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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Tuesday 11 January 2022

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The House met at half-past Eleven o'clock

PRAYERS

[Mr SPEAKER *in the Chair*]

Oral Answers to Questions

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

The Secretary of State was asked—

UK Productivity

1. **Damien Moore** (Southport) (Con): What steps he is taking to improve productivity levels in the UK. [904922]

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): As we recover from the pandemic, the Government are seizing the opportunity to drive up productivity. We seek to level up the private sector in all parts of the UK.

Damien Moore: I recently visited the Financial Planning Corporation in my constituency, whose impressive productivity has enabled it to expand its business. Will the Secretary of State confirm that if bills and taxes go up in the spring, local businesses will continue to operate in a productive environment, free from bureaucracy and unnecessary red tape?

Kwasi Kwarteng: Absolutely. I know that my hon. Friend is doing an excellent job of representing his constituents and making sure that the Government deliver on the levelling-up agenda.

Mr Speaker: I call the shadow Minister.

Bill Esterson (Sefton Central) (Lab): Buying British is a great way for the Government to boost productivity, so why are they buying so many covid tests from China? Many of those tests have only temporary approval from the Medicines and Healthcare products Regulatory Agency and are now banned in the United States. In contrast, the MHRA is delaying approval for British test manufacturers, who have approval and can sell around the world but not here. Surely the Secretary of State is not going to tell us that the MHRA has a different set of standards from those in all other countries. When will he get behind British manufacturers who want to play their part in fixing the shortage of covid tests?

Kwasi Kwarteng: The hon. Gentleman will know that the UK has led the world in life sciences manufacturing. I am delighted that the Under-Secretary of State, my hon. Friend the Member for Mid Norfolk (George Freeman), has taken up the role of life sciences Minister. He has engaged with our manufacturing base, and people look to the UK as an outstanding example of a world-leading life sciences manufacturing nation.

Hospitality Sector: Covid-19 Support

2. **Mr Gagan Mohindra** (South West Hertfordshire) (Con): What plans he has to support small and medium-sized enterprises in the hospitality sector during the covid-19 outbreak. [904923]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): In addition to our £400 billion package, including grants, loans, business rates relief, VAT discounts and the rent moratorium, we are providing a further £1 billion for hospitality businesses and an extra £100 million in discretionary grants—a lifeline for many small businesses.

Mr Mohindra: Great British pubs are the heart of our community, especially in rural constituencies such as mine. I recently hosted a roundtable with several pubs in South West Hertfordshire, at which they expressed their concerns about the next few months after a tough December. Will the Minister confirm that he will do all he can to encourage people to return to their local pub? Will he commend publicans for their hard work making their businesses covid-safe, indoors and out?

Paul Scully: I thank my hon. Friend for his support for our pubs. It is important that we save our pubs one pint at a time; they play a crucial role in our high streets, our communities and our wellbeing. I am working, through the hospitality recovery strategy, to champion pubs at the heart of our communities, many of which have been supporting the vulnerable during the pandemic. We will showcase the value of the excellent work of pub landlords to make venues covid-secure, including with good ventilation.

Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op): My nightclub in Brighton, Revenge—[*Laughter.*] It is not mine personally, although I do like to frequent it. It has seen a 60% fall in its patronage because of the latest variant. It is really struggling, but it has been told that it is not eligible for the latest round of grants because it has received previous grants, including the recovery grant. That is a real problem for our night-time economy and for many businesses. Will the Minister confirm that any business in the night-time economy or hospitality sector is eligible for the latest round of grants that he has released?

Paul Scully: I thank the hon. Gentleman for his reference to that aptly named nightclub in Brighton. Clearly, opening nightclubs is a big challenge because of ventilation, but they are eligible for discretionary grants: councils have £100 million for discretionary grants to support them.

Mrs Maria Miller (Basingstoke) (Con): The café and restaurant owners I met in Basingstoke before Christmas saw their bookings plummet in the key pre-Christmas weeks, so they will really welcome the extra support that the Minister speaks about. The newly recognised personal care sector—hair and beauty—was similarly hit. Will he support that sector as well: the hairdressers, barbers and beauty businesses that make up our high streets?

Paul Scully: I support the personal care sector, which I have engaged with regularly over the past few weeks. My right hon. Friend refers to the hospitality sector, cafés and the like. The grants that we are now offering

equate to the levels we were offering when those businesses were closed, in recognition of the chilling factor affecting the number of events booked in the lead-up to Christmas—that is the rationale behind it. The care sector can also get discretionary grants from the local authority.

Mr Speaker: I call the shadow Minister.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Tory failures on the economy now show all too clearly that the Tories are no longer the party of business. Business taxes and costs are rising, revenues and profits are falling, and businesses face a cliff edge in March as support is withdrawn. Yet when hospitality businesses were losing, on average, £10,000 a week, the Chancellor was in California, with the Business Secretary nowhere to be seen. Does the Minister agree that hospitality businesses, hit hard by covid and Government chaos, need more than the one-off grants finally announced, and will he now back Labour's calls for the Government to consider extending the VAT discount for hospitality?

Paul Scully: This Government continue to be the Government and the party for businesses, and that includes the hard-pressed hospitality sector, which is such a crucial part of the ecosystem of our high streets, our cities, and our coastal and rural areas. The Secretary of State and I spoke to hospitality sector representatives of all kinds within hours of the announcement of the move to plan B ahead of Christmas, and we will continue to support them as best we can.

Science and Innovation: Levelling Up

3. **Karl McCartney** (Lincoln) (Con): What steps he is taking to harness science and innovation for the purposes of the Government's levelling-up agenda. [904924]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (George Freeman): UK leadership in science, technology and innovation is already driving huge investment in new sectors, companies and clusters throughout the UK, from the Newquay spaceport to the Shetlands, and from Northern Ireland to Teesside, Aberdeen and other life science clusters around the country. However, we intend to go further, and following our innovation nation strategy, we are committed to supporting those clusters. I am engaged in talks with my right hon. Friend the Secretary of State for Levelling Up, Housing and Communities, and details will be provided in the forthcoming levelling up White Paper.

Karl McCartney: My hon. Friend may know that a leading example of science and innovation as a key tool in achieving levelling up is the Lincoln Science and Innovation Park in my city constituency of Lincoln, which has been headed by the excellent Tom Blount for a number of years. The aptly named Boole Technology Centre, of calculus infamy, has been a great success to date and continues to expand even further, recently attracting notable international tenants and job providers. What financial support can our Government offer, so that organisations such as the Lincoln Science and Innovation Park can continue to grow and nurture companies such as KryptoKloud, and similar new ones can be created?

George Freeman: I congratulate my hon. Friend, who has been a tireless advocate for the Lincoln cluster. He asked about funding. In the comprehensive spending review, we set out the biggest increase in investment in science and innovation for a generation. Specifically, 34 projects in the cluster are funded by UK Research and Innovation. I look forward to discussing this with my hon. Friend, who has made a powerful pitch for that centre to be recognised as a cluster, and I look forward to visiting it.

Dan Jarvis (Barnsley Central) (Lab): The University of Sheffield's new gene therapy innovation and manufacturing centre shows that South Yorkshire can lead the world when it comes to research, but nearly half of all R&D spending goes into the golden triangle. What is the Minister doing to ensure that the north gets its fair share?

George Freeman: That was a great question. The hon. Gentleman is right. In fact, there are several clusters in the Yorkshire area, and in a previous career I myself worked in the Sheffield university cluster, which is very powerful.

Our strategy is that if we wish to be both a global science superpower to attract investment internationally and an innovation nation, we will not achieve that by moving the golden triangle north. What we must do is increase spending in the north, which we are already doing, and grow the supply chains in, for instance, advanced manufacturing. We are not just an invention economy; we are also a manufacturing and innovation economy, and Yorkshire, and Sheffield specifically, have a big part to play in that.

James Gray (North Wiltshire) (Con): That truly iconic British-built scientific research vessel RRS Sir David Attenborough—built by Cammell Laird of Birkenhead—came up the Thames just before Christmas, at the time of COP26. Does the Minister agree that she is the epitome of all that is best about British science, and that the British Antarctic Survey, through its work in both the Antarctic and the Arctic, leads the world in research on climate change in particular, and in so many other areas of science?

George Freeman: My hon. Friend is right, and he is also a powerful envoy for the Government in terms of our polar science. The royal research ship Sir David Attenborough is something of which all of us in the House can be proud. It is an incredible platform, and it embodies the very best of British leadership in science and innovation, with international scientists working on global challenges.

Valerie Vaz (Walsall South) (Lab): Will the Minister publish details of the business innovation forum, and how it will hold the Government to account on the distribution of the shared prosperity fund throughout the UK?

George Freeman: Yes. We are in the process of establishing the forum, and I want to ensure that we are talking not just to the same old people whom the Government always talk to but to the companies on the frontline—the leaders of the sectors of tomorrow. In the innovation strategy we set out seven high-growth sectors, and I will publish details of that in due course.

New Nuclear Power

4. **Sir Robert Goodwill** (Scarborough and Whitby) (Con): What steps he is taking to deliver new nuclear power. [904925]

The Minister for Energy, Clean Growth and Climate Change (Greg Hands): Let me pay tribute to those who worked at Hunterston nuclear power station in Scotland, which closed a few days ago. The operators have reported that since the station came online in 1976 it has produced enough zero-carbon electricity to power every home in Scotland for nearly 31 years.

Looking ahead, the Government have announced a £120 million future nuclear enabling fund to support new nuclear and we are aiming for a final investment decision on at least one more large-scale nuclear project during this Parliament, subject to value for money and relevant approvals.

Mr Goodwill: What a shame that the Scottish National party is not pressing for a replacement of that old girl, who has given fantastic service over the years. Will the Minister reassure me that he sees nuclear as a way of not only replacing electricity capacity but producing the hydrogen we will need to power the heavy vehicles—the buses and trucks—of the future?

Greg Hands: I thank my right hon. Friend for that further question, and I totally agree with him on where the SNP is. On energy in general, SNP Members are not the friends of Scotland on nuclear or the North sea. He is also absolutely right on hydrogen. On the Government Benches we recognise that net zero needs nuclear for security of supply, to meet our decarbonisation targets and to support new industries such as hydrogen.

Alan Brown (Kilmarnock and Loudoun) (SNP): When it comes to new nuclear, there is not a single successful EPR plan operational anywhere in the world. The regulated asset base—RAB—model has not been shown to work for new nuclear, so why does the Minister think that it is a good investment of £63 billion of bill payers' money to sign up for Sizewell C when it is just going to be another white elephant?

Greg Hands: I repeat my disappointment. Scotland has an amazing nuclear past and I would like it to have a very good nuclear future, but unfortunately the Scottish Government stand in the way. This country needs nuclear, and net zero needs nuclear. Hinkley is being built, and we are very confident of the numbers and of building new nuclear power stations in this country. That is what the Nuclear Energy (Financing) Bill—which secured its Third Reading yesterday with the support of the official Opposition but not of the SNP or the Lib Dems—is all about.

Virginia Crosbie (Ynys Môn) (Con): My constituency is home to Wylfa Newydd, the best potential nuclear site in the UK. Will the Minister accept my invitation to visit Wylfa Newydd to see at first hand why the Prime Minister himself is a fervent supporter?

Greg Hands: I absolutely accept that invitation. There is no more passionate an advocate of new nuclear in this House than my hon. Friend. Nuclear is going to be a vital part of our future. The UN Economic Commission

for Europe recently said that international climate objectives would not be met if nuclear power were excluded, so it is a key part of our net-zero ambitions.

John Spellar (Warley) (Lab): I was disappointed that, in his reply, the Minister did not refer to small modular nuclear reactors, which surely are the future in this sector. Can we take the lesson from the vaccine taskforce that rigorous scientific methods can be combined with speeding up the process and cutting out dead time? Can he convey that message to the regulators so that this world-beating technology can be built in Britain to the benefit of British industry and British workers?

