges deemed that it did not, while two had a dissenting view.

There was a second, not totally unrelated point made: some members of the Supreme Court were of the view that some of the pension funds in question were not

within reach of the British Government, that they were essentially not part of the British state, and that by contributing to a pension fund, a civil servant or an officer of a local council is contributing to a pension scheme that is ultimately outwith the reach of a Secretary of State's issuing such guidance. That, again, was subject to debate and conflicting views within the Supreme Court, and Lady Arden and Lord Sales dissented.

Both judges took the view, which I agree with, that a scheme such as the local government pension scheme is liable to be identified with the British state for a number of reasons, not least the fact that ultimately the money to pay for it is coming from the taxpayer, but also because it is underwritten by the taxpayer and by statute. Those looking in from afar, for example in a foreign country such as Israel, would be likely to deem a decision by the trustees of one of these pension funds to reflect in some respects the British Government and the views of the British state.

The outcome of the Supreme Court decision in 2020 was that the rule and guidance issued by the then Ministry of Housing, Communities and Local Government was disapplied. I would argue that the time has come, in this Bill, to make the modest change that we need in law to ensure that we can rectify that issue and change the situation. A small amendment to the Bill would give the Secretary of State the powers he or she needs to issue the necessary guidance. That was essentially the message that came from the Supreme Court: if the Government wish to do this, they must ensure the law is clearer than it was in 2013.

I am here to suggest to my right hon. Friend the Chief Secretary that a small amendment be made to the Bill to ensure that that can happen. The Government took this matter to the Supreme Court; unfortunately they lost, and of course we respect the Court's decision, but the matter is able now to be rectified with a small technical amendment. It is one that I think is appropriate. It is the Government's policy that we do not support BDS. The Government wish to bring forward a Bill on BDS later in this Parliament, and I hope that they do so, but this is the appropriate place to make the amendment because this is, after all, the successor Bill to the 2013 Act in which this issue arose.

It is important to say why we would want to do this. BDS is a divisive matter. It damages and undermines community cohesion and sows distrust, and we do not want to see local councils trying to influence foreign policy decisions, which are properly the purview of the United Kingdom Government. This is not about politicising public sector pensions, as was implied, I think, by one member of the Supreme Court; it is precisely the reverse. It is ensuring that public sector pensions, which are ultimately paid for by us all as taxpayers, are not politicised, and that political judgments do not come into decisions on the types of investments that are made by these funds.

I will conclude my remarks and leave the matter with my right hon. Friend the Chief Secretary, and I hope that, between us and other interested Members in all parts of the House—there are a significant number—we can find a resolution to this issue, which has been hanging around now for several years, between 2013 and that judgment in the Supreme Court a year and a half ago, and put it to bed.

8.21 pm

John McDonnell (Hayes and Harlington) (Lab): I have to give it to the right hon. Member for Newark (Robert Jenrick) for his ability to describe possibly one of the most inflammatory amendments that we shall consider in this House as a modest technical amendment—but there you are. I am sure we will come back to that debate as part of a wider discussion of the issue.

I want to focus briefly on part 1 of the Bill, which addresses the McCloud judgment. I think we have to acknowledge that what we are having to deal with is an absolute mess in the management of public sector pension schemes by the Government, exposed by the McCloud judgment. It was a mess created not by the members of the public schemes themselves, who have been congratulated across the House this evening on the public service commitment that they are demonstrating at the moment, but by Government decisions. As this mess was created by Government decisions, it follows that the cost and the burden of clearing up this Government-created mess should fall not on the pension scheme members themselves, but on the Government.

Because I have received so many representations from constituents on this matter, I want to get some of the narrative clarified on the record. It is worth going back into the mists of time to fully understand the context and the genesis of this dog's breakfast, as it was described in the other place.

I am grateful to Bryn Davies—Lord Davies of Brixton—a Member of the other place, our foremost pensions expert, formerly the TUC's actuary and pensions adviser, and subsequently adviser to numerous trade unions and associations, for the explanatory notes that he has provided to a number of us and the issues that he has raised in the other place. Bryn Davies reminded me of the history of the pension reforms that have laid the path to this chaotic state that we are now trying to resolve.

The mechanism for managing the future funding of public sector pensions stems originally from the discussions between the Labour Government and the trade unions in 2006. It was those discussions that resulted in a broad relationship agreement—the Warwick agreement—and also agreed a series of pension reforms. The aim, quite rightly, was to stabilise for the long term the funding of pension schemes to enable decent pension schemes to be provided, and to tackle, to be frank, the fact that some people who had provided a service throughout their career were finding, contrary to what the hon. Member for Glenrothes (Peter Grant) said, and contrary to what was being reported in a number of papers, that they were being provided with a pension on which they were hardly able to survive.

In 2011, following those discussions, the coalition Government commissioned the Hutton report, which led to the Public Service Pensions Act 2013. That Act provided the basis of the existing system, including the cost control mechanism that we are addressing in this Bill. The key element of the cost control mechanism was that the cost to the employer of each of the public service schemes was fixed as a percentage of pay, which meant that if the cost of providing a scheme increased—I remember the debate and the predictions that were made—for instance due to some scheme members living longer than expected, it was agreed that either benefits

would be reduced or members' contributions would be increased. A number of us did not like it, but that was what the House agreed because it was seen by some as a fair process for the future.

If the cost of providing a scheme fell, such as if pensionable pay did not increase at the expected rate, benefits would be increased or members' contributions would be reduced. That was the equivalence that was agreed, and it was considered fair. I remember the debate, and it was also agreed that things would stay as they were if the change was less than 2% in either direction.

It was always agreed that some types of additional costs would be the responsibility of the Government—employer costs, as defined, as opposed to member costs. In 2012 the Treasury published a report that spelled out the difference. Employer costs were exemplified by changes in actuarial methodology or changes in the discount rate. The logical argument made by the unions is that the additional costs resulting from remedying the Government's actions in this case, as exposed by the McCloud judgment determining that the Government's actions were unlawful, are the responsibility of the Government, and therefore fall squarely into the category of employer costs, not member costs.

This is critical because the cost of the schemes, as used for control purposes, has usually fallen, largely because pay rises have not been as high as expected or because life expectancy has not improved as was previously predicted. If we abide by the agreements that were legislated for in this House, pension scheme members should have received either improvements in benefits or reductions in contributions, or a combination of the two, because the cost of the schemes has fallen.

Instead it appears that the Government are minded to treat the remedy costs of the McCloud judgment—the costs of remedying the Government's illegal actions—as member costs. We have heard from my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) that the cumulative cost could be £17 billion. This kicks in the cost control mechanism, as in some schemes the cost will rise by more than 2%. This would usually have resulted in cuts in benefits or increased contributions, so at least the Government have introduced a waiver to prevent that from happening.

However, this does not assist my constituents who rightly argue that they have been robbed by the Government and forced to pay over the odds in pension contributions but will receive no additional benefits. In fact, they feel they have been hit by a double whammy, having had their pay virtually frozen or cut but, as a result, still losing out on pension contribution savings. The impact for some will be the prospect of hardship in retirement as a result of not receiving the full benefits of their scheme as originally agreed. For many others, the measures will undermine the incentive to contribute to the pension schemes that are available to them. We have already seen more than 270,000 who are open to joining the scheme dropping out of it. This disincentivisation means that pensioners will be living in greater hardship and poverty and will therefore be reliant on state benefits, so there will be no saving to the Government overall. From the discussions I have had with my constituents and a range of trade union representatives and members, I know that there is a sense of betrayal among pension scheme members.

[John McDonnell]

Another issue that my right hon. Friend the Member for Wolverhampton South East raised was the pensions trap, which has been highlighted by the police associations, particularly the Police Superintendents Association, and by the firefighters, in which the value of the contributions and the pension declines with additional years of service. That is a contradiction that needs to be resolved by the Government, and I hope that that will be undertaken as the Bill goes into Committee and comes back to this House.

The discussion around pensions is as sensitive as the issue of pay, if not more so at times. These are always sensitive policy issues, and people naturally have strong feelings about them. It is worrying to me that, as Bryn Davies—Lord Davies in the other place—highlighted, the key decisions on whether the remedy cost is a members' cost or an employers' cost, and on whether the cost of the remedy should be spread over four years as suggested by the Government, are neither on the face of the Bill nor being dealt with by delegated legislation. Instead, under section 12 of the Public Service Pensions Act 2013, these issues will be dealt with by "Treasury directions". That means that financial obligations will be placed on scheme members without effective parliamentary decision making or scrutiny. These are not technical matters; they are matters of high policy and they affect many of our constituents. They are a matter of public concern and they have generated anger among many of our constituents at what they feel is the unjust way they are being treated. Members of this House should insist that these decisions are subject to proper parliamentary scrutiny and proper parliamentary decision making.

Much of what we are debating in part 1 of the Bill will almost inevitably be the subject of further legal challenge by a large number of trade unions and possibly, we hear, even by the British Medical Association. I fear that, rather than remedying the Government's errors and lack of judgment, the Bill will almost wilfully compound those past errors and possibly exacerbate the strong feelings of injustice felt by many of our constituents. I say to the Minister that considerable thought needs to be given to these issues in Committee and possibly on Report, to ensure that the Government do not lay the burden of the failure of past Government policy making on the innocent shoulders of many of our constituents, who, as has rightly been said today, are providing essential services across a communities at a time when we desperately need them.

8.33 pm

Sir Robert Neill (Bromley and Chislehurst) (Con): It is a pleasure to follow the right hon. Member for Hayes and Harlington (John McDonnell). He brings detailed knowledge of these matters to the debate, and although we do not always agree, it is always interesting to listen to the careful arguments that he deploys on pensions matters. I remember that from my time as the junior Minister responsible for the local government pension scheme.

I note the points raised by my right hon. Friend the Member for Newark (Robert Jenrick) about the potential conflict between a boycott, divestment and sanctions approach involved in taking a political attitude to pension schemes and the fiduciary duty of the trustees of those

schemes to their members. That is something that we will return to, but with no disrespect to other Members, I want to concentrate on the elements of the Bill that concern judicial pensions and the retirement age, which obviously engage my interests as the Chair of the Justice Committee.

I will not repeat much of what has been said with great eloquence by my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), who made the case very clearly. I welcome what the Government have done, as it was clearly right to respond to the McCloud judgment, and I am glad about the way in which they have done so. It is also good news that the Bill brings an even-handed approach to fee-paid judicial office holders—recorders and deputy district judges, for example—so that they are on a much more equitable basis with the full-time judiciary. That is a sensible approach.

By and large, the changes are welcome and necessary, but I hope that the Minister will take away the point about the interaction of the annual cap and the lifetime cap, which is particularly important to those who tend to be appointed to the High Court bench. Generally, those people are drawn from high-earning, highly experienced Queen's Counsel and senior partners in solicitors firms. The reality is that we have to make it worth their while to undertake what is a public service in the latter stages of their career. Having been successful in practice, almost inevitably they take an income cut to go on the bench. There should not then be a tax penalty on top. If we want the very best on the bench, especially in the commercial court and other specialist jurisdictions, which have a reputational and financial value for the United Kingdom because our judicial system is a centre of excellence and venue of choice for high-value litigation, we have to make sure that we always get the very best to sit in those jurisdictions.

I want to deal with the issue of the retirement age, particularly the impact that that has elsewhere in the system. The Justice Committee considered the legitimate point that has been made and referred to about the impact on diversity of increasing the retirement age to 75. It is a fair point to make. There is no doubt that 70 is too low. The world has changed massively since the time when, as has been observed, Lord Denning was sitting into his 80s. Happily, many active 70-year-olds are well able to continue to contribute in many areas, and the judiciary should reflect that, as much as this House and anywhere else. My right hon. and learned Friend the Member for South Swindon rightly, prompted by others and by me, some time ago increased the age at which jurors can sit to 75. The burdens on people serving on a jury, even in a long case, are nothing like those for a full-time judge, but it is significant that we accepted—and the House accepted—that decision makers, in fact, could continue perfectly reasonably until 75. There is no reason, for example, why that should not be the case for the magistracy as well. I can think of many able magistrates whom we have needlessly lost at an artificial cut-off age of 75.

The same applies to the bench. One can think of a number of distinguished former members of the High Court and the Supreme Court who have had to retire at 70, with many years of service still to give, and still do so, often sitting as arbitrators in important areas of commercial litigation and mediation. I am glad that

they can do so, as they perform a great service, but many of them would be happy to continue in public service as justices in the High Court and the Court of Appeal. We are therefore right to reflect societal and medical changes that have taken place.

The concern about opening up vacancies was debated at some length in the other place. As I say, it engaged members of the Select Committee, and a majority expressed concerns about it. I speak for myself in this regard, as I think that 75 is the right age in the circumstances. I am persuaded by the majority of respondents. I am conscious that a number of those in the senior judiciary would have gone to the age of 72, but it is currently possible to make a business case on an individual basis for members of the judiciary to sit until they are 72, so I do not think the difference is great.

The impact assessment indicates that the potential diminution in diversity opportunities is minor in reality. As has already been observed, there is a great gain in particular for women practitioners who have taken a career break and have therefore not necessarily had the opportunity to gain sufficient seniority within the professions to qualify for appointment, but who will be able to serve for the full 20 years required to qualify for the full judicial pension.

As my right hon. and learned Friend the Member for South Swindon observed, in essence we had a reduction of the age to 70 and an uplift in the number of years that had to be served from 15 to 20—in other words, if someone was not on the bench by the time they were 50, they would not get their full pension. As I observed in my intervention, those at the very high-earning end of the Bar and the solicitors' profession may well have made other provision in that regard during their earnings in practice, but it is of particular value for the people who are—I hope they will not regard my use of this phrase as in any way disrespectful—the real workhorses of the system, who sit in the Crown court and the county court, to have the full judicial pension. Those on the circuit bench and the district bench take on the vast volume of judicial work and generally—certainly in crime and family work—will have largely done publicly funded work so will not have been in the position to put by great provision for the future while they were in practice but will none the less have undertaken important, critical work in the latter stages of their career and have a reasonable expectation of being able to serve the full 20 years to get their pension and to bring their expertise to bear.

It is significant that in the latest recruitment round there has been a shortfall of around 49 in respect of recruitment to the district bench. The vacancy rate in the latest round was 106, and 57 appointees were recommended for appointment to the district bench, and in the circuit bench there were 63 vacancies and 53 were recommended. Despite the excellent work done by the Judicial Appointments Commission, there is a shortfall—the Lord Chief Justice indicated recently in evidence to the Justice Committee that it is a continuing shortfall—in those key areas that deal with the vast volume of serious work: crime, family and civil. It is important to give people the opportunity to serve that much longer in terms both of judicial people power, if I can put it that way, and of making the career prospects attractive.

We do need to make the judiciary more diverse and more representative, but the way to do that is not to keep down the retirement age to such a low level that able people are needlessly lost to judicial service. We must redouble our efforts to attract people from diverse backgrounds and particularly from some ethnic minorities. The truth is that it varies, because it is not a homogeneous issue: the Select Committee heard compelling evidence that some minority groups are much more willing than others to consider a career in the law and in the judiciary. Let us do more to reach out right across the board to engage other groups and let us reach out to get more women to return. There has already been improvement on that, particularly in the magistracy and elsewhere, but there is more to be done.

We must of course encourage people to advance up the judicial ladder and to recognise that to advance from, for example, the district bench to the circuit bench and then into the High Court is something that is open and to be encouraged for all. I commend the work of the noble Lord Kakkar and his colleagues on the Judicial Appointments Commission in that regard. They recognise that we can always do more, and we as a House would recognise that, as would the Minister and his colleagues. We should not accept that the commitment to diversity that we all share, and our equal commitment to excellence and to having the very best people available to serve on cases which, after all, at almost every level change people's lives to a greater or lesser degree, mean there must be an either/or trade. It is perfectly plausible and viable to have both, and that must be our objective. I therefore think that, on balance, we have the right position. I am conscious that I differ from some Members of the other House, who, as lawyers, I greatly respect. Equally, however, other highly experienced lawyers in the other place came to a different view. I am persuaded on this occasion, not for the first time, by the noble Lord Mackay of Clashfern, who reduced the age to begin with. If James Mackay is prepared to do a John Maynard Keynes and say, "The facts have changed; I have changed my opinion", that is probably good enough for the rest of us and it certainly is for me.

On balance, I think the Government have got this right. I am sure that we will return to it on Report but, overall, this is a good measure. I hope that it is a part of package that we must have to make a judicial career attractive. I say to the Minister—this is strictly outside the scope of the Bill, but I hope you will indulge me, Mr Deputy Speaker—that it is not just the pensions that matter, but the tax treatment, as I mentioned, and, as the Minister is responsible for the courts, the working conditions, including the maintenance of the courts, the support that judges get from court staff, some of the lowest-paid in the public sector, and making sure that there are not leaks in the corridor and that the heating does not break down, as he and I know happens in some Crown courts. It is also about ensuring that there is general public respect, which we can all have for the judiciary at every level. All of us, whether we agree with any individual decision, should treat the judiciary at every level with the utmost respect because they are fundamental to the maintenance of our democracy just as much as this House is.

I hope that the House will pass the Bill swiftly and send it forward to an early Royal Assent.

8.46 pm

Christine Jardine (Edinburgh West) (LD): It is a pleasure to follow the hon. Member for Bromley and Chislehurst (Sir Robert Neill), and it was very interesting to hear his views on that aspect of the Bill and the judiciary. It is one of the reasons why—as other Members have mentioned—I do not think that the Liberal Democrats will oppose the Bill, although we may, at a later stage, table a number of amendments, which I will return to later.

As has been mentioned, there have been a considerable number of amendments to the Bill, which is intended, as the Government said, to ensure that we have equal treatment for all members in each of the main public service pension schemes. It would remove unlawful discrimination and bring in the remedy to age discrimination, as identified in the McCloud judgment, enable the Treasury to establish new public service pension schemes, increase the mandatory retirement age for judges, as the hon. Member mentioned, and provide for regulation-making powers. I believe that all of us in this place would support those aims, but the Liberal Democrats have several concerns, some of which the right hon. Member for Wolverhampton South East (Mr McFadden) mentioned. Many of the concerns were raised in the other place in relation to the amount of detail that is left to regulation and direction and what support will be available to members in making important decisions about their future pension planning.

In considering the Bill, we should reflect on lessons that we have learned, or should have learned, from previous, well-intentioned but ultimately problematic pension reforms, when issues of discrimination and unfairness emerged. I am thinking of the unintended consequences, a lack of information and poor communication, the implications of which have characterised the changes to the state pension age for women, particularly those born in the early 1950s. Ministers could do worse than to listen to some of the 6,000 so-called WASPI women in my Edinburgh West constituency talking about the hardship that the mismanagement or miscommunication of complicated pension changes can cause.

Our experts fear that up to 3 million pension holders will be affected by these important changes. Although consultation responses were supportive of the deferred choice method in the Bill, they warned that the complexity of implementing it may have been underestimated, and that was one of the concerns the Liberal Democrats mentioned in the other place. We believe that not enough support is being offered to members of schemes faced with complex decisions that could involve heavy losses. In the other place, we tabled an amendment to require the Secretary of State to issue guidance to help members understand the choice in front of them, and that could include something like a helpline.

We are also concerned about fairness and the disproportionate effect that some of the provisions in the Bill may have on women, and we tabled an amendment in the House of Lords on women and the gender pensions gap. The Government do not seem to have any real policy on how to rectify the problem, and women will potentially be adversely affected by the Bill, given the time they will have taken out of work for childcare and so on.

One last concern, which we may return to, is that raising the mandatory judicial retirement age from 70 to 75 could have a negative impact on the diversity of the judiciary,

which at the moment is dominated by older, white men. To return to the statement by the hon. Member for Bromley and Chislehurst, the judiciary—its diversity, its fairness and its reflection of the country—is as important in many ways to our democracy as this place is.

That is all we would want to add at this stage, but we will return to these issues, perhaps on Report, and certainly with some amendments.

8.51 pm

Matt Rodda (Reading East) (Lab): I am grateful for the opportunity to close the debate on behalf of the Opposition. As my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) said, we do not oppose this important Bill—indeed, I welcome the serious debate that has taken place this evening—but we will continue to hold the Government to account as the Bill progresses. I thank Members on both sides of the House for their valuable contributions, and I am grateful to the hon. Members for Gloucester (Richard Graham) and for Bromley and Chislehurst (Sir Robert Neill), the right hon. and learned Member for South Swindon (Sir Robert Buckland), the hon. Member for Glenrothes (Peter Grant), the right hon. Member for Newark (Robert Jenrick), my right hon. Friend the Member for Hayes and Harlington (John McDonnell) and the hon. Member for Edinburgh West (Christine Jardine).

Our public sector workers play a vital role, and I pay tribute to the hard work of our NHS staff, teachers, police, firefighters and many other dedicated public servants, all of whom are affected by this Bill. We owe these public servants an enormous debt of gratitude for their vital work during the pandemic. As we heard, these workers had to be at work physically throughout the pandemic—not at home or working online. They were caring for the sick, delivering key services or keeping our streets and communities safe. It is right that these dedicated workers can expect a decent pension in their retirement. It is not always understood that most of the schemes in question operate on a pay as you go basis, with workers themselves contributing throughout their working lives.

The shadow Chief Secretary, my right hon. Friend the Member for Wolverhampton South East, raised a number of important questions in his speech, and I am afraid to say that, so far, Ministers have failed to fully answer them. I hope the Minister, in his closing remarks, will now reassure these hard-working public servants about a number of matters.

The most important question is, where will the £17 billion it will cost to fix the Government's mistake in 2015 come from, and who will pay this enormous bill? Will it be the taxpayer, or will it be the pension scheme members?

The next question is about the design of the remedy the Government have put forward. I welcome their decision to accept the mechanism favoured during the consultation, but we need clarity about whether that choice will incur any costs for the pension scheme members concerned. If the Government are going to ask scheme members to take potentially significant decisions, will they commit to providing much more information to pensioners and savers to help them avoid making costly mistakes? Ministers have failed to do so in the past, and even now they seem reluctant to include pension scams in their important Online Safety Bill, despite the spiralling costs of pension fraud and mis-selling.

We also ask the Government to be clear about how the cost control mechanism will work. We were told at first that if costs breached the ceiling, benefits would be reduced, but the Government have said that no member will see benefits reduced in this case. What does that mean? How will the necessary funding be provided, and is there going to be a time after which such a guarantee may lapse? Ministers have left a number of crucial questions unanswered about part 2 of the Bill as well: what are the estimated costs to the Treasury of underpinning the liabilities of former employees of Bradford & Bingley and Northern Rock, and are those costs additional to the £17 billion budgeted for the McCloud response, or are they part of the scheme and the overall response?

Carrying on to the next part of this important Bill, which concerns the judiciary and has been the subject of much of the debate this evening, do the annual allowance and lifetime allowance not apply to judges? I ask the Minister to clarify that very important point: it is unclear, and it must be clarified. If judges are not covered by the same rules, how will the Government justify that decision to other pensioners? Indeed, does that decision leave the Government open to legal challenge in the future? Furthermore, colleagues in the other place voiced concerns that raising the mandatory retirement age for judges could make it more difficult to increase diversity in our legal system. I hope the Government will make available further details of how they plan to ensure this does not happen. We understand the need to clear the backlog of cases, but I urge the Government to do far more to increase diversity in this very important profession.

I will also take this opportunity to underline the concerns raised by the Police Superintendents' Association and, indeed, the Fire Brigades Union. Scheme members in the police and fire services could be adversely affected by this Bill because of the ways in which the years between 2015 and 2022 are treated. We know that the Home Office said that further work was needed on this issue, and Ministers have discussed it with representatives of the police and fire services. How will the Government now address this important point? I hope the Minister will speak to that in his closing remarks.

Finally, I urge the Government to respond to the points raised by the Public Accounts Committee when it went through the proposals in a great deal of detail. We must fully understand the consequences this Bill could have for both employees and employers, and I am concerned that the Government have not properly considered the knock-on effects on public service recruitment and retention, which are both absolutely critical issues for these vital public services. There is also a risk that more means-tested benefits may be required if there are changes to public service pensions, and that public service pensions may be worse off. I hope that we will hear reassurance from Ministers on those crucial points. I assure the House and the wider public that we in the Labour party will keep raising these important questions, and I hope the Government will respond in a timely and appropriate manner.

I realise that time is pressing, so I will end my remarks with the following: on an issue of such great importance as the future pensions of so many public sector workers, the public deserve to be confident that the Government have adequately prepared for all eventualities and fully understand the consequences of their actions.

Public sector workers, as well as Members of the other place, have made their concerns and questions clear, and it is regrettable that they have not been answered in full so far today. I hope that the Minister will now take his opportunity to reassure the House, the wider public, and public servants about these important points.

8.58 pm

The Parliamentary Under-Secretary of State for Justice (James Cartlidge): Let me start by thanking all right hon. and hon. Members for their contributions. Before turning to the specific points raised during the debate, I join other colleagues in recognising that this Bill is ultimately about public sector pensions, and comes at a time when our teachers, nurses, police, judiciary, and the entire public sector workforce are once again being tested by the ongoing challenges of the pandemic. I join others in expressing my profound thanks to all those working so hard on the frontline, particularly—as the Opposition spokesman, the hon. Member for Reading East (Matt Rodda), has quite rightly just said—those who have not been able to work at home. They have been out there, risking their health for our benefit, and we owe them a huge debt of gratitude. That is why this Bill ensures that those who deliver our valued public services continue to receive guaranteed benefits in retirement on a fair and equal basis.

However, of course, the Bill also includes provisions to help address the resourcing challenges facing the judiciary. I wanted to start with this crucial point about capacity in our justice system, not least because it gives me an excuse to offer my profound congratulations to my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) on his honour in the new year's honours list. It is richly deserved, and as the Minister responsible for court recovery, I hope that a particular part of that honour was due to the massive effort that my right hon. and learned Friend put in with the Lord Chief Justice to keep jury trials going in this country against all the odds. That was incredibly difficult when the pandemic started, because let us be clear: 2 metre social distancing and jury trials go together like a fish on a bicycle, to put it bluntly.

If anyone is in any doubt about this very serious point, they should look at the situation in Wales today, because I can confirm to the House that the new 2 metre social distancing rule in Wales could have profound implications. It is our calculation that, of the 17 Crown courtrooms in Wales, five could be out of use if 2 metre social distancing is enforced strictly, and the two we were planning to open could not be opened. In other words, that would lose seven out of 19 courtrooms, or almost 40% of capacity. My right hon. and learned Friend is of course very familiar with the Welsh criminal courts, where he cut his teeth. I have been able to speak to the Counsel General for Wales, who is my opposite number. We had a good discussion this afternoon, and officials will keep talking, because there may be ways to mitigate this, but it really outlines why we have a capacity issue. When the pandemic hit, it slashed the capacity of our courts to hold jury trials, and it was in the Crown court that this was so crucial.

To give the mathematical quantification, in January and February 2020 we averaged about 8,000 disposals per month. I am pleased to say that last year we were averaging about 8,000 disposals per month from January

[James Cartlidge]

to October, so we have been getting back to pre-covid capacity. However, in April 2020 there were just 3,000 disposals, with 4,000 the following month and 5,000 the month after that. The massive hit to capacity initially was to physical space—courtrooms and so on.

Therefore the initial focus, led by my right hon. and learned Friend, was on Nightingale courts, which are particularly good for bail cases; the use of IT, so that we had remote hearings; and of course the super-courts, which have been so important for multi-handed cases, where, with multiple defendants, social distancing is even harder. All those measures were about capacity in terms of physical space or using the internet in effect to increase our capacity, but the key thing, as we have got near to pre-covid capacity, is that the labour force has become the issue. That is why the Bill is so important for the judiciary and for our constituents, because it is all about the backlog.

We have active recruitment programmes. We are doing everything possible to recruit more magistrates, more judges and more recorders—our fee-paid judiciary—to sit, which is incredibly important, but ultimately this measure is one way for us, relatively quickly, to bring some very experienced labour to bear to help us to bear down on the backlog. That is why I am grateful that all of my colleagues have welcomed the increase in the MRA to 75. Is my right hon. and learned Friend intervening? [Interruption.] I thought he was, but I apologise.

Sir Robert Buckland: No, but I am happy to intervene. I do not want to make this too oleaginous, but the point my hon. Friend makes about capacity is a huge one. We do not have enough recorders or judges, no matter how many the Lord Chancellor signs back in after retirement. That, I am afraid, is because there has been a bit of a crisis in confidence, and therefore a lack of people coming forward to do these important roles. I reiterate what I said in my speech, which is that we need a world-class independent judiciary, and that is why the Bill is so important.

James Cartlidge: Perhaps in the days without masks it would have been easier for me to tell whether my right hon. and learned Friend was actually intervening, but he is absolutely right.

I can answer the question posed about the lifetime allowance by the Chair of the Justice Committee, my hon. Friend the Member for Bromley and Chislehurst (Sir Robert Neill), and by the shadow Chief Secretary, the right hon. Member for Wolverhampton South East (Mr McFadden). To clarify, the legacy judicial pension scheme is unregistered for tax purposes, so the lifetime allowance tax charge does not apply to accruals under that scheme. The new judicial pension scheme, to be introduced from 1 April, will also be unregistered for tax purposes, so no lifetime allowance tax charge will apply to that scheme either. I hope that answers the question, which is a very important one.

Diversity, which was raised by several colleagues, is incredibly important. Just as in education we have been asking teachers to return to schools to help out and at the start of the pandemic the health service had many thousands of nurses and others returning to clinical

roles, we are in effect doing the same. When we do that, however, we obviously cannot directly influence the diversity of the people who are returning to a profession or being retained for longer. As the Chair of the Justice Committee said, it is about reaching out to the recruits of tomorrow. We are taking many steps: for example, since 2020 we have been funding a two-year pilot programme of targeted outreach and support activity by the Judicial Appointments Commission, providing advice and guidance to potential candidates from underrepresented backgrounds, including those from BAME backgrounds, women and the disabled, and soliciting candidates for specific senior court and tribunal roles. In terms of magistracy, we will be launching a new online magistrates recruitment programme in the coming weeks to encourage applications from younger, more diverse cohorts. This is an important point.

The former shadow Chancellor, the right hon. Member for Hayes and Harlington (John McDonnell), the shadow Chief Secretary, the right hon. Member for Wolverhampton South East, and the shadow Work and Pensions Minister, the hon. Member for Reading East, asked the important question of where the £17 billion will ultimately be coming from. The cost of the remedy is estimated to increase pension scheme liabilities by £17 billion, so it is the scheme liabilities that increase. However, that liability will be realised over many decades. It also represents a small proportion of the total savings of around £400 billion that will arise from the wider reforms to public service pensions. To be absolutely clear, the liability will fall on the Exchequer. I hope that offers clarification.

The shadow Work and Pensions Minister asked for clarity on the issues around the ceiling breaches and so on. As the Chief Secretary to the Treasury made clear in his opening speech, no member will see a reduction in their benefits as a result of the 2016 valuations. I hope that provides some reassurance to the shadow Minister. UK asset resolution schemes currently pay out benefits of about £530 million per annum; this is a cost the Government already bear. The policy creates a more efficient situation for paying these pensions and ensuring the current schemes will have a stable benefit.¹

The question asked by the right hon. Member for Hayes and Harlington and the shadow Work and Pensions Minister about the so-called pensions trap and the issue around the police has been raised with the Government by police representatives and we have been considering it. The Home Office is consulting on detailed regulations to implement a prospective McCloud remedy for the police pensions scheme, but the Government must not take action contrary to the intention of this Bill to remove discrimination identified by the courts by inadvertently introducing new unequal treatment and discrimination.

The hon. Member for Edinburgh West (Christine Jardine) and the shadow Chief Secretary both raised an important point about advice and guidance, and they were right. These are potentially complex issues. Perhaps one important point is that for many members this will hopefully be relatively straightforward; they will be presented with two options, one of which will be financially more generous. Hopefully, therefore, it will be relatively straightforward, but of course it is important that we provide guidance. Providing sufficient guidance for members to make informed decisions about their pensions is of the utmost importance and as such the Bill already requires that schemes provide members with remediable

1. [Official Report, 2 February 2022, Vol. 708, c. 4MC.]

service statements containing personalised information about the benefits available to them. This will include details of the benefits available to them under the legacy scheme and the benefits available to them if they elect to receive new scheme benefits or choose for a period of opted-out service to be reinstated. These statements will be provided to active members on an annual basis.

The hon. Lady also raised the important issue of women and the general point about fairness. The Government agree strongly with the need to ensure that the impact of the Bill is fair on members of public service pension schemes with protected characteristics, including women. A full equalities impact assessment of the Bill was conducted and published alongside the Bill's introduction. In addition, when making the necessary changes to their scheme rules to deliver remedy, pension schemes will carry out any appropriate equalities analysis for their specific schemes in compliance with the public sector equality duty in section 149 of the Equality Act 2010.

I am grateful for the support of the former Secretary of State, my right hon. Friend the Member for Newark (Robert Jenrick), on lifting the retirement age and, we hope, its impact on capacity issues. He put his specific point well in saying that his suggestion is the very opposite of politicisation. The Government have made their position on boycotts clear. We do not hesitate to express our disagreement with foreign nations whenever we feel that it is necessary, but we are firmly opposed to local boycotts that can damage integration and community cohesion, hinder exports, and harm foreign relations and the UK's economic and international security. Local authorities should not undertake boycotts that could undermine foreign policy, which is a matter for the UK Government alone. The Government therefore remain committed to our manifesto pledge to ban public bodies from imposing their own boycotts, disinvestment or sanction campaigns, and we will legislate as soon as parliamentary time allows.

Robert Jenrick: I am grateful to my hon. Friend for his remarks. He has just said that the Government will legislate as possible; this is the opportunity to legislate. Of course, there might be a BDS Bill at some point later in the Parliament—we do not know; there will always be pressures on the legislative timeframe—but even if there were, this is the appropriate Bill to handle the situation, because the issue arose in the 2013 Act, to which this Bill is essentially the successor. I do not expect my hon. Friend to make a commitment here at the Dispatch Box—it is clearly something that we will all have to consider in the weeks ahead—but this is the moment at which to make the amendment, should the Government wish to do so in this Parliament.

James Cartlidge: I am grateful to my right hon. Friend. As he knows, matters of parliamentary business are above my pay grade—a very humble and new one—but I hear his point, and I think he made it very well. I am sure that he has a great deal of sympathy for our position, and I simply repeat that we will legislate when parliamentary time allows.

Let me finally refer to the points made by the Chair of the Justice Committee, my hon. Friend the Member for Bromley and Chislehurst, and the former Lord Chancellor, my right hon. and learned Friend the Member for South Swindon, about the independence of the judiciary.