Greg Hands: I absolutely share the right hon. Gentleman's enthusiasm for SMRs. At the end of last year, the Secretary of State announced funding for SMRs of £250 million, working with Rolls-Royce and with the best of British industry and innovation on SMRs. I recently had a meeting with Sheffield MPs as well, where we talked about Sheffield's potential to host SMRs, along with other sites. SMRs are very much part of our nuclear future.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): Is the Minister aware that my constituency is on the frontline of the SNP Scottish Government's dogmatic opposition to new nuclear power stations? For over 50 years, the Chapelcross power station near Annan provided much-needed jobs and a huge boost to the local economy, yet despite public support we cannot have Chapelcross 2 because the SNP is blocking it.

Greg Hands: My right hon. Friend has been a passionate defender of Scotland's interests since he and I were first elected in 2005, and he is absolutely right. The SNP has a nonsensical policy towards energy in Scotland in general, and towards nuclear in particular. There is a great civil nuclear heritage in Scotland which the SNP has betrayed. I wholly agree with my right hon. Friend.

Flood Recovery Support

5. **Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): What steps he is taking with the Secretary of State for Levelling Up, Housing and Communities to ensure the adequacy of business and community flood recovery support funding. [904926]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): The flood recovery framework is in place to determine where communities and businesses need support from central Government in severe flood events. The guidance has recently been reviewed and refreshed, to learn from previous years. The framework includes the business recovery grant, which BEIS administers as part of a Government core package of support for communities and businesses.

Emma Hardy: Flooding is now inevitable: climate change means that it is going to happen. It is not a question of if but a question of when, and small and medium-sized enterprises are disproportionately affected by the devastation of flooding. The Flood Re insurance scheme does not cover small businesses, meaning that

many are left without insurance. I am pleased to hear that the flood recovery grant system is being looked at again, but will the Minister now consider talking to SMEs to design a scheme that is ready to go from the moment flooding happens? As I say, flooding is not a question of if but a question of when.

Paul Scully: The Flood Re scheme does not include businesses, as the hon. Lady says, and there are no plans to extend eligibility because that market operates differently from the household insurance market. The scheme is bespoke. I appreciate that SMEs are disproportionately affected compared with bigger businesses, but I suggest that the hon. Lady engages directly on this with the Department for Environment, Food and Rural Affairs.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will the Minister look at the opportunities to manage Britain's longest river, the River Severn? We believe that, if an holistic solution were found to managing Britain's longest river, there would be a gross value added uplift in the west midlands of more than £150 billion. These figures are being presented to DEFRA. Will he and his Department also take an interest and work with me, as chairman of the all-party parliamentary group on the River Severn Partnership, on trying to find a solution to managing Britain's longest river?

Paul Scully: It is important not to wait until flooding happens, as we have heard, but to manage it actively. Organisations such as Living With Water in the constituency of the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) have done very good things in proactively tackling flooding.

Again, I suggest that my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) works with DEFRA. I am happy to see what more I can do in that regard.

Night-time Economy

6. **Munira Wilson** (Twickenham) (LD): What steps his Department is taking to support businesses in the night-time economy. [904927]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): BEIS and the Department for Digital, Culture, Media and Sport sponsor the hospitality and entertainment sectors, both of which support the night-time economy. Alongside the £400 billion package of grants, loans, business rates relief, VAT discounts and rent moratoriums, we are providing £1 billion-worth of grants and £100 million-worth of discretionary grants.

Munira Wilson: Although the night-time economy has clearly been thriving in Whitehall, especially at the height of lockdown, many bars, clubs and pubs across the rest of London are unfortunately struggling to stay afloat, and many of them employ my constituents. The Night Time Industries Association suggests that its members have lost, on average, £45,000 over the festive period, so the grants do not touch the sides. Will the Minister commit to providing further financial support to this sector by reintroducing the 100% business rates relief and the emergency 5% VAT rate?

Paul Scully: The business rates relief and VAT relief continue, but the grants the Chancellor has offered equate to the grants we previously offered when the same businesses were mandated to close, in recognition of the chilling effect. Clearly we will continue to work with the hospitality sector, which wants to stay open and trade normally. That is why we are learning to live with covid, in contrast with, for example, Labour-run Wales, where the hospitality sector has remained hampered by further restrictions.

Sir David Evennett (Bexleyheath and Crayford) (Con): I welcome all the support the Government have given to businesses and all the work the Minister has done personally in this area. However, hospitality and the night-time economy in Bexleyheath town centre still face real challenges with staffing as well as finance. Will my hon. Friend continue to meet representatives of these sectors to take their views on board and see what more can be done, particularly on staffing?

Paul Scully: I absolutely agree with my right hon. Friend. Interestingly, we now have 400,000 more people in work than before the pandemic, which is testament to the plan for jobs and the plan for growth, but we need to address the record number of vacancies. We need to match them with the people in work who want to work more hours, and we will do that between the Department for Work and Pensions and my work in BEIS. There will be a cross-Government approach to make sure hospitality can thrive.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The Minister knows that Newcastle's night-time economy is absolutely core to our city's appeal and character. But we know that businesses in the night-time economy have accrued massive debts during this period. They are struggling with the continued uncertainty that omicron is bringing. We know that the night-time economy—our nightlife—is what makes Newcastle great and discretionary grants are welcome, but we know that some areas are impacted worse than others and have less discretionary ability to spend that on the night-time economy. So, will the Minister look at specific, targeted support for that sector, for those areas that really need it?

Paul Scully: We are trying make sure that the cities can open in full. That is a return to work, a return for students, a return to domestic travel, and a return to international travel. All those people contribute to that ecosystem of hospitality, and indeed the night-time economy, so cities have a particular view that we need to approach. We will continue to flex and work with businesses as they open up fully to pay down their debt and to trade as normally as possible to ensure that the hospitality sector—the night-time economy—can thrive in Newcastle.

Off-grid Homes: Emissions

7. **Laura Trott** (Sevenoaks) (Con): What steps he is taking to support the transition to net zero carbon emissions for homes not connected to the mains gas grid. [904928]

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): I would like to reassure my hon. Friend that if we look back at where we were this time last year, we came out with the heat and buildings strategy, which directly answered this question, and also a very generous comprehensive spending review settlement.

Laura Trott: I thank the Secretary of State for his answer. In Sevenoaks we are keen to play our part in achieving net zero, but many of my constituents in more rural areas are worried about the costs and feasibility of replacing their oil boilers as they are phased out. Can the Secretary of State provide reassurances to them, and all in a similar position, that safeguards will be put in place to ensure that alternatives are affordable and practical?

Kwasi Kwarteng: Very specifically in regard to her question, my hon. Friend will know that there is a £450 million boiler upgrade scheme, which was outlined in the CSR, that will provide up-front capital grants for the installation of low-carbon heating systems. She will also be aware that for lower-income households we have a £1.1 billion home upgrade grant, which will upgrade energy efficiency and increase low-carbon heating of non-gas homes across the country.

Dr Alan Whitehead (Southampton, Test) (Lab): I am sure that the Secretary of State is aware that off-grid customers' gas and oil supplies are not covered by the price cap, and that they will therefore experience even higher fuel price increases this spring than the £600 or so now predicted for on-grid customers. Is the Secretary of State intending to provide any special assistance to off-grid customers, or is he going to let them stew alongside their on-grid neighbours, as the Government seem happy to do at the moment?

Kwasi Kwarteng: I think that is a complete misrepresentation of all the work that the Government have done to help customers. There are the winter fuel payments, as the hon Gentleman well knows, and £300 for 8 million pensioners is worth £2 billion. We have the warm home discount, we have cold weather payments. We have a full range of measures that will help off-grid customers in a difficult time.

Life Sciences

8. **Simon Fell** (Barrow and Furness) (Con): What support his Department is providing to life sciences clusters across the UK. [904929]

12. **Peter Gibson** (Darlington) (Con): What steps he is taking to develop the UK's life sciences sector. [904933]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (George Freeman): As a result of this Government's long-term life science strategy, now a 10-year strategy, I am delighted to be able to share with the House that the life science sector has grown, in terms of private investment, by 1,000% in the last 10 years and is creating jobs all around the UK—in Northern Ireland, Scotland, Wales. At the heart of our strategy for the innovation nation, in our life science vision last summer we set out a plan, with £5 billion in the comprehensive spending review of funding for life science research, and we intend to support those clusters all around the UK.

Simon Fell: I welcome the effort that my hon. Friend has given to developing this important policy and his characteristic kindness in engaging with me on it. Clusters will be crucial to improving UK resilience and building

our manufacturing capacity. In Ulverston we have an established base with GSK, but I want to see that grow, with new entrants like Lakes BioScience coming in, building high-skilled jobs and the supply chain. With that in mind, may I ask how the strategy will apply to south Cumbria? May I also invite him to the sunlit uplands of Ulverston to visit and see for himself?

George Freeman: I thank my hon. Friend and pay tribute to his tireless campaigning for Barrow and Furness and on this issue. I understand well the concerns following GSK's movement from the Ulverston site. I would just make this point: quite often such moves of pharma from one site to another create an opportunity. As the life sciences Minister, I launched the life science opportunity zones and we created thriving clusters at Alderley Park and Sandwich; it would be my ambition to do the same up at Ulverston. I very much look forward to coming up and visiting, and my officials are working closely on that as we speak.

Peter Gibson: Central Park in my constituency is furthering Darlington's ingenious spirit as it drives forward UK life sciences, with firms on our golden mile creating and developing the medicines of the future, as the Secretary of State knows from his recent visit. Will my hon. Friend outline what steps his Department is taking to ensure that firms in Darlington use local talent in the pursuit of further scientific breakthroughs?

George Freeman: My hon. Friend makes an important point about talent and is right that a powerful cluster is taking shape in the north-east. Following my return to the Government two months ago, my first visit was to the north-east. From Darlington to North of Tyne, an incredible cluster is taking shape, with the National Biologics Manufacturing Centre, the Centre for Process Innovation and the National Horizons Centre all in that golden mile in Darlington. It is an incredibly exciting time and I look forward to going back up to see my hon. Friend's constituency and how we can develop a skills plan so that the sector can grow in the next five to 10 years.

Mr Gregory Campbell (East Londonderry) (DUP): In his earlier answer, the Minister alluded to co-operation among the various parts of the United Kingdom; will he ensure that there is maximum co-operation so that sites such as the centre for drug discovery, which is linked to the life sciences faculty at the Coleraine campus in my constituency, can maximise their opportunities?

George Freeman: I am grateful to the hon. Gentleman for raising that issue. With Queen's University Belfast and the Randox cluster, Northern Ireland is a powerhouse in life sciences and both the Secretary of State and I have been to visit. I am delighted that the hon. Gentleman has made that point and will make sure that the Northern Ireland cluster is powerfully at the heart of our innovation strategy.

Rachael Maskell (York Central) (Lab/Co-op): In York, we want to maintain momentum around the BioYorkshire project—York's green new deal—so will the Minister set out when the project can apply for funding under the Biotechnology and Biological Sciences Research Council funding regime?

George Freeman: I have had meetings with the hon. Member since she raised this issue previously. We are in the process of allocating—I repeat—the biggest ever increase in science and innovation funding for a generation. Once that process has been completed, we will begin to allocate the money throughout the country. The hon. Member has made a powerful intervention on behalf of that cluster, which I am going to come up to see. There is an exciting cluster of companies in the York, Harrogate and east of Yorkshire area.

Richard Fuller (North East Bedfordshire) (Con): The Minister is absolutely right about the overall success of the Government's life sciences strategy, but he will be aware of the chilling effect on UK manufacturers, including one in my constituency, of the outcomes of the coronavirus test device approval process. I know the Minister is a believer in agile regulation, so will he conduct a review, with the UK Health Security Agency, to understand what lessons can be learned to assist UK manufacturers in future?

George Freeman: As per usual, my hon. Friend makes an important point. I am not the Minister responsible for the vaccine taskforce, but I am already reaching out to my colleagues at the Department of Health and Social Care on that very point to make sure that in the light of this pandemic we boost our manufacturing centre as well as our research.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): British life scientists led the world in the battle against covid, and we need them to lead the fight against another great health challenge: dementia, which destroys so many lives and imposes huge private and public health and social care costs. This month, research published in *The Lancet* found that by 2050 worldwide dementia cases will treble and cases will go up by 75% in the UK. That is why Labour is promising to double research and development spend on dementia—a commitment that was also in the 2019 Conservative manifesto. Will the Minister confirm that dementia R&D spend has gone down since his Government took office?

George Freeman: I agree with the hon. Lady that the dementia research and treatment sector is incredibly important, which is why, when then Prime Minister Cameron set up the G20 summit, I was incredibly proud, as life sciences Minister, to launch the UK Dementia Research Institute. In the CSR, we announced another £340 million for motor neurone disease research. As I say, I am in the process of allocating the biggest ever R&D increase and we will look to make sure—[*Interruption.*] The hon. Lady is heckling me from a sedentary position; perhaps she will listen. We are in the process of allocating that money to make sure that dementia gets the recognition that it needs.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): To ensure that our fantastic life science sector continues to prosper and lead the world, we need to inspire the next generation of life scientists. What more can the Minister's Department do to show that there is a place for everyone in the sector, regardless of race, background or gender, and that their future efforts could change lives both at home and abroad and tackle some of the great challenges that we know exist?

George Freeman: Not surprisingly, my hon. Friend, who is an expert in this field, makes an important point. In the people and culture strategy that we set out this summer, we make that very point: we need to build a diverse eco-system. I have already reached out to the Royal Society and picked up and commended its work on science, technology, engineering and maths and diversity in the sciences. The truth is that our science sector is creating opportunities all around the country, and we are absolutely committed in the innovation strategy to make sure that every community in this country has access to those jobs and opportunities.

Scottish Businesses: UK Government

9. Steven Bonnar (Coatbridge, Chryston and Bellshill) (SNP): If he will make an assessment of the confidence of Scottish businesses in the UK Government. [904930]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Lee Rowley): Business Ministers regularly engage Scottish businesses on policy making and to discuss business-related issues. In challenging times, the UK Government have provided significant taxpayer support to businesses across the UK, including in Scotland, and we will continue to work with them in the months ahead.

Steven Bonnar: Just last week, the Federation of Small Businesses flagged up the grim realities of Brexit, citing that 74% have experienced a sharp fall in international sales and exports because of import checks on trade with the EU, yet that reality is completely at odds with the outpourings of Lord Frost who used the new year honours list to purport an opaquely upbeat metric on the success of businesses across these isles. How are Scottish businesses supposed to feel any shred of confidence in this Government when such comments are completely at odds with what is happening on the ground? Even Baroness Davidson, the face of the Scottish Tories for the past decade, says that

"I despair when I see people—even those of my own party—dismissing business or disrespecting the herculean efforts that people have gone to".—[*Official Report, House of Lords*, 9 December 2021; Vol. 816, c. 2021.]

Lee Rowley: I know that this is a surprise to the Scottish nationalists, but we have made the decision as a country to leave the European Union, and we are now in the process of ensuring that that is a success, not just for businesses in Scotland, but for businesses all across the United Kingdom as a whole, and we will continue to do that in the months ahead.

Andrew Bowie (West Aberdeenshire and Kincardine) (Con): Given that shops in Scotland had a greater reduction in footfall than any other part of the UK, given that the Scottish Licensed Trade Association has called the additional restrictions in Scotland a "knock-out blow", given that the Aberdeen and Grampian chamber of commerce has called on the Scottish Government to pay up or open up, and given the abandonment of the Scottish oil and gas sector and its workforce, will my hon. Friend be able to give an assessment of Scottish businesses' confidence in the Scottish Government?

Lee Rowley: I am grateful to my hon. Friend for his apposite and very important intervention this morning. He is a huge and doughty campaigner for Scottish

interests, unlike individuals on the SNP Benches. It is comments such as those from the Aberdeenshire chamber of commerce that demonstrate how the confidence of Scottish businesses should be in the UK Government rather than the Scottish Government.

Baglan Energy Park

10. **Stephen Kinnock** (Aberavon) (Lab): What recent discussions he has had with the Welsh Government on ensuring that the power supply for Baglan energy park remains connected until a permanent connection to the national grid is secured. [904931]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Lee Rowley): I am grateful to the hon. Gentleman for his question and for raising this issue. I know that this has been a challenging time for some tenants on the energy park. Given that these issues are largely devolved, officials from the Department for Business, Energy and Industrial Strategy and I are regularly in touch with the Welsh Government on this matter and this includes, as he is aware, an exchange of correspondence in the past few days, along with regular meetings between officials.

Stephen Kinnock: The Minister knows that in just three days the official receiver is due to turn off the power on the Baglan energy park. The intransigence of the official receiver is putting huge pressure on local businesses and also creating massive environmental and public health risks. Section 400 of the Insolvency Act 1986 clearly gives the Business Secretary the power to direct the official receiver. Why will the Minister not step up, take urgent action and direct the official receiver so that the potentially catastrophic consequences for these businesses, houses and communities can be averted in just three days?

Lee Rowley: As I have said, I completely appreciate that this is a challenging time for tenants on the energy park. We have, as a UK Government, sought to review all of the powers that are available to the Government, including section 400 of the Insolvency Act. It is our view that it is not advisable to use that process at this stage. We have, as the hon. Gentleman knows, written to the Welsh Government giving a number of indicators about how we can mitigate the challenges and I look forward to speaking with the Welsh Government further, including in my meeting with the Minister for the Economy tomorrow.

Energy Transition Projects

11. **Allan Dorans** (Ayr, Carrick and Cumnock) (SNP): What new support he plans to provide to energy transition projects in Scotland. [904932]

The Minister for Energy, Clean Growth and Climate Change (Greg Hands): May I start by welcoming the hon. Gentleman back to his place?

The Government support the energy transition by harnessing the industry's existing potential to exploit new and emerging green technologies. As regards Scotland, we have a £20 million pot for tidal stream. The Acorn project has been allocated £40 million in carbon capture, usage and storage development funding so far, and in

the hon. Gentleman's own area, the Ayrshire growth deal has secured investment of £251 million, including up to £18 million for a centre for research and a low-carbon energy and circular economy.

Allan Dorans: I thank the Minister for his response and his kind wishes. The UK Government have decided not to rethink and reverse their decision not to fund the carbon capture, utilisation and storage facility at St Fergus, and the Chancellor has failed to match the Scottish Government's £500 million investment in a just transition fund for the north-east and Moray. By deploying CCUS, hydrogen and direct air capture technology in Scotland, the Scottish cluster would support an average of 15,100 jobs between 2022 and 2050. Do major Scottish projects only have priority in the months ahead of an independence referendum?

Greg Hands: The hon. Gentleman will not be surprised to hear that I disagree with him on the independence referendum, but we engage regularly with the Scottish cluster and Acorn, and I met Storegga before Christmas. I have also met with my hon. Friend the Member for Banff and Buchan (David Duguid), the MP for St Fergus, and have been to his constituency recently. Just to be absolutely clear, the Scottish cluster is the reserve cluster, which means that it met the eligibility criteria and performed to a good standard in the evaluation criteria. We also recently published our track 2 update for CCUS, which highlights our increased ambition of capturing and storing 20 to 30 megatonnes per annum by 2030. I think there is a great future there for the Scottish cluster.

David Duguid (Banff and Buchan) (Con): I welcome the hon. Member for Ayr, Carrick and Cumnock (Allan Dorans) back to his place—even though he did kind of trample over my question a little bit. Will my right hon. Friend confirm the UK Government's support for the oil and gas sector and its vital role in driving the energy transition to net zero? As part of that support, will he confirm what recent engagement he has had with the Acorn CCS project in my constituency of Banff and Buchan on its role as the first reserve cluster?

Greg Hands: As I have mentioned, I met with Storegga before Christmas, and my hon. Friend and I also talked about this in his constituency in early December. I am looking forward to further engagement with the cluster. I also agree with what he said about oil and gas. We have a North sea transition deal, and the important thing is transition. It would be mad, particularly at this time of elevated gas prices, to do anything to close down the North sea, and it is not our objective to do so. Therefore, we should stick to the transition deal, support our key oil and gas sector in the North sea and absolutely reject a lot of the politics coming out of the SNP, which has turned to be anti-North sea, which is not holding Scotland's best interests at heart.

Stephen Flynn (Aberdeen South) (SNP): Of course, it is not just on carbon capture and underground storage where the UK Government have betrayed Scotland's interests. As the Minister will be acutely aware, Scottish renewables projects continue to pay the highest level of grid charging anywhere in the entirety of Europe. Indeed, I was speaking to an operator just recently who told me that over the lifespan of his project, he anticipates that

it will pay £1 billion in grid charging; meantime, a project in East Anglia will not pay a single penny. Is that a Union of equals?

Greg Hands: I am always pleased to take a question from the SNP Front Bench, although I notice that the hon. Gentleman did not say anything about nuclear, the North sea transition deal or the recent announcement of a £20 million funding pot for tidal. He did mention transition charges. He will know that Ofgem recognises the importance of transition charging arrangements, which is why it is currently considering responses to its call for evidence on transition charging reform. That is already being covered, but I would like to hear from the hon. Gentleman—he may have another question—that he is going to change his mind on nuclear and supporting the North sea transition deal.

Stephen Flynn: Of course, the Minister's continual deflection to Ofgem fails to meet the needs of businesses in Scotland. He will also be acutely aware that under the Energy Act 2004—section 185, I believe it is—he could take action to change the status quo, but he chooses not to, and the reason is quite clear. The National Grid is clear that in a couple of years Scottish projects will pay £465 million into the grid, while projects in England and Wales will cumulatively get a subsidy of £30 million—a renewables robbery in plain sight. Is it not the case that while Scotland has the energy as part of this United Kingdom, it does not have the power?

Greg Hands: I am not sure quite how to respond to that, but I remind the hon. Gentleman that there is a call for evidence on this and we are awaiting the responses to that call. Once again, I remind him of the support being given by the UK Government to renewables in Scotland: the £20 million tidal pot; the quadrupling of offshore wind capacity across the UK over the next decade; support for CCUS—all these things. It is about time he had a word with his party colleagues back in Edinburgh and got them to have a sensible energy policy when it comes to both the North sea and nuclear before he comes here and lectures us.

Steel Industry

13. **Jessica Morden** (Newport East) (Lab): What steps he is taking to support the steel industry. [904934]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Lee Rowley): The steel industry plays a vital role in our economy. Through the Steel Council and regular engagements with steel industry, the Government are working with the sector to develop a plan to support its transition to a competitive, sustainable and low-carbon future.

Jessica Morden: For UK steelmakers, paying 61% more than their German competitors for industrial energy is not only a barrier to investment but a direct barrier to decarbonisation, with the future of this foundation sector being fundamental to our net zero ambitions, so when will Ministers commit to providing Government support to bridge the electricity price gap?

Lee Rowley: As the hon. Lady will know, because we have talked about it in other debates, the Government continue to look at options on this. We have very regular engagement and interaction with the steel industry,

including the Steel Council, and other meetings, including ones just in the last few days. It is important to note the extensive support and help that has been given to energy-intensive industries, including the steel sector, since 2013 and beyond.

Holly Mumby-Croft (Scunthorpe) (Con): I thank my hon. Friend for work that he has done for steel. He will know that the Prime Minister himself has stood in this Chamber and spoken about the unfair historical energy costs that steel industries have faced in this country. What conversations need to take place between BEIS, the Treasury and No. 10 to bring forward a solution so that my world-class steelmakers can get on a fair footing?

Lee Rowley: My hon. Friend is an absolute champion for her constituents in Scunthorpe and for the continuing success of the steel industry in that area. We continue to work very closely with our colleagues across Government to determine how we can provide support and look at options around the temporary issues that have been caused in the past year or so and then the longer-term issues. I would be happy to talk to her further.