They are right: this Bill, including the important parts that deal with the judiciary—I make no apologies, as a Justice Minister, for focusing on those in the winding-up speech, not least given all the backlog issues—sends a powerful signal about our support for the judiciary. I believe that the independence of the judiciary is part of the competitiveness of the United Kingdom. The reason people buy our insurance in the City or trade with our banks and our service sector is that they trust this country, and they trust us because they trust the contract and they trust English law, and we should all be very proud of that.

On the basis of the contributions made today, I believe that the House agrees with the principles underpinning the Bill. I am grateful for the support of the shadow Chief Secretary and the Labour party, and indeed for that of the Liberal Democrats and other parties. I think we all agree that we must make certain that those who deliver our valued public services continue to receive guaranteed benefits on retirement on a fair and equal basis, and in a way that ensures that pensions are affordable and sustainable, and that we must also support our world-class judiciary to enable it to meet the demands of the present day and of the future. I extend an invitation to all Members who may wish to discuss these issues further with me and with the Chief Secretary before the Committee stage. I look forward to that further discussion, and I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

PUBLIC SERVICE PENSIONS AND JUDICIAL OFFICES BILL [LORDS] (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Public Service Pensions and Judicial Offices Bill [Lords]:

Committal

- (1) The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

- (2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 1 February 2022.

- (3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

- (4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

- (5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

- (6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

- (7) Any other proceedings on the Bill may be programmed.—
(*Michael Tomlinson.*)

Question agreed to.

PUBLIC SERVICE PENSIONS AND JUDICIAL OFFICES BILL [LORDS] (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Public Service Pensions and Judicial Offices Bill [Lords], it is expedient to authorise:

(1) the payment out of money provided by Parliament of:

(a) any expenditure incurred under or by virtue of the Act by a Minister of the Crown or a government department; and

(b) any increase attributable to the Act in the sums payable under or by virtue of any other Act out of money so provided; and

(2) the charging on, and paying out of, the Consolidated Fund of any sum payable under or by virtue of the Act to or in respect of the judiciary.—(*Michael Tomlinson.*)

Question agreed to.

PUBLIC SERVICE PENSIONS AND JUDICIAL OFFICES BILL [LORDS] (WAYS AND MEANS)

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Public Service Pensions and Judicial Offices Bill [Lords], it is expedient to authorise:

(1) the making of provision under the Act in relation to income tax, capital gains tax, corporation tax, inheritance tax, stamp duty, stamp duty reserve tax or stamp duty land tax in connection with—

(a) pension schemes established under provision made under the Act for persons who are or have been members of occupational pension schemes of bodies that were brought into public ownership under the Banking (Special Provisions) Act 2008, or

(b) the transfer under provision made under the Act of any property, rights or liabilities of any such occupational pension scheme or any such body; and

(2) the payment of sums into the Consolidated Fund.—(*Michael Tomlinson.*)

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

COMPANIES

That the draft Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2021, which were laid before this House on 28 October, be approved.—(*Michael Tomlinson.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

MARINE POLLUTION

That the draft Merchant Shipping (Control and Management of Ships' Ballast Water and Sediments) Order 2022, which was laid before this House on 4 November, be approved.—(*Michael Tomlinson.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CONSTITUTIONAL LAW

That the draft Civil Partnership (Scotland) Act 2020 and Marriage and Civil Partnership (Scotland) Act 2014 (Consequential Modifications) Order 2022, which was laid before this House on 16 November, be approved.—(*Michael Tomlinson.*)

Question agreed to.

COMMITTEES

Mr Deputy Speaker (Mr Nigel Evans): With the leave of the House, we will take motions 9 to 18 together.

Ordered,

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

That Judith Cummins and Sarah Owen be discharged from the Business, Energy and Industrial Strategy Committee and Tonia Antoniazzi and Andy McDonald be added.

DEFENCE

That Martin Docherty-Hughes be discharged from the Defence Committee and Dave Doogan be added.

ENVIRONMENTAL AUDIT

That Dan Carden be discharged from the Environmental Audit Committee and Valerie Vaz be added.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

That Dave Doogan be discharged from the Environment, Food and Rural Affairs Committee and Kirsty Blackman be added.

FOREIGN AFFAIRS

That Claudia Webbe be discharged from the Foreign Affairs Committee and Liam Byrne be added.

HEALTH AND SOCIAL CARE

That Ms Anum Qaisar be discharged from the Health and Social Care Committee and Martyn Day be added.

JUSTICE

That Janet Daby be discharged from the Justice Committee and Ms Diane Abbott be added.

PROCEDURE

That Kirsty Blackman be discharged from the Procedure Committee and Patrick Grady be added.

TRANSPORT

That Lilian Greenwood be discharged from the Transport Committee and Navendu Mishra be added.

WOMEN AND EQUALITIES

That Anne McLaughlin be discharged from the Women and Equalities Committee and Ms Anum Qaisar be added.—(*Sir Bill Wiggan, on behalf of the Committee of Selection.*)

Covid-19: Award of Contracts

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

9.14 pm

Neale Hanvey (Kirkcaldy and Cowdenbeath) (Alba): While this debate is ostensibly about covid contracts, it is essentially about honour and the old-fashioned values of integrity, responsibility and prioritising the needs of those who we are elected to serve, making them our primary focus. I will look at three distinct areas of contracting where we as a Parliament find ourselves with this Government. First, I will consider the early contracting for personal protective equipment. I will then look at how hollow the Government's "build back better", "level up" and "take back control" slogans sound to the domestic diagnostics industry, which has been utterly abandoned and betrayed by the Government. Then I will consider the implication of the Government's reluctance to take the advice of their own former vaccines taskforce chair, before considering where that places the UK in the context of the prevailing international strategic landscape.

The first issue is PPE. In 2020, I led a cross-party letter to the Prime Minister about the crisis engulfing the NHS as a consequence of inadequate supplies of PPE. It took until November 2020 for the signatories to receive a response. Throughout that time, the NHS remained in the grip of a shortage of PPE, and the National Audit Office conducted and published its investigation into the contracts for the provision of PPE during the early stages of the covid-19 outbreak. As a result, I submitted written questions to the Secretary of State asking which companies had been awarded contracts after being introduced through the alleged high priority lane. The response from Government asserted:

"The cross-Government PPE team considered that leads referred by Government officials, Ministerial private offices, Parliamentarians, senior National Health Service staff and other health professionals were possibly more credible and needed to be initially reviewed with more urgency. This was commonly referred to as a 'priority' or 'VIP' channel.

At the point of being prioritised these offers went into exactly the same...process".

Sadly, that was wrong. According to Transparency International UK's "Track and Trace" report, critical safeguards designed to prevent corruption were suspended. They identified 73 contracts worth more than £3.7 billion, equivalent to 20% of covid-19 contracts, between February and November 2020 that raised concerns about possible corruption.

By July 2021, all of the Government's assertions would be for naught. When questioned by Members, the then Chancellor of the Duchy of Lancaster, the right hon. Member for Surrey Heath (Michael Gove), responded with the claim that

"every single procurement decision went through an eight-stage process".—[*Official Report*, 8 July 2021; Vol. 698, c. 1060.]

That assurance was a fiction. That same week, the Government revised their position, admitting that the eight-stage procurement process was not in place until the end of April 2020, and that contracts awarded before that date had avoided such scrutiny.

There are many outstanding questions for the Government in that regard, some of them subject to legal action that remains sub judice, so I will observe

the rules and leave such matters to the courts. But I repeat a request I have made before. If the Government have nothing to hide, why do they not submit to a full independent public inquiry that could exonerate them?

On testing, Operation Moonshot was heralded as a means to create a world-leading and largely home-grown testing capacity, but the programme failed to launch, never mind get to the moon. In late 2020, Moonshot was subsumed into another costly fiasco—NHS Test and Trace, which was set up in May 2020 with an opening budget of £22 billion, with a further £15 billion, totalling £37 billion, over two years. What of the UK testing capacity? To date, I know of only one UK company that has been able to navigate the ever changing maze of validation. Yorkshire-based domestic diagnostic firm Avacta Life Sciences is just one of the many UK diagnostic companies that claim to have a world-beating product that is certified for use in Europe but not in the UK. Omega Diagnostics in Alva, Scotland was one of the two companies publicly promised contracts. On 15 March 2021, in a now infamous tweet to UK firms Omega Diagnostics and Mologic, Lord Bethell, then Innovation Minister in the Department for Health and Social Care, publicly promised diagnostics contracts, with the hundreds of jobs necessary to fulfil them. Those UK companies were subsequently abandoned without explanation.

The Government must explain to the domestic diagnostics industry, including to those who made investment decisions based on Lord Bethell's public commitment, how that was allowed to happen. What action has been taken to address that disgraceful, damaging and market-distorting behaviour from a UK Government Minister? It is beyond comprehension that regulatory barriers have since been erected to further frustrate the ambitions of domestic providers while simultaneously ensuring continued UK dependency on companies based in China.

Given the recent shortage of test kits, I welcome the wider interest in this matter today, but it is beyond comprehension that the Prime Minister should stand at the Dispatch Box and accuse anyone else of running down the UK diagnostics industry when that is exactly what his Government have been doing for two years. This is not just my opinion but that of many in the industry and their investors, who have looked on in disbelief at the Prime Minister's comments this afternoon. It is the Prime Minister who does not have a clue what is going on. Not only do tests have to secure Medicines and Healthcare products Regulatory Agency approval, but they now have to pass the coronavirus test device approvals process while Chinese imports are completely exempt. It is an utter disgrace that the Prime Minister does not know this. If MHRA acceptable usage rules were good enough for overpriced imports at the start of the pandemic, why is not full MHRA approval sufficient for these domestic tests?

In the case of Omega and Mologic, test design and validation is not really the issue. They were contracted to manufacture lateral flow devices to the Department of Health and Social Care's specification. It was the Department's responsibility to supply a test design to Omega for manufacture and not to supply one for approval. That makes the Department's betrayal of Omega all the more disturbing. What is going on? To add insult to injury, the Department is now pursuing

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Omega for £2.5 million because of its own failure to progress the contract. According to Omega, it would have had to capacity to deliver 1 million to 2 million tests per week had the contract gone ahead, and Mologic could potentially produce even more. Does the Minister accept that had the Government followed through with this contract as planned, we might not be so vulnerable to global pressure on tests and reagents? Does he agree that this must change, and change immediately?

Those who have been following this matter, most from beyond the Chamber, will know that I have been raising concerns about testing capacity and quality since July 2020, when we had a unique opportunity to get ahead of the curve. From my July 2020 questions to Professor Whitty about how we build capacity, to my repeated challenges to the then Health Secretary over inflated claims of the accuracy of lateral flow test devices, my concern has always been genuine. That concern is no better illustrated than in the words of Lord Bethell in an official letter of 11 December 2020, in which he stated:

“We are not currently planning mass asymptomatic testing; swab testing people with no symptoms is not an accurate way of screening the general population, as there is a...risk of giving false reassurance. Widespread asymptomatic testing could undermine the value of testing, as there is a risk of giving misleading results.”

That view was supported by the Government's own evaluation, which found that the Innova lateral flow device missed 60% of infectious cases, including 30% of the most infectious, yet it was given unwarranted confidence by UK Government and the devolved Administrations.

UK industry insiders tell a sorry tale of ever-moving goalposts, and no clearer did that become than with the introduction of the coronavirus test device approvals regulations last year. This legislation protects underperforming imports and creates additional hurdles, barriers and costs for domestic manufacturers. In practice, it means that they can secure MHRA approval but only sell into Europe. The only conclusion I can come to is that the UK Government were, and still are, actively and deliberately sidelining their own industry and innovation in favour of cheap imports, with massive mark-ups for profits for middlemen.

It is not just the UK Government. The Scottish Government have bought into the whole debacle despite having Alva-based Omega Diagnostics on their doorstep. This has been a four-nation approach of abject failure. What about new technology beyond lateral flow devices? Lateral flow devices have a place in testing, but, like PCR, their use is limited and imperfect, and we need to plan for the future. We cannot afford to get this wrong. I have engaged with two artificial intelligence diagnostic firms, AI Diagnostics and MediChain, both developing state-of-the-art AI tests north and south of the border. Both are being ignored by the UK Government, but not by the rest of the world. How can it be that the rest of the world sees the value of UK domestic diagnostic products, both lateral flow devices and new tech, but not its own Government?

As a constituency MP, a fundamental part of my job is to bring investment, jobs and prosperity to my constituency, which I do actively and with growing success. Is that not the job of Government too, especially one whose stated objective is to build back better and

take back control? The world is clamouring for lateral flow devices and the market has been cornered by countries with far deeper pockets and much more nimble politicians than the UK. Like Nero, however, the UK Government have fiddled while they burn the domestic diagnostics industry down. It is utterly shameful. If exceptional usage agreements could be found for completely discredited Innova tests, which the United States Food and Drug Administration said were fit only for the trash, why can the UK Government not provide approval for domestic diagnostics providers now to secure domestic production and supply capacity?

On vaccine procurement, I will focus on Valneva, the vaccine company based in Livingston, Scotland. The former chair of the UK vaccines taskforce, Dame Kate Bingham, set out in her evidence to the Science and Technology Committee just before Christmas that the UK Government's decision to cancel the contract with Valneva was “short-sighted” and “problematic on various counts”. In her Romanes lecture on 23 November at the University of Oxford, she said that the decision was “inexplicable” and

“set aside the need to build resilience in the UK's pandemic preparedness capability through a...flexible state-of-the-art manufacturing plant...able to manufacture vaccines to any format as might be needed”.

Dame Kate told the Science and Technology Committee that the aim of the contract was to provide the UK with “flexible, state-of-the-art manufacturing capability” that could give the UK the edge over other vaccines, given Valneva's unique ability as a whole virus vaccine to readily adapt to emerging variants. She said:

“By cancelling the contract, we lose that capability.”

In her Romanes lecture, she also remarked:

“Some might consider this behaviour as acting in bad faith.”

The chief executive of Valneva, Thomas Lingelbach, said that the Government threw it “under the bus”. The Scottish newspaper the *Sunday Mail's* reporting on the issue has been second to none.

What happened to Valneva is nothing short of a scandal. The contract was pulled just before the phase 3 trial results were published, causing the share price to halve, but the results showed the vaccine to be highly effective and safe. It is the only inactivated adjuvanted whole virus covid-19 vaccine candidate in clinical trials in Europe. Inactivated vaccines are a well established, tried and tested technology that has been used over the last hundred years to vaccinate billions of people, including for seasonal flu, hepatitis A, polio and rabies. The Valneva vaccine could therefore play a vital role in tackling vaccine hesitancy among certain groups concerned about novel vaccine technology. It is also cost-effective compared with existing alternatives.

At best, the decision to cancel the contract exposes the economic and public health incompetence at the heart of the UK Government's covid planning. At worst, it shows an act of wilful and malicious economic vandalism that has placed the existing jobs of the Livingston workforce in the balance and put a potential further 200 jobs at risk.

This is a company that did everything it was asked to do by the British Government, and more, only to have the rug pulled from under it. If that was not bad enough, its integrity has been impugned by accusations of breach of contract which may, according to Dame Kate Bingham, be designed as a means to avoid paying costs

incurred up to that point—costs incurred at the request and for the convenience of the UK Government. No wonder she concluded:

“Is this really, all in all, an example of industrial strategy of which the Government can be proud?”

Despite everything that has happened, the UK Government still have the opportunity to do the right thing. They can restore the contract, secure existing and future employment, and safeguard a cutting-edge state-of-the-art facility and manufacturing capability for the benefit of the people—not just in Scotland or the UK, but across the world.

One advantage of the vaccine is that it would allow the UK to meet its humanitarian responsibilities by supplying vaccines to COVAX without the need for a complex cold chain infrastructure. The European Commission, the Government of Bahrain and, more recently, Scottish Enterprise are in advanced discussions with the company to provide a grant of £20 million. They have shown faith in Valneva, and it is high time that the UK Government did the same.

In closing, I want to draw attention away from the mistakes of the past and on to how we conduct ourselves and how this Government must conduct themselves going forward. Covid now looks likely to be a permanent fixture. How we plan for that future has never been so important. It is not good enough to lurch from one crisis to another. We need to develop and build resilience. That means that we must be self-sufficient in testing, vaccination and treatment. We need a plan not for six months, not for a year, or even for five years, but for the next decade. Other countries are planning that far ahead and we must match them. Those who develop novel technologies that adapt will come out stronger. Those who try to get by making a fast buck on dodgy contracts will suffer, which is simply not good enough. We have a responsibility to develop the intellectual property and ingenuity to sell to the world and grow jobs and expertise here at home.

As I mentioned at the start of my remarks, the UK Government need to rediscover the values of integrity, responsibility and prioritising the needs of those whom we were elected to serve. They need to step up and support the PPE, diagnostics and biological science industries and build that capacity and capability across these islands in the coming years. Failure to do so will not be forgiven.

9.31 pm

The Paymaster General (Michael Ellis): I am very grateful to be speaking in this Adjournment debate on covid-19 contracts and I congratulate the hon. Member for Kirkcaldy and Cowdenbeath (Neale Hanvey) on his success in securing this debate.

As the hon. Gentleman will appreciate, covid-19 has presented this country with one of the most unprecedented challenges that we have faced since world war two. It has been imperative for us all to work together and to do so closely throughout the pandemic. This Government recognise the importance both of the key role of the devolved Administrations, and of our working together as one United Kingdom. It is thanks to that close collaboration and co-ordination that we have been able, as a United Kingdom, to achieve enormous success in, for example, our vaccine roll-out programme, where we are leading the world, and I hope that he will recognise that.

The hon. Gentleman mentioned personal protective equipment. The reality of the matter is that, since 25 February 2020, we have secured the production of more than 16.5 billion items of PPE, the majority of which have either been delivered or are on their way and enable us to meet the future needs of health and social care workers. Since 9 April 2020, more than 5.4 billion items of PPE have been ordered through the e-portal. We have also established a safety stockpile of all covid-critical PPE, with a tremendous contribution from UK manufacturers, to ensure that we can continue to provide an uninterrupted supply to the frontline. We have done so despite the fact that pressure from almost every country in the world put enormous strains on supplies of PPE. Therefore, we are working extremely hard to ensure that resilience and sustainability is built into long-term planning for UK manufacturers. The PPE cell, as it is called, has now developed a UK-based supply chain for PPE, and that is a complete turnaround from the situation before covid. We have been building UK manufacturing capacity and we have been doing so by signing contracts with more than 30 British-based companies for the provision of 3.9 billion items of PPE.

Neale Hanvey *rose*—

Michael Ellis: I will just make some progress, if I may.

There has been an enormous effort and an enormous success, despite considerable international pressure, in establishing those routes and chains and developing them to supply the vast quantities that have been required by this country. We have done that with the assistance of more than 30 UK-based companies, which should be thanked for their work and their efforts.

There is a high-priority lane for PPE, and the high-priority mailbox was set up at a time when this country and our citizens were in need of urgent help. Many suppliers and individuals were rightly passing on offers of support direct to local MPs, both Government and Opposition MPs, and passing on their suggestions to healthcare professionals, civil servants and anyone they knew. They were right to do so to both Labour and Conservative MPs across the House, because they were seeking to assist the national interest in what was at the time a national emergency. They were keen that the Government procurement effort should know what was available.

The mailbox at the time allowed MPs, Ministers and senior officials to direct those offers to a dedicated location. The high-priority lane was simply one way of helping us to identify credible opportunities for PPE procurement, so that frontline workers received the protection they needed as fast as possible. It was in the national interest, it was a good thing to do and people should be thanked for their help in that regard.

Ministers were not involved in the decision to establish the high-priority lane; it was an internal process, if hon. Members would like to know, led entirely by officials. In order to demonstrate our commitment to transparency, we said on 17 November that the Government would publish, and we did publish, details of the suppliers identified through the high-priority lane and those who referred them through that route.

Neale Hanvey: I reflect on the comments the Prime Minister made to me during Prime Minister's questions on 18 March 2020, when I asked him whether the

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priority should be the prize of beating covid rather than patents and profits. Does the Minister not share my concern that there have been significant mark-ups on a range of products, from PPE to lateral flow devices, so that companies that prior to the pandemic were in deficit now enjoy enormous profits—in the multi-millions of pounds—for doing little more than purchasing and passing on products to the UK Government and trousering significant profits? Does that not disturb him?

Michael Ellis: I do not recognise the hon. Gentleman's characterisation of business as some sort of enemy of the people, which is what he is effectively saying. Profit is not a dirty word, except possibly to the extremists on the far left. The reality of the matter is that we have sought the support of UK companies and they have come good on that support. They have therefore assisted the British people and our national health service by supplying PPE when it has been needed, despite enormous international pressures and demands around the world for those supplies.

I am not going to get into any individual characterisation of any particular cases, because I do not have the facts that the hon. Gentleman contends available to me personally. As a general principle, however, we have sought assistance and we have received that assistance, and that has been in the national interest.

The hon. Gentleman mentions the National Audit Office report, for example. That report, "Investigation into government procurement during the COVID-19 pandemic", which was published in November 2020, set out the facts relating to Government procurement during the covid-19 pandemic, covering the period up to 31 July. The report recognised that the Government needed to act with "extreme urgency" to procure large quantities of goods and services quickly, which of course is common sense, and

"frequently from suppliers it had not previously worked with".

The NAO report that the hon. Gentleman mentions recognised that in a "highly competitive international market" we the UK had to deal with companies we had not previously worked with and we had to do so at speed, under considerable pressure. The NAO found "no evidence" of ministerial

"involvement in procurement decisions or contract management", so I hope he will read the report he has quoted.

I am conscious of the time, so I will make further progress. The hon. Gentleman talked about testing equipment. There is currently no shortage of lateral flow tests.

There is enough stock to meet demand across the range of distribution channels, but tests are made available via home delivery channels each day. If they are not available at a specific time, people are encouraged to revisit the site later as more become available. We are issuing millions of rapid tests per day via home delivery, with record numbers distributed in recent days. We must balance the demands on the delivery network carefully, as the hon. Gentleman will recognise, to ensure that PCR and lateral flow tests can be delivered to homes across the country. We have worked with Royal Mail, for example, to increase capacity for home delivery of testing kits to 900,000 a day in response to unprecedented

demand, and to ensure that even more people can order PCR and lateral flow tests directly to their home. That is a monumental achievement, and the UK is leading the world in this area.

Neale Hanvey: That is not true.

Michael Ellis: I know that the hon. Gentleman wants to be critical, because he wants to be critical of the UK, but it is leading the world. One and a half million tests a day—we spent £37 billion on Test and Trace. We have increased deliveries by 100% from 120 million to 300 million in the month of December, and that is more than any other country in the world. We have tripled the supply for January and February from 100 million to 300 million a month, so the UK's testing programme is the biggest in Europe, with over 400 million tests carried out to date—twice the number in France and more than four times the number in Germany. The split of the tests sent each day—PCR and lateral flow tests—varies according to demand for PCR tests.

Neale Hanvey: Will the Minister give way one more time?

Michael Ellis: I am conscious of the time. The hon. Gentleman had quite some time for his contribution, but I will give way to him a second time.

Neale Hanvey: I am grateful to the Minister for giving way again—he has been a great sport.

I have one short question about the volume of testing devices. Does he have any indication of what percentage of the test devices that he has touted as the greatest number in the world were manufactured here in the UK by domestic diagnostic companies?

Michael Ellis: In times of urgency, we wish to source from the most immediately available sources. I do not have the answer to the hon. Gentleman's question, but no doubt it can be provided later in writing. It goes without saying that we would wish to do everything that we can to provide support, but also to deal expeditiously with urgent demand. As well as the rapid expansion in delivery capacity to people's homes, the UK Health Security Agency has increased test availability at pharmacies and so on. We want to ensure that there is a reliable test supply over the coming weeks. That is the most important thing, and we are working to procure hundreds of millions more.

As I said at the beginning of my speech, what we have learned from covid-19 is how the UK Government can work strategically and at scale to save jobs and support communities across the UK. We are all on that side—that is what we want to do. I want to support people in the hon. Gentleman's constituency, and I am sure that he would want to support people in constituencies around this country, working alongside the devolved Administrations to keep every citizen safe. That is our priority, and we want to support people no matter where they live in the United Kingdom. No part of the UK could have tackled this crisis alone. The Government have provided £400 billion of direct support for the economy during the pandemic to date. The United Kingdom has delivered, and is continuing to deliver.

I would say in conclusion that I am grateful for the valuable points raised by the hon. Gentleman throughout his remarks, but the Government are taking decisive

action to reform the public procurement rules to create a system that is simpler, more open, fairer and more competitive. We are working on that alongside the full inquiry into the covid-19 response, which will take place this year.

Question put and agreed to.

9.44 pm

House adjourned.

Westminster Hall

Wednesday 5 January 2022

[MR CLIVE BETTS *in the Chair*]

New Homes: Developers, Housebuilders and Management Companies

9.30 am

Mr Clive Betts (in the Chair): Let us begin the first parliamentary sitting of the new year by wishing everyone a happy new year. As is now tradition before all our sittings, I remind all hon. Members that they are expected to wear face coverings when they are not speaking in the debate. I am also asked to remind everyone to get a lateral flow test—provided, of course, that you can get one—at least twice a week, before coming on to the parliamentary estate. These can be done at the testing centre here as well. Welcome, everyone.

David Johnston (Wantage) (Con): I beg to move,

That this House has considered the role of developers, housebuilders and management companies in new homes.

It is a pleasure to serve under your chairmanship, Mr Betts. Happy new year to you and to everybody else who is here this morning. This is a 90-minute debate, and I have said to quite a number of people that I could easily speak for at least 90 minutes on this topic—it will be a relief to everyone that I am not going to do that. The reason is that it is a source of huge frustration in my constituency. Owning a new home and the development of new homes should be a source of great joy, but too often it is a source of great distress. There are a few reasons for that that I want to talk about, but before I go into those, I want to say at the outset that, contrary to some of the media stereotypes about areas such as mine, most people in my constituency are not opposed to new homes. If they are homeowners themselves, they entirely understand why other people want to own a home. They often have children and grandchildren whom they are trying to help get on the housing ladder. They know that we need housing for key workers. They know that sometimes people just want to move into one of these new homes from where they already live in the constituency. But people have real frustration with the way in which these things are developing and the problems they are causing in the local area.

The first issue is simply the quality of a lot of the homes that go up, because it is often poor. Sometimes it is very good, but too often it is poor, and constituents' homes have major defects that take years to try to deal with. I have constituents who have spent two, three or four years—sometimes more—trying to get these defects repaired. This is not like buying a cheap version of something on eBay, half-expecting that there might be something wrong with it. This is the biggest purchase that any of us will make, and we do not expect to then have years of trying to sort out the problems with it. Unfortunately, when constituents try to do that, they feel completely outmatched by the builder that built their home. Sometimes the builder will blame the contractor; sometimes they will say that there is nothing wrong: "We signed it off according to building regulations." But I have been in some of these places and we can see these huge issues. It is completely unacceptable that people are experiencing them.

The second issue is about the impact of these homes on the environment. That has two major aspects to it. One is what it does to the local environment around the area. Naturally, people can see greenfield sites disappearing. One constituent wrote to me and said that the biodiversity commitments that a particular house builder had made had not been kept whatsoever. There is an impact on air quality and water quality, but the other aspect is how the homes themselves are built. I am continually asked by constituents, "Why are we building so many homes that we know we will have to retrofit in a few years' time?", and there is no easy answer to that. I am continually asked, "Why can't every new home have solar panels? Why can't every new home have a heat pump?" I understand why: there are various reasons why we might not put the same thing in every kind of house.

I completely welcome the Government's commitment to having electric charging points in every new home. I really welcome the future homes standard, which will make new homes from 2025 net zero ready, with a 75% reduction in their emissions. But the point still stands that thousands of homes are going up right now and we know that because of our ambitious net zero goals, we will have to retrofit a lot of them. The reason is that it is cheaper for the house builders to build them that way today.

The third issue is affordability. I have said a few times in this place that no one who rents has ever said to me, "There are too many new homes going up." They say only that those homes are not affordable. They say that they have saved for years and years, and it does not matter how much they save; they do not get close to being able to afford one. The average house price in my constituency is £335,000. The average house price in my constituency is £335,000. To London ears that might sound fine, but it is 9.2 times median income, and that is out of reach for most people. An affordability threshold of 80% of that is still not affordable. Again, we run into bad practices. We all know that developers commit to a certain number of affordable homes, but time after time that number is driven down on the grounds that the development would not be viable if that commitment were maintained, so broken promises are a constant theme.

Justin Madders (Ellesmere Port and Neston) (Lab): The hon. Gentleman makes a particularly important point about affordable housing. I am often told that developers who make such arguments about viability are working on a 20% profit margin per property. Does he agree that that is completely unsustainable?

David Johnston: The hon. Gentleman makes an important point. I was just about to say that when the taxpayer is subsidising the development of affordable homes and when the profits of house builders are so large—often bordering on 30%, come rain or shine; they are making these profits in all weathers—it is completely unacceptable for them to play this game so that people are unable to get on the housing ladder.

The fourth aspect that I want to talk about is the role of management companies. After someone has purchased one of these new homes, the costs do not always stop. People are often signed up to quite expensive contracts with management companies who purport to provide

[David Johnston]

services to maintain communal areas, and it is often very difficult for residents to find out what is being done for that money. The charge goes up year after year, but their communal area is not maintained. They are told that staff are employed to do things, but they never see the staff. They work hard to try to get transparency about what is being provided for the money, but they cannot get it. They get a basic summary, and that is about it. The people who try to get the information are often well qualified, but they cannot get it.

I know of a management company—the residents do not want me to name them, so I will not—where many of the residents are elderly, sick or vulnerable, and they feel completely bullied and exploited by their management company. Right now they are being pressured into taking a new lease, which they do not want to take because they know it will be bad for them, but they fear the repercussions if they do not or if they go to someone to talk about it. They have talked to me, but, as I have said, they do not want to me to talk about who they are. That is an appalling situation for people to be in. Far too often there is a real problem with the way in which management companies fleece people in new homes when those people have already spent so much money.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for securing the debate. In preparing for it, I looked into leasehold in the United Kingdom. In England, Wales and Scotland, people are unable to buy their leasehold, but Northern Ireland is one part of the United Kingdom where they can. Does the hon. Gentleman agree that when it comes to purchasing the freehold, people certainly get a “fleecehold” in England, Wales and Scotland? In Northern Ireland they have a chance to buy it out. Does he feel that that should happen here on the mainland?

David Johnston: I completely agree with the hon. Gentleman, and I expect the Minister will address that point when he speaks later. Most people think that they own their home, but they can often end up feeling like tenants. I experienced that myself until recently. I used to get a bill for £300 on Christmas day every year. The bill, dated 25 December, was £300 for absolutely nothing, but constituents of mine are in a much worse situation.

The fifth aspect I want to talk about is the overall broken system in which the process operates. I do not blame the Government entirely. Councils have some responsibilities: One is if they do not enforce the planning conditions when developers go above the assessed numbers that they are supposed to build. Another is if they allow the same application to be made over and over again, when they could refuse it after two tries. They do not take a bigger-picture view. There are villages in my constituency, such as Sutton Courtenay, that feel hugely overdeveloped because individual applications are all being approved and nobody is looking at what is happening to the whole area and why it might not be a good idea to keep approving those applications.

Ultimately, these companies have to be held accountable for their behaviour. They apply for sites that they know the local plan does not allow them to apply for, as is happening in Grove, in my constituency. They continually try to build on flood plains. They continually fail to

adhere to their section 106 agreements and community infrastructure levy agreements—sometimes not building infrastructure at all, and sometimes building pointless things, such as a pathway that goes only halfway across an estate or a bike path that leads to nowhere, just so they can say that they have done it. All those things are going on with new developments in my constituency. I do not blame Government for it all, but it is the Government’s job to ensure that the system does not operate in that way.

If I had to sum up the problems in my constituency, it would be, “Too many homes, too little infrastructure.” The two district councils that my constituency covers are, relative to their size, in the top 10 areas for house building in the country, yet they are in the bottom third for infrastructure spending. That is a huge bugbear. To put that in numerical context, an estimate of the population change between 2017 and 2027 found that the largest town and surrounding area in my constituency, Didcot, will increase from 36,000 to 51,000. The second largest area, Wantage and Grove, will increase from 17,000 to 27,000—that is in a 10-year period. Faringdon is getting thousands more people, and Wallingford is getting thousands more.

The infrastructure is not following that. It is harder to get a GP appointment, the roads in the constituency get more and more congested and it is harder to get a school place. One village has a 220-child school, and 300 houses have been built right next to it; just last year, the catchment area became less than 470 metres. People who have lived there for a long time and who expected their children to go to that school now cannot get in. When my constituents hear that planning reform may mean new houses and that they will not be able to oppose them, or that the Oxford-Cambridge arc may mean more houses, or that the council leaders’ Oxfordshire 2050 plan may lead to more houses, they are not concerned out of nimbyism; they are concerned because of their experience, over many years, of so many houses being built and so many promises being broken.

To conclude, I will talk about a few things that I think should happen. There are lots of things, and there are plenty of experts in this room who I know will talk about other aspects. First, we need a much tougher regime for the quality of new buildings. I know that the new homes ombudsman will deal with some of these issues, but it is completely unacceptable to pay that much money and have that many problems. We need very tight quality conditions, and the threshold needs to be raised. If it is not met within a certain timeframe, there should be penalties; issues must not go on for years.

Secondly, we need “use it or lose it” planning permissions. I know that there are debates about how best to do this, and I am frequently written to about the 1 million permissions that have not been built on. I know that there is a debate about land banking and whether it happens; hon. Members would be hard pressed to persuade me that it does not, at least from the developers’ point of view. We in this place are familiar with the phrase “dig a trench.” The emphasis has been on starting the building: companies dig a trench to suggest that they have started building, and the houses then take years to appear. We need these homes to be completed within a

certain period. If they are not, taxes might be levied or fines paid, but I think that the permission should be lost entirely.

Thirdly, I want to talk about environmental standards. If it takes several years for these houses to be built, they should be built to the latest environmental standards, not to those that existed when the developers got permission. That is what is happening at the moment: companies are building houses to an environmental standard of several years ago, when they should be building to a standard of the future. That needs to change.

We have got to make developers and house builders commit to their affordability criteria. Our big house builders are doing completely fine for profits for their own viability, so they cannot keep saying that developments would not be viable if they committed to what they originally promised.

When it comes to management companies, we need a much stricter regime, because the current one is very murky. Companies are getting away with appalling practices, bullying residents into things and fleecing them, year after year, for things that are not being provided. We need a tougher regime under which companies cannot keep hiking charges without an extraordinary set of circumstances. The charges often go up because of things the company itself has done and got wrong, and it passes the cost on to residents who had no say in the first place. Much more transparency is needed, and penalties for such bad behaviour.