Topical Questions

T1. [904949] **Mike Amesbury** (Weaver Vale) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): Before we proceed, I think it is fitting and right to say that I was desperately sad to hear that the hon. Member for Erdington had passed away last week. It is particularly ironic in that he was on the original draft of today's Order Paper, fighting for his constituents as a dedicated public servant who always took a keen interest in the work of our Department.

I know that households and businesses are deeply concerned about the effect of rising energy prices across the next few months. We already provide £4.2 billion-worth of support for the most vulnerable. I am working closely, as many people know, with energy companies, Ofgem and ministerial colleagues across the Government to mitigate the impact of further price rises.

Mike Amesbury: May I echo the sentiments in regards to my late good friend and fellow trade unionist, the Member for Erdington?

Energy-intensive industries such as Tata Chemicals in my patch, and the Daresbury labs on the Sci-Tech site that the Secretary of State will be familiar with, need support and they need it now. Why does he not swallow his pride, support the windfall tax that Labour is proposing, plus the VAT measures, and help companies such as Tata and indeed British Steel?

Kwasi Kwarteng: My understanding of the Labour proposal—I might have got it wrong—was that the windfall tax would not be directed to companies; it was, as I read it, directed to consumers. He will know that I, as Secretary of State, have always engaged with energy-intensive users and companies, and I am looking at the moment to try to get a solution to this problem with colleagues across Government.

T2. [904950] **Peter Gibson** (Darlington) (Con): I commend BEIS Ministers for their enlightened decision to locate part of their team in Darlington. At the same time as we level up with more jobs in Darlington, LNER is

planning to reduce services to Darlington, which will have a detrimental effect on connectivity. What steps is my hon. Friend, in collaboration with colleagues, taking to protect connectivity vital to businesses in Darlington and right across the country?

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Lee Rowley): As my hon. Friend knows, a decision has not yet been taken on the outcome of the timetable consultation. Transport connectivity is largely an issue for other Departments, none the less we appreciate the importance of connectivity and infrastructure. We know that my hon. Friend will be an absolute champion of that—he has done a huge amount in his short time in this location.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I welcome the tribute that the Secretary of State just paid to our friend Jack Dromey, who was a great champion of British industry and of British workers and simply an all-round great man.

Over the last decade, Conservative Ministers cancelled the zero-carbon homes programme, banned onshore wind development, launched the eco-insulation programme and tore it up within one year. They reduced the UK's gas storage capacity and at one particularly silly moment, the current Foreign Secretary claimed that solar panels were a risk to domestic food production. All those decisions have made this country more dependent on volatile wholesale energy prices than we otherwise would be. We know that means that there is an extremely difficult situation for British households, but it also risks making large swathes of British industry uncompetitive. The Secretary of State says that he is working hard, so what is his plan?

Kwasi Kwarteng: I am delighted to see the hon. Gentleman take his place. I remember him being a prominent member of the economic team under the right hon. Member for Islington North (Jeremy Corbyn). I am glad to see that there is life after death and that he is here today. My only regret is that the right hon. Member for Doncaster North (Edward Miliband) is not here. I am afraid that the split of net zero from business shows that Labour is not serious about the energy crisis. It is not serious about placing net zero in the context of business and growth and it is completely off the pace in terms of driving clean—

Mr Speaker: Order. I call Jonathan Reynolds. *[Interruption.]* Sorry, sit down and I will just explain once again. These are topical questions. They are not meant to have a “War and Peace” answer. I want to get Back Benchers on both sides of the House in. You are taking their time.

Jonathan Reynolds: There was a lot of talk from the Secretary of State, but no answer. However, let us take up the point that he made. Earlier, one of his Ministers gave me an answer about UK steel production. The Secretary of State talks about net zero, but that cannot be achieved by exporting UK industry and jobs. We have pledged £3 billion of investment in steel, which would match fund pilots in hydrogen in place of coal and joint fund investment in electric arc furnaces. Domestic steel is essential to net zero; it is relevant to levelling up because it provides the jobs and the wages in many

parts of the country; and it relates to Brexit because our producers now pay higher tariffs than companies in the EU to export to the US. Net zero, levelling up and Brexit amount to the Government's entire agenda, so Secretary of State, again—

Mr Speaker: Order. Do you not both understand? Your Back Benchers are desperate to get in. If the shadow Secretary of State wants to come in, he should be brief. If not, he should come in early when he has got more time. Secretary of State, briefly.

Kwasi Kwarteng: Very briefly, we have reduced carbon emissions by 45% since 1990, more than any other country in the world. We have grown the economy by 80%. We think that net zero and economic growth go hand in hand; the Labour party does not.

T4. [904952] **Esther McVey** (Tatton) (Con): Storengy is a company in my constituency that provides gas storage. It tells me that levels of storage in this country have been decreasing. Can the Minister tell me how many days' worth of gas storage there is now on a cold day, as defined by the National Grid, and whether he thinks that is sufficient?

The Minister for Energy, Clean Growth and Climate Change (Greg Hands): I am happy to meet my right hon. Friend and potentially the company, but let us be absolutely clear: the issue with gas is not supply or storage, but price. Storing more expensive gas would not lower the cost of gas. We have excellent security of supply in this country—50% from our continental shelf and 30% from Norway. The issue is very much price, not storage.

T3. [904951] **Kirsten Oswald** (East Renfrewshire) (SNP): Energy bills are crushing families in the cost of living crisis that this UK Government are presiding over. One million more UK households could fall into fuel poverty this year, but that is not inevitable. Will the Secretary of State ask the Chancellor to act by cutting VAT on energy, increasing the warm homes discount for vulnerable households, providing support to energy companies so that they can help consumers, making an emergency energy support payment and restoring the universal credit uplift? Will he also revisit the Department's recent position and consider freezing the energy price cap?

Kwasi Kwarteng: The hon. Lady will know that I have extensive conversations with my right hon. Friend the Chancellor about that very issue. That is why we have kept to the energy price cap, increased the warm homes discount and got a winter fuel payment. The issue is squarely at the heart of our concerns as a Government.

T8. [904956] **Ruth Edwards** (Rushcliffe) (Con): Will my hon. Friend join me and my hon. Friend the Member for Loughborough (Jane Hunt) in backing Intelligent Energy's bid for investment from the automotive transformation fund, which will bring a hydrogen fuel cell gigafactory and highly skilled green jobs to Rushcliffe and the wider east midlands? Will he accept my invitation to visit Rushcliffe to learn more about those exciting plans?

Lee Rowley: I know that my hon. Friend is a huge advocate. I obviously cannot comment on individual applications. I am happy to come and visit and her support is noted.

T5. [904953] **Fleur Anderson** (Putney) (Lab): A recent survey showed that 91% of Wandsworth businesses are suffering negative effects from new Brexit regulations. Will the Minister commit to a region-by-region impact assessment of how businesses are adapting to the Government's Brexit deal or are the Government leaving businesses to sink or swim?

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): This party of business will not let businesses sink or swim. We will continue to engage with businesses around the regions and around the sectors to understand exactly where they need to change and to help them in their transition.

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): I point out to the Secretary of State that HSBC, a British-registered bank, is being reported as having invested in Xinjiang Tianye, which is a subsidiary of Xinjiang Production and Construction Corps, which has been sanctioned by our allies the United States for committing atrocity crimes, including slave labour and genocide. Will he call in the bank and ask it to explain itself, as it is in breach of the modern-day slavery rules?

Kwasi Kwarteng: My right hon. Friend raises a very serious point. Clearly, HSBC's dealings with China are of commercial interest to it, but those dealings also have a wider implication. He will know from his experience that the Treasury has direct ownership of that relationship; I am discussing it with my right hon. Friend the Chancellor of the Exchequer.

T7. [904955] **Andy McDonald** (Middlesbrough) (Lab): The corporate responsibility Minister has spoken about the Horizon Post Office scandal and the need to compensate victims properly. He will agree that the object of the exercise is to put those victims in the position that they would have been in had the insult not occurred in the first place. Will he ensure that any such scheme adopts the common law principles of compensating for pain, suffering and loss of amenity; exemplary damages; and past and future pecuniary losses and costs to put those people in the position that they should have been in?

Paul Scully: Consequential losses are included in the scheme, which is why we have an independent panel to add that expertise and ability to help those claimants to support their evidence for compensation.

Alicia Kearns (Rutland and Melton) (Con): At more than 2,000 acres, the Manor Farm solar park proposed for Rutland, the smallest county in England, is eight times larger than the existing solar plant. Can the Minister reassure me that when it lands on his desk, he will listen to the voice of Rutlanders and ensure proper scrutiny to protect our agricultural land and outstanding local biodiversity?

Greg Hands: We always listen to Rutlanders and to my excellent hon. Friend who represents them. I very much agree that we want to bring communities with us

when it comes to all renewables, but I think she knows that I cannot comment further at this stage. She can reassure her residents that she has been heard.

Nick Smith (Blaenau Gwent) (Lab): The Treasury has benefited hugely from the miners pension surplus over the years. Even though the Prime Minister pledged in the 2019 election that no miner would be left behind and out of pocket, they have been. Will the Government look again at giving miners their fair share or is that another example of the Prime Minister saying one thing and doing another?

Paul Scully: The success of the current pension arrangements means that a pensioner in the scheme is 33% better off than they would be in a normal pension scheme. We continue to believe that the arrangements agreed in 1994 with the scheme's trustees work well and are fair and beneficial to scheme members and taxpayers.

Kevin Hollinrake (Thirsk and Malton) (Con): Regional mutual banks are key to the success of small and medium-sized enterprises in the world's most productive economies, including Germany and the USA. Will my right hon. Friend meet me to discuss that important opportunity?

Kwasi Kwarteng: I am very happy to meet my hon. Friend. We have discussed that important issue on a number of occasions when I was wearing different hats in Government, but I am happy to meet him again.

Barbara Keeley (Worsley and Eccles South) (Lab): For the last two months, people in Eccles in my constituency have had to wait weeks and weeks for their mail. Postal delays have meant people missing urgent hospital appointments, not receiving prescriptions and suffering hardship after not receiving their bank cards. It is unacceptable that Royal Mail has done so little to fix this problem. This appalling level of service is causing harm to my constituents. Will the Minister take action to ensure that Royal Mail resolves these letter delays?

Paul Scully: I know that Royal Mail responded directly to the hon. Lady's concerns in December 2021, and I responded just yesterday. However, I will continue to look at this, because covid sickness absences still remain, and Royal Mail is rotating deliveries so that its customers receive their mail as frequently as possible. There is clearly more that we can do, and I will ensure that we monitor that as best we can.

Paul Howell (Sedgefield) (Con): We all know the challenges those in the automotive sector have had in the last few years, but it is more than just them; it is the supply chains as well. Can I encourage the Secretary of State to come and visit Gestamp in my constituency, which supplies everybody from Volvo to Jaguar Land Rover, Nissan and so on, to understand its efforts in research and development, and how we can help it to develop its business?

Kwasi Kwarteng: My hon. Friend knows full well that, as Secretary of State, I have visited his constituency at least two or three times, and I would be very happy to do so again.

Mary Kelly Foy (City of Durham) (Lab): Households up and down the country are facing a cost of living crisis, with energy prices set to rise in April. While many are facing the choice between heating and eating, North sea oil and gas producers are posting record profits. Can the Secretary of State tell me why the Government are not backing the windfall tax on North sea oil and gas producers' profits that would help measures to ease the burden on ordinary people?

Kwasi Kwarteng: As the hon. Lady knows, we remain absolutely committed to helping people through a difficult time. We have the warm home discount, which is worth £140, and the winter fuel payment, which is worth £200. We are doing all we can to make sure that we mitigate and alleviate the pressure of increased prices this winter.

Mr Richard Holden (North West Durham) (Con): My constituents in Consett in North West Durham are paying up to 10p a litre more at major supermarkets, including Tesco, for their fuel supplies than their neighbours just down the road in Bishop Auckland, 18 miles away. Will my right hon. Friend meet me to discuss what I can do to stand up for my North West Durham constituents, who are fed up with being screwed by the big supermarkets?