I understand that house builders want a level playing field, because an individual company does not want to commit to expensive things if its rivals are not doing so. That is where there is a role for Government in raising standards, so that all house builders have to do the same. I want more of a level playing field for smaller companies, such as Greencore Construction in my constituency. Many such companies are more environmentally friendly and more efficient, and produce higher-quality homes, but they are often outbid by the financial muscle of the big boys. Perhaps we need to reserve a greater proportion of development sites for such companies or give them greater access to capital. I am all in favour of smaller organisations rather than larger ones—I ran small charities, not larger ones. I think we can get a better product from smaller house builders, and we need to help more such companies into the market.

My final point is that infrastructure needs to go in first. It is not right to pile more and more houses and people into an area, but to do nothing to support local services and infrastructure. I have been campaigning for Grove station to be reopened, for improvements on our roads and for better medical facilities. GP surgeries are bursting at the seams because thousands more people have been added to the area—Members have heard the numbers. GP surgeries and school places have not been added along with the people. Infrastructure must go in first. Unfortunately, over decades my constituents have been told too many times that the infrastructure will come with the houses, but it never has, and now they do not believe it. That has to come first. As part of that, we might better capture the land value increase that comes with planning permission. At the moment, the increase all goes to the owner. Some of it ought to go to the local community who will live with the new houses, not to the landowner who has sold the land.

The balance of power is wrong. Management companies, house builders and developers have too much power, and local residents have too little. The Government cannot be blamed for every single thing that a private company does, but they can help to restore the balance, so that local communities do not see new houses as a curse on the area they used to love.

Mr Clive Betts (in the Chair): There are eight colleagues wishing to speak in the debate, and I want to start the winding-up speeches just before 10.40 am. That gives us just under an hour, which is six or seven minutes per person. I will not put a formal guideline on speeches, but I ask that people comply with that time limit.

9.49 am

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to see you in the Chair, Mr Betts. Happy new year to everyone who is here today. I congratulate the hon. Member for Wantage (David Johnston) on securing the debate, on his useful introduction and on the interesting points he made. This may be the first debate of 2022 and it may be a new year, but, as we have heard, many of the issues we are debating are not new and, aside from the leasehold scandal, have had insufficient attention from this place.

We absolutely need more places for people to live; I doubt there is a Member in this place who disagrees with that. While the Government set some general targets about how many homes should be built, the detail is rightly left, in the main, to local councils. In reality, they and the communities they represent have limited say over what sort of homes are built, where they are built and, as the hon. Member for Wantage mentioned, how the infrastructure that goes with them is delivered. That is the nub of the problem, because we are often told that the wrong type of home is being built in the wrong type of place. That can be argued ad infinitum, and it often is. The bottom line is that we are continually falling short in achieving enough decent affordable housing.

Decent housing is critical to the national infrastructure. It is the bedrock of people's lives, yet it is too often left to the market to resolve, and the market is clearly failing. In my experience, developers all too often show contempt for local communities by riding roughshod over the development conditions imposed on them: working longer hours, making more noise, and building higher and closer than they should to existing properties. That creates more work for the beleaguered planning department and puts more demands on councils that, after a decade of austerity, simply do not have the powers and resources to keep up.

By the time the council manages to catch up with a complaint, quite often the house is already built and the drains put in. It is a massive financial, logistical and legal battle to get developers to stick to plans when they have got that far down the road. Many councils simply do not have the capacity to get into such fights, especially when the case is about a couple of metres. It might not look much on a plan, but for someone living next door, a couple of metres makes a huge difference.

What about roads being brought up to an acceptable standard, so that they can be adopted by the local authority? People are waiting years for roads to be adopted. I do not blame the local authority, which sets

[Justin Madders]

out what needs to be done but does not have the resources or time to continually chase developers who have sold the homes and moved on. Where is the incentive for developers to come back and finish the job they started?

I want to say a few words about the massive expansion of estate management companies. It seems that the idea of the developer paying the local authority a commuted sum to cut the grass and maintain common parts has had its day. This reduces developers' costs, although it does not seem to lead to cheaper house prices. It costs the homeowner far more in the long run because they are, in effect, paying twice for the maintenance of open spaces: once through a management fee and once through their council tax. Once again, though, it is the council that gets lumbered with all the grief and blame.

With developers looking to replace their lost funding streams, with what I hope will be the end of leasehold, I am concerned that estate management companies will become the new payment protection insurance of the house building industry. There is little regulation or transparency and, if we are honest, little need for estate management companies in most settings, so why do we have them? House builders build houses—that is their core business; they are not interested in managing estates. Indeed, they cannot wait to get rid of them to a company that specialises in such things.

Developers creating an estate management company is nothing more than a calculation on the balance sheet. They have zero interest in keeping the verges neat and tidy after they have gone. If they can make the bottom line look more attractive by getting in a management company, they will. They keep getting away with it because we let them. Why can we not start from the basic principle that the local council should be doing those jobs and that estate management companies are an unnecessary tax on homeowners? How many people are told of the implications of an estate management company or how much it costs?

What developers say to new buyers in the showroom and what is in the final contract are often very different. By the time the paperwork arrives, it is too late. People may have spent thousands on the move, never mind the psychological commitment they have made. What is said in the showroom often does not appear in any documentation. There is a classic example in my constituency where residents now look out on a 30-foot-high warehouse, which the developers conveniently forgot to mention already had planning permission when they sold buyers their homes. They are still waiting for the KFC that they were told was going to be there. Because that is just sales patter, there is no legal accountability for the lies that are told.

This is the biggest single purchase people will ever make. There needs to be far greater accountability for what developers say and what they build. At the moment, they seem to have a free pass. Developers with household names work across the country, moving from one project to the next, sometimes leaving behind problems that take years to resolve. Another development in my constituency has ended up in court, with one group of residents pitted against another and maintenance bills racking up in their thousands, because the developers did not do the paperwork or the job properly in the first

place. I know that they are causing havoc elsewhere, because other hon. Members have told me. What can councils do? They have no grounds to refuse planning permission on the basis that the developer has been a poor performer elsewhere. How about a fit and proper person test for the directors of those companies?

In conclusion, I would like much greater political direction and oversight of the house building industry. After all, it will build the homes that we need, but at the moment it quite understandably organises affairs to maximise profits. Housing is a critical part of our infrastructure—having a roof over one's head is fundamental—but it has been shown time and again that we cannot rely on the market alone to deliver that. Four and a half years on from Grenfell, we still have not really had a decision on who is liable for the defects that were created there, and there is clearly a reluctance in Government to grasp the nettle and take some ownership of the industry.

9.55 am

Theresa Villiers (Chipping Barnet) (Con): I start by declaring my interest as the owner of an investment property held on a long leasehold basis. I congratulate my hon. Friend the Member for Wantage (David Johnston) on securing this important debate.

I have concerns about the plight of owners of freehold homes, who often face unreasonable charges and sharp practices at the hands of developers. So-called “estate charges” for the maintenance of roads and common areas are often levied by the developer who built the estate in the first place. It is unfair that that type of homeowner cannot challenge the reasonableness of those charges, and that they have no access to dispute resolution or tribunals, meaning that they do not enjoy rights equivalent to those granted to long leaseholders under the current rules. I fear that that is allowing inappropriate practices to occur. One of my constituents has told me of his anger and unhappiness at the high level of charges to which he is subjected, with no effective means to dispute or resist them. The Government have indicated a willingness to legislate to give freehold owners some rights similar to those enjoyed by leaseholders, and I think it is time that they got on with it. I urge them to include some additional protections for freehold homeowners in the Leasehold Reform (Ground Rent) Bill.

As others have done, I strongly condemn abusive practices in relation to leaseholders. I very much support the work of the Competition and Markets Authority in investigating rip-off practices such as the doubling of ground rents every few years. As I said on Second Reading of the Leasehold Reform (Ground Rent) Bill, there is a case for allowing the continued use of ground rents in large apartment blocks. The complete exit of professional freeholders from the market, which is the expected consequence of the abolition of ground rents, would leave leaseholders moving into such buildings with extensive financial and legal responsibilities, so as the Bill goes through, it is worth considering whether some leaseholders in some new blocks might want the option of leaving the stewardship of their block to a professional freeholder.

I will turn to the planning system, which others have addressed with great insight. I have put on the record many times my concerns about the proposed reforms in

the “Planning for the future” White Paper. I very much welcome the Secretary of State’s indication that he is willing to think again about those plans, and I look forward to a clear public statement about his views on the White Paper. I do not believe that the way to deliver the homes we need in this country is to strip people of their right to have a say in what is built in their neighbourhood.

There is a range of factors that slow down house building in this country but that have nothing to do with the planning system, and I will set out a few ideas on how we can ensure that the right homes are built in the right quantities in the right places. As a principle, any changes we make to the planning system should increase, not undermine, local democracy. They should strengthen and simplify the local planning processes to ensure that development is led by communities, not forced on them against their will. National housing targets should be advisory, not mandatory, and developers should not be able to use them to try to force local councils to agree to inappropriate development. Housing should sit within an integrated long-term development plan for urban regeneration to prioritise the Government’s levelling-up commitments.

Jim Shannon: The right hon. Lady is speaking many words of wisdom. In my constituency of Strangford and across Northern Ireland, the council rules are a wee bit more stringent and strict. For instance, if a developer wants to develop a number of houses, they must make a financial commitment to infrastructure, including roads, and set land aside for leisure, shopping and education. That is all part of the integral planning regulations, and the requirements change as they go through each phase of the planning process. Does the right hon. Lady, whom I know has much knowledge of Northern Ireland, agree that when considering changes and how things can be done better, the Minister should look to Northern Ireland?

Theresa Villiers: I am grateful to the hon. Gentleman for his intervention. There are certainly aspects of the Northern Ireland planning system that we could usefully learn from, but it has its drawbacks as well. However, I feel strongly that developer contributions should be ring-fenced for the local communities that are directly affected by the new homes. Too often—certainly in England—such contributions end up being distributed to a broader area and those who bear the burden of the new development do not necessarily get the benefit of the developer contributions.

We should use home building as a core part of efforts to regenerate cities and communities in the north and midlands. Many of those areas have seen population declines over the past 50 years, but new housing and infrastructure could help to reverse that trend.

We also need to address land banking. As my hon. Friend the Member for Wantage proposed, we could introduce a “use it or lose it” rule for land-banked permissions. An agreed start-by date could be imposed and permission could be withdrawn if that deadline was not met, and “start-by” should mean significant initial works and not digging a few holes or a trench. We could also impose end-by dates, after which council tax is payable on every home that is planned, regardless of whether it has been built or not. There is also a case for introducing a rule to limit the number of applications

that can be made in relation to the same site, which would bring to an end the exasperating practice of developers coming back again and again, with multiple applications being turned down, which effectively turns the planning process into a war of attrition with planners and local residents.

There is a strong case for a character test in planning, so that if people have a poor track record in development or there are other reasons to doubt their ability to deliver, they can be blocked at the planning stage. I believe that sites that have been illegally prepared for building—for example, where tree felling has taken place illegally—should be made ineligible for future planning applications, and I would certainly like to see the penalties increase for illegal tree felling by developers.

Lastly, we could provide tax incentives for elderly homeowners to downsize, for example by reducing stamp duty.

As the Secretary of State contemplates which reforms to take forward and which to reject, I hope that he will listen carefully to the concerns that have been expressed in this debate. We must not let our rush for new homes compromise our environmental commitments or destroy our green and pleasant land, and we must not repeat the mistakes of the 1960s and 1970s, when poor quality high-rise housing blighted the lives of millions of people.

Mr Clive Betts (in the Chair): I must emphasise that speeches should last for no more than six minutes, please. Otherwise, other Members will not get as much time in which to speak.

10.3 am

Kate Green (Stretford and Urmston) (Lab): A happy new year to you, Mr Betts, and to all colleagues.

I start by thanking the hon. Member for Wantage (David Johnston) for securing this debate. In my constituency, we desperately need new homes for young families to buy or rent, but I absolutely echo the comments made by colleagues this morning about the way in which the dice are stacked against homebuyers and, indeed, local authorities.

I recognise the progress over the past two or three years, with measures such as the introduction of the new homes ombudsman and the Building Safety Bill, which is going through Parliament. However, the Bill will be of limited use in my constituency, where few buildings are over 18 metres high, and where we are still waiting for cladding to be removed and replaced on some that are, as it should be. I will just take this opportunity to ask the Minister whether he can update us on assistance with the cost of replacing defective cladding on buildings that are less than 18 metres high. That is an issue in my constituency and, along with all the other problems that we have heard leaseholders are experiencing, it is a very live one.

Today I will talk about some of the issues that homebuyers in my constituency have experienced in relation to defects in their new homes, which is a problem that has been alluded to by other hon. Members. I have spoken before in the House about Aura Court in Old Trafford and the risks faced by residents from unsafe cladding, staircases and walkways, which led to the Greater Manchester Fire and Rescue Service placing a prohibition notice on the block. Two years on, many of

[Kate Green]

the issues that I raised are unresolved. Meanwhile, a few yards away at another development in East Union Street, residents await the completion of a sprinkler system and remediation of several other defects. Both those developments were undertaken by the same developer, Mr Jason Alexander, through his network of companies. I have spoken about him before in the House, too. He is notorious in the north-west for substandard developments and a failure to rectify defects once residents have moved in. Similar issues have been experienced in Renton Road in my constituency, where the developer is Mr Selcuk Pinarbasi, whom I have also spoken about before.

Those homes have now been sold on to private buyers and, as was mentioned by my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders), the council has therefore been advised that it needs to take enforcement action not against the developer but against those homeowners—the very parties aggrieved by failures in the system. It seems that developers can repeatedly take advantage of a planning and building control regime that creates conflicts of interest; that gives precedence to the interests of builders and warranty companies over building quality and safety; and that leaves leaseholders and often, as my hon. Friend pointed out, the local authority powerless to act.

That will continue even after the changes made by the Building Safety Bill, which does not mandate people undertaking building work to do so in accordance with plans that have been either submitted to and approved by a local authority or issued with a plans certificate by an approved inspector. The Bill provides a power to make future regulations in that regard, but we have not yet had a commitment from Ministers to bringing those forward. I urge the Minister to do so, given the widespread support for such a measure in response to the Government's consultation. Meanwhile, if a registered building control approver appointed by the developer wrongly approves, gives a plans certificate or issues an initial notice or a final certificate, the local authority is effectively locked out of enforcement action. I recognise that the Bill creates new compliance and stop notice powers for local authorities in some circumstances, but they are hedged about with limitations.

Company law could be a useful tool in acting against unscrupulous developers and repeat offenders, but it repeatedly falls short. For example, Mr Alexander again and again sets up a new company for each development, which he then either liquidates, strips of its assets or allows to be struck off for non-compliance with registration and other requirements, leaving buyers with no body against which to pursue further action. It is pleasing to note the Bill's inclusion of tougher provisions so that when an offence is committed by a corporate body with the connivance of a director, that director will commit the offence. However, we also need a more energetic approach to company law.

I would be grateful if the Minister supported me by using his good offices to press Ministers in the Department for Business, Energy and Industrial Strategy, as I have been doing, for a less dilatory response from the companies registrar to enforcement action, and indeed for a toughening up of company law, which I am aware Ministers in BEIS are considering to ensure that those who breach the obligations that we rightly expect of directors cannot continue to behave in this way.

I very much echo the comments on managing agents. Residents of Eden Square in Urmston have been battling their management company, Residential Management Group, for years for essential work to be undertaken, and have faced what look like excessive costs when anything is actually done. They are not alone. The Minister may have seen the report in *The Sunday Times* on 5 December relating to the mismanagement and greed of that organisation. Meanwhile, Mr Jason Alexander retains control of the management company for East Union Street and is trying to regain control of the management company for Aura Court, despite his long track record of failing to act.

I support the concerns raised about the weakness of the regulatory regime in relation to developers and management agents. I very much hope that the Minister will work with colleagues in the House and in this debate on how we can continue to enhance and improve protections for homeowners.

10.9 am

Mrs Natalie Elphicke (Dover) (Con): It is a pleasure to serve under your chairmanship, Mr Betts, and to speak on this important topic, which is very close to my heart. I draw attention to my entry in the Register of Members' Financial Interests. In Dover and Deal, as in so many other constituencies, there have been good developments and downright awful developments. That needs to change. There needs to be an end to shoddy homes and poor customer service when buying a new home.

Before I became an MP, I was asked, as an independent expert in this area, to lead the practical work of designing, developing and then implementing major new reforms to provide those better standards and improved consumer redress for new homes. Those reforms consist of a new quasi-regulator, the New Homes Quality Board, which I chair, as set out in my entry in the register. It is a wholly independent, not-for-profit body. Under its constitution, builders and warrantee providers taken together can never form a majority on it. Consumer representation on the board is provided by Citizens Advice, and by an active consumer engagement panel, which is structured into its core design.

The New Homes Quality Board holds a register of developers. There is a new homes ombudsman to provide consumer redress, free to consumers, and a new code to set out much-needed standards and principles for developers, as we have heard today. Indeed, the new code, which it took nearly five years to develop, is so extensive and far-reaching that one major developer has said that its change management programme involves in excess of 40,000 changes to its business.

A full public consultation was carried out on the code, which I hope will go some way to meeting the concerns expressed by right hon. and hon. Members, but there are appalling situations. It may not surprise my hon. Friend the Member for Wantage (David Johnston), given his experience, to hear that in the consultation, only 4% of new home buyers said that they thought that developers met all the fundamental principles set out in the new code, so 96% of industry clearly has more to do.

This is such important work that I am determined to see it through to its final operational launch in the coming weeks before I step back and hand over to my

successor. It is, and has always been, cross-party work—indeed, cross-governmental work by the Administrations in England, Scotland, Wales and Northern Ireland. It started with the vital leadership of the all-party parliamentary group for excellence in the built environment. I am delighted that the Minister is present, and is shepherding in these far-reaching reforms through the Building Safety Bill and other measures, as he was the chair of the APPG, which set out the problems and solutions for new homes, including the need for a new homes ombudsman. That was in addition to your vital work, Mr Betts, in leading the Levelling Up, Housing and Communities Committee for many years.

On ensuring that a house is right the first time, the code specifies that a home must be complete. It prevents customers from being paid to move into an incomplete and shoddy home. It may sound absurd, but that was what was happening. People were paid to move into a house of two bathrooms and four bedrooms, say, where only one bathroom was working. Perhaps even the plumbing was not finished. The homeowner would have the job of their life trying to get things fixed after they had moved in and the builder had moved out.

It is also a requirement of the new code that the home meets all building safety, environmental and similar regulations. My hon. Friend the Member for Wantage and my right hon. Friend the Member for Chipping Barnet (Theresa Villiers) are quite right that building green homes and warm homes is central to building good homes. I am sure that the Minister has heard about environmental standards in the context of the upcoming planning reform. I hope that he will also consider the importance of water sustainability to the wider community architecture of cities, towns and villages in reducing and preventing flooding, and promoting better, sustainable water usage.

The establishment of the new building safety regulator is essential, because some of the safety situations for new homes have been shocking—none more so than that faced by my constituents in Sholden, where fire breaks were supposed to be in place but were not. Some of my constituents are still waiting to receive safety certificates, which they need in order to sell their homes, as well as for peace of mind in their home every day.

Finally, the new code requires builders to have an effective and standardised aftercare service. There will be fixed timeframes, as my hon. Friend the Member for Wantage recommended. The backstop to all of that is an independent new homes ombudsman service. Following a competitive, open procurement process over many months, the Dispute Service was chosen as a preferred new homes ombudsman partner. It has an impressive record across the four nations of the UK. All the arrangements will be paid for by the house building industry and access to the new homes ombudsman will be free to consumers. I hope that will begin to make a significant difference as we move forward.

I hope that, in the time available, I have given a flavour of the significant and necessary changes under way. If those changes do not go far enough, the Minister will find himself on a continuing journey with me to press for further change. Change is urgently needed, for home is where the heart is, and a person's home is their castle.

10.15 am

Matt Western (Warwick and Leamington) (Lab): It is a real pleasure to serve under your chairmanship, Mr Betts. I wish a happy new year to you and to all present. I congratulate the hon. Member for Wantage (David Johnston) on securing the debate.

The lack of reference to local authorities and councils in the debate and its title is very telling. Although I understand that the focus is very much on developers and house builders, looking at the changes to the Department for Levelling Up, Housing and Communities—the former Ministry for Housing, Communities and Local Government, which no longer includes local government in its name—I am concerned about the future of the provision of housing.

As many have said, we need to look at the sector in the round. It is clear that, for many years, there has been too cosy a relationship between developers and certain preferred management companies and builders. The role of locally elected representatives and the voice of communities really matter in delivering housing, as does knowing what is required in the area. Good local authorities can absolutely help with that. Throughout the pandemic, it was local authorities that delivered and helped us through the challenges.

We have good planners in our local authorities and, with proper consultation, they can build the right mix of housing to meet the needs of local people, not the needs of developers. We need truly affordable housing—social housing—for young people who are so often priced out of their communities, whether they be in villages, towns or neighbourhoods. We also need provision for seniors, who may no longer need several bedrooms and may want or need to downsize. Retaining independence is critical to their mental health and wellbeing, and access to town centres and communal spaces is vital for them, but they are often left remote from the communities they have lived in their entire life; they are denied access to transport networks and it is not a short walk into the centre of their community.

Too much has been left to the enterprise of the market, which has been shown not to work in the interests of people. The Government have, perhaps, been too giddy on the donations of developer donors to act and do what is right. The Government were predated by a coalition Government who so diluted building regulations and planning legislation that they delivered a developers' charter, resulting in low-density housing developments, unsustainable housing with poor energy performance, and greater car dependency. In my constituency, there are estates with no community centres or shopping areas, although they have been promised.

Councils need greater power. As many have said across this Chamber, rather than emasculating councils, the Government need to empower them by giving them the tools and the authority to deliver what is needed in their localities. The number of applications approved by councils that remain unbuilt is striking. According to the Local Government Association, 1.1 million homes are yet to be built out, and there are a further 1 million for which developers are yet to seek planning permission. That is 2 million homes that could be built.

We have heard about the role of developers who are land banking and not building out—look at the Letwin review of some years ago and where that led. Although

[Matt Western]

the review contained some decent findings, it was inconclusive and could have been much harder hitting, as I discussed with Sir Oliver Letwin when he was still in this place. The issue of the national planning policy framework and the Localism Act 2011 led to the question of viability, which is premised on the cost of land. Giving greater authority and power to local government would address that and change the dynamic between developers, builders and authorities.

Builders are sometimes linked or tied to developers. There are good ones and bad ones, and there are also subcontractors in the mix. When we talk about the quality of house building, it is often not the builders but the subbies who come in and do the work. There are then issues of legality and contractual responsibility in any subsequent claim.

On management companies, as we have heard, residents are locked into high annual fees. People are being bullied and exploited, and as we have heard—it is certainly true of my Warwick and Leamington constituency—many residents do not want to be named. They do not want to have information in the public arena about the estate they live on for fear of the impact on property values, and of course the developers and builders know that.

These estate management companies are exploiting residents; we have heard so much about that already. Developers are claiming that residents will get a discount on their council tax because of the management fees they pay for green spaces. It is complete nonsense that they are being promised. There are streets that refuse lorries cannot even go down.

We need to see what the actual housing need is. We have seen the output from the Government's questionable algorithms over recent months. We need to deliver power to local authorities, and we need localised and regionalised planning to help deliver that. The infrastructure that comes with housing, such as transport, schools, GP provision and even shops, needs to be put in. On environmental standards, thousands of homes have been built in Warwick and Leamington, including some with solar panels on north-facing roofs, believe it or not. We have the future home standard, but it lacks ambition. In 2016, we were meant to have zero-carbon homes. We would have built 1 million homes to that standard by now if that had been allowed. We need greater consumer protections.

Finally, housing is too expensive in this country. So much of that is down to the cost of land. It is a huge economic cost, which is having huge impacts on our wider economy. We need to bring down the cost of housing.

10.22 am

Mr Mark Francois (Rayleigh and Wickford) (Con): A very happy new year to you, Mr Betts. As we have limited time, I will make three points. First, I have served as an MP for over 20 years, and the whole issue of housing development and the associated infrastructure remains the most controversial issue in my constituency. One of the things I have learned from that is that in order to be accepted by local people, development must be done with people, rather than to people, but the major house builders rarely seem to understand that.

The legislative framework within which the house building industry has to operate is obviously fundamental, but we are still awaiting the publication of the Government's much-delayed planning Bill. That has led to the iniquitous situation whereby the Department for Levelling Up, Housing and Communities continues to harry local authorities to finalise their local plans, despite holding back legislation that, once enacted, might mean that local councils have to revise or even substantially rewrite the plans that many of them have just spent literally years working on. It is becoming a bit like "Waiting for Godot". To put it another way, the Department should remove the plank from its own eye. I humbly ask the Minister: when can we expect the publication of the planning Bill, and when is Second Reading likely to be?

Secondly, the UK housing market is now effectively an example of near market failure. It is completely dominated by half a dozen or so major house builders, some of whom have grown over the years by absorbing competitors. That restricts choice, and, even more importantly, artificially restricts housing supply. That is done deliberately to keep prices up. Liam Halligan, economics editor of the *Sunday Telegraph* and now a popular TV presenter, explored the problem in great detail in his very good 2019 book, "Home Truths: The UK's chronic housing shortage", in which he exposes the adverse effects of the dominance of the volume house builders on the housing market.

For instance, as Liam Halligan points out, since the Office of Fair Trading's investigation into the housing sector in 2008, the market share of the volume house builders has more than doubled, from 31% to 59%—not far off two thirds of the entire market. Covid is likely to have made that serious market anomaly worse by increasing the pressure on smaller builders, many of whom have limited financial reserves.

As Liam Halligan argues,

"An oligopolistic house building sector, deliberately restricting the supply of new homes to keep profits high, is anathema to free markets."

But it is even worse than that. The paradigm that the Government appear to be working in is one where house building is held back by nimby local authorities, despite the best efforts of house builders to build new homes. In fact, the reverse is true. As the Local Government Association pointed out in February 2020, there are over 1 million extant planning permissions for new properties, but these have not been built out. In October 2020, the Campaign to Protect Rural England produced a report highlighting that over half a million of these plots alone are on brownfield sites. A former chief executive of Persimmon Homes stood down after getting his £75 million bonus—a bonus so profane that it embarrassed not just his company but the rest of the industry. Perhaps he was untroubled by these facts. Nevertheless, some of the practices we have heard about from colleagues this morning still go on. Where, one has to ask, are Ministers—and, indeed, the Competition and Markets Authority—in all of this?

I come to my third point. Let me give a practical example of how truly arrogant some of these companies have become. Bloor Homes, one of the largest privately owned developers in Britain, was so desperate to secure planning permission for a highly controversial site off Ashingdon Road in my constituency that it resorted to

trying to interfere with the composition of the development control committee of Rochford District Council, which was due to consider the application last June. Bloor having lost—the committee turned it down—Bloor's political consultant sent a series of highly intemperate, even offensive, texts late at night to the leader of the council. It is the sheer arrogance of these tactics, which I have not previously encountered in over 30 years of public life as a councillor and then as an MP, that I find deeply shocking. This is the sad reality of house building in Britain today. We have limited time, Mr Betts, so I will not read all the communications into the record. Perhaps I will have the opportunity to do on Second Reading of the planning Bill, so that Ministers, parliamentary colleagues, the media and others in the house building industry can learn how Bloor Homes really behaves.

In summary, the UK house building sector is deeply troubled, bordering on dysfunctional. Many ordinary families are struggling to buy a home, while some of the major house builders ruthlessly exploit their agony to maintain their already generous profit margins. They blame everyone but themselves: Government, MPs, local authorities or concerned local residents—anyone but the greedy companies that are at the heart of the problem. If Ministers really want to boost housing supply, let us have a full inquiry by the Competition and Markets Authority on over-concentration in the UK house building industry, and let us have it now.

Mr Clive Betts (in the Chair): As I want to call the Front-Bench speakers at 10.38 am, the last two speakers will have five minutes each.

10.28 am

Holly Lynch (Halifax) (Lab): It is a pleasure to serve under your chairship, Mr Betts. I thank the hon. Member for Wantage (David Johnston) for securing this debate and for his powerful opening contribution.

Any plan for future house building must come with an assessment of where the system is currently failing. As has been demonstrated by all the contributions so far, issues with new and more recently built homes are becoming increasingly significant in MPs' case loads. Issues with properties not completed to the promised standard and poor maintenance are a real source of cost and frustration for so many people, with poor communication and barriers to these issues being fixed further exacerbating the problem.

One such example is Greenside Gardens in Sowerby Bridge in my constituency. The original developer of the site went bankrupt before the properties were finished, and the site was subsequently bought by another developer. The second developer was able to complete the vast majority of the development, but the access road to the site was still left in an appalling state. Materials had simply been abandoned and residents had to take it upon themselves to clear the site. They had to hire skips to clear much of the rubbish, which took several weeks to complete. Having spoken to the council on residents' behalf, I was informed that it could take no action against the developer in relation to the road, as it had been advised that it could not compel the developer to complete the road to the required standard for adoption, and nor did it have the appropriate funds available to carry out the works as the highways authority.

It is clear from this instance that there is a serious lack of accountability and transparency in the process. The way our system is currently designed does not effectively allow residents to raise concerns and seek appropriate redress, if required. The new homes ombudsman is certainly a welcome step, but we are still awaiting the details of when it will come into force, so I would appreciate it if the Minister could confirm that the ombudsman will allow for historical complaints to be determined so that my constituents are able to receive any compensation or redress to which they should be entitled.

Another example from my constituency that I wish to highlight relates to Harron Homes and the Moorside Lea development in Northowram. The properties built were not cheap—they are usually four or five-bedroom homes. I have been contacted by seven residents, who have all mentioned homes being finished to a poor standard and countless snagging issues, many of which are still not resolved or fixed, years after completion. It is completely unacceptable, not least because the houses were advertised and sold as luxury homes. One of my constituents who has been deeply affected is Dr Rani Khatib, who has worked as an NHS doctor on the frontline throughout the pandemic. Given the issues with his property, he has been forced to take multiple days off for contractors to attend his home, only for them not to show up. In one of his emails, he said:

"When the world is uniting to help front line NHS workers to deal with COVID-19, on my shift I am having to worry about constantly chasing Harron Homes about the safety of my children due to the rubbish they left in my garage, the outstanding work they never completed and the many issues they have still not addressed."

We have managed to have two meetings with Harron Homes, so progress has been made, but there seems to be what can only be described as churn in staff. When someone moves on, letters, calls and emails from me and constituents have gone unanswered for months at a time, and I have had to resort to asking to meet the managing director to attempt to resolve the multiple cases that my office is trying to manage. Although there has been some progress more recently with Harron Homes, it has been a fraught journey, and one that I am afraid to say is far from over.

In conclusion, we know that good-quality, affordable housing has to be a focus if we are to meet this country's needs, but unless we introduce true accountability into house building expectations, with consequences for not meeting those expectations, we stand only to compound the problems. As demonstrated by the local examples at Moorside Lea and Greenside Gardens, it should be the role of the developer and house builder to fix what needs to be repaired and ensure that properties are habitable and safe as an absolute minimum. As things stand, the system is unfair, unjust and deeply biased towards those who can afford advice and representation. A new homes ombudsman should be introduced as an independent empowered body, to hold developers and house builders accountable. Enough of the delays. It is time for the Government to deliver on what they have promised, because for far too many the dream of owning a new home has far too quickly become a nightmare.

10.33 am

Robbie Moore (Keighley) (Con): It is a pleasure to serve under your chairmanship, Mr Betts. May I wish all Members a happy new year and thank my hon.

[Robbie Moore]

Friend the Member for Wantage (David Johnston) for securing this important debate? The debate is important because it allows us to discuss the role that house builders play not just before houses are built, but when ensuring that homes are fit for purpose once they are finished.

Buying a home is probably the most important and expensive purchase that any of us will make. With that in mind, I wish to raise the case of a specific development within my constituency, the High Banks development in Silsden, which sadly has witnessed mismanagement by its construction company, Harron Homes. It is perfect timing that I am following the hon. Member for Halifax (Holly Lynch), who spent most of her speech talking about Harron Homes, as I intend to do the same. The High Banks development was constructed and finished back in 2020, and it consists of about 50 properties. I have been contacted by the residents about this. Indeed, the local councillor, Rebecca Whittaker, who represents the Craven ward, has been contacted by about 30 of the 50 residents.

The manner in which the High Banks development has been finished and the snagging issues are, quite frankly, shocking. I have visited the site many times. As soon as I arrived, it became quite clear why residents have contacted me and Councillor Whitaker. The road is in a shocking state. The sewerage system is still not connected to the mains, and a tanker comes in on a weekly basis to empty the development's tanks. Many house owners have contacted me about cracks in their walls appearing, plumbing systems in their houses not being connected or finished, floorboards creaking, gardens not being properly landscaped or finished, and boundary fences not being finished. This situation is not satisfactory at all. One constituent told me that they had waited so long for many of these issues to be sorted that they carried out the work themselves, only for the developer to say, "You finished it; we're not coming in to sort it out." That is not good enough.

I know that High Banks is not the only Harron Homes development to face these issues. The hon. Member for Halifax already raised her case, and I know that there are similar cases in Dewsbury and Colne Valley. Communication is a big concern with this particular developer. On the back of constituents raising these concerns with me, I tried to have a meeting with the managing director. I requested the meeting in the summer of last year, and we were able to secure a meeting with him on site only in October.

Harron Homes promised to keep up communications with many of its residents. Indeed, on the back of a meeting with Tony Lee, the managing director, and Andy Hall, the construction director, I was promised six-weekly updates. I have not received any update since the meeting with them in October, and the residents have received only one communication. Again, that is not good enough. As a result, I continue to receive correspondence from constituents in High Banks saying that Harron Homes has done absolutely nothing—since I met them or, indeed, since 2020, when it finished the development—to improve the site.

The company has not kept its promises to those who bought their homes. Where do we go from here? I call on Harron Homes again to respect its contractual

relationship with its purchasers and not to blame issues on its subcontractors. The responsibility lies solely with the developer, Harron Homes. The snagging issues have to be resolved within a respectful timeframe, without the pandemic being used as an excuse, as I have heard from Harron Homes before.

There also has to be an auditing process in place. When a developer hands over a completed house to a purchaser, it surely has a responsibility to go back to the purchaser and say, "Has the home been completed to the standard that you expected?" That surely has to happen after six months and then potentially after a year. Harron Homes has done none of that.

Like my hon. Friend the Member for Wantage, I would like to see a much tougher regime for the quality of house building, with a fixed-term timeframe for completion and with possible penalties if homes are not completed.

Mr Clive Betts (in the Chair): I thank hon. Members for keeping to time limits; it is appreciated. We move to the Front Benchers. There will be 10 minutes for the two Front Benchers and then a short time for the mover of the motion to wind up.

10.38 am

Matthew Pennycook (Greenwich and Woolwich) (Lab): It is a pleasure to serve with you in the Chair, Mr Betts. I wish all hon. Members and staff present a happy new year, and add my congratulations to the hon. Member for Wantage (David Johnston) on securing this important debate, and on his comprehensive and extremely well-judged introductory remarks.

As expected, given the subject, this has been a wide-ranging debate, with a series of thoughtful contributions informed by the experiences of hon. Members on both sides with new build developments in their respective constituencies. I highlight, in particular, the contributions made by my hon. Friends the Members for Ellesmere Port and Neston (Justin Madders) and for Warwick and Leamington (Matt Western), who spoke of the importance of local authorities in housing and planning and the imbalance of power between councils and developers, and the constraints that the former therefore face when it comes to meeting the needs of their populations.

My hon. Friends the Members for Stretford and Urmston (Kate Green) and for Halifax (Holly Lynch) spoke powerfully about cases of unscrupulous developers in their own constituencies, as did the hon. Member for Keighley (Robbie Moore) in relation to Harron Homes, and the lack of accountability, at least in the current system, for redress for the serious defects that people face.

In the time available, I would like to expand on three issues that have featured in the debate this morning and that the hon. Member for Wantage touched on in his introductory remarks. First, what is the quality of new homes being built? Secondly, as well as building new homes, do we have a system that supports the creation of sustainable communities where individuals and families can not just live but thrive? Thirdly, are buyers of new build homes getting a fair deal?

I turn first to quality. It manifestly remains the case, despite the problem being both of long standing and widely understood, that a significant proportion of those buying recent new builds in England find, having moved into their new home, that their property has

serious defects. As has been made clear today by cases from across the country, to which I could add a great many from my own constituency, we are talking here not about minor snagging issues but about major defects, whether that be in relation to the fabric of the building, unfinished fittings, or faults with utilities.

The fundamental reason why standards remain too low is simple: the housing market is broken and the planning system is in crisis. As the right hon. Member for Rayleigh and Wickford (Mr Francois) argued, the housing market does not have sufficient diversity of supply, and it is not one in which—aside from a minority of homes at the very top end of the market—quality of product is rewarded by price. A decade of planning deregulation has exacerbated that situation, and the relaxation of permitted development is the most egregious example of decisions taken by this Conservative Government that will increase the amount of substandard housing being delivered across the country, with all the negative impacts on health and life chances that flow from that. For all the rhetoric about beauty and the various initiatives announced in the wake of the Building Better, Building Beautiful commission, the present system still overwhelmingly produces, as extensive analysis by the Place Alliance has shown, “mediocre” or “poor” outcomes when it comes to build quality and design.

We of course must robustly challenge developers and house builders to improve their performance, and call out those choosing not to build better-quality housing or using the planning appeals process to force through schemes with the lowest design quality, but there is much more that the Government could do to drive up standards. The establishment of the new homes ombudsman is of course welcome, although the Minister will know the concerns that Opposition Members have about the scheme’s membership. Likewise, we welcome the publication of the new homes quality code. However, given its nature and the fact that it relies on compliance with national standards that currently, I argue, fall far short, we have little confidence that it will lead to the needed step change in developer behaviour. The fact is that until the Government act to ensure that we have a planning system fit for purpose and make greater progress on diversifying the housing industry and delivering a marked increase in output, including in terms of genuinely affordable homes, the numbers seeking redress for serious defects are unlikely to fall significantly.

I turn next to the question of how we ensure that the construction of new homes creates sustainable and thriving communities. As things stand, far too many new build developments are not being delivered with the necessary key amenities and social and physical infrastructure to provide for such communities, and we have heard a great many examples this morning. That is because the present housing and planning framework is simply not conducive to effective place making. Of course, that is not a new phenomenon—indeed, it was remarked upon as far back as the 2007 Callcutt review. But the problem has become more acute in recent years, as a direct result of this Government’s commitment to deregulating the planning system, with the relaxation of permitted development rights in particular preventing councils—the skills, morale and capacity of whose planning departments are at an all-time low after a decade of budget cuts—from co-ordinating development or planning vital infrastructure and services.

The situation is having a direct impact on the provision of environmentally sustainable development—for example, in terms of the relationship between relatively inaccessible development sites and rates of sustainable transport use, or buildings that are constructed on sites without due regard to climate resilience. Again, the fundamental problem is a development model that is geared primarily towards the wants of developers, as opposed to one whose primary purpose is securing what is in the public interest.

When it comes to enabling effective place making, the Government must, as a minimum, rescind the damaging relaxation of permitted development rights and return those powers to local government. Ministers should then turn their attention to what more the Government must do to encourage the creation of thriving communities that support the health and wellbeing of their residents, not least by implementing comprehensive national housing standards so that developers—particularly the volume housebuilders—have no choice but to deliver in core place making.

Lastly, turning to whether those people buying new homes are getting a fair deal, the answer in far too many cases is clearly no, particularly for leaseholders. That is most obvious in the topical issue of ground rents for new leasehold homes. The House will know that the Opposition welcome the Leasehold Reform (Ground Rent) Bill but remain of the view that onerous ground rents must be tackled for existing long residential leases, not just new homes, and we urge the Government once again to reconsider their position on the matter.

With regard to existing long residential leases, we welcome the commitment given by Taylor Wimpey to the Competition and Markets Authority to remove onerous ground rent terms from its existing contracts. The imposition of those terms was wholly unjustified, and it is obviously right that the relevant clauses will be removed. Other developers and freehold investors must also do the right thing and abandon escalation clauses in their leasehold contracts. When he responds, I would welcome the Minister making it clear, for the record, that that is what the Government now expect them to do.

However, the issue of ground rents is not the only way in which those buying new leasehold homes are getting a bad deal. There are a range of issues, from soaring service charges to the unregulated nature of managing agents, that all point to the need not only for measures to address specific problems, but for wider leasehold reform and reform of the current framework for resident control of estate management—issues that I have no doubt Ministers and I will return to on many future occasions.

On protecting the owners of new homes from abuse and poor service at the hands of disreputable management companies, I ask the Minister to tell the House whether the Government intend to implement the recommendations of the regulation of property agents working group, chaired by the noble Lord Best. What progress has been made on that, given that the final report was published back in July 2019?

To conclude, this has been a valuable debate and a welcome opportunity to hear the concerns of hon. Members from across the House regarding new homes. However, it is taking place after almost 12 years of Conservative-led Government, with numerous changes

[Matthew Pennycook]

to housing and planning legislation in that time. Yet when it comes to new homes, the outcomes for people and communities, on the whole, have not only not improved but noticeably deteriorated in a number of key areas.

It is self-evident that more must be done to drive up quality and design standards across the industry, to enable and support more effective place making, and to ensure that those buying new homes get a fair deal. I look forward to hearing from the Minister, not least in relation to the planning legislation that we are told the Government remain committed to introducing and on what the Government will do differently to ensure that real progress is made on these objectives.

Mr Clive Betts (in the Chair): I call the Minister. If he could allow a brief period at the end for the mover of the motion to wind up, that would be appreciated.

10.48 am

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Eddie Hughes): Thank you, Mr Betts. It is a pleasure to serve under your chairmanship. I congratulate my hon. Friend the Member for Wantage (David Johnston) on securing the debate. From the contributions that have been made, we can see that this is a topic that promotes passion on the part of not just those right hon. and hon. Members who have contributed, but their constituents.

I welcome the hon. Member for Greenwich and Woolwich (Matthew Pennycook) to his place. I wish him a happy—but obviously not too successful—new year. Regarding future legislation, particularly on leasehold reform, I look forward to discussing that with him, and with other Members, to ensure that we get the legislation in a good place before it is brought forward.

I understand how important it is that infrastructure comes with new housing. Indeed, my hon. Friend the Member for Wantage is a one-man campaign machine in working to secure infrastructure for his constituents along with housing. As he says, they are not NIMBYs; they just understand that houses must come with the infrastructure they require. Section 106 agreements of around £1 billion towards infrastructure were agreed in 2018-19. That includes contributions to transport, open spaces, the environment, education and medical facilities.

The community infrastructure levy also allows local authorities to obtain the funds needed to deliver infrastructure such as roads, schools, health facilities and flood defences. Currently, around 50% of local authorities charge CIL. It is estimated that the liability for new planning permissions amounts to roughly £1 billion since 2018-19. The housing infrastructure fund provides £4.3 billion so that improved transport connectivity, healthcare services and other infrastructure can be put in place before housing is built.

We have already made changes to reduce the renegotiation of affordable housing in infrastructure commitments made through section 106 agreements. To reduce renegotiation, the Government require local authorities to have clear policy requirements in their local plans so that landowners and site purchasers are aware of likely costs up front and can take them into

consideration when agreeing land transactions. The Government have also set out clear guidance on how viability assessments should be undertaken and made public to ensure consistency and transparency.

The Government recognise, however, that the existing system of developer contributions can sometimes be costly and complex, and can delay developments and reduce certainty for communities, which is why we are exploring the introduction of a new infrastructure levy to replace the current system of developer contributions. That levy will seek to deliver at least as much value and on-site affordable housing as at present. To reduce the renegotiation issues to which section 106 agreements are prone, we propose making the levy a non-negotiable charge on a fixed proportion of the development value. Our intention is that the proceeds from the levy will be collected and spent locally, and that councils will have flexibility in that spending.

Unfortunately, I do not have much to add on planning reforms. The Secretary of State took control of the newly empowered Department in September, and he has an awful lot in his in-tray to work through, but he is committed to looking at planning reform and fulfilling the Government's levelling-up ambitions by carefully considering what reforms to the system are needed and how they are best taken forward. An announcement will be made in due course.

Mr Francois: It is disappointing that the Minister cannot give any timings on when the planning Bill is coming, because some of us would like to know before we retire. He has heard 10 very good Back-Bench contributions in this debate, all of which have been, in one way or another, highly critical of the housebuilding industry in this country. When will the Government support a Competition and Markets Authority inquiry into the UK housebuilding industry?

Eddie Hughes: As I have set out, the Government are already working closely with the CMA to push forward their ambitions. There are some ongoing court cases, so it would be inappropriate to comment except to say that we are enthusiastic in our support. I put on the record that the Secretary of State read my right hon. Friend's book over Christmas, and I think he has been in touch with him to say how good a read it was.

Mr Francois: He has, but I was told I could not plug it in the debate. [Laughter.]

Eddie Hughes: Briefly, as I am running out of time, a number of Members have highlighted that for net zero, we need to build homes that are as environmentally sound and low carbon in their production as possible. People are concerned about the transition to the new legislation. Just before Christmas, we introduced part L of the building regulations to improve the energy efficiency of homes. For a developer to make use of the transitional arrangements, they must have submitted an initial notice, a building notice or a full planning application to the local authority prior to the new regulations coming into effect in June 2022. They must then have commenced work on an individual building to which they want to apply the previous standards before June 2023.

Members referred to the idea of simply digging a trench in order to have started work on a site, but we are going to be more stringent with the application of the

arrangements. For the previous regulations to apply, developers must have started the foundations of a building, for example. Those transitional arrangements mean that developers can no longer build to out-of-date energy standards over several years as sites are developed. Unless construction has actually commenced, they will need to build to current regulations. A full technical consultation with regard to the future homes standard is planned for spring 2023. As part of that, we will consider what transitional arrangements are appropriate for that legislation.

Several Members mentioned management companies and, in many cases, their bad practice. Put simply, the current situation is unfair to freeholders, and we are committed to introducing legislation to right that wrong. We intend to create a new statutory regime for freeholders based on the rights enjoyed by leaseholders. This would ensure that maintenance charges must be reasonably incurred, and that the services provided are of an acceptable standard, and would include a right to challenge the reasonableness of the charges at a property tribunal. Freeholders would have a right to change the provider of maintenance services by applying to the tribunal to appoint a new manager. That may be especially helpful for freeholders dissatisfied with the services they currently receive. The Government intend to introduce legislation to implement those changes as soon as parliamentary time allows.

The build-out rate was also raised. The Government are clear that new homes should be built out as soon as possible once planning permission is granted. Sir Oliver Letwin's independent review of build-out rates found no evidence that speculative land banking is part of the business model of major house builders, nor that it is a driver of slow build-out rates. None the less, we note that build-out is important to communities and are exploring further options. In our "Planning for the future" White Paper, which was referenced earlier, we have been clear that we will explore those further options to support faster build-out rates as part of our proposed planning reform.

My hon. Friend the Member for Keighley (Robbie Moore) and the hon. Member for Halifax (Holly Lynch) raised concerns about Harron Homes. I would be happy to meet them to discuss their concerns to see if there is anything that we can advise. Obviously, we cannot intervene in particular cases, but there might be some advice that we can give. With regard to the Building Safety Bill, the Secretary of State is working closely with Lord Greenhalgh to see what else can be done. I hope that an announcement will be made in the not-too-distant future.

We have had an excellent debate. I am grateful for the opportunity to contribute to and respond to it. I look

forward to bumping into Members in the corridor to discuss the issues that they have raised today.

10.57 am

David Johnston: I thank the shadow Minister, the hon. Member for Greenwich and Woolwich (Matthew Pennycook), and the Minister for their comments. There is a lot of agreement beyond the party political arguments.

A constituent said to me that buying a new home had been a terrible experience that they would not repeat, which is an indictment of how the current system operates. The hon. Member for Halifax (Holly Lynch) and my hon. Friend the Member for Keighley (Robbie Moore) gave powerful examples of the impact on constituents, including on their mental health, because it is in their minds at all times. The hon. Members for Ellesmere Port and Neston (Justin Madders) and for Warwick and Leamington (Matt Western) were right about the system working in the interest of developers, not local people. As the Member for Ellesmere Port and Neston said, "What is the incentive to come back and fix a problem?". At the moment, there is none.

My right hon. Friend the Member for Chipping Barnet (Theresa Villiers) and the hon. Member for Stretford and Urmston (Kate Green) had interesting ideas about how we might use company law and character tests. We all know who the bad companies and individuals are. We should not keep letting them build more and more homes. My right hon. Friend the Member for Rayleigh and Wickford (Mr Francois) was bang on about the near market failure. I have read some of Liam Halligan's work. He found that just three companies owned 90% of the million-plus permissions that are not built on. If that is not an example of near market failure, I am not sure what is.

My hon. Friend the Member for Dover (Mrs Elphicke) was very encouraging about the forthcoming new code. The scale of the problem is pretty clear if only 4% of homeowners think that their developers are meeting the code or one business is changing 40,000 aspects of its practices in order to meet it.

As the chief executive of one of my local housing associations said to me, "They are building something to walk away from, and we are buying something we need to maintain for people to live in for 50 to 100 years." That is at the core of the problem. I know that the Minister worked on this area before he became a Minister and is very committed to it. I hope that we will see the full weight of government behind this, because a home should be a sanctuary, not a place of great stress. I will continue to keep campaigning on the issue, and I know that other Members will, too. I thank you, Mr Betts, for chairing the debate.

Motion lapsed (Standing Order No. 10(6)).

Historical Allegations of Sexual Abuse

11 am

Stephen Timms (East Ham) (Lab): I beg to move,

That this House has considered historical allegations of sexual abuse and the justice system.

I am glad to serve under your chairmanship, Mr Betts, and I am grateful to Mr Speaker for selecting this debate.

I want to raise issues highlighted by one of my constituents, who I will call Sharifa. In 2003, when Sharifa was 15, her father sent her to the UK to escape political violence in Africa; he was later killed because of his political activities. Newham Council placed Sharifa in foster care. Eventually, she was able to rent a flat on her own. She went to school in Edgware and did BTECs at Barnet College. Aged 17, she attended the Royal Free Hospital for minor cosmetic surgery on an ear because of a burn she had suffered in childhood. A surgeon in the ear department, who was a man in his 50s, committed a serious sexual assault on her, in the course of which another doctor came into the room; otherwise, Sharifa is convinced that she would have been raped.

The assault was devastating for Sharifa's mental and physical health. She says:

"I came out of that hospital room angry, scared, confused, naive, but I could not tell anybody because I did not have any close friend or anyone to tell, nor did I know of the Police. All I knew was that if I told the hospital doctors, they would not listen to me but put me on the next flight back to Africa. Therefore I had to keep quiet and suffer in silence."

She went home and set about cleaning herself with soap. She developed obsessive compulsive disorder, and has had years of nightmares and sleep deprivation; treatments have been ineffective and excessive use of soap led to gynaecological problems.

In 2011, Sharifa went back to the Royal Free Hospital for treatment for those problems. What happened then is unclear, but her health problems became worse. Today, she cannot sit comfortably at all and says:

"My reasoning ability has decreased over the years due to the struggles I'm going through, loss of enjoyment to life, excessive depression, panic, severe anxiety, chronic pain...I'm tired writing about this trauma thinking about what I have gone through."

In late 2011, Sharifa obtained a UK passport and started to feel more secure. In 2012, she completed a university degree, but her mental health worsened. Lawyers would not help, because over three years had passed since the assault. She attended the Royal Free Hospital for injections, hoping every time that she would be able to confront her assailant, but she never did; she never saw him.

Jim Shannon (Strangford) (DUP): The right hon. Gentleman is discussing an important issue and I entirely support what he has just said. However, does he agree that although large-scale investigations draw media attention, equal attention must be paid to individuals who have come forward, and that funding must be available for numerically small but personally massive cases just like the one that he is referring to?

Stephen Timms: I very much agree with the hon. Gentleman; it is important that, whatever the circumstances, victims should feel confident that they can obtain justice.

In Sharifa's case, eventually a doctor at the Royal Free advised her that the hospital would not help and that she should go to the police, so that is what she did in 2019. She was interviewed by two sympathetic and helpful police officers. However, at a photograph identity parade in Tottenham Hale that year, she was unable to identify her assailant, but she is convinced that her assailant was among three pictures she saw then of people who looked similar to her assailant. They were recent pictures; she did not see a photo of her assailant from 14 years earlier, although the police said that they have one. It would also have helped if she had actually seen the people in those photos, because her assailant's physique and gait have stuck in her mind.

The police officer at the parade, unlike the earlier officers, seemed unsympathetic and impatient. Sharifa's memory and mental health problems made her feel uncomfortable and under pressure. The police concluded that there was no basis for a prosecution, so in late 2019 she came to see me. I asked the police to reopen the investigation. Sharifa did not know the name of the doctor who committed the assault, but she did know the name of the doctor who interrupted the assault. The police had interviewed him, but he could not remember the event.

The police reply to me is as follows:

"Detectives were...able to make enquiries with a doctor who was named on one of the referral letters. Further enquiries with Maxilofacial Prosthetics confirmed that this doctor, whose name I will not disclose, had registered on 1 May 1983 and retired his membership on 30th April 2015. During this period of registration, this doctor had an unblemished record and furthermore he was never in receipt of any complaints or allegations. The doctor provided an evidential account completely denying the offence. He stated that he could not recall ever meeting Sharifa. There is no evidence that he ever met Sharifa as no medical records were recovered."

The reply from the police concluded:

"I have carefully reviewed all the evidence in this case and find that the decision not to refer the case to The Crown Prosecution Service to be correct."

I went back to the police and made the point that Sharifa had given me a clear and persuasive account of what had happened, but the officer firmly declined to pursue the matter any further. Women Against Rape then corresponded with the police and raised a number of questions, including this point about the identification parade:

"The photographs shown to Sharifa were recent and were not from the time of the offence, 14 years earlier. Due to the passage of time the man in question will undoubtedly have changed somewhat, therefore the photographs should have been from the time of the incident. Can you now show her these?"

The police continued to decline to pursue the matter. At the suggestion of Women Against Rape, Sharifa requested a full copy of her medical records. There she found the name of the doctor. That was a major breakthrough. The police confirmed that that was the person they had identified, but were not willing to discuss the matter further. Women Against Rape suggested lawyers, who might take up the case. None was willing to do so.

A year ago, Sharifa came to see me again. She is not able to work, has no substantial funds and cannot afford a solicitor. One lawyer I contacted took a thorough look but concluded that the case did not meet their risk assessment and was not willing to take the case.

Sharifa wrote:

"I have spoken to many solicitors. None of them is helping. I am left on my own, as I was in the past."

I wrote to the Health Secretary and received a sympathetic reply from the current Secretary of State for Digital, Culture, Media and Sport, the right hon. Member for Mid Bedfordshire (Ms Dorries), who was then a Health Minister. She made several helpful suggestions. Sharifa has tried all of them. Citizens Advice sent a letter in relation to the subsequent hospital treatment, but that came to nothing. The local Healthwatch secured a meeting with the Royal Free but Sharifa felt that its concern was just covering up what had gone wrong. The local sexual assault referral centre said it could not help, as the assault was so long ago. Another sexual assault referral centre said the same. A local legal advice service said that it could not help.

Sharifa is stuck. How can she obtain justice over what happened to her? She says—I think with good reason—that her life has been ruined because of what happened to her at the hospital in 2005. She has severe and continuous pain and serious mental health problems, but she is a determined woman. She is finding her voice. She benefits from supportive friendship. Her account is compelling, and I am convinced that it is truthful. She writes clearly and powerfully. There must surely be some avenue available for her to obtain the justice to which she should be entitled.

These are my questions to the Minister. What are the opportunities in the system for someone in Sharifa's position to obtain justice? Can she do so even though, for completely understandable reasons, it was a long time after the assault that she reported it? What provision can support her, given her lack of funds? One consequence of what happened is that she has been unable to work and has always had to depend on social security. Is it really the case that someone young and innocent, newly arrived in the country, cannot effectively be protected by the criminal justice system and that someone choosing to abuse such a person will have a very good chance of getting away with it?

Sharifa's case raises a number of wider issues, three of which I will highlight. First, there is the time limitation period. Rules on limitation periods in civil proceedings are pretty complicated. Sexual abuse inflicts both physical and psychological harm. The law typically treats such cases as personal injury claims. The time limit for bringing a civil claim in a personal injury case is three years from the date on which either the cause of action accrues or, if later, three years from the date of knowledge of the person injured. If the injury was suffered by a child, the three-year period is not initiated until they reach the age of 18. That brought Sharifa one additional year, but not enough, as 10 years later she is only just learning about the potential route to justice that she could have taken.

The court has discretion to allow a personal injury claim to be brought if the limitation period has expired, but that happens in only a small number of cases. The court would need to consider a long list of factors set out in the Limitation Act 1980. For victims eventually able to summon the courage, support and funds to pursue their case, their chances rest on the decision of a judge. The discretionary process involves both parties setting out legal and factual arguments. With a lot of uncertainty around the likely outcome,

a claimant, especially one already suffering the effects of trauma, may well be dissuaded from pursuing a claim.

Survivors of sexual abuse, and childhood abuse in particular, are often unable to talk about the trauma they suffered for years. That should surely not disadvantage a claim brought later in life. The Limitation (Childhood Abuse) (Scotland) Act 2017 removed the three-year time limit for childhood abuse victims in Scotland. Do the Government plan to follow suit and abolish it for survivors in England and Wales as well? I hope they will.

Secondly, Sharifa's case highlights the difficulty of lay people knowing how to seek justice. On 21 July last year, the Government published their violence against women and girls strategy, which recognises that sexual harassment and assault, both in public and private, is much too common. It found that women often do not report sexual harassment because they do not think it is a crime or that it will be taken seriously by the police. For Sharifa, there was the added uncertainty of a young, vulnerable person, new to the UK, with no friends or family here to support her, and no way to know what she should do.

Analysis published by the Office for National Statistics in November concluded that:

"Violence against women and girls can lead to significant and long-lasting impacts such as mental health issues, suicide attempts and homelessness".

It reported that in the year ending March 2020, around 1.6 million women aged 16 to 74 experienced domestic abuse in England and Wales, which is 7% of the female population, and 3% experienced sexual assault. Women's Aid has reported that nearly half of women in refuges are depressed or feel suicidal as a direct result of the assault they suffered. It says that the real figure is probably higher, as stigma and fear around disclosing mental health problems, the main injury that Sharifa suffered following her initial assault, discourage women from speaking up.

Pathways to seeking justice need to be clearer and more accessible to victims. The violence against women and girls strategy commits to a national communications campaign to raise awareness of gender-based violence. Consultation on that strategy has not started yet, despite calls for it to do so from the Victims' Commissioner. Can the Minister tell us what the timeframe for that will be?

Thirdly, we need to note that reports of sexual assaults in hospital are rising. An article published in September reports, on the basis of freedom of information requests, a nearly fivefold increase in reports of rapes in hospital between 2011 and 2020.

I am grateful for the opportunity to raise this issue with the Minister, and I am grateful to her for being in her place. The experience of my constituent Sharifa is unique, but it raises concerns affecting a much larger number of women. I look forward to hearing the Minister's response.

11.15 am

The Parliamentary Under-Secretary of State for the Home Department (Rachel Maclean): May I take this opportunity to wish a happy new year to you and all the team, Mr Betts, and to the right hon. Member for East

[Rachel Maclean]

Ham (Stephen Timms) and the hon. Member for Strangford (Jim Shannon)? It is a huge pleasure to serve under your chairmanship.

I am grateful to the right hon. Gentleman for sharing the vital, harrowing and heartfelt account of his constituent, which we cannot listen to without feeling extremely distressed. It is clear from that account, which he set out incredibly powerfully, as he always does, that Sharifa has seen the worst of a system that is supposed to deliver justice and support. I pay tribute to her tremendous resilience and courage. It cannot be easy for her to speak about these issues, especially given the trauma she has suffered. I hope to address the points that the right hon. Gentleman has raised. We will be happy to meet him at the end of the debate to go through the specific details of the case, because there are some facts that we do not have yet. Other ministerial colleagues may be interested in this, and I am happy to act as a point of contact and to do whatever I can to help him.

The right hon. Gentleman raises a key point about the contact that Sharifa had with the sexual assault referral centre. These centres are commissioned by the Department of Health and Social Care through NHS England and NHS Improvement and are designed, as he said, to provide an integrated response to sexual violence and rape, and are available to all victims and survivors of violence and abuse, irrespective of age, gender or when the assault and abuse occurred. There is a lot of positive work to talk about, including the increase in investment into these centres every year since 2015, but it is clear that the services could have worked much better in this instance. There is always more for us to do to improve on that.

The right hon. Gentleman asks about practical and financial support for victims, which is of course at the heart of the Government's violence against women and girls strategy. In February last year, we launched the #ItStillMatters campaign to help victims and survivors of sexual violence understand their rights and to raise awareness of the support services available to them. Support is available from ISVAs, or independent sexual violence advocates—specially trained advisers to help people who have experienced sexual violence. We are further bolstering support, including by developing a new 24/7 support service for victims of sexual violence, regardless of when and where the abuse took place.

The right hon. Gentleman mentions the Victims' Commissioner. We introduced a revised victims code that came into effect in April 2021 and sets out the way that victims should be treated and supported by criminal justice agencies. I recognise that he talks about an historical case, but he raises wider issues, so the code is relevant here. Where the police decide not to prosecute a suspect, victims have a right under the code to ask for a review under the National Police Chiefs Council's "Victims' right to review" scheme, subject to certain conditions being met. The scheme allows a period of three months for a victim to request a review of a police decision not to prosecute a suspect. Requests made after this period should be dealt with at the force's discretion. The police may also consider requests made on the victim's behalf from, for example, a solicitor or MP.

As we all know, the police are operationally independent of Ministers, and the Government are not able to instruct the police to take a specific course of action, but I am clear that I expect them to investigate where there is a case to do so. Moreover, I would expect any complaints made in relation to the handling of a case to be investigated fairly and diligently by the force. As I understand it, the right hon. Gentleman has already been in contact with the police in connection with this case, so the next step is definitely for me or a ministerial colleague to meet him to see what further steps remain.

We are looking to improve the justice system as a whole. Through the Government's upcoming victims Bill, we will ensure that victims are at the heart of the criminal justice system. The recently published consultation is the first step towards a victims law to deliver the vital improvements needed. We have taken a number of other really important actions in this space. I highlight the Government's work on the end-to-end rape review, during which we took a hard and honest look at how the entire criminal justice system deals with rape. In too many instances, it simply has not been good enough. We will not rest until we have delivered real improvements.

The right hon. Gentleman asked about the timing for the VAWG national communications campaign, which is a central part of our tackling violence against women and girls strategy. It was a key commitment that we would launch a comms campaign this financial year that targets and challenges the perpetrators of these awful crimes, and ensures that victims can recognise abuse and receive support. It is vital that the public do not think that there is any way that they can get away with these unacceptable behaviours and crimes. I reassure him that a considerable amount of work is going on with stakeholders. I am leading on that work and have had numerous meetings with the women's sector, academics and victims' services.

We want to ensure that we get the campaign right. Clearly, designing any Government-led campaign is complex. We need to ensure that the messages, when we promote them, are received and are likely to lead to the kind of behaviour change that we want, because we are spending public money on it and we want to ensure that we get it right. We have a collaborative process under way, which we are very confident will help to deliver an effective campaign that provides value for money and delivers lasting change. I am confident that the right hon. Gentleman will see some tangible results very soon. Please be reassured that I am pushing the team in the Home Office to crack on with that work because, as he says, it is vital.

The right hon. Gentleman also asked about time limits for bringing claims. In England and Wales there is a statutory time limit of three years for bringing a personal injury claim, although section 33 of the Limitation Act 1980 makes express provision for the court to exercise discretion in granting extensions to that. Such discretion is regularly applied in historical sexual abuse claims, and judges have guidance on what should be taken into consideration, including guidance specific to child sexual abuse cases. The right hon. Gentleman will no doubt be aware of the independent inquiry into child sexual abuse that is under way. In our strategy, we have said that we will consider further reform in the light of the inquiry's recommendations, which we have not yet received.

The right hon. Gentleman highlights the Scottish legislation, which offers one possible model that we will consider as part of the process. He may wish to know that there have been some claims. In 2020, three claims over 20 years beyond the three-year statutory time limit were allowed by the judge to proceed to trial following a section 33 exemption application, although I appreciate that his constituent has not had that experience. Undoubtedly, there is a frustration in her case.

I put on the record again my sincere thanks to the right hon. Gentleman for advocating on behalf of his constituent. I wish her all the best. He said that she is a determined woman, so I pay tribute to her ongoing fight to receive justice; it is vital that she does so. She has shown such bravery in telling her story and sharing her terrible experience. Although I obviously cannot provide him with an immediate resolution, I hope that I can reassure him that we are taking the issue seriously. We are taking all the steps that we can to ensure that victims receive access to justice. I ask him to write to me with full details of the case, and I or a ministerial colleague will meet with him. Some of the issues are led by different Departments—some sit with the Ministry of Justice; some even sit with Health—but we will assess that, and we will definitely meet her and him, to ensure that we have explored all possible avenues.

Question put and agreed to.

11.24 am

Sitting suspended.

Deforestation in the Amazon

[MR PHILIP HOLLOBONE *in the Chair*]

11.30 am

Mr Philip Hollobone (in the Chair): Before we begin, I have some notices that Mr Speaker requires me to read out. I remind Members that they are expected to wear face coverings when they are not speaking in the debate, in line with current Government guidance and that of the House of Commons Commission. I also remind Members that they are asked by the House to have a covid lateral flow test twice a week if coming on to the parliamentary estate. This can be done either at the testing centre in the House or at home. Please also give each other and members of staff space when seated, and when entering and leaving the room.

Chris Grayling (Epsom and Ewell) (Con): I beg to move,

That this House has considered deforestation in the Amazon.

It is a pleasure to serve under your chairmanship, Mr Hollobone. One or two Members present will know that this is not the first debate that we have had on this subject in recent months, and I am grateful to have the opportunity to bring the issue back to the House. It was six months ago that we last debated the future of the Amazon here in Westminster Hall, so why bring the same issue back so quickly? The simple answer is that nothing shows any signs of changing. If anything, the situation is showing signs of worsening, despite the warm words at COP26.

We all know that the Amazon is one of the world's most important ecosystems, if not the most important. It has been a vital carbon sink and is home to large numbers of indigenous people. Step by step, however, it is being destroyed. It is not the only place in the world where there is a major issue around deforestation, and Brazil is not the only country that faces similar challenges, that is taking controversial decisions or that faces illegal activity, but the reality is that the Amazon is the flagship of forests around the world, and it must be protected for the future.

For many years, it looked as though progress was being made. When I went to Brazil as a Minister and met Ministers there seven years ago, the level of deforestation was at its lowest for decades. It really did seem as though things were moving in the right direction, but I am afraid all that has now changed. Last year, deforestation was at its highest level for 20 years. Despite the Brazilian Government's commitments at COP26 and the warm words, there is no sign of that ending. Land is being cleared every day for beef production, illegal logging, mining and urban development. Large areas continue to be burned each year to make way for land speculation, and vast numbers of the rarest species on Earth are being endangered as a result.

Why is it time for this House to debate this issue again, and for legislators here to send the strongest possible message to the Brazilians that deforestation must stop? The answer lies in two separate measures that are before the Brazilian Senate and due to be debated there again either later next month or in March. Both would have a further disastrous effect on the Amazon, and it is crucial that the Brazilian Senate steps in to take action to avoid the worst impacts of the

[Chris Grayling]

legislation. The first measure would further legalise what have been illegal land grabs in the publicly owned part of the Amazon rainforest. The Brazilian Government control an area of the rainforest that is more than twice the size of France. Under Brazilian law, where logging is permitted on this land, it has to be carried out in a sustainable way. However, the reality is that over the years, there have been numerous illegal seizures and invasions of parts of that land, with huge areas being cleared for agriculture.

Brazilian law previously permitted the regularisation of such invasions that took place before 2011. Any subsequent invasion has been a criminal act, and the obligation is to restore the land to forest management, but the measures before the Brazilian Parliament are close to moving that deadline forward, from 2011 to 2017—six years later. That will effectively except a huge number of further illegal activities, and it will expose forest areas that are illegally occupied to further clearance. This will have the real-world effect of exposing of millions of hectares of forest to further clearance. The measure being considered also reduces the checks and balances on such occupation. In reality, this means that someone can claim responsibility for and ownership of an area without even being in that area. Environmental groups and researchers are warning that, in total, the measure could lead to the deforestation of up to 16,000 sq km of the Amazon over the next five years.

The second measure before the Brazilian Senate changes the country's laws on environmental impact assessments, so that it will no longer be a requirement to analyse and mitigate indirect environmental impacts of a new project—the result being to make it much easier to build new roads through some of the most important areas of the Amazon. That leads to further deforestation, as it opens up previously inaccessible areas to illegal logging, mining and other activity that creates forest clearance. The evidence to support this looks incontrovertible to me; the research has demonstrated a clear link between road building and deforestation, with almost all previous deforestation taking place within 5.5 km of an official or unofficial road.

More worrying still, the measure creates an automatic self-licensing system, which allows applicants to self-declare that they will follow environmental standards, without any checks and balances to make sure that they do. There is a lot of support for small projects—that is probably reasonable—but not for big projects. They are the ones that lead to big impacts on the Amazon. For those major projects, it matters enormously. Taken together, these measures represent a clear and present danger to the future of the Amazon rainforest and its biodiversity.