Greg Hands: My hon. Friend has done a great job representing his constituents. I know from when I visited his constituency in the aftermath of Storm Arwen how well he is appreciated. The RAC did a recent report on this, and I would be very happy to meet him at the earliest possible opportunity to discuss the issue.

Downing Street Garden Event

12.32 pm

Angela Rayner (Ashton-under-Lyne) (Lab) (*Urgent Question*): To ask the Prime Minister if he will make a statement on reports of an event held in the Downing Street garden on 20 May 2020.

The Paymaster General (Michael Ellis): Both the Prime Minister and I came before the House in December to set out the details of the investigation being led by the Cabinet Office into the allegations of gatherings in Downing Street and the Department for Education in November and December 2020. As I did then, I again apologise unreservedly for the upset that these allegations have caused.

The Prime Minister has asked for an investigation to take place—[HON. MEMBERS: “Where is he?”]

Mr Speaker: Order. I cannot hear what is being said. It is quite obvious that he is not the Prime Minister, so we do not need to keep asking that question. So please can I hear what the Minister has to say? He has got a tough job as it is; do not make it harder for him. Come on, Minister.

Michael Ellis: The Prime Minister has asked for an investigation to take place, and the terms of reference for the investigations that are under way have already been published and deposited in the Libraries of both Houses. The investigations are now being led by Sue Gray. She is the second permanent secretary at the Cabinet Office and the Department for Levelling Up, Housing and Communities, and of course a former director general of propriety and ethics. The Government have committed to publishing the findings of the investigation and providing these to Parliament in the normal way. The terms of reference set out that where there are credible allegations relating to other gatherings, it is open for those to be investigated, and I can confirm to the House that this includes the allegations relating to 15 and 20 May 2020. It will establish the facts, and if wrongdoing is established requisite disciplinary action will be taken.

As with all internal investigations, if evidence emerges of what was potentially a criminal offence the matter will be referred to the Metropolitan police, and the Cabinet Office’s work may be paused. Matters relating to adherence to the law are, as ever, matters for the Metropolitan police to investigate, and the Cabinet Office will liaise with them as appropriate. As I am sure Members of this House will appreciate, it would not be appropriate for me to comment on an ongoing investigation, and the Government have committed to updating the House in due course.

I must again point out, as I did in December, and as I know the House will understand, that there is a long-standing practice of successive Administrations that any human resources matters concerning personnel and relating to individuals do need to remain confidential. But Mr Speaker, both the Prime Minister and I came before this House in December; we set out the details of the investigation being led by the Cabinet Office into these allegations of gatherings, and those investigations are continuing. [*Interruption.*]

Mr Speaker: Order. We do not need clapping.

I call the deputy Leader of the Opposition, Angela Rayner.

Angela Rayner: Thank you, Mr Speaker, for granting this urgent question. It is incredibly disappointing but not surprising that the Prime Minister, of whom I asked this question, is not here today despite not having any official engagements. His absence speaks volumes, as do his smirks on the media. The public have already drawn their own conclusions. He can run but he can’t hide.

I received an email this morning from a man called John. He told me that on 20 May 2020

“I found my long-time partner dead on the bathroom floor. I had been unable to get a GP visit for her and she had suffered terribly for some time before the blood clots stopped her heart.”

On that day the House heard from the Prime Minister himself that 181 NHS workers and 131 social care staff had died. Many people made huge personal sacrifices.

Frankly, the Minister hides behind the Gray investigation. There is no need for an investigation into the simple central question today: did the Prime Minister attend the event in the Downing Street garden on 20 May 2020? It will not wash to blame this on a few junior civil servants; the Prime Minister sets the tone.

If the Prime Minister was there, surely he knew. The invitation was sent to 100 staff, many of them his own most personal senior appointees. This was organised in advance, so did the Prime Minister know about the event beforehand, and did he give his permission for it to go ahead? If so, did he believe this event was in keeping with the restrictions and guidelines at the time, and was the chief medical officer consulted before it went ahead? What did the Chancellor know about the party given that he lives and works next door, and can the Minister confirm that no other Ministers were present? Finally, may I ask the Minister here today whether he still believes the Prime Minister to be a man of honour and integrity?

Michael Ellis: The right hon. Lady’s first point was that the Prime Minister is not here in person. She knows as well as everyone else in this House that it is not routine for the Prime Minister to answer urgent questions before the House, but that his Ministers are appointed to do so. However, he also attends this House more often than anyone else to answer questions and will be doing so tomorrow in the normal way at Prime Minister’s Question Time.

The right hon. Lady mentioned the appalling loss suffered by one of her constituents. My heart goes out to that constituent and, indeed, to all others from whom we have heard in this House—from all parts of this House—who have suffered tragic loss as a consequence of this appalling pandemic.

There is a need for investigation. The right hon. Lady said that there was not. There is a need, and that need is clear. The investigation is in progress. It is being conducted by someone in whom we have great confidence and who is, if I may put it this way, a paragon of independence and integrity in the civil service, of long standing. She is conducting that investigation.

The Prime Minister was himself affected by the consequence of covid-19 infection. He takes this matter very seriously, as does everyone in government.

I will say this: the right hon. Lady asked if I have confidence in the Prime Minister's integrity and honour, and I do.

Sir Desmond Swayne (New Forest West) (Con): All this should be a powerful corrective to the urge to order the rest of our lives, should it not?

Michael Ellis: We each of us, in this House and no doubt everywhere else, live our lives in the best way that we can. Those of us in positions of responsibility acknowledge that responsibility. That is why there is an investigation in progress, which will get to the bottom of all these matters. That is in progress.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I congratulate the right hon. Member for Ashton-under-Lyne (Angela Rayner) on obtaining this urgent question, but let us look around: where is the Prime Minister? The Prime Minister should be here to answer these serious questions. Where are the Government Front Benchers? Indeed, where are the Government Back Benchers?

This is the most serious of matters: this is a Prime Minister who has been accused of breaking a law that he himself set. It could not be more serious. I have sympathy with the Minister, the fall guy who has to answer the debate today. The harsh reality is that people around these islands watched loved ones dying and missed funerals, and the PM and his staff partied behind the walls of his private garden.

On that very day, on 20 May, there was a tweet from the Metropolitan police reminding people of their responsibilities, "You may meet only one person outside". The Secretary of State for Digital, Culture, Media and Sport, in the Cabinet, gave a press conference at No. 10 at 5 pm to reiterate that message. There was one rule for the rest of us and another rule for those in No. 10. The Minister seeks to hide behind the investigation, but let me ask him: was Sue Gray one of those invited to that party on 20 May, and did she attend?

This is a Prime Minister who has lost his moral authority. He does not deserve the respect and trust of the people of these islands. If he will not do the decent thing and recognise that he ought to resign, I say to the Minister and to the Conservative Back Benchers that they will have to do what the Prime Minister has failed to do—force him from office, and do it now.

Michael Ellis: I do not accept the characterisation that the right hon. Gentleman makes. In this country, it is clear that the same rules apply to everyone. That is why an investigation is in progress. I hope that he will not adopt the approach of questioning the integrity of any civil servant investigating this matter. Sue Gray is someone who has conducted previous investigations with thoroughness and vigour. We can rest assured that the result of her inquiry will be in the public domain in due course. She is a person of integrity and upstanding. I hope that he will not adopt that approach.

Mrs Maria Miller (Basingstoke) (Con): Does my right hon. and learned Friend agree that it is important that this place debates such serious allegations, but that we do so once the evidence has been collected, and that—

Mr Speaker: Order. I hope this is not a question about me granting the urgent question, because it sounds like that is where it is going. I would not go down that road.

Mrs Miller: Sorry, Mr Speaker. Does my right hon. and learned Friend agree that it is important that we have a debate in this place about these issues once the final recommendations have been put forward by Sue Gray, because it is important that we look at the evidence?

Michael Ellis: I thank my right hon. Friend for her question. In fact, she is agreeing with the Leader of the Opposition, I think, because it was he who said:

"Let's let the inquiry play out, let's see what the findings are".

Her point is a good one: we should wait to see the results of the investigation, rather than prejudging it.

Ed Davey (Kingston and Surbiton) (LD): Will the Minister set out what he thinks should happen if a Conservative MP is found to have flouted and broken a covid law?

Michael Ellis: It is not for me to pass judgment or pass sentence. The natural order of justice, as I am sure the right hon. Gentleman knows, is that a fair and impartial investigation takes place before there is a judge, jury and executioner. That investigation needs to take its natural course in an orderly way, rather than guilt or innocence being judged beforehand.

Mr Peter Bone (Wellingborough) (Con): I of course have great confidence in the Prime Minister and the way he has been governing the country, but does the Minister agree that the House needs to have the report urgently so that we can debate it and reach a conclusion? I was slightly worried when he said that this would have to be paused if there was a Metropolitan police investigation. Is he confident that the House will have the report quickly, and if so, could he indicate when?

Michael Ellis: The Prime Minister did ask for the investigation to be conducted swiftly, and I think that is on the record. As to how long it lasts, I do not know, because we have not stipulated a time. Sue Gray is conducting the investigation independently of the Executive's directions, as my hon. Friend and the House would expect. We hope to have a result swiftly, but that will be a matter for her.

Dame Angela Eagle (Wallasey) (Lab): Perhaps it would be faster if Sue Gray were to investigate the days when there were not parties—[*Laughter.*] I have sympathy for the Minister, because he has been sent with his "gatherings" excuse to defend the utterly indefensible. We know, do we not, that an invitation to a "bring your own booze" party was sent out for 20 May, when 268 people died in hospital that day? We know that it was illegal to meet anyone outside one's own household, except one person overnight. So what is there to wait for? The Prime Minister should come here now, fess up and tell us what happened.

Michael Ellis: If I may say so, the hon. Lady has an excellent reputation in this House for, among other things, fairness. I know that she would want a fair investigation to take place before any comment is made.

[Michael Ellis]

All that we are asking is for the House to wait a swift period of time for the investigation to conclude. That is in the natural order of justice and fair play.

Suzanne Webb (Stourbridge) (Con): There is absolutely no doubt that this is an important matter, but there will be a full investigation into it, and that is the most important thing to remember at this time. Does my right hon. and learned Friend agree that, as we recover from the pandemic, this House's time would be better spent debating how we build back better and level up? That is what my constituents are looking for.

Michael Ellis: My hon. Friend is right to mention that in the governance of this country, and in the performance of the Executive in delivering for the people of this country, both in dealing with the exigencies of the pandemic and in matters such as levelling up, this Government are performing and prioritising. She is right to focus on that. This is, of course, a matter of concern to the House—that is accepted and it is why we are before the House today—but it will be investigated and that will take place in the proper order of events.

Karl Turner (Kingston upon Hull East) (Lab): We know that the Prime Minister is socially distanced from accountability, responsibility and integrity. Can we be absolutely sure that he will be here tomorrow to face the music instead of hiding behind Sue Gray?

Michael Ellis: No one is hiding. The fact is that the Prime Minister will be before the House for Prime Minister's questions in the normal course of events, so tomorrow, at this time, he will be in this Chamber. The reality is that, at the moment, we are awaiting the outcome of an investigation that is in progress. I know that he will want to approach this matter reasonably, and that is to wait for the result of an investigation.

Sir Christopher Chope (Christchurch) (Con): Why cannot all the dirty linen be washed at once? Why are we getting this drip-feed of parties? Surely the civil service must have known that there was a party on 20 May and should have referred that already to the inquiry.

Michael Ellis: My hon. Friend makes a good point. The reality is that we have a number of dates that have come out at different times. That will presumably have the effect of delaying matters, but we have commissioned the terms of reference of the investigation, which I told this House about on 9 December. It is laid in the Libraries of both Houses that any dates that the second permanent secretary feels are appropriate to investigate, she will. I have confirmed to the House that 15 and 20 May 2020 are now among those dates.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Does the Paymaster General agree that it would be utterly obscene if, at the same time—[*Interruption.*]

Mr Speaker: Order. Somebody's phone is going off—it has stopped. Carry on.