COP26 may not have delivered all of the Government's ambitions for tackling climate change, but it was notable for the general agreement to protect biodiversity and ecosystems. Some 141 countries, including Brazil, signed a declaration to work collectively to halt and reverse forest loss and land degradation by 2030, and over £20 billion of public and private funding was pledged to achieve that. The real question is whether those 141 countries, which control almost all of the world's forests, will deliver on that commitment. The biggest question of all is whether the Brazilians, who control most of the world's most important forest—the Amazon—will change course and act to prevent it from disappearing.

It is all very well countries having a commitment to end illegal deforestation by 2028 if they get there, but it is pretty pointless if it is preceded by five years of slash and burn—a wave of further deforestation that destroys tens of thousands more square miles of what is the world's most important ecosystem. The evidence shows that clearing land for agriculture often only brings temporary benefits to agriculture anyway. Land in the Atlantic forest, which was Brazil's other major forest, is now often degraded and of poor agricultural quality, so cutting down trees does not always create fertile land for the future.

Neil Parish (Tiverton and Honiton) (Con): I thank my right hon. Friend for giving way and for securing this debate. My argument with the Brazilians is twofold: not only is there deforestation, but, as my right hon. Friend was just saying, they are not actually making good use of the land when they farm it. Basically, they farm all of the fertility out of the land, then leave it and move on to other land. It is bad in all respects, not only for the environment, but for agriculture.

Chris Grayling: My hon. Friend makes a very important point, and he knows very well the world of agriculture. Smart land management could give Brazil a higher quality agricultural resource without chopping down the Amazon. That is what it needs to achieve.

This is an important moment for Parliament to send a message to our counterparts in the Brazilian Senate and the Chamber of Deputies on this issue. I hope the Chamber of Deputies will adopt any amendments that the Senate pushes through next month, and I hope the Senate, when looking at these issues in the next couple of months, will put in place safeguards to stop deforestation. Parliament can send a message to the Brazilian Government, who I know will be following this debate and will get a report back on it. We are a friendly nation and a friend that is not afraid to criticise when it is appropriate to do so, but there is a very strong view in this Parliament that this has to stop. The Brazilians need to be good citizens of the world. They have an asset they need to protect, and they need to do the right thing.

It is in the Brazilian Government's interests to do so, because more and more countries and people around the world now see environmental protection as crucial for the future of the planet. What that means is that more and more decisions will be taken by consumers, investors and Governments that underline that necessity. A country that chooses not to follow the same path will, step by step, acquire pariah status. The UK has already legislated to ban forest risk products from illegal sources. Other countries are strengthening their legislation, too, and I think there will be more change on that front.

Major buyers of agricultural products are also having to review their supply chains to ensure that the purchases they make come from sustainable sources. Major retailers use earth observation data from satellites to track the origins of their purchases. Sustainable food labelling—something that I have championed in this House—will inevitably come, either through regulation or simply by the choice of the retailers themselves. Customers will choose not to buy products that come from unsustainable sources.

Then there is the investment issue. International investment institutions are under increased pressure from their investors to provide green investment routes and to walk away from those that are not sustainable. A number of pressure groups have highlighted major financial institutions that continue to fund projects in places such as the Amazon that damage the environment, and their investors are not going to put up with this for much longer. They are already under intense pressure to stop doing that. That pressure will grow and grow, and they will have to walk away from those projects. The reality is that countries that simply ignore international pressure to protect their own ecosystems will lose investment in the future.

Then there are trade agreements, which will increasingly require commitments on environmental improvements. I expect, and strongly support and urge the Government to consider, the introduction of punitive tariffs on forest risk products from countries that ignore international pressures and continue to destroy vital ecosystems. I say to Ministers: there can be no question of this Parliament backing a trade agreement with Brazil while extensive forest clearances in the Amazon continue. I urge them and the international community to set out detailed plans for how they will impose punitive tariffs on those forest risk products if countries where the risk of forest clearance is great do not take action to stop it happening. The commitments made in Glasgow must be met.

There will of course be those who argue that taking this kind of action in the western world will be pointless if the huge and growing Chinese market for agricultural produce remains in place and if the Chinese do not participate with similar measures. However, that is not a reason for us to stand aside, or not to send those messages and take the action we need to protect the world's vital ecosystems. We all know, understand and deal with the economic issues and challenges that our nations face, but all countries, in all parts of the world, have to face up to the reality that over the next years we all have a duty to protect our ecosystems and our natural world.

My message to our Brazilians counterparts, in the Senate, the Chamber of Deputies and the Brazilian Government, is this. We know it is tough. We know there are economic challenges. We know that the easiest option is often the most straightforward one to take politically. But in the end, if we destroy ecosystems around the planet, humanity will all pay a terrible price, whether we are Brazilian, British, American, Chinese or whatever. The Amazon is probably the jewel in the crown among all our most important ecosystems. Our friends in Brazil have a historic duty to protect it. Too much of it has already been lost, but in the end Brazil will suffer if it is not protected, because there is a tide of opinion around the world that will punish any country that no longer protects its natural resources.

Brazil is a great country. It is a long-standing friend of the United Kingdom, and good friends are not afraid to tell the truth. I urge the Minister, her colleagues and the Foreign Secretary to do just that in their interactions. The deforestation of the Amazon is wrong and it must stop. There will be a dreadful price to pay, for Brazilians and all of us, if it does not stop.

Mr Philip Hollobone (in the Chair): The debate will last until 1 pm. I am obliged to call the Front Benchers no later than 12.27 pm, and the guideline limits are

10 minutes for the Scottish National party, 10 minutes for Her Majesty's Opposition and 10 minutes for the Minister. Then Chris Grayling will have three minutes at the end of the debate to sum it up. Until 12.27 pm, it is time for Back-Bench contributions, and there are four very distinguished Back Benchers seeking to contribute, starting with Kerry McCarthy.

11.45 am

Kerry McCarthy (Bristol East) (Lab): Thank you, Mr Hollobone, for calling me to speak, and happy new year to you; it is a pleasure to see you in the Chair.

I congratulate the right hon. Member for Epsom and Ewell (Chris Grayling) on his persistence on this issue and on securing this debate. As he said, deforestation in the Amazon is a devastating emergency, not just in its impact on the climate but in terms of biodiversity. The Amazon is known as the lungs of the Earth because of its immense capacity for carbon storage, but it is now being reported that the Amazon may be a net emitter of carbon because of relentless deforestation. It is absolutely tragic that we have reached that stage. That deforestation is not just tacitly supported by the Bolsonaro regime, but driven by it.

With the conference of the parties to the convention on biological diversity set to meet this year in China, it is important to flag up the biodiversity issue. The Amazon is said to be home to 10% of the known species on Earth. The rainforest may also be home to tiny little frogs or other creatures that have not been discovered yet, but none the less add to the richness of life on Earth.

As has been said, the situation is getting worse. In 2021, deforestation in the Amazon rose by 22% to the highest level since 2006. The World Wide Fund for Nature estimates that if current deforestation and degradation rates continue, about 40% of the Amazon rainforest will be lost by 2050. That process is primarily being driven by the clearing of land to grow commodities such as beef, soya for cattle food and palm oil, as well as by illegal logging.

It is a difficult call for developing countries when they have natural resources that could be exploited. I am very much in the "preserve our natural resources" camp rather than the "plunder them" camp. However, as we have seen in the past, for example with Ecuador and its Yasuní national park—it rivals the Galápagos for biodiversity, but there are mineral reserves in the park that could be exploited—if an impoverished country has the key to riches in its own backyard, it is difficult for a Government who seek to relieve poverty in that country.

We see the same thing with small island developing states or poorer coastal states. Do they exploit their marine environment, and allow overfishing and the plundering of what resources they have, or do they seek to protect it for future generations? I think that Mozambique is the best example of this situation at the moment. The country's people could be totally lifted out of poverty because of the country's fossil fuel reserves, but at the same time that would be a massive risk to biodiversity and in terms of the climate impact.

The UK Government could do more. The UK is the centre of green finance, but I think we could also do more to promote some of the mechanisms that are in

[Kerry McCarthy]

place, for example with blue bonds, which carbon emitters can use for biodiversity offsetting to pay such countries, so that they do not have to exploit their natural reserves. I do not think that Brazil is quite in that camp, in that it is a wealthier country than some of those. Also, what is being done in Brazil is not being driven by commercial common sense. It is a rush for riches in the short term and, as the hon. Member for Tiverton and Honiton (Neil Parish) said, it is entirely counterproductive, because in the end they will just raze it to the ground and destroy any richness in the soil, and they will be in a position where they have destroyed all their natural assets.

We need to act. As the right hon. Member for Epsom and Ewell has said, because of public pressure and the growing horror at what Bolsonaro is doing, we are starting to see supermarkets, for example, saying that they will not sell meat that is linked to deforestation in the Amazon. I read an article recently about cheese that is indirectly linked to deforestation; it can be traced back through the supply chain to deforestation. It is good that supermarkets and consumers are acting.

As we are in Veganuary, people would expect me to talk about the way that consumers are choosing to reduce their meat consumption. Not everybody has to go vegan, obviously, but it would support sustainable farming in this country if people who were seeking to reduce their meat consumption sought to buy locally produced meat from sustainably reared animals, such as grass-fed animals—if they cannot go the whole hog by going vegan. It is not just about whether the beef comes from countries that are complicit in deforestation; it is about where the cattle feed and feed for other animals comes from.

I have mentioned what supermarkets, other corporates and consumers are doing. The Government also need to act, and the Environment Act 2021 was a wasted opportunity to act on deforestation. Its provisions cover only illegal deforestation, which ignores the fact that much overseas deforestation is in line with local laws. I know that the Act was not the property of the Minister's Department, but I plead with her for the Government to think about strengthening those provisions on deforestation when the secondary legislation comes forward. The evidence is there that that must be done if the measures are to be at all effective.

It is not clear when the Government's proposals will come into force. The consultation that was recently launched suggests that it could take up to four or five years to implement them if all key commodities are covered at once. That is hardly an urgent legislative solution. At COP26, Brazil itself set a slightly baffling target to end illegal deforestation by 2028—I say “slightly baffling” because we do not really know what that means. There is every chance that Brazil could just move the goalposts and make legal what is now illegal—what does it mean by legal deforestation? If the UK's own provisions do not come into effect until 2026-27, that will not really help the situation in the Amazon in the meantime.

As we have heard, this year the Brazilian Senate will vote on legislation that would make it far easier to legally seize and deforest land in the Amazon, which is something that WWF has been warning about for months. The due diligence provisions in the Environment Act

are an improvement, but they fall far short of what is needed. It is also worth noting that they are considerably less ambitious than what the European Union is doing. The EU's proposals will cover supply chains linked to illegal and legal deforestation, so I do not see any reason why the UK cannot do the same.

The UK provisions fall far short of addressing links between UK financial institutions and deforestation. The Government refused, on Report, to support amendments to the Environment Bill that would have prevented UK financial institutions from funding firms linked to deforestation. I moved one of those amendments in the Environment Bill Committee. I simply do not see the justification for the Government's refusal. Global Witness has estimated that HSBC made \$5.1 million from supporting beef trading and producing activities at just three Brazilian agribusinesses in the last five years.

Although Government Members have expressed concern about Amazon deforestation, they have been silent about the recent Australian trade deal, despite Australia's abysmal record on deforestation. It is actually the only developed nation on WWF's list of global deforestation hotspots. We know that Australian beef farming has been directly linked to 13,500 hectares of deforestation since 2018, yet the UK has now signed a trade agreement to promote imports of Australian beef. Again, this is at the expense of UK farmers. I can see the hon. Member for Tiverton and Honiton nodding at that. This is something that we continually press. The whole point of Brexit and negotiating our own trade deals was meant to be to protect our own. Obviously, I was on the remain side; I did not really subscribe to that viewpoint. However, now that Brexit is a given, surely we should be protecting British farmers and not importing products when, in the process, we are complicit in supporting deforestation in other countries. We need consistency in our international approach to deforestation. We cannot sell out our principles in our desperation to sign trade deals.

It is not just the rainforest that is under threat in the Amazon; other natural ecosystems are rapidly being lost. Mangrove forests are being destroyed at a rate of 1.2% a year to make way for shrimp farms and tourist hotspots. Mangrove forests can store up to four times more carbon than rainforests and play an important part in climate adaptation, protecting coastlines and so on. They must be part of any effective conservation strategy. I suspect the Minister has not considered this, but will she speak to her colleagues about whether we can expand the list of forest risk commodities to cover shrimp, to avoid further mangrove destruction?

Finally, we have been here before. The New York declaration on forests—a similar agreement—was signed in 2014, but has done little to halt global deforestation. Given that we have the presidency of COP for the next year, now is the time to ensure that we bring in an agreement that achieves something.

11.55 am

Neil Parish (Tiverton and Honiton) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone. I thank my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) for securing the debate.

I will concentrate on Brazil and the deforestation that has been going on there. I agree with my right hon. Friend that we are a critical friend of Brazil, but we

need to be critical when an area twice the size of Devon was deforested last year alone. While the Brazilians are making good noises about COP26 and the environment, in practice that is not reflected on the ground.

Between 1990 and 2016, the world lost some 502,000 square miles of rainforest—an area larger than South Africa. In 2020 alone, over 11,000 sq km of the Amazon was lost to deforestation, which is the largest area in 12 years. As I said, that is twice the size of Devon. Between 2001 and 2018, Brazil lost almost 55 million hectares of tree cover, at a rate of 5.7 football pitches per minute. Deforestation rates in the Brazilian Amazon are at their highest in 15 years, and over the past 50 years forest coverage across the Amazon biome has declined by some 20%. There may be warm words, but the actions in Brazil do not show them.

In July 2021, scientists confirmed that the Amazon is a net producer of CO₂, emitting more carbon dioxide than it absorbs, as the hon. Member for Bristol East (Kerry McCarthy) said. We can all work on a cross-party basis to bring about pressure to correct the situation in Brazil.

The importance of the Amazon has been stated before. The Amazon alone contains some 90 billion to 140 billion metric tonnes of carbon. It is significantly more effective to maintain the current tree cover than to replant forests retrospectively. A tree in the Amazon rainforest probably holds as much carbon as two or three trees in this country just because of the rate of growth.

Forests hold 80% of the world's terrestrial biodiversity. They support complex ecosystems such as plant life, animals, soils, bacteria and fungi. They also support our food supply system by ensuring that we have enough pollinators as well as providing pest control. The Amazon holds at least 10% of the world's biodiversity and accounts for 15% of total river discharge into the oceans. Forest degradation can lead to catastrophic impacts, including increased soil erosion, disruption of water cycles, loss of habitat for endangered animals and increased greenhouse gases. Because the Amazon carries around 15% of the world's freshwater into the sea, it probably has an impact on the salt in the sea overall.

Forests are home to communities and indigenous people. The Amazon is home to some 34 million people, including almost 3 million indigenous people. Half the Amazon basin is covered by protected areas and indigenous territories. Over 100 communities live in voluntary isolation. Illegal deforestation destroys communities, homes, livelihoods, culture and a way of life. Land that is the ancestral and sovereign right of indigenous communities is being taken by violent force, driven by consumer demand for widely used commodities. A Global Witness report entitled "Last Line of Defence" stated that 227 lethal attacks were carried out on land defenders in 2020—an average of more than four people a week—making this "the most dangerous year on record for people defending their homes, land and livelihoods, and the ecosystems vital for biodiversity and the climate."

I welcome the action taken by the UK Government in the Environment Act 2021. The Government have introduced a law that prohibits the use of certain commodities associated with illegal deforestation, and they have placed a requirement on large companies to undertake due diligence and reporting on their supply chains. That will prohibit the use of forest risk commodities

within the UK market and encourage other nations to carry out proper due diligence when sourcing materials. We need only look at major importers of cereal into this country, such as Cargill, to know that much of the soya comes from Brazil. We need to question exactly where it has come from. Has it come from land that has been illegally deforested? The Department for Environment, Food and Rural Affairs is carrying out a consultation on secondary provisions that will run until March this year, which is an opportunity to strengthen the Environment Act to ensure that institutions cannot profit from illegal deforestation.

Agrifood expansion continues to drive deforestation in the Amazon. It is the main driver of deforestation, forest degradation and the associated loss of biodiversity. Large-scale commercial agriculture, primarily cattle ranching and the cultivation of soya bean and palm oil, accounted for 40% of tropical deforestation between 2000 and 2010, and local subsistence accounted for another 33%. A Global Witness report from October 2020, entitled "Beef, Banks and the Brazilian Amazon", found that Brazil's three largest beef companies were linked to tens of thousands of hectares of illegal deforestation, despite auditors saying otherwise. Over three years,

"beef giants JBS, Marfrig and Minerva bought cattle from a combined 379 ranches containing 20,000 football fields worth of illegal deforestation".

A study in the *Science* journal states that

"roughly 20% of soya exports and at least 17% of beef exports"

from Brazil

"may be contaminated with illegal deforestation."

The Bolsonaro Administration are in the process of implementing legislation that will legalise deforestation on public land for agricultural practices that has taken place since 2017. If granted a land title, businesses that have invaded land will be allowed to deforest public land and sell it for high profits. I say to the Brazilian Government that if they are really mindful that they will stop deforestation, such laws go completely in the opposite direction.

Financial institutions continue to hold the purse strings for illegal deforesting activity. The 2019 Global Witness report entitled "Money to Burn" found that more than 300 banks and investors had provided some \$44 billion of finance to six of the world's worst deforesters over the previous six years. It found that major financial institutions, such as HSBC, Santander and Barclays, have investments in agribusinesses that continue to carry out large-scale illegal deforestation. The investments and pensions of UK consumers may well be being used to fund deforestation.

A further 2021 Global Witness report, "Deforestation Dividends", has found that financial institutions are bankrolling and profiting from agribusinesses that are destroying rainforest and forest habitats across the globe. Banks and asset management companies based in the EU, UK, US and China have invested \$157 billion into firms accused of destroying rainforests in Brazil, south-east Asia and Africa since the Paris climate agreement. Global financial institutions including Deutsche Bank, J.P. Morgan, BNP Paribas, Rabobank and Bank of China have profited by some \$1.74 billion in interest, dividends and fees from financing agribusinesses that carry out the most deforestation.

[Neil Parish]

At a recent sitting of the Liaison Committee, the Prime Minister stated that more than 40 banks have signed up to the voluntary Glasgow declaration on forests and land use at COP26, which he said included Barclays and Aviva. However, no high street bank has, as yet, signed up to the agreement. I urge the Minister and the Government to put pressure on our banks to stop funding illegal deforestation. There is much we can do. If we can starve these major companies of credit, we can stop much of the deforestation.

Finally, I repeat that as we talk and trade with Brazil in the future, we must be absolutely certain that it has put its house in order. There must be no illegal deforestation, and the indigenous populations must not face having their land destroyed or taken from them, or, even worse, being killed. This debate is timely. I have used some strong language today, but I think it is important to highlight the current situation. I hope that it will improve in future, not only for the environment and agriculture, but for those indigenous people who are suffering.

12.7 pm

Jim Shannon (Strangford) (DUP): Thank you for permitting me to speak, Mr Hollobone. I also thank the right hon. Member for Epsom and Ewell (Chris Grayling) for leading today's debate—one of the first in Westminster Hall since the Christmas and new year break. I am very pleased to be back to some sort of normality in Westminster.

I spoke in the debate on deforestation in the Amazon last June, to which the right hon. Member for Epsom and Ewell referred, in the hope that the situation would be more positive in the months to come. However, he is correct: we have not seen much of that positivity seven months later, which is disappointing.

The stories in the press showing the removal and cutting of trees are real. We see them on TV nearly every week. The hon. Member for Tiverton and Honiton (Neil Parish) referred to the size of the trees. I have large trees on my land—the hon. Gentleman probably has gigantic trees on his land, too—but the ones in the Amazon rainforest are three times the height of the biggest ones on my land. Those trees have a circumference way beyond our imagination, which tells us how long they have been there and the importance that they have. The deforestation is shocking and worrying.

When we discuss deforestation, we must remember the importance that trees have for our world. We all understand that. I am not a tree-hugger, but I love trees. I have planted some 3,500 on my land. That is nothing to the extent of the trees in the Amazon, but I do it because I understand the importance of having trees where the opportunity arises. They are often overlooked, and we forget that trees are needed for everyone's most basic function: to breathe. Trees remove excess carbon dioxide from our atmosphere through photosynthesis. Trees are also essential in combatting climate change and providing sustainable habitats for the 3 million species that live in the Amazon rainforest.

I was introduced to Brazil and the Amazon rainforest some 40 years ago by the missionaries of my Baptist church in Newtownards. They had worked in the rainforest and they used to tell us stories from there; Sadie Grant is still a missionary out there. At that time, the rainforest was in abundance. It was buzzing with life; the trees were still there. Look at the map today.

As has been mentioned—I am pretty sure those who speak after me will refer to this, too—the map illustrates that wide swathes of rainforest have been removed. That has been described as catastrophic, and it is. We can see the destruction just from looking at the map. This is not just about the destruction of the trees, but about the impact on the animals there, which is certainly something that I have noticed in the TV programmes that I have watched and in media stories. Those animals have lost their habitats, and the impact on threatened species cannot be ignored.

Although the debate is about the deforestation in the Amazon, I will take a minute to highlight some figures closer to home. Forest conservation is crucial not only in the Amazon but globally. It saddens me to say that Northern Ireland is the second most deforested part of Europe. The Woodland Trust has stated that UK forests currently cover 12% of the land area, which is very low compared with some of our European neighbours. France and Germany, to name but two, have forest cover of 29% and 32% respectively, and forest cover makes up 47% of Europe's total land area. We have a lot to do here in the United Kingdom of Great Britain and Northern Ireland to address that issue. The UK is seriously lagging behind and must improve.

Recent data from Brazil's National Institute for Space Research shows that deforestation in Brazil's Amazon rainforest has hit a 15-year high. That is backed up by the media and pictorial coverage, and by the evidence base that we have all mentioned. The institute found that some 13,235 sq km—or 8,224 square miles—of forest was lost in the short period between August 2020 and July 2021. Wow! Those astonishing figures give an idea of the magnitude of what is happening, and really emphasise the damage that the Amazon faces, as well as the lack of action.

I have every respect for the Minister, but I look to her to step up the pressure. We must use all tools at our disposal to bring a stop to continuous deforestation throughout the world. I very much look forward to hearing the shadow Minister, the hon. Member for Leeds North East (Fabian Hamilton), whose comments are always constructive and helpful. He will capture in his own way what we are all saying.

The knock-on impact that deforestation is having on our planet is serious. Whether we are pro-environmentalism or sceptical of it, the proof is there in those devastating figures on the level of destruction. Deforestation in the Amazon has damaged habitats, diminished our levels of biodiversity and food sources, degraded soil, polluted rivers and lands, and affected overall productivity for the people and animals who live there.

I echo the comments made by the hon. Member for Tiverton and Honiton: the indigenous tribes in the Amazon need protection, whether through an alternative in employment or through help for them to survive. They do not see deforestation as a means of income, and that must take priority, because people have to eat and survive. That consideration has to be part of the future.

I receive many emails from my constituents, who are all too often concerned about the impacts of deforestation on our planet. I urge the Minister and the Department not to let the problem get out of control. In the heart of Brazil, what was once a wonder of the world that we all appreciated and loved is being destroyed further every

hour. Others have referred to areas the size of football pitches being removed in a minute. The Amazon is invaluable to our ecosystem—not just for Brazil, but for the whole world—and deforestation threatens the 30 million people who reside there.

I welcome the Government's commitments and the achievements reached at COP26, but we need more than words. I would like to see a wee bit more action, because we perhaps do not see action in the way that we should. COP26 gave us a lot of encouragement and a united spurt the world over in how we deal with these issues, but we have to move beyond words and into action. Again, I wish—as we all do—to see that action and how it can be delivered.

The UK has previously set out plans to introduce a new law clamping down on illegal deforestation and protecting rainforests by cleaning up the UK's supply chain. Again, I urge the Government, the Minister and relevant Departments to stick to those plans. Perhaps, in response to this debate, the Minister will be able to give us some indication of where they are on that.

I will conclude with this. As I stated in the previous debate and I reiterate once again, we can only do so much ourselves; we must and, I believe, do encourage Brazil to stop the deforestation through gentle persuasion. We are a critical friend. We need Brazil, on behalf of us all—on behalf of itself and of the world—to realise the benefits of protecting our world's most beautiful forest, and the Amazon rainforest is the most beautiful.

12.15 pm

Andrew Selous (South West Bedfordshire) (Con): I congratulate my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) on his persistence in bringing this issue before the House again. He is absolutely right to do so, because it really matters. But there should be a small note of humility from us, in this country, when raising this issue, as far as Brazil and other South American countries are concerned: we should remember that only about 13% of the UK is covered in woods and forests. It is not as if we are in a neighbourhood where we cannot grow trees happily, because the figure is 44% in Europe as a whole. Obviously, it is true that we cut down many of our trees many years ago when we did not know the science and were not as well educated as we are today, but I think it is worth just putting it on the record that we have a lot to do here in our own country. I know that many of us are absolutely passionate about that and are pressing the Government to keep going with what they are doing in that area.

We are right to be here today to press the Brazilian Government and others to do more, because the fate of the Amazon quite literally guides the fate of our planet. The Amazon is a global resource, which is why, as Members of Parliament here in the United Kingdom, we are having this debate today. It has global impact, and we know that globally the situation is pretty catastrophic.

In the last 60 years, more than half of the tropical forests worldwide have been destroyed. That is an appalling record. Given what we know today, to hear from the Chairman of the Select Committee on Environment, Food and Rural Affairs, my hon. Friend the Member for Tiverton and Honiton (Neil Parish), that 5.7 football pitches' worth of trees are being cut down in the Amazon every minute means that the alarm bells should be ringing here and all over the world.

Let us look at what the Government have done so far. They have not been idle on this issue. They recognise it. It was, after all, the Prime Minister who, in the run-up to COP, spoke memorably about

“coal, cars, cash and trees”.

Those broad headings are a very easy way to remember what we need to be doing at the moment, and trees are vital. That is why the Government's leadership on the Global Resource Initiative taskforce was welcome and absolutely right. It was why what we did in the Environment Act with the due diligence law on illegal deforestation—I will say a bit more on the other part of that shortly—was also right. That, I think, is world leading and a major advance. We can push to go further, but we should welcome it. Lastly, the Glasgow leaders' declaration on forests and land use was also very welcome. That was signed up to by 141 countries, which cover 90% of the world's forests.

All that is good, but we need to do more, and I want to mention four areas where I think we can make progress. They have been mentioned before, but it is necessary to stress how important they are. The first is the financial backing for illegal deforestation. The bank that I bank with was mentioned by the Chairman of the Environment, Food and Rural Affairs Committee; I will be writing a letter to the managing director of that particular bank today on the basis of what my hon. Friend has told me. I do not want to leave that bank; it is a great bank—a great British bank. I am not going to name it here, but it was one of the three household—high street—banks that my hon. Friend named and I expect it to do better.

I want my bank to know that, as one of its customers, I am not happy with what it is doing here. There is a particular issue around audit and the audit trail globally; I think it was the hon. Member for Bristol East (Kerry McCarthy) who said that some of the auditors were saying this was fine. There are problems: whether it is polysilicon in Xinjiang and solar panels or exactly what has happened to part of the Amazon rainforest, it is difficult for us to be absolutely sure. We need to think more about how we can ensure proper compliance with standards that we are all happy with. However, first of all, banks and financial institutions absolutely must do better.

Secondly, on legal and illegal deforestation, all deforestation should concern us greatly. One brief I read said that around 50% of deforestation is apparently legal. That is not good enough. We need to go further down that route. I respect the difficulties of drafting legislation to do something about that, and I know the Government have wrestled with the issue. It is an issue that we need to keep reminding the Government about. A great first step has been taken on illegal deforestation, but there is more to be done.

Thirdly, we must make sure that the very good commitments at COP26 from those 141 countries are actually enforced; unfortunately there is precedent of previous declarations—the New York declaration on forests, for example—having great-sounding words that are not followed through into action. Specifically, we must clarify what to “halt” and “reverse” forest loss actually means. If it is possible under that definition to destroy pristine rainforest and replace it with a commercial timber or palm oil plantation and claim there has been no net loss of forest cover, the agreement is simply not worth the paper it is written on. We know from other parts of the world where that has happened that there is

[Andrew Selous]

a massive difference in the amount of carbon sequestered and biodiversity loss from palm oil plantations, for example, compared with pristine rainforest. There is more to do to drill down into the detail. It would be helpful if the Minister could explain how enforcement of the COP declaration will work.

My main point is about what every one of us can do as consumers. I have no problem in holding my Government, of whom I am very proud, to account on areas where I want them to go further and faster and where they need a little encouragement. However, we all have power as consumers. When we do our weekly shop, we can make choices about what goes into our shopping trolley. I think very few of our constituents do not care deeply about this issue. When my constituents in Leighton Buzzard, Linslade, Dunstable and Houghton Regis go to the supermarket, I want them to be absolutely certain that what they put in their shopping trollies week by week is not contributing to this problem.

The parallel I draw is with what the Fairtrade Foundation did many years ago. I am extremely proud that Leighton Buzzard was the first town in Bedfordshire to get Fairtrade status. People got it, because they wanted the people producing their food to be properly looked after and fairly paid. The Fairtrade Foundation is a respected global institution; when we see its logo on something, we buy with confidence because we know that people are being respected.

I have a little challenge to the likes of the World Wildlife Foundation, which sent an excellent brief for today's debate—I have not raised this with it, so it may be a bit surprised that I am teeing it up to take on this work. Where is the global equivalent of the Fairtrade Foundation logo, so that when we go to a supermarket we absolutely know that what we buy is not contributing to deforestation? We have talked about the problems of auditing and making absolutely sure, but we could put it the other way and say that, unless someone can categorically prove to us that a product has not contributed to deforestation, they do not get the logo. It is very simple. Make the onus the other way around—"You come to us and prove it, and if you do that to our satisfaction, we will then give you the logo", and people will buy. I do not know whether I am missing something here, but I do not know why that idea has not got legs and had more mileage. I would love to discuss it with colleagues to see whether we could take that forward.

Consumer power is significant. Governments can do a great deal—I would not be a Member of this House if I did not believe in the power of what Government can do—but they are not the only means of taking action. We can write to our banks and we can choose what we put in our shopping trollies if we know what is good and what is not. I challenge the World Wildlife Fund and others to think of replicating the excellent work done by the Fairtrade Foundation.

12.25 pm

Chris Law (Dundee West) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I thank the previous speakers, who have all brought insightful points to this debate, and I thank the right hon. Member for Epsom and Ewell (Chris Grayling) for securing it.

When we last debated this subject in June, I noted that it had been two years since we had previously discussed deforestation in the Amazon. I concluded by saying that I did not want to be speaking about

"further reports of increasing rates of deforestation, logging, resource mining, tree burning for farming and cattle-raising, or...land seizures from indigenous people."—[*Official Report*, 23 June 2021; Vol. 697, c. 384WH.]

Yet here we are, rather depressingly, less than seven months on from the last debate: tragically, it appears that global efforts to combat deforestation in the Amazon have not been strong enough and that the Bolsonaro regime in Brazil has continued to act with impunity.

Last month the Brazilian Government said that they wanted to end illegal deforestation by 2028. In September, President Bolsonaro told the United Nations—I quote without irony:

"No country in the world has a more complete environmental legislation than ours."

Despite such bold statements, deforestation of the Brazilian Amazon has jumped by 22% in the last 12 months alone, reaching its highest level since 2006. The Brazilian research institute, Imazon, found that between August 2020 and July last year the Brazilian Amazon rainforest lost nearly 10,500 sq km—roughly the same area as the island of Jamaica. The simple fact is that deforestation has accelerated since President Bolsonaro took office in January 2019. Marcio Astrini from the Climate Observatory was damning in his remarks:

"We are seeing the Amazon rainforest being destroyed by a government which made environmental destruction its public policy."

Exact figures are not available, but recent studies suggest that as much as 94% of deforestation and habitat destruction in Brazil could be illegal—that is more than nine tenths. Despite that, Bolsonaro has cut funding for the agencies responsible for prosecuting the farmers and loggers who break environmental law. Fines for illegal logging fell by more than a fifth in 2020 alone. There is potential for worse yet to come, as has previously been mentioned.

This year the Brazilian Senate will vote on two Bills, which could contribute enormously to increased deforestation and violence against indigenous peoples, particularly in the Amazon. If approved, the Bills will legalise land grabbing in public forests, inducing further deforestation; will weaken the existing verification of land titling mechanisms, which exist to prevent fraud; and will legalise a land-grabbing economy. The Bills will weaken the control over deforestation through the construction or improvement of roads that cross well-preserved forest regions. High-impact projects will be installed without environmental assessment, and they will allow automatic licensing of most projects, including mining and road improvement.

Problematically for the UK and the wider international community, the legalisation of deforestation has the potential to hinder their actions to prevent deforestation. For example, as has been mentioned, the UK Government's commendable Environment Act 2021, passed in November, includes an obligation for firms to conduct due diligence to determine whether they can use commodities from areas that have been illegally deforested. It does not, however, take account of countries such as Brazil legalising

illegal deforestation and therefore does not do enough to remove deforestation from supply chains. It is therefore vital that the UK Government make their opposition to the actions of the Brazilian Government clear and strengthen their own legislation if the proposals come to pass. The actions of the Bolsonaro regime must be met with international condemnation, and he must be held to account for his country's international commitments. Nothing more, nothing less.

The Brazilian Government have been widely criticised for sending a delegation to COP26—I had the privilege to spend two weeks there in Glasgow—fully aware of their recent deforestation data, despite attempting to hide it. President Bolsonaro did not attend the summit; Brazil's top climate diplomat, Paulino de Carvalho Neto, told Sky News—wait for it—that the President “had other things to do.”

Furthermore, the land grabbing and environmental licensing Bills will lead Brazil in the opposite direction of pledges made at COP26, and will make it harder—if not impossible—to battle deforestation in the coming years. There are therefore deep and widespread concerns that the Brazilian Government cannot be regarded as an actor in good faith by the international community when it comes to deforestation. The consequences of the continued abuse of the Amazon will have a direct impact on the ability of all countries to tackle climate change. As a result, this is a matter of species survival and potential mass extinction over our entire planet. That is not something that we say easily in any debate, but it is now a matter of fact, not conjecture. Shockingly, the Amazon rainforest now emits more carbon than it absorbs. Scientists recently warned that it will reach an irreversible tipping point—some estimate within five years—beyond which it will not generate enough rain to support itself. This would be an unprecedented climate catastrophe that affected all living beings on Earth.

To briefly recap on previous debates, the Amazon rainforest is invaluable to the environment, producing as much as 20% of the world's oxygen and acting as natural carbon capture for vast amounts of greenhouse gas emissions. Deforestation threatens the 30 million people who live there, including up to 400 indigenous groups, and many thousands of plant and animal species. It also threatens to fundamentally hinder attempts to tackle climate change, reversing any progress made so far and contributing to rising global temperatures, with all the devastation that this will bring.

If we are really serious about the climate emergency, we must use every tool available to us to ensure that we lead the international effort to end destructive deforestation in the Amazon and put pressure on Bolsonaro's Government in Brazil. COP26 and the Osaka summit clarified Brazil's obligations, and there should be diplomatic and economic consequences if Brazil chooses not to meet them. Exports of illegally cut logs must be cracked down on multilaterally. Rules of origin regulations must be looked at for any resources generated by habitat destruction. Furthermore, trade agreements should not be concluded outside a legal framework that enforces the agreements made at COP26 and elsewhere. Many EU states have threatened to dissolve the EU-Mercosur trade agreement if Brazil fails to live up to its commitments to tackle emissions and ensure protection for the Amazon rainforest, which is the key natural asset in tackling climate change.

Of course, deforestation is a global problem. The UN says that 1 billion acres of forest have been lost worldwide since 1990. At COP26, more than 100 world leaders promised to end and reverse deforestation by 2030. Brazil's Government is not the only organisation responsible for deforestation; others must do more. Agriculture is the main cause of deforestation, but other sectors, such as the fashion industry, must look at becoming more sustainable. It is not just the banks, which have been mentioned; a recent report called out popular fashion brands, such as Prada, H&M, Zara, Adidas, Nike and Fendi, for having multiple connections to an industry that props up deforestation. I hope that their chief executive officers and customers are listening to today's debate.

Others countries also have deforestation problems. In the Democratic Republic of Congo, which contains the Congo forest basin—the second-largest rainforest in the world—nearly half a million hectares of primary forest have been lost annually in the past five years, and the Government have announced a plan to lift the ban on new logging operations, which dates back to 2002. In Indonesia, however, there is a positive story. President Joko Widodo pledged in 2014 to crack down on deforestation by tackling the main contributor: land for palm oil plantations. In 2016, a record 929,000 hectares of forest disappeared, but there has been a steady decrease in the rate of deforestation since then, and by 2020, the loss was down to 270,000 hectares. Just a year before, in 2019, President Widodo issued a three-year moratorium on forest clearance covering about 66 million hectares of primary forest and peatland; that was extended indefinitely. It makes it all the more galling and infuriating that just weeks after the UK's COP26 president visited Indonesia and called on it to move forward with plans to reach net zero carbon emissions by 2050, the Foreign, Commonwealth and Development Office cancelled the green growth programme, which was designed to prevent deforestation in the Indonesian Papuan provinces, three years into its five-year programme. It was described as the most successful programme that had ever been seen in Indonesia.

The UK Government need to get serious and take action. Will the Minister ensure that resources are in place to combat deforestation across the world, or will his contribution be more words with little or no financial backing, just as the Government provided at recent education and nutrition replenishment summits? We need to hear that the UK Government plan to tackle deforestation in the Amazon and are co-operating with other Governments around the world, and with the EU, to do so. What recent discussions have the UK Government had with their counterparts in Brazil? How will they prevent goods from illegal or newly legalised deforestation making their way to the UK? Will protection of the Amazon be put front and centre in any trade talks and agreements with Brazil, to ensure that the UK does not share in the profits of the rainforest's deliberate destruction?

The UK Government must send the strongest message possible, as we have done in the debate today, and take all appropriate actions to ensure that the catastrophic destruction of the Amazon is stopped. Failure to protect that vital, fragile ecosystem is a failure to support all those who live there and all of us who rely on it across our planet.

12.35 pm

Fabian Hamilton (Leeds North East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I add my thanks to the right hon. Member for Epsom and Ewell (Chris Grayling) for once again securing this debate, which could not have come at a more important time for the future of the Amazon and the world. I also pay tribute to my predecessor on the Opposition Foreign, Commonwealth and Development Office team, my hon. Friend the Member for Hornsey and Wood Green (Catherine West), for her excellent work on this issue.

Today we have once again had a very good debate, reflecting few party political differences but determination among all those present to ensure that further destruction of the Amazon rainforest is ceased immediately. We heard from the proposer of the debate, the right hon. Member for Epsom and Ewell, that the situation in the Amazon has got worse in the past six months—nearly seven months—since our previous debate in the House. The Amazon is a flagship of forests around the world. The progress of the past has been reversed and land is being cleared at an alarming rate every single day.

The right hon. Gentleman said the Brazilian Senate must now step in to stop legislation that would add to that deforestation. That is a very important point and the reason we are here today. He explained why this House has an important role in helping to stop further deforestation, so that pressure from us is entirely relevant to what is happening in Brazil. Nothing could be clearer. I was grateful that he also made the link between road building and further deforestation. He said there is a clear and present danger to the future of the Amazon rainforest and biodiversity worldwide. Those points are vital. He also said that there should be no trade agreement between the United Kingdom and Brazil unless the destruction is stopped. We certainly endorse that.

We then heard from my hon. Friend the Member for Bristol East (Kerry McCarthy), in a powerful contribution, about the Amazon being the lungs of the Earth. We all know that, but it might now be emitting more carbon than it can possibly absorb. She pointed out that the Amazon is home to 10% of the world's species. It is a challenge for nations that have rich natural resources but terrible poverty not to exploit those resources, but we must ensure and encourage those countries to do so. Brazil, of course, is not one of the poorest nations on earth. The UK Government really do need to act.

We then heard from the hon. Member for Tiverton and Honiton (Neil Parish), who has great expertise, experience and knowledge of these issues, that Brazil is saying the right things but not acting in the right way. He gave us the statistics that support his assertion—staggering numbers. He mentioned the banks that should stop funding illegal deforestation.

The hon. Member for Strangford (Jim Shannon), in his typically excellent way, told us about the importance of trees—emphasising something we already know—in combating climate change and oxygenating the air that we breathe every day. The UK itself is seriously lagging behind in reforestation and we must seek protection for indigenous tribes in the Amazon. The hon. Gentleman's constituents, like all of ours, are extremely concerned at the hourly destruction of the forests.

The hon. Member for South West Bedfordshire (Andrew Selous) made the point that only 13% of the UK is covered in forest, so a little humility on our part is

important, too. I hope when we talk to the Brazilians that we express that humility. We say this on behalf of all the inhabitants of planet Earth, whether human or not. He said it is right to press Brazil to do more, given the importance of Brazilian rainforests to the entire planet. Alarm bells should be ringing here and across the world.

We then heard an excellent summary from the SNP spokesperson the hon. Member for Dundee West (Chris Law). The destruction of trees and other plants in the Amazon is horrifying, and we must not allow it to continue if the world is to successfully tackle climate change. Just two months after President Bolsonaro signed an agreement at COP26 to end deforestation by 2030, deforestation has hit its highest level in 15 years and continues to go largely unabated. It is clear to me and to all of us that the Brazilian Government's position is inherently contradictory, with President Bolsonaro continuously encouraging mining and agriculture in the Amazon and trying to pass legislation that allows commercial developments on protected land. Alongside that, his attempts to offer financial incentives to the ancient indigenous tribes to develop their land in the rainforest into soy plantations is completely unacceptable.

The result of these reckless actions is that the Amazon has begun, as we have heard this morning, to emit more carbon than it can possibly absorb. It surely has to be a priority of the international community to exhaust all diplomatic avenues to ensure that the Brazilian Government take urgent action to reverse this—and fast. Opening up Brazil's economy to the world cannot come at the cost of the Amazon rainforest's destruction. Other countries continue to import wood and beef from Brazil, and the Brazilian Government should not be made to bear sole responsibility for the destruction we are seeing.

Does the Minister believe that the UK Government's plan to tackle overseas deforestation is fit for purpose, now that it has been watered down and that deforestation continues to go unchallenged? Given that this Government's Ministers boasted of their world-leading approach to protecting vital rainforest habitats as part of the Environment Bill in November last year, launching a consultation in December pledging to

“clean up the UK's supply chains”,

is the Minister concerned that the scheme applies only to deforestation that is legal under local laws, giving leaders such as President Bolsonaro, who is stripping away legal protections, a loophole to bypass the so-called clampdown?

Britain's place in the world depends on its ability to meet the new challenges the Earth faces. It cannot afford to drag its feet on climate change and the deforestation of the Amazon. When will the Government match the pledges of our allies in Europe, who have acted both on illegal and legal deforestation, not only in the interests of bringing down carbon emissions, but also in protecting species under increasing threat of extinction?

We are facing a climate emergency. It is time that the Government properly used the UK's formidable diplomatic influence to challenge President Bolsonaro on the deforestation of the Amazon. The Government's current proposals are far too weak. It is clear to the Opposition that the Government do not view tackling climate change as the foremost priority of its international and foreign

policy after they agreed a trade deal with Australia that had absolutely no environmental or climate safeguards. The UK has a huge part to play in the fight against climate change, and the deforestation of the Amazon is a clear example of where we in this country should be at the forefront of this fight.

12.44 pm

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Vicky Ford): It is a pleasure to serve under your chairmanship, Mr Hollobone. I add my words of thanks and gratefulness to my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) for securing a second debate on this important topic. I thank my predecessor as Minister responsible for Latin America, my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), for all her work on protecting the Amazon. I particularly thank her for the important work in the run-up to and during the COP26 meetings.

The importance of protecting the Amazon cannot be overstated, and we must tackle both climate change and biodiversity loss. Tackling deforestation is critical to both those issues, which is why it was at the heart of the UK's COP26 presidency. In doing so, we must protect the natural environment and respect the rights of indigenous people. The Amazon, as the world's largest rainforest, has to be at the centre of that effort. The Amazon is not only home to more than 10% of the world's known plant and animal species but stores up to 200 billion tonnes of carbon—roughly a decade's worth of global carbon dioxide emissions.

Around 17% of the Amazon has already been lost. If deforestation continues, it will reach a tipping point, potentially in the next decade. Unchecked deforestation will turn the Amazon from a carbon sink to a source of emissions, and the hope of keeping the 1.5° C target alive would slip from our grasp. Most of the emissions are caused by fires, many started deliberately to clear land for agriculture, particularly beef, as has been mentioned, and soy production. Even without fires, hotter temperatures and droughts mean that the south-eastern Amazon has already become a source of CO₂ rather than a sink.

In this critical decade, protecting the Amazon while supporting a sustainable economic transition in the region is one of the most urgent challenges that we face. My right hon. Friend the Member for Epsom and Ewell discussed Brazil, whose Government control two thirds of the Amazon as public lands. We must also remember the countries that are home to the other third of the Amazon. At COP26, much progress was made. As has been mentioned, more than 140 leaders from countries that together host over 90% of the world's forests pledged to halt and reverse forest loss by 2030. That pledge included Amazon countries, such as Brazil, Colombia and Peru.

We know that to turn that promise into a reality will require funding. That is why at COP26 the UK mobilised 12 donor countries to pledge \$12 billion of public climate finance through to 2025 in a new global forest finance pledge. The UK is contributing £1.5 billion—approximately \$2 billion—to that pledge. We also committed to invest up to £300 million of climate finance towards tackling deforestation and delivering green growth in the Amazon by 2025.

The hon. Member for Bristol East (Kerry McCarthy) and my hon. Friend the Member for Tiverton and Honiton (Neil Parish) mentioned the importance of working with the financial sector. At COP26, 30 financial institutions, with more than \$8.7 trillion of global assets, committed to eliminate investment in activities linked to deforestation. I know that that did not include all the banks that have been mentioned in the debate, and I call on other financial institutions to raise their ambitions. Nevertheless, the contribution from the private sector is deeply impressive. Although COP26 mobilised billions to support public sector investment in climate finance, it will be our efforts to mobilise trillions through deforestation-free supply chains that will deliver the substantive impact that we seek to achieve.

Neil Parish: I welcome the fact that financial institutions have made that commitment to stop funding deforestation, but many of our own, homegrown banks are still funding it. Please may I ask the Government to put real pressure on those banks? We all deal with them, and they have many good parts to them, but they must not put money into companies that are deforesting. If we take away the financial blood, they will not be able to carry on doing such damage.

Vicky Ford: The importance of private sector investment and the transparency of the supply chains, which I will come to, are key to unlocking those trillions in investment that will come through the supply chain and investment. That \$8.7 trillion announced at COP was deeply impressive, but others should step up to the mark, because their own customers will expect them to do so.

My right hon. Friend the Member for Epsom and Ewell also mentioned the importance of trade. I reassure him that any future bilateral trade agreements with Mercosur member countries, including Brazil, will be in line with international obligations, including our commitment to a high level of protection for the environment.

At COP26, 12 of the world's largest companies, which manage half of all global trade in commodities linked to deforestation, announced that they would lay out a road map for action by COP27, which is due to take place in Egypt. Eight financial institutions and agribusiness companies also announced commitments worth \$3 billion to support soy and cattle production in the Amazon without the need for deforestation or land conversion.

The UK is also working on other projects with global partners to help protect the Amazon. Last February, for example, together with Indonesia, we established the forest, agriculture and commodity trade dialogue, known as FACT, which brings together countries that are major producers and consumers of agricultural commodities, including in the Amazon region, to protect forests while promoting sustainable development and trade. At COP26, 28 participants, including us, Brazil, Peru and Colombia, launched the FACT road map.

My hon. Friend the Member for Tiverton and Honiton and the hon. Member for Bristol East also mentioned the importance of sustainable agriculture. Since 2012, the UK has invested more than £60 million to promote sustainable agriculture in Brazil through the low-carbon agriculture programme known as Rural Sustentável, which promotes agricultural technologies such as integrated crop-livestock-forestry systems. Phase 1, which ended in 2019, reached more than 18,500 beneficiaries in the

[Vicky Ford]

Amazon and Atlantic forest biomes, and delivered a sevenfold increase in livestock productivity, bringing more than 46,000 hectares of land under sustainable management and reducing carbon emissions by 52% compared with the baseline scenario. By the end of phase 2 in 2024, we expect to have prevented another 132,000 hectares of deforestation across the Cerrado, Caatinga and Amazon biomes.

Kerry McCarthy: Will the Minister explain the logic of putting British money into such projects but allowing Bolsonaro other things? That is a pittance compared to what is happening on the negative side. Is it not just throwing away our money, when we could achieve far more if we were able to stop the deforestation that is happening elsewhere in the country?

Vicky Ford: I will come on to comments about Brazil, but let me say that, absolutely, from the perspective of the Brazilian people and the future of Brazil, being able to tap into those trillions in private sector investment and global supply chains that want to follow sustainable investment is key to their prosperity. If Brazil does not deliver on the promises that it made at COP, it will miss out on the ability to tap into that consumer demand and private sector investment that want to help tackle deforestation and protect the environment. It is therefore in the economic interests of the people of Brazil and of their Government that they deliver on those promises made at COP.

In the run-up to COP26, however, the Amazon countries demonstrated vital leadership in the key commitments that they made. Colombia, for example, enshrined in its climate action law a commitment to net zero deforestation and to protecting 30% of its land and ocean resources by 2030. Peru raised its emissions reduction target from 30% to 40% by 2030, with particular commitments to halting and reversing deforestation, as well as protecting oceans. Brazil increased its national emissions reduction target from 43% to 50% by 2030. That includes specific targets to stop all illegal deforestation in the Amazon by 2028, and to reforest 18 million hectares by 2030.

We know that it will be hard work for President Bolsonaro to turn those commitments into reality. I understand from press announcements that he has recently been taken into hospital, and I am sure that everybody in this place wishes him a speedy recovery. As I have just said, it is absolutely vital, both for the prosperity of the Brazilian people and for the protection of the environment, that those promises are turned into reality. If any future Brazilian Government were to choose to disregard the contribution of the private sector, that would weaken confidence and hit the pockets of the people of Brazil.

My right hon. Friend the Member for Epsom and Ewell also noted that the recent deforestation numbers are deeply concerning. Deforestation in the Amazon basin has increased by 20% in the last year. We will continue to work with and support the Brazilian Government, businesses and civil society organisations.

My hon. Friend the Member for Tiverton and Honiton, the hon. Member for Dundee West (Chris Law) and others mentioned indigenous people. Without the active participation of those who call the Amazon home, we will not be able to tackle deforestation. Around 6,000 indigenous territories and protected areas cover around

half of the Amazon basin. That is why the UK brought together Government and philanthropic donors at COP26 to pledge at least £1.7 billion over the next four years.

The UK is also taking robust action as a consumer country. Through the Environment Act 2021, our world-leading due diligence legislation will tackle illegal deforestation in UK supply chains, looking in particular at commodities that we think play the largest roles in deforestation, including cattle, cocoa, coffee, maize, rubber, palm oil and soy. The hon. Member for Bristol East mentioned shrimp farming, and I thank her for doing so. I encourage those with evidence to submit it through DEFRA's consultation, which is open until 11 March.

My hon. Friend the Member for South West Bedfordshire (Andrew Selous) mentioned the need for clearer labelling. What lies behind any deforestation-free labelling is the credibility of supply chains, so we are already working with Brazilian businesses and the Brazilian Government to firm up traceability and transparency of deforestation to help support that work on deforestation-free supply chains.

To conclude, there was genuine progress at COP, but never before have nature and forests been so central to the climate agenda, and never before have so many countries come together to help protect the Amazon. Countries in the region are showing real leadership. The task ahead remains difficult, but we are committed to working with Governments and other key players in the region to help them turn commitments into action.

12.57 pm

Chris Grayling: First, I am grateful to all colleagues who turned up for the debate. As the shadow Minister, the hon. Member for Leeds North East (Fabian Hamilton), said, this is not a party political issue; it is something about which we, as a nation, are of one mind, and we need to speak with one voice. We need to ramp up the pressure now.

The Minister is right that pain needs to be felt if those in Brazil do not stop the deforestation. It has to be in their interests to do so. It is also the job of the Government to keep explaining that to them in words of one syllable and to put whatever pressure we can on them to do that.

My hon. Friend the Member for South West Bedfordshire (Andrew Selous) is also right that this is a matter for consumers and for investors—I absolutely agree. I introduced a 10-minute rule Bill last year on sustainable food labelling to feed through to the Minister and her colleagues that this country must grab the initiative. We must deliver sustainable food labelling in the United Kingdom if we are to put pressure on countries such as Brazil to clean up their act. I shall put pressure on those at DEFRA in the coming weeks to ensure that they do take forward the commitments that they have already made.

My hon. Friend the Member for South West Bedfordshire also made the good point that every one of us can have an influence. Every one of us, as Members of Parliament, can write to the chief executive of their bank, if it is one of those banks that is behaving poorly. A chief executive who gets 600 letters from MPs on their desk might well get a bit of an interesting wake-up call. That is a very good point, and we should encourage colleagues to do the same.

This is such an important issue. We have only a certain amount of ability to change it, but as parliamentarians in a country that is a friend of the Brazilians, we do have some ability. We have to be critical friends. We have to tell them, “This has really got to change.”

Housing in Sittingbourne and Sheppey

1 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con):
I beg to move,

That this House has considered housing in Sittingbourne and Sheppey.

In a Westminster Hall debate, back in November 2016—I cannot remember who was in the Chair—I pointed out that Kent was being asked to take more than its fair share of the country’s new house building, and that unprecedented housing growth had put great pressure on our local infrastructure and services, particularly in my constituency of Sittingbourne and Sheppey.

Since that debate, I have raised the problem of unsustainable housing development in my constituency six times, but the only thing that has changed is that the pressure on Kent has got worse, with Sittingbourne and Sheppey being particularly hit hard. My constituency now has one of the highest patient to GP ratios in England, increasing health deprivation generally, a lack of school places and congested roads, particularly on Sheppey, where a problem affecting any of the main roads on the island leads to gridlock.

In the last 30 years, almost 17,000 new homes have been built in Swale, the majority in my constituency, which comprises two thirds of the borough, and there is more to come. As it stands, using the standard method of calculating housing need, from this year my local authority, Swale Borough Council, is being forced to provide housing land for an annual build number of 1,048, which is a huge increase on the target of 776 per year included in the council’s current adopted local plan.

Sadly, those figures demonstrate the irony of the Government insisting on ever increasing housing numbers, because despite the huge increase in housing development that we have already witnessed in Swale, developers have not once hit the 776 per year local plan housing target in the last 10 years. That begs the question: why are the Government expecting Swale to increase its housing land allocation still further, when developers have not yet used the land already allocated for housing?

One problem with housing targets is that historical housing numbers are a key part of the data used by the Government to determine future need. The assumption that past housing growth will automatically generate the need for more housing growth in the future creates an unsustainable cycle. Understandably, Swale Borough Council is very concerned that it will be unable to deliver the number of homes required by the Government’s standard method for housing need without considerable detriment to our area, either through damage to our local environment and other assets, or significant impact on our local infrastructure. I very much share those concerns.

Swale Borough Council is also of the view that if the planning system is to be genuinely “plan-led”, then the application of paragraph 11(d) of the national planning policy framework should be scrapped, because it does not take into consideration factors that hinder housing delivery that are beyond the control of local planning authorities and undermine the plan-led system.

Another irony is that despite all the developments that Swale has witnessed over the years, we are still desperately short of decent affordable and social housing

[Gordon Henderson]

in the borough. There are a number of reasons for that. The first is because developers are expected to fund any necessary infrastructure improvements, rather than the Government. That requirement has a negative impact on the local communities in which the developments take place. For a start, it pushes up the cost of development, which means that the number of homes set aside for social or affordable housing are often kept to the very bare minimum, if they are built at all.

If at planning stage the local authority insists on a higher percentage of affordable or social housing, it can make the development unviable, so councils tend to accept lower figures. A stark illustration is that just 12% of the homes built in Swale between 2019 and 2020 were classified as affordable. Where affordable houses are built, too often they are snapped up by local authorities outside the area, mainly London boroughs, because it is cheaper for them to buy a property in Kent than to build or buy homes in their own locality. Kent's local authorities are priced out of the social housing market because they do not have the same financial resources as London boroughs. All the housing developments that we have witnessed over the past few years have done little to alleviate Sittingbourne and Sheppey's own housing problem, because they simply draw in more people from outside the area.

Another problem with expecting developers to fund the necessary infrastructure is that the section 106 funding raised is never enough to meet the actual needs of the local community. An example of that is local road building. A development that comes with a section 106 road improvement to serve, say, an extra 500 cars will too often over time generate many more cars than originally envisaged. The local road network is then unable to cope with those additional vehicle movements. The only way to secure further improvement is by accepting even more development that will provide the necessary additional section 106 funding. That is another unsustainable cycle.

As I pointed out earlier, it is not just the roads infrastructure that has been impacted by all the new housing developments. In my constituency, schools have also been affected. We were promised a secondary school to accommodate the growth in population generated by the housing developments in north-west Sittingbourne. Sadly, there is still no sign of the school. We are now in the absurd position where every day, entirely due to a lack of school places, many children from Sittingbourne are bussed to the Isle of Sheppey, where there are spare places, for historical reasons I will not go into today. It means that almost 1,000 children from Sheppey travel in the opposite direction every day. That two-way flow of children increases pressure on our local transport network and is costly for parents and the local authority.

The new housing developments have also had a negative effect on our health system. As I mentioned, my constituency has one of the highest patient to GP ratios in England. That has led to many practices being oversubscribed, with patients finding it increasingly difficult to book an appointment to see a doctor, which is a problem I recently raised in the House. Although housing developers will often be asked to provide health facilities via a section 106 agreement, a medical centre is just a building and is of no use to anybody without the trained medical staff to run the practice, including GPs.

The problem in Kent is that we have an insufficient number of GPs to provide the primary care service that people expect and to which they are entitled. There are a number of reasons for that shortage, which I have highlighted in previous Westminster Hall debates, so I will not rehearse them again today. It is a serious problem that the Government must resolve before imposing any more housing targets on Kent's local authorities, and on Swale Borough Council in particular.

The Government should also take into account the impact on our local environment when they decide how much land local authorities have to allocate for new housing developments. The reality in my area is that any new developments will increasingly have to be built on green fields, because most brownfield sites have already been used for new homes. Of course, developers prefer to use green spaces and farmland, and I understand the reasons why. It is mainly because it is cheaper than developing brownfield sites. However, using those green spaces destroys natural habitats, and creates light and noise pollution.

In addition, putting down more concrete and tarmac can exacerbate issues with water absorption and cause flooding, so even if housing is not built on a floodplain, it can destroy natural barriers that are necessary to soak up the vast quantities of water when there is heavy rain. It also puts pressure on existing sewers and storm drains, raising the risk of flooding and environmental issues with sewage. This is another element of local infrastructure that is too often given only second thought when the population is expanded by hundreds or thousands of people.

Frankly, many people believe that the current planning system favours large housing developers and ignores the needs of the ordinary folk who must live with the consequences of those developments. They believe that planning policy is driven by the Government's desire to build hundreds of thousands more homes. It is difficult to argue against that belief. As an example, when Swale Borough Council submitted its last local plan, which set out what land was required to meet future housing needs, its calculation was based on local knowledge and had the support of local residents. As I said earlier, the council estimated that the housing need would be 776 homes a year. However, the Government rejected that local plan and insisted that the figure should be increased to 1,048 a year—a 35% uplift.

I believe that the same thing has happened to other councils in our beautiful county of Kent. I have a message for the Minister, for whom I have a great deal of respect, from my fellow residents—my fellow men of Kent and Kentish men: if he wants us to remain the garden of England, please stop the rooting up of our ancient woodlands, the cementing over of our fields and orchards, the polluting of our rivers and sea with sewage, and the contamination of our air with toxic fumes from ever-increasing traffic congestion. Large-scale development must not continue without the requisite investment in infrastructure—not just from developers but from the Government.

Building must not be allowed to disproportionately affect Kent and the south-east. The Government must accept that suitable land for development is finite, and that the concerns of local communities must be taken into consideration when imposing housing targets. The Government must not ignore the elected representatives

of those areas, or treat them like nuisances when they point out that Government planning policies are wrong. Finally, the Government must, please, give us a planning system that works for and with communities, is fair and acknowledges the pressure that increasing Government housing targets place on areas such as Sittingbourne and Sheppey.

1.13 pm

The Minister for Housing (Christopher Pincher): It is, as ever, a great pleasure to serve under your chairmanship, Mr Hollobone, and certainly a great pleasure to respond to the debate brought to us by my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson), who is an industrious and doughty campaigner on behalf of his constituents in Sittingbourne and Sheppey, and across all of Swale borough. I think that he was being rather modest in his claims; I would say that he has raised this issue more than six times in the interests of his constituents.

I agree with my hon. Friend that we need a planning system that is speedier, more transparent and more fair, and that delivers the right homes, in the right places, with the right infrastructure that people want and can support. I think he would agree with me that the present planning system does not achieve those objectives. It certainly is not particularly engaging, as I think we all know. About 1% of local populations get involved in local plan making. That is almost literally only planning officers and their blood relations in a particular local authority. That percentage rises to a massive 2% or 3% when it comes to the engagement of local communities in individual planning applications—again, far too few.

Gordon Henderson: On that point, I accept that only a very small percentage of people get involved in planning decisions at the planning stage, but the Minister will find, if he looks through the results of the last local elections in Kent, that they came out in their thousands to vote for the Green party against the Conservatives because of planning issues.

Christopher Pincher: My hon. Friend makes a good point. We want to make the planning system much more engaging so that more people get involved at an early stage and play a part in local plan making, so that they can say that the choices they have made are contributing to their community while ensuring that the infrastructure that they require locally is properly planned for. I will come to that in a moment.

My hon. Friend made some important points, which I will address. First, he mentioned the local housing need numbers for Swale. He will appreciate that, because I have a quasi-judicial role, I must not go into too great detail about Swale's local plan. I am pleased that I may say that its latest iteration is progressing—I think it is about to go to section 19 and is well on course for update before the end of 2023. However, there are some misconceptions about how local housing need should be used. It is a starting point, not an end point. It is based on the 2014 Office for National Statistics household population projections. We took a view a couple of years ago that, particularly given the pandemic, local authorities needed consistency and certainty, so we chose not to change the local housing need calculations for all but the 20 largest cities in our country.

As I say, the housing need numbers, as calculated, are a starting point, not an end point. It is for local authorities to determine their building target for each year over the lifecycle of their plan, to be agreed with the planning inspectorate. Local authorities are able to identify constraints—such as green belts or areas of outstanding natural beauty—that allow them to land at a different number from that expressed in the local housing need calculations. It is very much for local authorities to determine the right number of homes that should be built in their community. As I say, we want more people to become involved in the formulation of those local plans.

My hon. Friend mentioned developers not developing on land for which planning permission has already been granted. There are different views about those numbers. Sir Oliver Letwin found a couple of years ago that land banking, as it is popularly described, is not a particularly prevalent issue. However, I recognise the concern of local communities and our colleagues about this particular challenge. That is why we have committed, as part of our future planning reforms, to look carefully at how we can, shall we say, incentivise developers to build out on the applications that already exist, rather than looking for more and more applications to be given on other sites.

My hon. Friend also mentioned the important issue of the small number of developers who have those permissions and who build the homes in our country that we need. We want more developers, and more SME developers, developing different types of homes in different places for different tenures. We know that in the last 10 years or so, partly as a result of the 2008 financial crisis, the number of SMEs developing homes has fallen by something like 40%. We need to encourage more small and medium-sized developers to develop, and not leave development in the hands of the so-called big six. Having a planning system that is speedier, more predictable and more transparent is a way of ensuring that those SMEs come back into the marketplace and develop the sorts of homes that we want to see.

My hon. Friend and I certainly want to ensure that the right homes are being built in the right places for people to live in. We believe in a property-owning democracy; we want people to have the opportunity to get on to the property ladder. I am pleased to say, as a result of work done by the Yorkshire Building Society—I think the announcement was made only today—that some 408,379 first-time buyers got on to the property ladder last year. That is a 20-year high in first-time buyers getting on to the ladder and a 35% uplift in the figures from the year before. As we emerge from the pandemic, which has affected all our lives, we want to ensure that we are building better, building brighter, and building more homes for people to buy to live in, to get a stake in the country and in their community.

We also have to ensure, as my hon. Friend rightly says, that we have the right number of affordable homes built. We have an affordable homes programme. It is the largest cash injection in the development of affordable homes in 15 or 16 years—some £12.3 billion, £11.5 billion of which is new money. We anticipate that, economic conditions allowing, over the next five years it will build 180,000 new homes, 32,000 of which will be for social rent. We have also allowed local authorities the opportunity—through removal of the housing revenue account cap on borrowing—to spend more money on

[Christopher Pincher]

social homes if they so wish. The Public Works Loan Board offers them loans at very attractive rates. We have also allowed them much more flexibility through the use of their right-to-buy receipts—partly as a result of the pandemic—to ensure that local authorities have the wherewithal to build the sorts of homes that they want to build.

However, I am very conscious of what my hon. Friend says about the section 106 system. It has some supporters, of course. A lot of big developers like section 106 because it tends to load the weaponry—to give the ammunition to the bigger developers, with the bigger bank balances and the bigger batteries of lawyers, at the expense of smaller local authorities. We want to rectify that imbalance in the system by introducing an infrastructure levy, which will be set by the local authority, so that it is very clear what the cost of development is going to be. It will enable greater land capture value to be obtained by local authorities, so that local authorities and local communities get the infrastructure that they want, up front in the development process and not way down the line, if it is built at all. The levy means that the playgrounds, health clinics or schools that local authorities and local communities need to support the homes that are proposed for development are built where, when and how they want them, rather than what happens under the present system, which is rather more uncertain.

My hon. Friend also mentioned the predilection, shall we say, of some local authorities nearer to where we are now than to his constituency to buy up properties in his constituency. I am very conscious of that issue. I say to him that we have provided very clear—indeed, unambiguous—guidance to local authorities that they should, wherever possible, place families and individuals within their own area. The guidance also that they should only be looking to secure housing outside their local authority as a very last resort.

Gordon Henderson: I am grateful because this is a very important point that I hope the Minister will take on. I accept what he says, and he recognises the problem of London boroughs buying properties in areas such as mine. The boroughs pay for those properties and they pay the rent of the people they place there, but what they do not have to do, which they should, is fund the social services and education needed to look after those people and educate their children. Kent County Council taxpayers have to pay for that. That must be looked at.

Christopher Pincher: I am conscious of the issue raised by my hon. Friend. I will make a couple of points in response. First, he is absolutely right that we want a system that provides the school places and GP clinic places. That is why we want to change from the section 106 system to the infrastructure levy, which we believe will provide those sorts of bricks-and-mortar services more

rapidly. He also knows that we are investing more in the NHS. I will not go into great detail on that; it is a matter for my colleagues in the Department of Health and Social Care. However, he knows that we are training up more doctors and nurses. That will take some time, but we want to invest more in the NHS.

My hon. Friend should also be aware that, as a result of the affordable homes programme, over £4 billion have been provided to the Greater London Authority and the Mayor of London to build properties in London for Londoners. I call on the Mayor to get on and build those properties, for which he has the funds, to take the pressure off places such as Kent. My hon. Friend also mentioned brownfield sites over greenfield. We are clear through the national planning policy framework that brownfield should be used first wherever possible. We have provided funds to that effect, which he will know about, either for big or small investments, which allow local authorities to focus on the redevelopment of brownfield sites.

I also tell my hon. Friend that as a result of the Environment Act 2021, which is now on the statute book, there is a requirement on developers to ensure a biodiversity net gain of at least 10% where developments take place. Again, that will ensure that where development happens, not only is bricks-and-mortar infrastructure provided, but environmental infrastructure is supported and enhanced. I am conscious, Mr Hollobone, that my hon. Friend will probably want to say a few remarks, so I will give him the opportunity.

Mr Philip Hollobone (in the Chair): Order. In a half-hour debate, I am afraid that the Member in charge does not have the right of reply, so the Minister still has two minutes to make further remarks, if he wishes to do so.

Christopher Pincher: Mr Hollobone, you honour me in allowing me further time to expostulate on the Government's policies. We are conscious of the challenges that my hon. Friend raises. I am keen to ensure that the reform to the planning system that we have in mind will result in greater community engagement, the provision of infrastructure to give local communities the schools, school places and GP surgeries they need, an environmental support mechanism to enhance developments as they are brought forward, and more SMEs in the system to ensure new homes of different tenures, styles and types built in the places we need, so that we have a planning system which, while it will never be uncontroversial—there will always been controversies when it comes to individual developments—everybody understands, can buy into and can accept is fair, just and predictable. I look forward to further debates with my hon. Friend over the next several weeks and months, as we bring our proposals forward. I am grateful to you, Mr Hollobone, for your advice and guidance in the debate.

Question put and agreed to.

Non-UK Armed Forces Personnel: Immigration Requirements

1.30 pm

Mr Philip Hollobone (in the Chair): I remind hon. Members that they are expected to wear face coverings when they are not speaking in the debate, in line with current Government guidance and that of the House of Commons Commission. Members are asked by the House to have a covid lateral flow test twice a week if coming on to the parliamentary estate. This can be done either at the testing centre in the House or at home. Please give each other and members of staff space when seated and when entering and leaving the Chamber.