Catherine McKinnell: Thank you, Mr Speaker. Does the Paymaster General agree that it would be utterly obscene if, at the same time that a support group for

recovering alcoholics was contacting me, desperate to meet because they needed the mutual support to manage their addiction during the crushing isolation of lockdown, staff at No. 10 were not only being encouraged to gather, but being told to bring their own booze while doing so? I appreciate that the Prime Minister is not here to answer for his actions, but does the Paymaster General agree that that would be obscene?

Michael Ellis: I am not going to presuppose any conclusions of the inquiry. It is taking place and even the Leader of the Opposition has said that we should let the inquiry play out and see what the findings are. Conclusions can be drawn then.

Andrew Jones (Harrogate and Knaresborough) (Con): The work of the second permanent secretary of the Cabinet Office is both important and urgent. Will my right hon. and learned Friend give any indication of when it might be completed?

Michael Ellis: I can say only that the Prime Minister has asked that the inquiry be swift and I have no indications other than that.

Pete Wishart (Perth and North Perthshire) (SNP): This is not the straw that broke the camel's back; it is a 10-tonne weight being placed directly on the poor dilapidated beast's posterior. Surely if the Prime Minister has a smidgen of self-respect or any sense of integrity, he will be listening to this and decide himself that it is time to go—for goodness' sake, man, go!

Michael Ellis: The Prime Minister focuses on the primary purpose of running this country, which is to deliver on the manifesto promises of this Government. The primary purpose of the investigation will be to establish swiftly a general understanding of the nature of the gatherings that we have been hearing about, which will include attendance, the setting and the purpose. I know that the hon. Gentleman is inclined to presuppose the result, but the fair approach would be to wait until the results of the investigation, which has been commissioned for several weeks now.

Mr Ben Bradshaw (Exeter) (Lab): If the Prime Minister broke the law, he will resign, won't he?

Michael Ellis: It is an entirely hypothetical position. The Prime Minister is going nowhere. The right hon. Gentleman seeks to draw me into making a supposition about the result of any inquiry, but the Prime Minister retains the confidence of the people of this country, and he did so two years ago with the biggest majority in decades.

Hywel Williams (Arfon) (PC): A survey by the Alzheimer's Society shows that the health of 82% of people affected by dementia deteriorated during the first lockdown. Reduced social contact was a significant contributory factor. Does the Minister therefore agree that it would be unforgivable for the Prime Minister to prevaricate, obfuscate, seek to evade or distract, joke, take refuge in an industrial refrigerator or perhaps just lie about parties at No. 10?

Michael Ellis: We will await the result of the investigation.

Zarah Sultana (Coventry South) (Lab): More than 150,000 covid deaths, the highest toll in Europe; a cost-of-living crisis, with universal credit slashed and bills rocketing; a second jobs scandal; an attempt to let his corrupt mate off the hook; a dodgy flat donation; accusations of cash for access; and now this, a Downing Street party that was against the law and that the Prime Minister claimed did not happen but that he reportedly attended. After all this, does the Minister not feel embarrassed that the Prime Minister does not have the decency to resign?

Michael Ellis: I would say to the hon. Lady that she is fond of making unsubstantiated accusations that are devoid of evidence, and she should wait for the due course of events before doing so. She has particularised certain items that are part of her allegations, about which she has no evidence, and she should be very cautious about doing that.

Ian Lavery (Wansbeck) (Lab): The Paymaster General has been given an unenviable task this morning—he really, really has—but perhaps he could use his experience as a former Solicitor General and Attorney General to explain to the House what advice he would give to a hypothetical Prime Minister: someone who has perhaps lied to the country, someone who has perhaps lied to this House, someone who has laughed at times when people have died in their communities. What advice would the Paymaster General offer to that hypothetical Prime Minister?

Michael Ellis: The advice that I would always offer as a Law Officer, as I did as a barrister in practice, is to be fair to all sides. That includes listening to evidence, collating evidence properly and acting judiciously at all times. That is what we expect in this country, rather than prejudging matters and jumping to unwarranted and unfair conclusions. That applies to justice to all in this country.

Wendy Chamberlain (North East Fife) (LD): Assaults on police officers in 2020-21 in England and Wales saw a 20% increase to over 25,000. I personally know of police officers who have been spat at, pushed, shoved and punched while doing their job, which includes enforcing the covid regulations, so I think police officers up and down the country will be appalled to hear that the Prime Minister and Downing Street staff were allegedly partying while they were doing their job during the worst of the pandemic. Given that all the evidence suggests that the party took place and that the Prime Minister was present, does the Paymaster General agree that the Prime Minister should write a letter of apology to every one of the police officers assaulted while enforcing covid regulations?

Michael Ellis: As the hon. Lady knows, this Prime Minister has always been a very strong supporter of the police. As Mayor of London, unlike the present incumbent of that office, he oversaw a reduction of crime in London. As Prime Minister, he has increased the number of police officers serving on the streets. This Prime Minister believes in law and order, and he supports the police—they know that. In fact, he visited a police station in my Northampton constituency only last week. The Prime Minister is very supportive of our police service and will continue to be.

Afzal Khan (Manchester, Gorton) (Lab): My beloved mum died of covid in March 2020. She died alone in hospital while I sat in the car outside trying to be as close to her as I could. Even burdened with our grief, my family obeyed the rules. Just three days after the Downing Street party, we marked a solemn Eid—the first without my lovely mum.

When asked by Sky News about the parties, the Prime Minister did little but smirk and laugh. He should be here today but, as he is not, will the Minister confirm whether the Prime Minister will be apologising to bereaved families like mine for the anguish, pain and torment caused not just by hosting these parties but by continuing to lie about them?

Mr Speaker: Order. The last of that is not the language we should use, but I think we can let this one go. I am sure the hon. Gentleman would not want it to stand on the record.

Michael Ellis: I am appalled at the hon. Gentleman's tragic loss, and I am so sorry to hear about his mother. My heart goes out to him and his family.

The Prime Minister knows the seriousness of covid-19 and, as the hon. Gentleman knows, he was in intensive care as a consequence of it. The Prime Minister also knows, having spoken to innumerable individuals who suffered loss themselves, that it has resulted in the death of many people in this country and around the world. He knows that, and he will never forget it.

I ask the hon. Gentleman to accept my assurance that the Prime Minister is someone for whom his responsibilities are writ large. He works hard in the interest of this country and he will be subject to Sue Gray's investigation, together with her inquiry into all of these parties. I ask him to wait to see the result in, I presume, the relatively short time until we hear from Sue Gray.

Charlotte Nichols (Warrington North) (Lab): A constituent of mine, who I will call Malcolm, got in touch this morning having been fined with a £100 fixed penalty notice for breaching the coronavirus regulations. He accepts his wrongdoing, but it strikes me as incredibly unfair that, at the same time as the Downing Street parties were happening and Ministers and MPs seemed to be flagrantly breaching the rules, constituents like mine should have to pay. When will Malcolm and everyone else who has been fined for breaching the regulations be getting their money back?

Michael Ellis: I presume that the hon. Lady's constituent, together with others who have been penalised for breaching the regulations, was either duly convicted or accepted their responsibility. If I may say so, she is prejudging the matter. She should wait for the result of the investigation, just as Malcolm presumably did.

Neale Hanvey (Kirkcaldy and Cowdenbeath) (Alba): There is an expression, "the buck stops at the top," which is usually applied by people in leadership when they take responsibility. In April last year my 58-year-old friend Ray lost his battle with covid and died. We went to his funeral online via video link. In August my father passed away and I was fortunate enough to be in the room to hold his hand as he passed away. In the intervening months, I lost count of the number of

[Neale Hanvey]

conversations I had with families and council officers who were trying to negotiate more than six or eight people at a funeral. Will the Paymaster General please explain why the Downing Street social world is more important than those lives and the law of the land?

Michael Ellis: May I start by saying that I am very sorry for the hon. Gentleman's loss of his friend and of his father? I think it would be only fair to challenge him on his point about what Downing Street staff think. Downing Street staff work very hard for the people of this country—[*Interruption.*] It would not be fair to characterise all the work they have done over the course of years in the way that he does. We do not want to prejudge what occurred on that occasion. The reality is that we should take the approach that, unless proven to the contrary, most people in public life, no matter what their party political persuasion, work in the public service and do the best they can.

Maria Eagle (Garston and Halewood) (Lab): The Minister has come here today—pretty lonely, on his own—for the Prime Minister, to deal with the serious questions that have been raised, but no self-respecting Minister would come here without knowing the facts about what happened. The question is simply this: did the Prime Minister attend the gathering on 20 May? There is a simple yes or no answer to that. I am assuming that the Minister, in coming here to answer for him, has put the question to the Prime Minister and that he knows the answer. He is here to tell this House. Can he give the answer to that question to this House, and do so now?

Michael Ellis: That is a matter for Sue Gray and her investigation. It is not a matter for me. I am supported by my colleagues throughout Government in this matter.

Tony Lloyd (Rochdale) (Lab): Around 20 May, my life was saved by doctors, nurses and non-medical staff who came forward, often without personal protective equipment, and were prepared to take that risk because they did their duty. Does the Paymaster General honestly believe that the Prime Minister's behaviour, as evidenced in our newspapers, would give confidence to those people who saved my life? Did they not deserve better?

Michael Ellis: Those people who have served the people of this country and the national health service deserve everything we can give them. To answer the hon. Gentleman's question, of course they deserve everything we can do to support them, and they get that—[HON. MEMBERS: "No, they don't!"] They do get that support from this Government. The reality is that we would be wrong to prejudge and to make assumptions about what happened on any given day based on unknown sources, so I think he will wait to find out for sure what occurred.

Ms Anum Qaisar (Airdrie and Shotts) (SNP): During the holy month of Ramadan, Muslims across all four nations gather for iftar events to break their fast. In May 2020, they did not. In the evenings during Ramadan, Muslims gather at the mosque to pray Taraweeh. In May 2020 they did not. And on Eid al-Fitr, they pray Eid Namaaz together and celebrate with family. On

24 May 2020, they did not. Yet on 20 May, just days before Eid, those who were making the rules at No. 10 were breaking them. If Muslims and people of different faiths listened to the rules and did not celebrate religious events, why were the rules different for those in No. 10 for social events?

Michael Ellis: I acknowledge that people of the Muslim faith and indeed people of the Christian and Hindu and other faiths, including the Jewish faith, have all suffered considerable interruption to their high holy days. I absolutely accept that, and for many people of strong faith that is very painful. They did so around the world, in other countries too, in the wider public interest, to support the public health of all. They were asked to do that and they did so in order to protect their fellow citizens. We respect that and admire that. We asked people to do that with a heavy heart, but we did so for the best reasons.

Richard Burgon (Leeds East) (Lab): The unavoidable truth is that the public believe the Prime Minister is a liar who treats them with contempt. There is a crisis of public confidence. Is not the only way to restore public confidence for the Prime Minister, for once, to act in the public interest and resign now?

Michael Ellis: I do not think the public believe what the hon. Gentleman believes.

Chris Elmore (Ogmore) (Lab): I have raised this matter previously with the Paymaster General, and I am grateful to you, Mr Speaker, for granting the urgent question. In January last year, I almost missed the birth of my son; my wife was 9.5 cm dilated before I was allowed in. She was found in a freezing cold bath, having uncontrolled contractions. We followed the rules to protect midwifery staff. Since I raised this matter before Christmas, I have been inundated with emails from my constituency and across the UK. I and many parents—fathers, mothers, partners—would like an apology from the Prime Minister. As we followed the rules to protect NHS staff, he partied. Can the Paymaster General show some grace and be up front with this House over what he knows, because the public really have had enough?

Michael Ellis: I am very sorry that the hon. Gentleman nearly missed the birth of his child, and I know that many parents will have missed the birth of their children during the course of this appalling pandemic. The purpose of the investigation is to establish the facts, and if wrongdoing is established there will be requisite action.