Dan Jarvis (Barnsley Central) (Lab): I beg to move,

That this House has considered immigration requirements for non-UK armed forces personnel.

It is a pleasure to serve under your chairmanship, Mr Hollobone. I know there is a lot going on today, so I am grateful to see Members here and the shadow Minister and Minister in their places. I also thank the Petitions Committee for its help and the many thousands of people who have added their name to petitions in support of this campaign.

Pay up or pack up. That is the message given by the Government to those who make the journey—often from halfway around the world—to protect our national security. The aim of this long-running and, I am pleased to say, hugely popular campaign is simple: to relieve foreign and Commonwealth-born service personnel and their families of the exorbitant costs they face to make a home in the country for which they risked their lives.

This injustice has gained significant attention in recent times, following the unsuccessful efforts of eight Fijian British Army veterans to bring legal action against the Government. All of them were left fearing destitution and deportation despite the huge sacrifices they made on our behalf. One of the claimants, Taitusi Ratucaucau, a veteran of the campaigns in Iraq and Afghanistan, was handed a £30,000 bill following emergency brain surgery after he was deemed ineligible for free NHS care—a story I did not believe the first time I read it. The veterans lost the legal argument, but make no mistake: it is the Government who lost the moral one.

This issue is by no means a new phenomenon. In 2013, Filimone Lacanivalu, a veteran of the campaigns in Northern Ireland, Bosnia and Afghanistan was given an 11th hour reprieve after spending weeks in a detention centre awaiting removal. That amnesty was only granted following a personal appeal to the Prime Minister and subsequent media pressure. It should not need to be said that landing veterans with massive debts and threatening them with deportation is not the appropriate way to recognise their service.

I am aware that these are exceptional episodes. The Minister will no doubt say, as is rightly the case, that the vast majority of service personnel comply with Home Office requirements. That is not enough.

John Cryer (Leyton and Wanstead) (Lab): I thank my hon. Friend for giving way. I have one of the most mixed constituencies in the country, with a lot of Commonwealth-born constituents, many of whom have served. I have

had cases of constituents who have been unable to access benefits because their immigration status is not sorted out, and that is after serving for years in the armed forces. At the very least, it seems deeply ungrateful to people who have travelled halfway across the world, as my hon. Friend says, to serve in the armed forces that they then face destitution because their immigration status is not resolved.

Dan Jarvis: My hon. Friend is exactly right. These people have come here in good faith. They have risked all in the service of our country. They have exposed themselves to extraordinary risks. This is not the way to repay the extraordinary service they have offered our country. I hope that the Government in the near future will take the opportunity to close what is essentially a loophole. It would be relatively inexpensive to do so. Morally, it is the right thing to do.

I think it is only fair to say that I am aware of some of the efforts that are being made to update guidance and to increase the length of time that an application can be made in advance of discharge, as well as the ongoing work with the Joining Forces credit union, but we must ensure that the experiences of Taitusi, Filimone and countless others are not repeated.

It is also simply wrong for the Government to profit off the backs of the service of those men and women. Indefinite leave to remain costs each person who applies £2,389. However, the latest available Government data shows that the estimated cost of each application is only £243. That means that a soldier with a partner and two children will be asked to cough up nearly £10,000, £8,500 of which goes straight into the Treasury coffers.

In Afghanistan, foreign and Commonwealth-born soldiers, just like their UK-born comrades, spent months in check points in the blistering heat, surviving on minimal sleep. They were responsible for clearing safe routes with metal detectors. They were shot at while patrolling with back-breaking loads. All the while, families at home were hoping never to receive a knock at the door, though tragically some of them did. They have paid their dues 100 times over. Aged just 19, Pa Njie, a Gambian-born member of the Cheshires, was struck by an improvised explosive device and suffered terrible, life-changing injuries. Pa lost two limbs in the service of our country. Seemingly, that is not enough for the Home Office, which still wants its two grand.

It is worth remembering that this bill lands on the doorstep right at the moment that the person is transitioning to civilian life. It is much needed cash at a crucial time that could have gone on a deposit for a home or an education course.

Whenever this campaign is raised of late, Ministers are quick to highlight the consultation that was launched back in May, which is worth examining further. The response to it, I might add, is already more than three months overdue.

Johnny Mercer (Plymouth, Moor View) (Con): I congratulate the hon Member on securing the debate, in which I hope to be called to speak. The consultation has been leaned on very heavily by the Government. Unfortunately for them, I was in the Department when the consultation started, so I know how it came about and what it is about, which is essentially people serving around 12 years before they get a right to remain. Does

[Johnny Mercer]

he agree that that is extraordinarily stingy to our foreign and Commonwealth personnel and totally out of sync with requirements around indefinite leave to remain, and that a serious, hard look needs to be taken at it if we are to tackle this problem?

Dan Jarvis: I am grateful to the hon. and gallant Member for that intervention. He is exactly right: it is, at best, very stingy. I recall that in the debate before Christmas he said that the 12-year threshold

“was plucked out of the air.”—[*Official Report*, 7 December 2021; Vol. 705, c. 300.]

Whether it was, or whether it was designed to affect the minimum number of people possible, it cannot be the right way forward. We should also reflect on the fact that in addition to the 12-year proposal there was nothing for families or for the unknown number of veterans currently living in limbo, who have effectively been thrown under a bus. This was the Government’s chance to right a historical wrong; instead they chose to introduce something that is, as he just outlined, virtually pointless. Only meaningful reform will deliver the justice that our veterans and their families deserve.

Whatever metric is used, I think—at least, I hope—that the Minister is fully aware that the bar has been set so high that practically no one will benefit as a consequence. Surely a fairer option would be to look at the benchmarks at which service personnel qualify for settlement and citizenship: four and five years respectively. When Government Whips were convincing their MPs to vote down new clause 52, which the hon. Member for Plymouth, Moor View (Johnny Mercer) and I tabled to the Nationality and Borders Bill last month, one of the arguments provided was around a lack of fairness.

That brings me neatly to the serious matter of consideration of families, because if we want to debate a lack of fairness, we should look no further than the minimum income requirement that our service personnel must meet before they can bring their loved ones to the UK. That is a cruel policy that has resulted in members of the armed forces either leaving their families thousands of miles away or taking second jobs to reach the affordability criteria. In return for their protecting our national security, the Government rip their families apart. That practice is immoral, indefensible and inexcusable.

The Government have committed to making the UK the best country in the world to be a veteran; that is a noble ambition, on which we can all unite. However, there is no better place to begin than with the treatment of our service people who are foreign or Commonwealth-born. Our campaign has huge support right across the board from the Royal British Legion, Help for Heroes, all Opposition MPs, many Conservative MPs, England rugby stars, and many more people and organisations besides. We do not need primary legislation; Ministers can fix this problem with the stroke of a pen by updating regulations. They just have to show some of their stated ambition.

We are not asking for the world; all we are asking for is a fair deal for service personnel, for families to be treated with dignity, and justice for those veterans who are living in limbo. That is because no matter where someone comes from or whatever their background is, once they choose to put on a uniform and protect our

country, they have made a life-changing commitment. It should shame all of us that our people are being treated with such little respect.

Mr Philip Hollobone (in the Chair): The debate lasts until 2.30 pm. I am obliged to call the Front Benchers no later than 2.07 pm and the guideline limits will be five minutes for the Scottish National party, five minutes for Her Majesty’s Opposition and 10 minutes for the Minister. Then Dan Jarvis will have three minutes at the end to wind up the debate.

Until 2.07 pm, there are three very distinguished Back Benchers seeking to contribute to the debate. If they could limit their remarks to no more than eight minutes each, all three of them will get in. We start off with Johnny Mercer.

1.42 pm

Johnny Mercer (Plymouth, Moor View) (Con): It is a delight, Mr Hollobone, to serve under your chairmanship today.

I will certainly not take up eight minutes; I look forward to hearing what the Minister will say on this issue and I think that almost everything that can be said on this subject has been said. Nevertheless, I pay tribute to the hon. Member for Barnsley Central (Dan Jarvis) for his work on this issue over many years. It is one of the intricacies of this place that if one is not in government, such work can be pretty hard going at times, but he has striven over many years and through many debates on this issue, and I pay tribute to his relentless focus on it, not for himself but for the foreign and Commonwealth service personnel he served with, whom he has identified as suffering a serious injustice.

I will address just a couple of points before giving the floor to other people. The first is about the Government’s current position on this matter. For the life of me, I cannot understand why the Government do not do what we are asking them to do. It would not cost a lot of money, as the hon. Gentleman has identified. In the Committee considering the Armed Forces Act 2021, we worked with the Home Office to establish what the cost would be—the cost, not the profit—of taking this action for everyone who left the military in 2020. The cost was £30,000. When we consider what the Government and individual Ministers will spend on their own policies or whatever it may be, I cannot for the life of me understand why they do not do this.

Some of the reasons that Conservative colleagues gave in writing after that campaign to justify their vote against it—because this action was supported by everybody in this country, less the Conservative party, which breaks my heart a bit, considering how the Conservative party dresses itself up as the party of the armed forces—were just insane. They treated the hon. Gentleman and I as if we had just sailed up the Thames in a mess tin and had no idea what we were talking about. Clearly, if this action was in train and was about to happen, we would not waste our time conducting a campaign on it, including in Parliament, or finding out what can and cannot be done. But clearly it is not happening.

There was a consultation. Everybody in government knows that people have 12 weeks to respond to a consultation, but that has been missed as the consultation period finished 24 weeks ago and nothing has come out.

So please do not tell me that there is a consultation and this will all be all right. The consultation itself was an absolute dog's dinner.

I know how the figure of 12 years before people can settle came about; it was because one of the Secretaries of State went on a visit and met a Fijian chef, who said, "Yes, 12 years. Don't let them come in under 12 years." No work went into it at all. The figure should be around the same as the indefinite leave to remain requirements of four or five years, depending on status, which is in keeping with our peer nations.

The idea of splitting up families is atrocious. The idea is that at the end of a person's service, they send their family back, like a sailor from Trinidad I met last year who was sending his wife and two kids back, so that he could work here and earn the money. We do not do that; we do not split families up. That is not the way we treat people in this country.

I urge Ministers and colleagues to get over the personalities involved here. I know that when some of us get campaigning on an issue it can be quite brutal and people do not want to be seen to go with it. I totally get that, but I urge hon. Members to be as professional as they can be, to park all that stuff and to think about individuals such as Pa, who was mentioned by the hon. Member for Barnsley Central, who lost two legs in Afghanistan. He is still in court fighting visa fees to stay in this country. That is appalling and shames each and every one of us in this place, not just those of us with military connections.

I cannot understand how veterans in this House, who broke bread with foreign and Commonwealth service personnel on operations, can come here and vote for the Government making an 80% profit out of service personnel who want a visa to stay in the UK. I cannot reconcile how they could possibly do that. There will be another chance to get this right, because the hon. Member for Barnsley Central and I will work with all the groups again to introduce a similar amendment. We have to right this wrong.

There is no point waiting further for consultations or excuses. The time is now, it does not cost a lot of money and it is a moral purpose that is not about politics. It is about the morality of how we treat people who serve in this nation's military. We say that we want this to be the best country in the world to be a veteran, which is a noble ambition that I admire and that nobody would want more than me—I would love it because I could stop banging on about this stuff—but we are a million miles away from that.

If we were to ask individuals who have these problems, such as Pa, "Does this feel like the best country in the world in which to be a veteran?", what would they say? That is how we will judge this, not by what we do here—announcing wonderful policies, having a consultation and saying further action is unnecessary because we have it all in hand. Go and ask Pa, or the foreign and Commonwealth soldier mentioned earlier who was given a £30,000 bill after using the NHS, "Does this feel like the best country in the world to be a veteran?", and hon. Members might wake up and realise how much we have to do.

I look forward to the response from my hon. Friend the Minister, and he is a friend. I will not be indiscrete, but I know people's views on this matter. Others have

come up to me after debates—not this Minister—and said, "Johnny, I'm with you. This is the right thing to do, but I want something for my town or city." What does that do for the individual service personnel we have mentioned? Nothing. It is a coward's way to do politics. We know the right thing to do. We need to get on and do it, and move on to other issues.

1.48 pm

Navendu Mishra (Stockport) (Lab): It is a pleasure to serve under your chairship, Mr Hollobone. I commend my hon. Friend the Member for Barnsley Central (Dan Jarvis) on securing this important debate. I know he cares deeply about this issue and has a long-standing and distinguished track record of serving in the armed forces, alongside people from all walks of life and backgrounds, including non-UK personnel. He is therefore better placed than most to recognise the enormous contribution that they make while serving their country. The hon. Member for Plymouth, Moor View (Johnny Mercer) has done a lot of good work on this issue, for which I thank him.

I pay tribute to all serving armed forces personnel and veterans, many of whom are based in my Stockport constituency and elsewhere across Greater Manchester. We all owe them a debt of gratitude. As well as keeping our citizens safe, the armed forces help bring our communities together. For example, I have seen at first hand the inspiring work that volunteers do to support our veterans at the veterans' breakfast club in my constituency.

While there are many positives, I am fully aware of the shameful treatment of serving and former military personnel by successive Governments, and I raised this in debates about the Armed Forces Act 2021. One such group is the Gurkhas, who comprise a sizeable number of the 9,000 foreign nationals who served in our armed forces, alongside citizens from Nepal and the wider Commonwealth. Before I continue, I thank my hon. Friend the Member for Ealing, Southall (Mr Sharma) for his tireless work on this issue in his capacity as the chair of the Nepal all-party parliamentary group.

The Gurkhas' contribution to defending our nation is exemplary, with more than 200,000 Gurkhas having fought in the two world wars. In the past 50 years alone, they have served in Hong Kong, Malaysia, Borneo, Cyprus, the Falklands, Kosovo, Iraq and Afghanistan. Despite this, it was only recently that the Government consulted on waiving immigration fees for those who wish to come to the UK following discharge from service after they have served 12 years, and the proposal has yet to be implemented by the Home Office. I am staggered to learn that the 12-year figure was picked randomly by the Government.

The situation is further compounded by the prolonged racism and discrimination that Gurkhas have been subjected to over many decades. Colleagues may recall that in 2002, a High Court judge branded the Ministry of Defence racist and irrational for excluding from compensation payments Gurkhas who were subjected to brutal treatment in Japanese prisoner of war camps. Perhaps the most high-profile example is the pensions discrimination; Gurkhas who retired before 1997 were awarded only a fraction of the amount that the rest of the British Army receive, as the Gurkha pension scheme was based on the Indian army rates for those with at

[Navendu Mishra]

least 15 years' service. This is nothing short of shameful, and it casts a long shadow over the reputation of our armed forces.

In response, three members of Gurkha Satyagraha, a group representing Gurkha veterans, went on hunger strike outside Downing Street last August to highlight pensions injustice. I visited the strikers, who were just yards from where we are today, and I pay tribute to the three Gurkhas who led the fight for justice that day: Dhan Gurung, Gyanraj Rai and the widow Pushpa Rana Ghale, who had travelled all the way from Nepal. All three made it clear that they were prepared to die because they felt so strongly about the injustice to which Gurkhas have been subjected for so long. Indeed, during the strike, 60-year-old Mr Gurung was committed to hospital after refusing food for 12 days. He then returned to Downing Street to continue his role in the struggle for equality. Those who retired before 1997, such as Mr Gurung, receive a fraction of the pension given to the rest of the British Army, and that wrong must now be righted. I was proud to support them in their fight for pension equality, and I will continue to do so until they receive what is owed to them for the sacrifice they have made, and until the racism and discrimination to which they are all too often subjected is ended.

We have seen throughout this pandemic that the Government can find the money when they want to, but they choose not to do so in this case, in which veterans have been denied the vital funds to which they are entitled and that they so richly deserve. If the Government got their house in order, perhaps they could use some of the billions of pounds wasted on their watch. A Labour party report published today reveals that a staggering £13 billion of taxpayers' money has been thrown away in officially confirmed cases of Ministry of Defence waste since 2010. That is utterly indefensible, and it is a further kick in the teeth to those Gurkha veterans who are still waiting for justice.

As well as heeding Gurkhas' calls, the Government must recognise the strong public support for the Gurkhas' campaign, with more than 100,000 people having signed a petition last year that called for pensions equality. Although the Government responded to the petition, many people are understandably concerned by the apparent unwillingness of the MOD to resolve the demands. Its notably inflexible position is in stark contrast to the Minister's words in the immediate aftermath of the hunger strike. I urge the Minister to hear the honourable pleas for justice, and to abolish the costs and other bureaucratic and often prohibitive hurdles for non-UK armed forces personnel, including the Gurkhas. Although I am grateful to the Government for finally recognising the need to engage with the Gurkhas on this issue, and for agreeing to further talks and the establishment of a bilateral committee, they must move more quickly after decades of injustice and discrimination.

1.53 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. and gallant Member for Barnsley Central (Dan Jarvis) on setting the scene. He often does so on these issues, and few in the House could disagree with his point of view. I also commend the hon. and gallant

Member for Plymouth, Moor View (Johnny Mercer), who clearly has a heart and a passion for this matter, for his contribution. It is hard to ignore the contributions of both Members, given their service, and their knowledge of the subject matter and how it can be taken forward. I also thank the hon. Member for Stockport (Navendu Mishra) for his contribution—he mirrors the opinion of us all.

I have always been an avid supporter of the Gurkhas and the need for fair and right treatment. However, it is worth pointing out that this issue is not simply about the Gurkhas. It is about every man and woman who puts on a uniform in any branch of the armed services. It is also about the families who they leave behind while on service—families who undergo years of sleepless nights, missed birthdays and missed events, all because their loved one stands for democracy and freedom under the Union flag, and is in the service of Her Majesty the Queen. We see that as a key issue.

I am a simple man and like the simple things in life. Perhaps I view this matter too simplistically. If someone serves this nation, the nation owes them a debt that we can and must repay. That debt is equally owed to the families. That seems simple to me and every one of us here.

The Government seem to understand the principle, but scale is a problem. There is a proposition that these provisions be waived for the individual after 12 years' service, but that is only for indefinite leave to remain, and only for service personnel. I have the utmost respect for the Minister and regard him as a friend, as he knows. We converse on many matters all the time. I look to him for a response that encapsulates what we are saying. I am pleased to see the shadow Minister, the hon. Member for Barnsley East (Stephanie Peacock), in her place, and look forward to her contribution, which I know will sum up all the things that we are saying.

My view is straightforward: our position on the repayment of the debt owed is skewed. While the Government have tinkered around the edges of immigration, there is an acknowledgment that we have not got it right; the provision quite clearly does not go far enough. For example, the exemption from UK immigration control ceases when the person is discharged from the armed forces. They have 28 days following their discharge to apply to remain in the UK, if they have not already done so. The Government confirmed in March 2021 that "Her Majesty's forces" means a serving member of the regular forces of the Royal Navy, British Army—including the Brigade of Gurkhas—or the Royal Air Force, and the length of time for an application to be made would be increased to 18 weeks in advance of discharge, rather than the 10 weeks previously allowed.

I welcome that, but I feel it is not enough. The holder of a family visa will need to accrue five years' residence in the UK to be eligible for indefinite leave to remain. Time spent overseas on an accompanied posting is counted as time spent in the United Kingdom. Under the armed forces rules, it may be possible for a family visa holder to be eligible for indefinite leave to remain after four years. That is because a service leaver is eligible after four years' service, and the family members can apply concurrently. I am really concerned to ensure that we do not forget that this is not just about those who served in uniform, but about their families as well. I know others here share that opinion.

How can we make the need to meet the standard requirements for indefinite leave to remain under the family visa route easier? How can we make that a responsibility for us in the House and Government? I believe there is consensus of opinion in Westminster Hall today, including on the need to continue to meet the minimum income requirement, which is very difficult for someone who has just left the service. That issue has to be addressed. The hon. Member for Barnsley Central referred to that at the beginning of his contribution. We need clarification and help on that matter, because we must get that right. To be fair to the Minister, without putting words in his mouth, he has acknowledged the issue, and I hope we can get some response on it. Those who have served Queen and country need these matters reviewed urgently.

The work carried out by the Royal British Legion in response to the Government consultation makes it clear that Government proposals do not go far enough to make the difference needed to make things right. The Royal British Legion is highly respected and renowned, and has a lot of knowledge of these matters, because it has dealings every day with soldiers and their families. As one in 10 members of the Army are non-UK, this is an issue that we must get right. We must also consider that not all of those people wish to move here permanently—that is a fact—and not all of them have family to bring over. When looking at the 10% affected, we have to address that issue.

With respect, we are not attempting to circumnavigate immigration procedures, which are necessary. I understand that we must have rules in place, but we are talking about allowing a small number of people, who have given so much, the opportunity to rebuild their civilian life in this country. My plea on their behalf—I honestly do not believe that this is too much to ask, which is why I add my voice to the voice of colleagues who have spoken and who will speak—is that the Government take on board the views of the Royal British Legion and other charities, and the personal stories to which hon. Members have referred, and implement meaningful changes to our immigration policy for those who dedicated their lives to secure ours. They did their best for freedom and democracy, and we support them. Let us support them now, because it is now that they need our help.

2 pm

Dave Doogan (Angus) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I thank the hon. and gallant Member for Barnsley Central (Dan Jarvis) for securing this important debate—would that we did not have to debate the issue, however.

Commonwealth personnel have for decades fulfilled a vital role in the UK armed forces and have ensured that skills are maintained across the board. It is therefore disappointing to be once again debating immigration issues relating to these personnel that should have been dealt with years ago, and most certainly could have been dealt with during the passage of the Armed Forces Act 2021 or the Nationality and Borders Bill. Hon. Members from across the House repeatedly raise this issue, on account of its status as a national disgrace, and this Government repeatedly fail to act. On the one hand, Ministers talk up the importance of our personnel, but on the other, they create a hierarchy within our veteran community.

It is, frankly, scandalous to ask people to put their life on the line to serve the United Kingdom, and then to charge them thousands of pounds for the right to live in the state that they defended. Their families pay a high price, too, as the hon. Member for Strangford (Jim Shannon) pointed out, and many find themselves living apart from their loved ones and partners. We should do everything that we can to ensure that families are held together and supported; instead, we find the Government separating members of the armed forces from their families and then hitting them with exorbitant visa fees.

Commonwealth personnel are vital in all three services, and are increasingly important because of the serious issues with recruitment in the United Kingdom. The Defence Committee noted that the Government's 10-year partnership with Capita has been "abysmal since it started", and that Capita has

"failed to meet the Army's recruitment targets every single year of the contract".

The Army has embarked on further recruitment campaigns across the Commonwealth to ensure we have the minimum troop numbers required to properly defend the state. Commonwealth citizens who have stepped forward to fill the gaps deserve to be rewarded, not penalised, but it seems as though the UK Government would prefer to do the latter.

The Government must seriously reconsider the income requirements for Commonwealth serving personnel who wish to have their family join them in the United Kingdom. The minimum income requirement is currently £18,600 for a spouse, and an additional £3,800 for a first child and £2,400 for children thereafter. That is not reasonable or realistic today, and the role of the Gurkhas and other Commonwealth serving personnel over the decades, and during the first and second world wars, shows that this is a historical scandal as well.

If families meet the minimum income requirement, they are then hit with visa application fees, which have more than doubled in the last five years to £2,389 per person. We are talking about nearly £10,000 for a family of four. As the hon. Member for Leyton and Wanstead (John Cryer) said, this is a curious type of gratitude for the UK to dish out. The UK Government are also on the wrong side of the Royal British Legion and Poppyscotland on this matter, which is really not a good look.

In addition, the families left behind by Commonwealth personnel serving in the UK can be severely affected. My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) recently mounted a campaign for his constituent Denis Omondi, a British citizen serving in the Army. His daughter, living in Kenya, was denied a visa, despite him having uncontested custody, to come and live with him in the United Kingdom. Thankfully, because of my hon. Friend's campaign, the Home Office made a U-turn on that decision, but these cases are not unique.

Exemption from UK immigration control ends when the person is discharged from the armed forces. They have only 28 days from then to apply to remain in the UK, if they have not already done so. That relies on the person overseeing the discharge process having knowledge of the immigration rules and communicating it clearly and effectively. Unfortunately, as we know, that does not always happen.

[*Dave Doogan*]

The woeful example of the Fijian military, which other Members have mentioned, highlights that very clearly.

After independence, Scotland will, like many countries, engage in attracting talent from abroad to help populate our armed forces and other key public services. However, unlike the UK, Scotland's esteem for service personnel from abroad will not end with their signing, only to be replaced with a hostile environment and a £10,000 bill to continue living in Scotland at the end of their service.

The SNP has been clear that after three years of full-time service, non-UK citizens who have served in the armed forces should be recognised with an automatic right to citizenship. As set out in our 2019 manifesto, the UK Government must remove the visa fees for Commonwealth armed forces personnel and their immediate families when applying for indefinite leave to remain.

In closing, will the Minister afford the Ministry of Defence sufficient latitude to fix these problems, right these wrongs and restore some justice to this process, or will we be back here, debating this again, in 12 months' time?

2.5 pm

Stephanie Peacock (Barnsley East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate my hon. Friend the Member for Barnsley Central (Dan Jarvis) on securing this important debate and on his ongoing commitment and campaigning around this issue.

Every individual from the Commonwealth who serves in the UK armed forces contributes an enormous amount to our national defence. They are owed a debt of gratitude but instead, on discharge, they are met with a debt to pay themselves. Thousands of pounds and a complex administrative system sit between our Commonwealth veterans and the life that they deserve in the UK. We must put an end to that insulting state of affairs and allow every UK armed forces veteran who has served for five years, and their families, to remain in the country, and we should remove the extortionate visa fees.

As has been outlined in this debate, foreign-born members of our armed forces are exempt from immigration controls during their service. However, as soon as they are discharged, those exemptions end, and veterans have just 28 days to apply for a visa to remain in the UK. Each application costs an eye-watering £2,389, and every family member adds a further charge, meaning that applications for a family of four could cost nearly £10,000, as the hon. Member for Angus (Dave Doogan) highlighted.

For those who do not regularise their immigration status in time, all legal rights are suddenly lost. Almost overnight, those veterans are unable to take on work, access pensions, receive medical help, or make any sort of transition into civilian life. The threat of deportation also looms, causing many vulnerable veterans to live in a state of all-consuming fear. According to the veterans' organisation Citizenship4Soldiers, one of our Commonwealth personnel from Fiji, who had served for eight years, was detained by UK immigration officials after being found homeless. That is not an exception.

My hon. Friend the Member for Barnsley Central shared a number of terrible examples, from the story of Taitusi Ratucaucau, the veteran who was faced with a £30,000 bill following an emergency operation to remove a brain tumour, to the story of Filimone, who served in the UK armed forces for nine years, including in Afghanistan, Bosnia, and Northern Ireland, and was nearly deported. No one had explained to him that he would need to apply for leave to remain when he was discharged. Before he knew it, he had spent five weeks in a detention centre. After a personal appeal to the Prime Minister, he was granted settlement. That should have been a wake-up call for the Government.

There is also the group of veterans who took legal action against the Home Office and the MOD. Faced with a complex immigration system and unaffordable visa fees, they were left classified as illegal immigrants. After serving in Iraq and Afghanistan, these former British soldiers were suddenly faced with deportation and no access to social security. One veteran said,

"This has been an undignified existence that is so contrary to the immense pride with which I once served Queen and country."

Still, the Government did not address this. Those veterans, who served our country with distinction, should not have had to rely on legal battles, direct appeals to the Government, or sums of money to stay in the UK, as my hon. Friend the Member for Leyton and Wanstead (John Cryer) highlighted.

The Government have had chance after chance to put this right, but have consistently chosen not to do so, as my hon. Friend the Member for Stockport (Navendu Mishra) said. Shortly before Christmas, a Labour-backed amendment to the Nationality and Borders Bill proposed that visa fees be waived for all service personnel completing five years in the UK armed forces, and their dependents. The Government voted against it, again failing to right this wrong. Their only defence was a public consultation, which is yet to receive a Government response, on proposals that do not go nearly far enough, as was illustrated by the hon. and gallant Member for Plymouth, Moor View (Johnny Mercer)—I will take this opportunity to acknowledge his hard work on this issue.

The consultation suggests that personnel should serve 12 years before becoming eligible for waived visa fees. That threshold is unnecessarily high. Not only is it out of sync with civilian immigration standards, under which someone is able to apply for citizenship after five years' residency with one year of indefinite leave to remain, but it is way beyond the average length of service, especially for those who serve on the frontline with such bravery. Based on recent figures, just one in 10 of our Commonwealth personnel would be covered by the proposal. It is for all of us who care about those who serve our country to make sure that such a disingenuous threshold is lowered.

The consultation also offers nothing for the dependants of our veterans. Waiving the £2,389 fee for the service person themselves is a start, but it will mean little practically if there remains a hefty £7,000 bill for their family members, as the hon. Member for Strangford (Jim Shannon) mentioned. If we can benefit from the defence that our service personnel have provided, their children deserve to as well. Overall, the Government's watered-down proposals will still see them in the business of trying to turn a profit on our Commonwealth veterans. In the Government's own covenant annual report, every

single external stakeholder, including the Confederation of Service Charities, the Royal British Legion and the independent veterans adviser, comments on how the proposals in the consultation fall short.

Transitioning from military to civilian life can be challenging enough for people without their being forced to find thousands of pounds to stay in the country they have fought for. This issue has huge support across the country and across this House. It is our moral duty as a country to provide a home in the UK for anyone who has spent their life defending it. The Government should stop delaying and do the right thing.

2.11 pm

The Parliamentary Under-Secretary of State for the Home Department (Kevin Foster): It is a pleasure to serve under your chairmanship, Mr Hollobone. I note your instruction to make sure there is at least three minutes left at the end for the hon. Member for Barnsley Central (Dan Jarvis). I thank him for securing the debate, and I thank all Members for their contributions. Although there may not have been a large quantity of contributions, there was certainly quality in the speeches that were made. It is good for us again to have an opportunity to discuss this issue.

The Government strongly value every member of our outstanding armed forces, and we are grateful and humbled when non-UK nationals choose to serve our country. It is right that they are rewarded for their bravery and commitment, which is why there are already several measures in place to support them both during and after their service, which I will outline in a few moments. I will briefly touch on some of the cases that have been mentioned. I hope Members will appreciate why I will not go into individual immigration records in a public forum, but in relation to the eight Fijian veterans, I can confirm that we have engaged directly with their legal representatives and they have all now regularised their immigration status here in the United Kingdom.

I will also say—this is a message that I give out regularly in relation to the settlement scheme for European economic area nationals who may have missed the deadline of 30 June last year—that if an armed forces veteran who is currently in the UK does not have regular immigration status, we genuinely encourage them to get in touch with the Home Office today. If they do not want to get in touch with us directly—if they have concerns about doing that—then I am sure that I speak for everyone present when I say that they can get in touch with their local Member of Parliament and ask them to get in touch with us.

Unless someone has committed serious or persistent criminal offences, our focus will be on supporting them to acquire status; we will not default to enforcement action. I hope people will have seen that in the way we dealt with vulnerable EEA nationals who missed the deadline last year. That is the approach that we will look to adopt with an armed forces veteran, unless, as I say, serious or persistent criminal offences have been committed. I am sure colleagues will appreciate why I add that caveat.

It should be noted that special immigration rules already apply to non-UK armed forces personnel, under which, as Members have referenced, they are granted full exemption from immigration control status for the duration of their service to allow them to come and go

without restriction. They are free from any requirements to make visa applications or pay any fees while they serve, unlike almost every other category of person coming to work in the UK. On discharge, those who have completed at least four years' service or have been medically discharged as a result of their service can choose to apply immediately for indefinite leave to remain in the UK. Non-UK armed forces personnel applying for themselves do not have to meet an income requirement, be sponsored by an employer, or meet any of the other requirements regarding skills, knowledge of the English language or knowledge of life in the UK that others applying for certain statuses may be familiar with.

It is worth highlighting not just the issue around immigration status, but the provisions that apply with respect to British citizenship. On completion of five years' service, Commonwealth citizens can choose to naturalise as British citizens while they are still serving. For clarity, as touched on by the hon. Member for Strangford (Jim Shannon), they can use their time both in the UK and on overseas assignments towards the five-year UK residency criterion—a concession that is not offered to any other employment group. For reasons that will hopefully be obvious to Members present, applying to become a British citizen while serving removes any need to make an application for settlement.

Those provisions sit alongside the specific citizenship provisions for children born to serving armed forces personnel. Again, for clarity, there is a specific carve-out in relation to the rules. Members will be familiar with the concept that if a child is born in the UK and one of their parents is a British citizen or is permanently settled in the UK, they will become a British citizen automatically at birth. That goes further for members of the armed forces: a child born in the UK or qualifying territories acquires British citizenship automatically if, at the time of their birth, their mother or father is a member of the armed forces. It does not need to be both parents; it can be either.

Additionally, any individual born in the UK or qualifying territories on or after 13 January 2010 whose mother or father becomes a member of the armed forces while they are a minor is entitled to register as a British citizen. Finally, a person born outside the UK whose mother or father is a member of the armed forces at the time of their birth can also register as a British citizen. I hope that brings some clarity about the position of children born while someone is serving in the forces.

Johnny Mercer: I pay tribute to my hon. Friend, because I know he cares deeply about this issue. I have listened carefully to all the things he has said, but would he not agree that they are extraordinarily small beer for foreign and Commonwealth service personnel? One of the points that was raised was that if they come and serve in the military and they go on deployment to Afghanistan, we will not stop the clock. That is extraordinary. Of course we would never stop the clock—they are serving in the British Army. Would the Minister accept that, while there are small carve-outs for individuals, if we look at the greater picture, they are incredibly small beer? That is why we need to deal with the visa fees issue.

Kevin Foster: I would not class the automatic granting of UK nationality as small beer. The provisions I have just read out apply regardless of the nationality of the

[Kevin Foster]

parent. Both parents can be non-UK nationals, and only one needs to be a serving member of the armed forces for their child born in the UK to automatically become a British citizen. I am struggling to think of any other such provision. The child becomes a citizen at birth, so all they need to do is apply for a passport. They are a British citizen. There is no settlement fee and, obviously, there is no visa fee for someone who is a UK national at birth. That is a large, real impact for children born to members of the armed forces, and it is unlike virtually any other walk of life, where, unless a parent already has indefinite leave to remain or one of the parents is a UK national, their children do not automatically become British. Of course, they may be naturalised later, when the parents naturalise themselves. I would not describe that provision as particularly small beer. It is quite long standing, and it is deliberately generous to children born to service personnel.

Family members of armed forces personnel enter the UK on a five-year limited leave to enter visa, whereas their civilian counterparts, such as those coming in under the family routes, are usually granted a 30-month visa, which they must then renew to complete the qualifying period. The family members of armed forces personnel can apply for settlement straightaway at the end of the five years, saving them the cost of making multiple applications. Again, unlike their civilian counterparts, they can count time overseas on accompanied assignments towards the five-year UK residency criterion.