Ruth Jones (Newport West) (Lab): I thank the Paymaster General for coming to the House today, but the people of Newport West expected to see the Prime Minister. It is a shame that the Paymaster General has to cover for his boss and I really feel sorry for him because he has a rotten job today, but can he tell us why anyone in this House, or this country, should ever believe a word that the Prime Minister says again?

Michael Ellis: The Prime Minister will be here tomorrow, at Prime Minister's questions, in the normal course of events; that is more frequent than almost any other Minister answers departmental oral questions here. I think it is only fair to point out that the Prime Minister answers these questions himself. I have the support of

the entire Government in this matter, in the answers that I can give, and my answers are predicated on the fact that in the order of natural justice, we wait for the results of the inquiry and investigation that is taking place. That would be the case with anybody else—it is not special treatment—against whom an inquiry is taking place. I am sure the hon. Lady would accept that.

Kirsten Oswald (East Renfrewshire) (SNP): I wonder whether the Paymaster General can simply clarify for us—has he asked the Prime Minister about this party?

Michael Ellis: I will not disclose personal conversations, or otherwise. What I will say is that it is my—*[Interruption.]* I am answering the questions on behalf of the Government today and the reality is, the investigation will take its course and the hon. Lady will have answers then.

Vicky Foxcroft (Lewisham, Deptford) (Lab): My good friend and constituent, Will, whose father was ill with cancer, only saw him through a window for his 50th birthday, the day after the Downing Street party. Five weeks later his father sadly passed away, and only 15 were allowed at the funeral. What do the Minister and the Prime Minister have to say to Will and his family, because quite frankly they feel that there is one rule for them and another rule for everyone else?

Michael Ellis: I offer my condolences to the hon. Lady's friend and constituent and her friend's father for their loss. When I speak from this Dispatch Box, I do so as an individual who understands the loss that others have suffered. We all know that; everyone in this House knows that. We all are equal under the law in this country, and as a Law Officer I recognise that first and foremost. She will no doubt also recognise that in the interests of fairness, when the inquiry or investigation is under way it should be allowed to come to its natural conclusion.

Naz Shah (Bradford West) (Lab): It pains me that Muslims could not celebrate Eid with their families, but what pains me more is the fact that on 20 May one of my constituents was being buried at Nab Wood cemetery. Her daughter, Maxine Elliot, told ITV today that, when Barbara Elliot was being laid to rest, she and her family were behind barricades as the coffin went past. Only 10 members of the family were allowed to attend, and they were not allowed to kiss the coffin or put a flower on it. All this was happening while 40 people, including the Prime Minister and his wife, were at a party in the garden of No. 10 Downing Street which people could attend as long as they brought their own booze. What has the Minister to say to Maxine Elliot, and will he ask the Prime Minister to apologise personally to her and her family?

Michael Ellis: I cannot begin to imagine the personal tragedy and loss of the family, friends and relatives the hon. Member described, and there is no attempt to do so on my part. All I can say is that my heart goes out to them for their loss. We have had to suffer considerable impositions in this country as a consequence of the pandemic, but those impositions have been placed on society with good reason, to protect the wider public interest.

Matt Western (Warwick and Leamington) (Lab): This morning, I received a phone call from Jill McCulloch in my constituency. She was greatly angered by the overnight news and by recent reports about parties in Downing Street. Her father, who would have been 100 this year, passed away in the summer of 2020. She was not able to visit him in May 2020 because, like so many people up and down the country, she was abiding by the rules. Is it not a simple fact that this Government live by one rule for themselves and another for the rest of us?

Michael Ellis: Certainly not. If that were the case, there would be no investigation. The very fact that there is an investigation in progress—the very fact that this matter is in the public domain and is being inquired into—is a clear indication that the same rules apply to everyone.

Ellie Reeves (Lewisham West and Penge) (Lab): When one of my constituents gave birth to her first child in May 2020, her husband could be there only for the final stages of labour, and had to leave two hours after the birth of his son. Mum and baby had to stay in hospital owing to complications, and they were not allowed any visitors. She was lonely and isolated, and her baby was struggling to feed. Her husband did not see the baby again until he was four days old.

My hon. Friend the Member for Ogmire (Chris Elmore) has asked the Minister if he will apologise to the parents of lockdown babies who did the right thing, at great personal cost, while No. 10 partied. Will the Minister now give that apology?

Michael Ellis: I cannot prejudge the investigation, but of course it is a source of considerable personal regret that anyone should suffer that imposition, inconvenience and distress, of which many examples have been given in the House. Of course that is a matter of personal regret. It is not appropriate to prejudge the investigation that is in progress. However, if the hon. Lady is asking me to express my regret about the tragedy that has befallen all those families who have suffered loss, and what have been grotesque invasions of their family life, I do so, unreservedly.

Jim Shannon (Strangford) (DUP): In Northern Ireland last week, we reached the milestone of 3,000 deaths due to covid, which means that 3,000 families who followed the rules are grieving today. Those 3,000 who died included my mother-in-law, who died alone.

Will—*[Interruption.]* Will the Paymaster General confirm that there will be a full and complete disclosure to enable the police service to ascertain that all was done decently and within the regulations on that date and at that time? I am sorry, Mr Speaker.

Michael Ellis: I am very sorry for the hon. Member's loss. He has asked me if the results of the investigation will be made public, and they will be.

Tulip Siddiq (Hampstead and Kilburn) (Lab): I noticed that the Minister conveniently avoided answering the question from the deputy Leader of the Opposition about the Chancellor, so I shall ask it again. The Chancellor was the next-door neighbour: did he know about the event in Downing Street on 20 May 2020 and did he attend the event himself?

Michael Ellis: I do not know and I presume that that can be a question that Sue Gray can inquire into.

Abena Oppong-Asare (Erith and Thamesmead) (Lab): Page 1, section 1.3(c) of the ministerial code says:

“It is of paramount importance that Ministers give accurate and truthful information to Parliament, correcting any inadvertent error at the earliest opportunity. Ministers who knowingly mislead Parliament will be expected to offer their resignation to the Prime Minister”.

If the Prime Minister knowingly misled Parliament about the existence of this or any other party, will he resign as the ministerial code says he should?

Michael Ellis: There is absolutely no indication of anything along those lines, so the hon. Lady is mischaracterising the position and jumping the gun. It is best not to make political points but, rather, to wait for Sue Gray’s investigation.

Christine Jardine (Edinburgh West) (LD): We have heard today some reminders of what so many people in this country were going through in May 2020. One of the things that helped to keep us all together was the belief that we were all in it together and that the Government understood and supported what we were going through. Will the Paymaster General tell us whether the Prime Minister appreciates that my constituents and, I am sure, constituents elsewhere in the country now feel let down, betrayed and treated with contempt by this Prime Minister and his Government? Will he tell us when the Prime Minister will show some respect for the House and come here and answer the questions we all have for him?

Michael Ellis: The Prime Minister will come to the House tomorrow for Prime Minister’s questions and the Leader of the Opposition, or his deputy, will have the opportunity to ask questions then. The hon. Lady asks whether we are all in it together; yes, we are all in this together. The Prime Minister knows—as Prime Minister, he sees the documents, the scientists and the medical professionals and he meets the families and visits around the country. He is in a better position than most to know the impact of this pandemic and he fully recognises it, not only because of his personal experience but because of what he has seen and witnessed on his visits, in his meetings and by everything else he has done as Prime Minister since this covid pandemic began. He does recognise that, he is on the side of the people of this country, and he is working to achieve the best results for the people of this country.

Julie Elliott (Sunderland Central) (Lab): During this pandemic, many thousands of families have suffered when loved ones have been in hospital having surgery and operations without the benefit of visits from their families—nothing to do with covid but an impact of the restrictions. My family have been through that: my brother was in hospital in May 2020 and I could not visit him. He sadly died in April 2021 and we could visit him only in the last hours of his life. What my family have suffered is no different from the experience of many thousands across this country. We stuck to the rules and did what was expected. To find out through the press that the Prime Minister and Downing Street were partying at those times made me feel sick to the

stomach and I felt utter contempt for their behaviour. When will the Prime Minister come to this House, confess what has happened and take responsibility for the actions under his watch in Downing Street? Sometimes, saying sorry is good but is not enough.

Michael Ellis: The Prime Minister will be here tomorrow, as I have said, in the normal course of events. He will continue to represent the Government of this country and recognises better than anyone the impact of this appalling pandemic on the people of this country.

Ronnie Cowan (Inverclyde) (SNP): We work within a system in which the Prime Minister appoints the independent adviser and the Prime Minister is responsible for applying the ministerial code, but this Prime Minister has demeaned his position by becoming a law unto himself. He refuses to observe the Nolan principles, so who among this Government is going to be brave enough to tell the Prime Minister that the party is finally over?

Michael Ellis: The hon. Gentleman makes those accusations; they are not supported by the evidence and he should wait to see what the result of the investigation is. The Prime Minister acknowledges the importance of the Nolan principles in public life and he adheres to them.

Sam Tarry (Ilford South) (Lab): In December, the Prime Minister said:

“I can understand how infuriating it must be to think that the people who have been setting the rules have not been following the rules, because I was also furious”.—[*Official Report*, 8 December 2021; Vol. 705, c. 371.]

I can only imagine that his own Cabinet and Ministers must be furious, given that so few of them have showed up here today—supporting him in the same way perhaps that a rope supports a hanging man. I will tell the Minister who else was furious: my constituents—churchgoers unable to go to church at Easter; Muslims unable to go to the mosque and celebrate Eid with their families; and my local Muslim burial ground in Redbridge, at times unable to dig the graves fast enough to put the bodies in. When will the Prime Minister use his next address to the nation to apologise to each and every one of those families for his disgraceful rule breaking, which not only has left this Government devoid of any support among the British public but is harming our democracy itself?

Michael Ellis: I have already said, and I will repeat, that those who were unable to celebrate the high holy days of their religion suffered a terrible imposition, whether that was at Easter for the Christian community, Eid or Passover. One can only express sorrow that that has had to happen, but it has had to happen in countries around the world because of the exigencies of the pandemic. The Prime Minister is carrying on the business of government, as my fellow Ministers are, and will continue to do so.

Alison McGovern (Wirral South) (Lab): I thank you for granting this important urgent question, Mr Speaker. The Minister will not think me fair and will go on about process, but I have to say, having listened to what everybody has said about what their constituents have been through, that coming here with not a single answer

to a single question is the height of disrespect. Can I ask a simple question—one that will be easy for the Minister to answer and that he must know the answer to? When will this investigation be over?

Michael Ellis: I think the hon. Lady is fair—I am sure she is fair—and I think she does clearly know that no disrespect is intended, but what she does not recognise is that what is also fair is the proper administration of justice, and one of the fundamental tenets of fairness, a pillar, is to allow investigations to continue. She wishes to prejudge; she wishes to cast stones before she knows what has exactly happened. The fair thing to do would be to await the result of any investigation that has been commissioned.

Andy McDonald (Middlesbrough) (Lab): If ever there was a time to be candid with this House, it is now. I am asking the Paymaster General a question, not anybody else. He did not answer my hon. Friend the Member for Garston and Halewood (Maria Eagle), so I will give him another go. Has the Paymaster General been told whether the Prime Minister attended the Downing Street party on 20 May or not? If so, what was the answer?

Michael Ellis: I am not going to discuss in this House what private conversations take place between Government Ministers.

Andy McDonald: You have a duty to this House.

Michael Ellis: I know my duty to this House, and the reality of the matter is that the hon. Gentleman wishes to prejudge the matter. He is wrong to do so. It is not a matter for me—I am not conducting the inquiry—but a matter for Sue Gray. Sue Gray and her team will be investigating the matter and will come to the due conclusion. He should wait patiently for that. I think the predecessor question was about when that answer will come. I do not know the answer to that, but we have asked that it be done swiftly, and as soon as that is possible, it will be given.

Joanna Cherry (Edinburgh South West) (SNP): I was pleased to hear the Paymaster General tell us earlier that the Prime Minister has recently visited a police station. I hope he will be visiting another one soon, this time with the benefit of his solicitor.