We have several measures in place to support non-UK armed forces personnel, such as the particularly unique provision regarding their children and British citizenship that I have already touched on. We recognise their contribution and sacrifice and are determined to do more, hence the Home Office and Ministry of Defence ran a joint public consultation last year regarding a policy proposal to waive settlement fees for certain non-UK service personnel in Her Majesty's armed forces. I was pleased to work on that with my hon. Friend the Member for Plymouth, Moor View (Johnny Mercer). The results of the consultation have now been analysed. The Government will publish our response shortly and make any associated fee changes through fees regulations at the earliest opportunity afterwards. While I am not in a position to confirm the final policy offer, I hope that provides some reassurance that the Government recognise the issue, have sought views from those affected on how best to address it, and will shortly announce our plans to do so.

There has been some focus in the debate on the proposal in the consultation to offer fee waivers to those who have served for a minimum of 12 years. That is in line with a service person's initial engagement period and takes account of the investment in their skills and training.

Johnny Mercer: Will the Minister give way?

Kevin Foster: In a moment. I acknowledge the strong representations made in the debate—I suspect I am about to get some more—as well as during the passage of the Nationality and Borders Bill and in response to the consultation, recommending that that threshold should be reduced. As I say, we will publish our response to the consultation shortly, and that will set out the final policy.

Johnny Mercer: I have to correct one of those pieces of information on the 12-year engagement point. I know it is not the Minister's fault, as it comes from the MOD. This is a very recent policy and does not actually apply to anyone who has served for a long time. The idea that someone serves for 12 years is rubbish; they can leave after four or five years. I am afraid that the 12-year engagement point is a huge red herring. We have to be honest in this debate. I know it is definitely not the Home Office's fault, but the idea that our foreign comrades sign up for 12 years and do not leave is garbage. I repeat that this is not the Minister's fault at all.

Kevin Foster: My hon. Friend makes his point strongly on the record. I will move on to the treatment of family members of non-UK service personnel and particularly whether any fee waivers should apply to them as well as to the principal applicant. As I said, I am not in a position to announce the revised policy, but the consultation did not include proposals to waive fees for family members. Offering fee waivers to family members of non-UK service personnel would put them in a more favourable position than UK nationals serving in the armed forces. While we could debate what the provisions for family members should be, we do not believe it is sensible to have a difference in this area, or for it to be an advantage to serve in the armed forces as a non-UK national rather than as a UK national.

Colleagues will be aware that the minimum income requirement is standard across immigration routes for settled persons wishing to sponsor family members and is mostly set at levels at which people would not generally be eligible for income-related benefits. Most armed forces personnel, regardless of their nationality, are single when they enlist. The salary in all three services once basic training is completed would enable them to sponsor a partner to come to, or remain in, the UK. Where personnel have children who are subject to immigration control, noting the provisions I outlined earlier, we recognise that it may take longer for junior-ranked personnel to meet the higher thresholds that apply. That is why the Home Secretary agrees with the recommendations of the review by my hon. Friend the Member for South West Bedfordshire (Andrew Selous), "Living in our shoes", published in June 2020, and has committed to a medium-term review of the impact of the minimum income requirement on armed forces personnel and their families.

In previous debates, the issue of Hong Kong Military Service Corps veterans has been raised. It is probably worth putting on the record again what I confirmed during the passage of the Nationality and Borders Bill. We have identified a potential solution to this issue and are currently investigating proposals that could see that cohort treated similarly to other non-UK service personnel with potential links to the former colony. That would be in addition to other pathways that they may already be eligible for, such as the British national overseas visa, which provides a path to settlement. There is considerable work to be done to fully scope the ramifications and impacts of this policy. However, I aim to provide further details to the House later this year.

Let me again offer my thanks to the hon. Member for Barnsley Central for securing this debate. As we have seen today and in the debate last month on the proposed

amendment to the Nationality and Borders Bill, this issue rightly arouses strong feelings among individual Members and across the House—understandably so, given that it covers those who have served our nation. The hon. Members present are committed and passionate advocates for this topic, and I commend them and others for raising this hugely important issue. The discussion that we have had today has exposed the significant and understandable strength of feeling that there is about it.

Johnny Mercer: Will my hon. Friend take one last intervention?

Kevin Foster: Go on, then.

Johnny Mercer: I am sorry; I am only making up for the fact that there are not many people here. If we applied the consultation proposal retrospectively to 2020, how many foreign and Commonwealth service personnel would benefit from it, as a percentage? Does my hon. Friend know? I am trying desperately not to catch him out, because I think that we did this work together.

Kevin Foster: The Government will publish their response to the consultation shortly.

Stephanie Peacock: I can help the Minister out—it is one in 10 Commonwealth veterans. Surely he can accept that these proposals are worthless if that is the case.

Kevin Foster: They certainly would not be worthless if they benefited someone. However, in terms of our final response, we hear the strength of opinions on the length of service proposed and the comments that have been made today. I suspect that I will hear even more on this issue in the not-too-distant future, given that later today I am due to meet the hon. Member for Barnsley Central, my hon. Friend the Member for Plymouth, Moor View and representatives of the Royal British Legion, of which I am a member myself, to discuss their concerns further. I look forward to hearing their views, not just on the issue of visa fees but more widely, including on the points that I have just made about any veteran who is here in the UK without regular status. We would urge such veterans to get in touch with the Home Office or, if they do not feel confident about getting in touch with us directly, with their local Member of Parliament.

I am mindful of the time, so I again pay tribute to our armed forces personnel for their tireless work and sacrifice. We know that there is more to be done to support them in this area and I look forward to being able to confirm shortly our next steps to recognise their service. As I say,

we know that there is more to be done to support them in this area, and I look forward to being able to give the House more details about how we will do that.

2.26 pm

Dan Jarvis: This has been a very useful debate and I am grateful for all the contributions from Members and for the Minister's response.

What this issue comes down to, when we strip everything back, is whether it is right to charge someone who has come here and served our country £2,389—£10,000 for their family—to stay in the country that they have risked their life to protect. I do not think that we can square the commitment that we as a country make to those who serve and to our veterans with the way that we treat our foreign and Commonwealth-born service personnel. Morally, I just cannot fathom how we can justify using people who have risked their lives for our country as cash cows to generate revenue for the Treasury coffers. It is just wrong, and for me it undermines the very fabric of our military covenant.

However, this issue can be fixed very easily; there is an open goal here for the Government. I very much hope that they will take the opportunity in the near future to kick the ball into the net, and I very much hope to see a response to the consultation in the near future. The Minister has said on a number of occasions that the Government will publish their response “shortly”. I hope that when they do so, it will show that they have listened to the representations that have been made by hon. Members in this place and to the voices of the service charities.

The Minister has been good enough to agree to meet me, the hon. Member for Plymouth, Moor View (Johnny Mercer), and the director general of the Royal British Legion later today for a further conversation about this matter. However, when the Government publish their response to the consultation, I hope that they will reflect on the limitations of the initial proposals and consider lowering the threshold and including veterans and their families.

I hope that the Minister and the Government will act to right this wrong. If they do so, that will be warmly welcomed, but if they do not, they should know that the hon. Gentleman and I, and many others besides, will keep going until we get this matter sorted.

Question put and agreed to.

Resolved,

That this House has considered immigration requirements for non-UK armed forces personnel.

2.29 pm

Sitting adjourned.

Written Statements

Wednesday 5 January 2022

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Energy Infrastructure Planning Projects: Suffolk

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): This statement concerns applications for development consent made under the Planning Act 2008 by East Anglia ONE North Ltd and East Anglia TWO Ltd for the construction and operation of the East Anglia ONE North and East Anglia TWO offshore wind farms with a maximum capacity of up to 800MW (East Anglia ONE North) and 900MW (East Anglia TWO), with associated infrastructure required to export the electricity to a proposed national grid substation at Friston in Suffolk.

Under section 107(1) of the Planning Act 2008, the Secretary of State must make a decision on an application within three months of the receipt of the examining authority's report unless exercising the power under section 107(3) of the Act to set a new deadline. Where a new deadline is set, the Secretary of State must make a statement to Parliament to announce it. The deadline for the decision on the East Anglia ONE North and East Anglia TWO applications was 6 January 2022.

I have decided to set a new deadline of no later than 31 March 2022 for deciding this application to allow an opportunity for further information including in respect of protected species and construction flood risk mitigation to be provided and considered.

The decision to set the new deadline for this application is without prejudice to the decision on whether to grant or refuse development consent.

[HCWS512]

TREASURY

Economy and Fiscal Forecast: 23 March 2022

The Chancellor of the Exchequer (Rishi Sunak): Today I can inform the House that I have asked the Office for Budget Responsibility to produce an economic and fiscal forecast for 23 March 2022, as per the charter for budget responsibility. The Budget Responsibility and National Audit Act 2011 states that the OBR must produce a forecast on at least two occasions each financial year.

Today I have also laid before Parliament an updated charter for budget responsibility. The updated charter sets out the new fiscal framework announced at autumn Budget and spending review 2021.

The new fiscal rules will allow the Government to continue funding first class public services and drive economic growth through record investment, while ensuring that debt falls over the medium term.

In accordance with the Budget Responsibility and National Audit Act 2011, the charter was first published in draft on 27 October as it includes modified guidance to the Office for Budget Responsibility. No further changes have been made to the updated charter since it was published in draft.

A debate and votes in the House of Commons on the updated charter and the level of the welfare cap will be scheduled in due course.

[HCWS513]

EDUCATION

Institutes of Technology

The Minister for Further and Higher Education (Michelle Donelan): I am pleased to say that on 17 December we announced the creation of nine new Institutes of Technology (IoTs) following the conclusion of the Wave 2 competition, subject to their proposals being turned into binding agreements. This brings the number of IoTs across the country to 21. All nine proposals met our quality standards and having an additional IoT to that which we committed to in our manifesto will provide even greater geographical coverage.

The Wave 2 competition delivered a range of high-quality proposals demonstrating a keen understanding of learner and employer needs and clear partnership working. They will benefit from up to £120 million of Government investment to fund industry-standard facilities and equipment. I am pleased to announce the lead organisations for the successful proposals and the areas they will cover below:

- Blackpool and The Fylde College (Lancashire LEP area)
- Cheshire College South and West (Cheshire and Warrington LEP area)
- Chichester College Group (Coast to Capital LEP area)
- DN Colleges Group (Sheffield LEP area)
- Newcastle and Stafford Colleges Group (Stoke on Trent and Staffordshire LEP area)
- Solent University (Solent LEP area)
- South Essex College (South East LEP area)
- University of Derby (D2N2 and Leicestershire LEP areas)
- University of Salford (Greater Manchester LEP area)

Institutes of Technology (IoTs) are collaborations between further education providers, universities and employers, with employers at the heart of decision making, curriculum development and delivery. They specialise in delivering higher technical education, supporting our aim to reform technical training to help employers get the skilled workforce they need and offer local people rewarding jobs and higher paid long-term careers.

The first wave of 12 Institutes of Technology in areas such as Yorkshire and Humber, the West Midlands, North East, South West and London were backed by £170 million investment to fund industry-standard facilities and equipment. Most are already open to learners.

[HCWS515]

Government's Skills Revolution

The Minister for Further and Higher Education (Michelle Donelan): On 17 December 2021, I announced a package that forms part of the Government's skills revolution which will level up more opportunities for everyone and

plug skills gaps to boost the economy. Adults and young people across the country will benefit from more high-quality and flexible education and training—levelling up opportunities and supporting more people into higher skilled, higher wage jobs.

A further nine institutes of technology were also announced and will join the 12 already up and running. The Government's network of institutes of technology are unique collaborations between employers, further and higher education providers—backed by £290 million of Government funding—that specialise in delivering high-quality higher technical education and training across a range of STEM occupations and industries, in subjects such as advanced manufacturing, digital and cyber security, aerospace, automotive engineering and healthcare to train people for technical careers that will plug skills gaps. The new institutes of technology, in locations including Blackpool, Derby, Salford and Essex, will help deliver the skilled workforce businesses need and support people of all ages to get better jobs and fulfil their potential. This takes the total to 21 institutes of technology, delivering on the Government's manifesto commitment.

People looking to upskill or retrain will have access to more than 100 short courses starting from September 2022, lasting between six weeks to a year, helping to fit training around their lives. More than 20 universities and colleges will offer the courses in subjects where there are skills shortages such as digital, net zero, education, STEM and healthcare, and offering an alternative to studying a traditional three-year degree. Student finance will be available to students taking the courses, marking the next step in the development of the Government's lifelong learning entitlement which, from 2025, will provide individuals with a loan entitlement to be the equivalent of four years of post-18 education they can use flexibly over their lifetime.

The Office for Students has made awards totalling £128 million to 100 successful further and higher education providers who will lead projects to modernise facilities following the outcomes of the Office for Students' strategic priorities grant 2021-22 capital bidding exercise, with a particular focus on STEM and supporting the disadvantaged. Two examples of successful projects include funding for Nottingham College to create a new laboratory science and innovation centre to expand their training offer, and funding to Roehampton University to deliver a new healthcare hub to support more higher technical, apprenticeships and flexible modular training. Details of all the successful projects can be found on the Office for Students' website.

On 17 December 2021, we also opened the bidding for a share of over £150 million from the fourth wave of the T-level capital fund, for colleges, schools and sixth forms delivering T-levels. The funding will be used to refurbish buildings and build brand new facilities, including creating training kitchens for catering students, studios for media students, and facilities for agricultural courses such as trainee milking parlours or labs to learn about land science in readiness for students starting courses in September 2023. The fund will also enable providers to buy up-to-date, industry standard equipment.

A further 12 projects totalling £16 million supported by wave 3 of the T-level capital fund were also announced, bringing the total to 77 projects that will provide new buildings and facilities for students studying T-levels

from September 2022. Successful projects include Gateway Sixth Form College in Leicester, awarded funding to create a dedicated health suite and a central learning resource space for students, and UTC South Durham, awarded funding to extend their engineering hall, to include two engineering workshops and an IT suite.

The Chancellor announced in the Budget that an extra £1.6 billion would be invested in 16-19 education and training by 2024-25 compared with 2021-22. The Department for Education has published details of how £615 million of that funding will be invested next year, resulting in the per student funding being boosted by over 8% from £4,188 in 2021-22 to £4,542 in 2022-23. This includes funding for an extra 40 hours of education per student to help them catch up on lost learning due to the pandemic. On top of this, funding for high value courses—those that deliver the skills that the country needs and which can lead to higher wages for students—and high cost courses including building and construction will also be increased.

The measures announced on 17 December will help level up opportunities for people and communities across England, and ensuring we have the skilled workforce needed to boost our economy.

[HCWS518]

HEALTH AND SOCIAL CARE

Covid-19 Vaccination Programme

The Secretary of State for Health and Social Care (Sajid Javid): The UK's covid-19 vaccination programme continues to protect the nation against the virus. In light of the omicron variant, we have accelerated the deployment of the vaccination programme to make vaccine accessible to all those eligible. Thanks to the remarkable work of the NHS, volunteers, the armed forces and everyone involved in the vaccination programme, more than 34 million boosters and third doses have now been administered in the UK. On Thursday 30 December, we reached the target we set to offer all eligible adults in England boosters by the end of December. However, our fight against the virus does not stop there and we urge everyone to play their part in protecting the country by taking up the vaccine and booster offer without delay.

Following emerging data on the spread of the omicron variant and careful consideration of available data, the independent Joint Committee on Vaccination and Immunisation (JCVI) has published further advice on the covid-19 vaccination programme. Her Majesty's Government (HMG) has accepted this advice and all four parts of the UK intend to follow the JCVI's advice.

At this time, the JCVI has advised the following^[1]:

A two-dose primary course of Pfizer vaccine should be offered to children aged five to 11 who are either in an at-risk group as per the UK Health Security Agency's (UKHSA's) Green Book or who are a household contact of someone who is immunosuppressed.

Booster vaccination eligibility should be expanded to include all those aged 16 and 17 not already included in an at-risk group, no earlier than three months after completion of their primary course.

Booster vaccination should be offered to 12 to 15-year-olds who are either in an at-risk group—as per Table 4 of UKHSA's Green Book—or who are a household contact of someone

who is immunosuppressed. Booster vaccine should be offered no earlier than three months after completion of their primary course.

Booster vaccination should be offered to those aged 12-15 who are severely immunosuppressed and who have had a third primary dose, no earlier than three months after completion of the third dose.

The NHS is working through updated guidance and will set out how this is going to be operationalised, in the new year.

The JCVI will continue to review the programme and options for maximising health benefits alongside closely monitoring the rapidly evolving data on the omicron variant of concern.

With the vaccine offer opened to those aged five to 11 in an at-risk group and deployment of the extended booster vaccine offer, I am now updating the House on the liabilities HMG has taken on in relation to further vaccine supply via this statement and the Departmental Minutes containing a description of the liability undertaken. The agreement to provide indemnity with deployment of further booster doses to the population increases the statutory contingent liability of the covid-19 vaccination programme.

Given the urgency with which we required JCVI advice and now deployment, we regret that it has not been possible to provide 14 sitting days' notice to consider these issues in advance of announcing the planned extension to the booster programme in the UK.

Deployment of effective vaccines to eligible groups has been and remains a key part of the Government's strategy to manage covid-19. Willingness to accept the need for appropriate indemnities to be given to vaccine suppliers has helped to secure access to vaccines, with the expected benefits to public health and the economy alike, much sooner than may have been the case otherwise.

Given the exceptional circumstances we are in, and the terms on which developers have been willing to supply a covid-19 vaccine, we along with other nations have taken a broad approach to indemnification proportionate to the situation we are in.

Even though the covid-19 vaccines have been developed at pace, at no point and at no stage of development has safety been bypassed. The MHRA approval for use of the currently deployed vaccines clearly demonstrates that these vaccines have satisfied, in full, all the necessary requirements for safety, effectiveness, and quality. We are providing indemnities in the very unexpected event of any adverse reactions that could not have been foreseen through the robust checks and procedures that have been put in place.

I will update the House in a similar manner as and when other covid-19 vaccines or additional doses of vaccines already in use in the UK are deployed.

HM Treasury has approved the proposal.

^[1] JCVI statement on covid-19 vaccination of children and young people: 22 December 2021— www.gov.uk.

[HCWS517]

Implementation of Statutory Integrated Care Systems

The Minister for Health (Edward Argar): Since 2018, Integrated Care Systems (ICSs) have been developing more integrated ways of working, bringing together NHS organisations and partners from local government and beyond to plan and provide services around residents'

needs as locally as possible. This integrated approach to person-centred care brings together actors in health and social care, alongside local and voluntary partners, to support people to retain their independence, health and wellbeing for longer.

The Health and Care Bill supports the move towards integration by providing measures to put integrated care systems on a statutory footing through the establishment of Integrated Care Boards and Integrated Care Partnerships. The Bill is currently being considered by Parliament and will soon be subject to line-by-line scrutiny at Committee Stage in the House of Lords. It is essential that Parliament is given sufficient time to properly consider the Bill.

Therefore, subject to the passage of the Bill, NHS England and the Department of Health and Social Care have continued to plan for the establishment of the proposed Integrated Care Boards. This includes a joint decision to set a target date for the introduction of statutory Integrated Care Systems in July 2022.

Joint working arrangements have been in place at system level for some time and significant steps have already been taken in preparing for the introduction of statutory Integrated Care Boards, if and when the Bill is enacted. This progress towards the proposed statutory Integrated Care Systems will continue in the new year. The target date for establishment of Integrated Care Boards in July 2022—which, as indicated earlier, is subject to the successful passage of the Bill—will provide greater certainty to systems and staff that are preparing for statutory Integrated Care Systems. NHS England and Improvement will of course continue to support systems with preparing for the proposed statutory Integrated Care Systems.

[HCWS516]

Our Vision for the Women's Health Strategy for England

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): "Our Vision for the Women's Health Strategy for England" was published on 23 December 2021. This sets out our ambitions and next steps for women's health, mapped against what we have been told through the women's health strategy call for evidence. It reflects the commitment this Government are making to women's health and will set the direction of future work.

The vision is informed by the evidence we received in our call for evidence. This was announced in March this year on International Women's Day, to support the development of the women's health strategy. It ran for 14 weeks to 13 June 2021 and comprised three components:

A public survey

We received nearly 100,000 responses from individuals in England who wanted to share their own experiences, the experiences of a female family member, friend or partner, or their reflections as a healthcare professional.

Written submissions

We received over 400 written responses from organisations with expertise in women's health which were used to inform the vision document.

Focus groups

We also commissioned focus groups with women to acquire depth of insight. The resulting independent academic report has recently been published on the University of York website and can be found here:

I would like to extend my thanks to every person and organisation who took the time to share their experiences through the call for evidence and spread the word about the consultation. It is thanks to these participants that we were able to acquire such rich insights into views on women's health.

Recent progress on women's health

While we have been working to analyse the huge number of responses for the call for evidence, we have not waited to take action. In July we published the Government response to the Cumberlege report which focused on how the system listens to women when they raise concerns about their health and safety.

In October, I announced several measures designed to improve menopause care. This included amendments to the charging regulations to reduce the cost burden of HRT for menopausal women and a new UK-wide menopause taskforce which will hold its inaugural meeting shortly.

Earlier this year, we committed to ban the abhorrent practice of virginity testing in our strategy for tackling violence against women and girls as part of our commitment to safeguard women and girls. In November 2021, the Government delivered on this commitment by bringing forward a Government amendment to the Health and Care Bill to ban virginity testing, which was passed unopposed in the House.

This activity marks a significant improvement in many areas which touch upon women's health. However, there is clearly much more to be done.

Our Vision for the Women's Health Strategy and Analytical Report of the Call for Evidence

On 23 December 2021, the government published the analytical report of the call for evidence and "Our Vision for the Women's Health Strategy for England".

The analytical report of the call for evidence sets out the findings from the public survey. This has provided rich insight into women's experiences and priorities for their health and care, and at times makes for sobering reading.

For example:

84% of respondents said there have been instances when they were not listened to by healthcare professionals.

Nearly two in three respondents with a health condition or disability said they do not feel supported by the services available for individuals with their condition or disability

58% of respondents said they felt uncomfortable talking about health issues with their workplace and 7% were not sure how they felt. These issues do not affect all women equally. White respondents felt the most comfortable discussing health issues at work (37%), while the Asian and Other ethnic group felt the least comfortable (30% and 29% respectively)

There are no quick and easy solutions to some of the entrenched problems within the system. However, I am determined to make sure that we act on the concerns that women have shared with us. This Government and our stakeholders across the system are committed to doing better for women.

Priority topics

Respondents were also given the opportunity to share the conditions which were most important to them. Their responses give us the mandate to look carefully at women's health across the life course and make meaningful change.

The priority topics for women varied by age, broadly aligning with the stage of their life. However, the overall top five topics respondents want to see prioritised for inclusion in the women's health strategy are:

gynaecological conditions

fertility, pregnancy, pregnancy loss and post-natal support

the menopause

menstrual health; and

mental health

Insight from the written submissions has also informed the development of the vision. We will publish a separate report, based on the written evidence submitted by organisations and individuals with expertise in this field, in early 2022.

The Vision

Alongside the analysis of the call for evidence, we also published "Our Vision for the Women's Health Strategy for England" which sets out our ambitions for women and girls' health in England.

The phenomenal volume of responses to the call for evidence has meant that analysis has taken longer than anticipated. It was essential that we gave the analysis the level of rigour it deserved, in order to understand fully what we have been told by the public.

It was also important to me to share the analysis with Parliament and the public as soon as possible and show the clear direction it has given us. As such, we are publishing our vision now and will follow up with the full women's health strategy in spring 2022.

The vision document first sets out our life course approach to women's health, and our thematic priorities which cut across all stages of the life course:

On women's voices, our ambition is for all women to feel comfortable talking about their health and to no longer face taboos when they do talk about their health. We will also work to better understand the causes of women not feeling listened to make sure any interventions address the root cause.

On healthcare policies and services, our ambition is that women can access services that meet their needs across throughout their lives. We want to support local systems to deliver models of care that work for women. We will also work to explore improvements in care for specific conditions where disparities are greatest.

On information and education, our ambition is to make sure that all women will have access to high quality information and education from childhood through to adulthood, in school and beyond. Further, clinicians must feel confident to deliver information and high-quality care more broadly to women. To do this, clinicians need to have high quality, relevant training on women's health.

On health in the workplace, our ambition is that all women feel supported in the workplace and can reach their full potential at work. We are conducting work relating to the menopause in the workplace which we hope will act as best practice for other conditions.

On research, evidence and data, our ambition is to embed routine collection of demographic data of participants in research trials to make sure that our research reflects the society we serve. We are also committed to looking into the gender data gaps further and identifying where there are differences in conditions between genders.

Priority areas

In addition to these themes, the vision sets out our ambitions on priority conditions where the call for evidence highlighted particular issues or opportunities. These include but are not limited to:

menstrual health and gynaecological conditions
 fertility, pregnancy, pregnancy loss and postnatal support
 the menopause
 healthy ageing and long-term conditions
 mental health; and
 the health impacts of violence against women and girls

On this last point on violence against women and girls, I was pleased to be able to announce on the 23 December 2021 the immediate action that this Government are taking to protect women and girls from harm.

When the Government published the tackling violence against women and girls strategy earlier this year, we committed to establishing an expert panel to review whether we should ban hymenoplasty. This is a procedure to reconstruct the hymen, with the intended purpose of causing bleeding during sexual intercourse.

We established the independent panel due to concerns that the uptake for the procedure, which although it is regulated, is intrinsically linked to virginity testing, and stems from the same repressive attitudes towards a women's sexuality and the concept of virginity.

In December, the panel recommended to Government that hymenoplasty should be banned.

As announced before Christmas, the Government agreed with this recommendation and will introduce legislation to ban hymenoplasty as soon as parliamentary time allows.

Next steps for developing the Women's Health Strategy

In spring 2022 we will publish the full women's health strategy, building on our vision and ambition, and set out in detail our plans for meeting the specific health needs of women throughout the different stages of their lives.

To support this, we will appoint the first ever women's health ambassador for England.

This person will focus on raising the profile for women's health, increasing awareness of taboo topics, and bringing in a range of collaborative voices to develop the women's health strategy.

The ambassador will develop networks across and outside of Government to champion women's health and break down stigmas which surround particular areas of women's health.

I am pleased to announce that we will shortly be launching an expression of interest for this role. I would encourage applications from candidates who have experience in the sector and a passion for women's health. I look forward to working with the post-holder to drive forward this agenda even further as we develop the strategy.

This vision speaks to the commitment of this Government to women's health. It sets the direction for the strategy we are developing over the coming months. In spring 2022, we will publish the full women's health strategy building on our vision and ambition and set out in detail our plans for specific health needs that women experience throughout their lives.

I am excited about the coming months and what we will be able to achieve in the long-term. The publication of "Our Vision for Women's Health for England" and the analytical publication of the call for evidence marks a key milestone in women's health.

I am confident that based on the evidence and a clear vision, we will be able to make progress on the issues that matter most to women, in developing the strategy for spring 2022.

[HCWS519]

HOME DEPARTMENT

Transport for London Funding: Extension

The Secretary of State for Transport (Grant Shapps):

Following my statement to the House on 13 December, I am updating the House on a seven-week extension of the current Transport for London funding settlement that was due to expire on 17 December 2021. The Mayor of London and I have agreed to extend the current settlement to 4 February 2022.

We have thus far supported London with over £4 billion funding and these extraordinary funding settlements for Transport for London recognise the reliance of London's transport network on fare revenue, and Government's commitment now and in the future to mitigating loss of fare revenue because of the pandemic. This extension has provided certainty to Transport for London and to Londoners over the Christmas and New Year period while also allowing Government and Transport for London to monitor and adapt to the impact of the omicron variant of the virus.

The extended settlement will continue to support the capital and its transport network—on the same terms as previously agreed—until 4 February, when Government expect there to be a new funding settlement in place. The extension letter also includes amendments to the current settlement relating to fares and the Hammersmith bridge ferry.

On 15 December, the Department for Transport received further information and specificity from the Mayor of London relating to his proposals, set out in his letter of 8 December, to raise new income of between £0.5 billion and £1 billion in line with the commitment agreed under the June 2021 emergency settlement. The original deadline for this information was 12 November. Following receipt of the Mayor of London's 15 December letter, the Government are satisfied that at this stage he has provided sufficient information on his proposals. We have therefore agreed to extend the current Transport for London Settlement from 17 December 2021 to 4 February 2022 so that Government are able to fully consider these proposals.

The Government are committed to supporting London and the transport network on which it depends, while balancing that with supporting the national transport network as a whole.

[HCWS514]

Petition

Wednesday 5 January 2022

OBSERVATIONS

HOME DEPARTMENT

Off-road vehicles in the Gwyddon Forestry

The petition of residents of the constituency of Islwyn,

Declares that illegal off-road vehicles have caused and continue to cause irreparable damage to the environment of the Gwyddon Forestry in Abercan; further that the Gwyddon Forestry has, until recent years, been a safe haven for wildlife to flourish and for cyclists, pedestrians and horse riders to enjoy the rights of way and footpaths afforded to them, but that the vehicles are now destroying the natural habitats of wildlife; further that residents have been threatened when confronting illegal vehicle-users and have concerns for their own safety when reporting these issues to the police; and further that the off-road vehicles are driven and ridden recklessly by uninsured and unlicensed individuals, making it inevitable that accidents will take place.

The petitioners therefore request that the House of Commons urge the Government to engage with South Wales and Gwent Police to enforce the laws currently in place to prevent illegal activity and to encourage stronger actions against illegal off-road riders and drivers.

And the petitioners remain, etc.—[Presented by Chris Evans, *Official Report*, 1 December 2021; Vol. 704, c. 1016.]

[P002699]

Observations from the Minister for Crime and Policing (Kit Malthouse):

The Government believe that any form of antisocial, dangerous or inconsiderate behaviour involving vehicles, including that which involves illegal off-road vehicles, is

a serious issue. The police can deal with antisocial behaviour (ASB) involving vehicles—e.g. off-road vehicles, driving across public open spaces—in the same way as they deal with any other ASB. Furthermore, the police have powers under the Road Traffic Act 1988 and section 59 of the Police Reform Act 2002 to seize vehicles being driven illegally without a valid driving licence or insurance or in an antisocial manner respectively. Decisions on when to use these powers and how available resources are deployed are operational matters for Chief Constables in conjunction with local policing plans. They are best placed to understand how to meet the needs of local communities like the constituency of Islwyn.

The Government have provided the police, local authorities and other local agencies with a range of tools and powers that they can use to respond quickly and effectively to all forms of ASB through the Anti-social Behaviour, Crime and Policing Act 2014. These powers are deliberately local in nature, and it is for local agencies to determine whether their use is appropriate in the specific circumstances of each case, including for nuisance involving vehicles. Incidents of ASB, including those involving off-road vehicles, should be reported to the neighbourhood policing team and the local authority responsible for the public land. When the problem is entrenched, it is for the local authority and community safety partnership to set a strategy and response that goes beyond reactive policing of this kind of repeat behaviour.

In January the Government updated the Home Office statutory guidance to support local agencies to make effective use of the powers given to them, which ensures a victim-centred approach to tackling ASB. In July the Beating Crime Plan laid out the Government's plan for tackling crime and ASB, and making communities safer. The Government will continue to support the police to ensure they have the tools needed to enforce road traffic and ASB powers.

Ministerial Corrections

Wednesday 5 January 2022

TREASURY

Co-operatives and Mutual Societies

The following is an extract from the Westminster Hall debate on Co-operatives and Mutual Societies on 14 December 2021.

John Glen: We have also released £96 million of dormant asset funds to Fair4All Finance, to support access to affordable credit products, including those from credit unions. Last Monday, on Second Reading of the Dormant Assets Bill, we introduced the extension of the pool of moneys that will be available from an extended range of financial instruments—£880 million over the next 10 years—which will be **for Fair4All Finance to allocate**.

[Official Report, 14 December 2021, Vol. 705, c. 271WH.]

Letter of correction from the Economic Secretary to the Treasury:

An error has been identified in my speech.

The correct information should have been:

John Glen: We have also released £96 million of dormant asset funds to Fair4All Finance, to support access to affordable credit products, including those from credit unions. Last Monday, on Second Reading of the Dormant Assets Bill, we introduced the extension of the pool of moneys that will be available from an extended range of financial instruments—£880 million over the next 10 years—which will be **available for allocation**.

WORK AND PENSIONS

Topical Questions

The following is an extract from Work and Pensions questions on 13 December 2021.

Margaret Ferrier: A free university-level education is a monumental benefit of living in Scotland. What discussions has the Secretary of State had with her colleagues in the Department for Education about the benefits of making higher levels of education accessible and the impact that would have on the employability of young people?

Dr Coffey: I am conscious that the hon. Lady thinks that just because there is a free course, those people who are most disadvantaged in her country will take advantage of it. In fact, that has not been the case; we see far more

people in England from less privileged backgrounds getting into university and benefiting from that. It is important that we have a balanced approach, recognising the importance of level 3, 4 and 5 apprenticeships in particular and the fact that, once they have graduated, those people will be better off financially, except compared with those in Russell Group universities, within 10 years.

[Official Report, 13 December 2021, Vol. 705, c. 778.]

Letter of correction from the Secretary of State for Work and Pensions:

Errors have been identified in my response to the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier).

The correct information should have been:

Dr Coffey: It is important that we have a balanced approach, recognising the importance of level **4 and 5** apprenticeships in particular and the fact that, once they have graduated, those people will be **in a similar position financially to those who have graduated from university** within **five** years.

TRANSPORT

Major Road Blockages: Climate Activists

The following is an extract from Transport questions on 16 December 2021.

7. **Marco Longhi:** What steps the Government are taking to help prevent climate activists from blocking major roads in England. [904787]

8. **Tom Hunt:** What steps the Government are taking to help prevent climate activists from blocking major roads in England. [904788]

The Secretary of State for Transport (Grant Shapps): National Highways continues to pursue legal action against individuals who breached its injunctions. Thanks to those injunctions, which I asked National Highways to pursue, 11 people have been prosecuted and will be spending this Christmas at Her Majesty's pleasure.

[Official Report, 16 December 2021, Vol. 705, c. 1129.]

Letter of correction from the Secretary of State for Transport:

An error has been identified in my response to my hon. Friends the Members for Dudley North (Marco Longhi) and for Ipswich (Tom Hunt).

The correct response should have been:

The Secretary of State for Transport (Grant Shapps): National Highways continues to pursue legal action against individuals who breached its injunctions. Thanks to those injunctions, which I asked National Highways to pursue, **10 people** have been prosecuted and will be spending this Christmas at Her Majesty's pleasure.

ORAL ANSWERS

Wednesday 5 January 2022

	<i>Col. No.</i>		<i>Col. No.</i>
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