I want to return to the issue of fixed penalty notices that was raised by another hon. Member. Last April, the Joint Committee on Human Rights issued a report saying that the fixed penalty notices issued during the height of the crisis, which could be as much as £10,000, were “muddled, discriminatory and unfair”. The incident that is currently being investigated—I use the word advisedly—only goes to show that we were right in our concerns about unfair enforcement of the rules during the pandemic. The Paymaster General acknowledged earlier, as one would expect from a former Law Officer, that one of the most important principles to a democracy is that of equality before the law. So will the Government now commit to reviewing all the fixed penalty notices that were issued during the height of the crisis, as recommended in our report, and consider pardons for those who have been held to a higher standard than those who govern us?

Michael Ellis: Surely the hon. and learned Lady would know about the pillars of fair justice. She knows that it is necessary to wait for the result of the investigation.

She would know that better than most. As for the enforcement of rules, they apply equally to everyone in this country, they have done for many generations, and they will continue to do so.

Barbara Keeley (Worsley and Eccles South) (Lab): In May 2020, a constituent told me this:

“I had a little baby boy on 17th April but because of [pandemic] conditions we have been unable to have anyone round—not friends, not family. We’re completely on our own. It’s been really hard. My Dad hasn’t met his grandson and I’m feeling exceptionally isolated and alone without any support.”

How does the Minister feel—how does he himself feel—about the behaviour of the Prime Minister and Downing Street staff enjoying a drinks party while new mothers such as my constituent felt unsupported and desperately alone?

Michael Ellis: I can tell the hon. Lady how I feel about what has happened to her constituents. As a human being, I feel considerable regret and sorrow, and indeed distress, for those who have suffered loss—of course I do. We all do. We would not be human if we did not. So I say to her that I am terribly sorry for the loss of her constituents’ friends and families, and for everybody who has suffered loss, but my feelings are irrelevant; what matters is the opinion of those who have been charged with the heavy duty of investigating the propriety of gatherings that may or may not have taken place. When that person then reports back on the result of their investigations, no doubt the hon. Lady will wish to discuss the matter further.

Dame Diana Johnson (Kingston upon Hull North) (Lab): The Paymaster General has made various references to fairness and natural justice. He has made no reference at all to the Nolan principles: the seven standards that govern us all in public life, including honesty, leadership and accountability. On that basis, why will the Prime Minister not do what Gavin Barwell, a former chief of staff in No. 10 has suggested, and come clean and say whether he attended that party or not? Why is he hiding behind Sue Gray’s investigation?

Michael Ellis: No one is hiding behind anything. The fact is that the Prime Minister will be here at PMQs tomorrow, as I have already said. The investigation is free of any fear or favour. It is taking place impartially and will produce an equitable result. When we know what that result is, we will be able to comment further, but we must not prejudge the matter. I think I did actually refer to the Nolan principles in an answer to a question from the Scottish nationalists. What I know is that the Prime Minister respects those seven principles of public life and that he adheres to them. He has served in the public realm for many years, as Mayor of London, as a Member of Parliament, as Prime Minister, and before that as Foreign Secretary. I know the Prime Minister and I know that he is a man of integrity and he wishes to conduct himself appropriately. What will happen will be that in the normal course of events the senior civil servant—and the civil service is an entity that we all respect in this country—who has been charged with an independent assessment of this matter will report in due course.

Catherine West (Hornsey and Wood Green) (Lab): My constituent, Alison Lawther, who is a nurse in the ICU at the Whittington Hospital, left her role wanting

[Catherine West]

to go to the funeral of her grandmother, but, tragically, could not get there for covid reasons. Will the Paymaster General send a message to Alison, who works day in, day out looking after covid patients—the Whittington Hospital having had one of the highest numbers of covid cases last week? What does he say to Alison and to her family given that she had to watch her grandmother's funeral on Zoom and slaved while they over there partied with their bring-your-own-booze party? It is an absolute disgrace.

Michael Ellis: I can only offer my condolences to the hon. Lady's constituent for their terrible loss, and I offer those condolences through her to her constituent.

Geraint Davies (Swansea West) (Lab/Co-op): At the time of the No.10 Downing Street party, people in Swansea, Wales, could have faced fines between £60 and £1,920 for holding similar events. Does that not show the respect that the Welsh Labour Government have for the public health of their citizens in contrast to the contempt that the Prime Minister has for the public health of citizens here? Given that he must know whether he was at the party, why will he not simply say that? Why should we wait for an inquiry to find out what he already knows? Why is he hiding the truth?

Michael Ellis: It would be inappropriate to make a running commentary on an investigation that is in progress. We will continue to await the result of the investigations undertaken by Sue Gray.

Helen Hayes (Dulwich and West Norwood) (Lab): My constituent Ruby Fuller was a remarkable young woman who had been head girl at the Charter School in Dulwich. She lived by her motto, "Live kindly, live loudly", in pursuit of her passion for social justice. She had many, many friends. Ruby died aged 18 from non-Hodgkin lymphoma on 15 May, the same day that the Prime Minister sat enjoying cheese and wine in the Downing Street garden and five days before 100 staff were invited to a bring-your-own-booze party. Ruby's friends had to say goodbye on Zoom, and her family were allowed just 10 people at her funeral. What does the Prime Minister have to say—via his Minister—to Ruby's family, and also to her friends? These are young people in my constituency who should have confidence in their Government, but they are looking at the evidence in front of them, in plain sight, and seeing that it is one rule for the Government and another for everyone else.

Michael Ellis: What the Prime Minister will have heard, and what I have heard, is that Ruby lived by the motto "Live kindly, live loudly". To lose such a young life at such a tragic age in such appalling circumstances is a sorrow that those who loved her will never be able to get over. There is nothing that I can say that will ameliorate that. What I can say is that both the Prime Minister and I—and the entire Government—would offer our condolences for their loss and say that, in the short life that Ruby lived, she made people around her happy and she will be remembered throughout the lives of her family and friends.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Does the Minister agree that every moment that goes by that the Government of the United Kingdom are unable

to say where the Prime Minister of the United Kingdom was on 20 May makes the Government more and more of a laughing stock and undermines the critical public health messages on which so many lives depend? Will he apologise to the heroes of the NHS, such as those at Newcastle hospitals trust, who spent hours and hours in full personal protective equipment, working exhausting and often traumatic shifts and yet managed to keep to lockdown rules?

Michael Ellis: The Prime Minister has personally thanked all of those who have worked to protect people during this pandemic and will continue to do so. He has visited hospitals, spoken to medical professionals—doctors, nurses, scientists—and to those directly involved and has repeatedly thanked them. He feels that thankfulness from the bottom of his heart. He himself was served at St Thomas's Hospital by medical professionals who helped to save his life when he was admitted to intensive care. He knows this at first hand.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): As of yesterday, across Clydebank, Dumbarton and the Vale of Leven, 300 men and women—my constituents—have died of covid-19. Most were intubated, the vast majority were alone, and many were without access to the burial traditions of our ancestors. I ask the Paymaster General whether they agree that if a Tory party in Downing Street took place during a global public health emergency, and if the Prime Minister participated and/or sanctioned it in any shape or form, and if senior members of the British civil service in Whitehall did the same, or were even invited and did nothing to advise against it, that is a fatal blow not only to the Prime Minister's premiership but to the independence and impartiality of the civil service in Whitehall.

Michael Ellis: It is not appropriate to prejudice. The hon. Gentleman wishes to prejudice what occurred. We will await the outcome of the investigation.

Kim Johnson (Liverpool, Riverside) (Lab): Today, I received an email from a constituent, Angela, whose mother died in a nursing home in St Helens where she was unable to hold her hand or be close to her before her death. She is outraged, as are many other people, by the actions of the Prime Minister and the people who partied in the Downing Street garden. Does the Paymaster General agree that the Prime Minister needs to take the decent action and resign?

Michael Ellis: No, I do not agree, because that would be inappropriate. The Prime Minister has devoted his time as Prime Minister to serving the people of the country in dealing with the crisis that has been the pandemic—probably the biggest crisis of any type that has befallen the country since the end of the second world war. This Prime Minister has led the way. He has delivered on vaccines, on healthcare and across the board and he has achieved the results, in very difficult circumstances, that we see in the progress of the pandemic. We are awaiting the results of an independent investigation into allegations of gatherings. When we have that information, we will be able to comment further.

Sarah Jones (Croydon Central) (Lab): Two days after the party on 20 May, the revelations came out about Dominic Cummings. Five days after the party, we had

the Downing Street press conference, where he explained his activities in Barnard Castle. Some 923 people wrote to me in anger about that, many of whom were angry about not just the incident itself but the attempted cover-up. It seems that the Government are making exactly the same mistake again. The British people want honesty. I ask the Paymaster General a very simple question: completely separately from the inquiry, can he publish a list of the Prime Minister's engagements on 20 May?

Michael Ellis: It is not a matter for me. The Prime Minister's engagements, I believe, are a matter of public record. Those that are routinely released, are a matter of public record; those that are not, are not routinely released. That is the general practice that occurs and has occurred with Prime Ministers from the different parties of the House. I know that the hon. Lady will want to wait for the result of the investigation for a proper answer.

Alison Thewliss (Glasgow Central) (SNP): My constituent Frances called my office this morning, angry and upset that while she was unable to visit her brother with learning disabilities during lockdown, the Prime Minister and his staff were partying it up in the Downing Street garden. Her brother was unable to understand why his family could not visit and he believed that they had died and was in great distress as a result. What has the Paymaster General got to say to Frances and her brother?

Michael Ellis: What I say to Frances and her brother, and to the constituents of all hon. Members on both sides of the House who have suffered loss, is that my heart and sympathies go out to them. I deeply regret the personal loss, tragedy, bereavement and distress that has befallen tens of thousands of people in the country. That is what I offer; I hope that it is accepted. All I can do is say that we are all working extremely hard to mitigate the impact of the pandemic and we will continue to do that.

Kerry McCarthy (Bristol East) (Lab): I, too, have constituents' accounts from around that time. One said:

"My aunt committed suicide a few weeks ago and I could not hug my mum (who found her body) at her funeral".

Another was not able to visit a brother with stage 4 throat cancer or visit her 87-year-old housebound mother.

With all due respect to the Paymaster General, my constituents do not know who he is. They are not interested in hearing about his regret, his distress, his sorrow; they want to hear from the Prime Minister. Unless Mr Speaker has it in his power to extend Prime Minister's questions to 7 o'clock tomorrow, there will not be time for all of us. The Prime Minister should come before this House and every single one of us should have the opportunity to stand up and read out all our long lists of cases. The Prime Minister ought to show some empathy himself.

Michael Ellis: The Prime Minister will be here tomorrow. The proceedings of this House are well established and the Speaker controls the proceedings of this House. The Prime Minister is here weekly to answer questions and will do so in the normal way tomorrow.

Munira Wilson (Twickenham) (LD): Given the immense sacrifices of the British people, surely the Paymaster General must understand not just their fury, but their deep hurt. My constituent Jane Nicholson emailed this morning to say that

"my mother died without us at her side in Hampton Care Home on Saturday March 28th. The home was locked down on the Monday before. I had to conduct a mobile phone call from the car park through the window to her on that Monday...she did not live to receive our next scheduled Skype call on Saturday...We followed all guidelines to protect everyone involved and are traumatised as a result, but we acted responsibly and have continued to do so. Downing Street should have done the same."

She also says:

"No one is above the law."

What does the Paymaster General have to say to Jane?

Michael Ellis: I say to Jane that, again, I apologise unreservedly for the upset that the allegations have caused. I say to Jane that I am very sorry for her loss. We are conducting an investigation independent of Government and we will await the results of that investigation to establish what exactly has occurred as regards the gatherings that the House has been discussing.

Peter Grant (Glenrothes) (SNP): Some think that the Paymaster General's performance in stonewalling at the Dispatch Box for almost an hour and a quarter now is something to be congratulated, or revered, in politics. I do not. This is not a courtroom. The Paymaster General is not representing a client to whom he owes an absolute duty to represent their best interests. That Dispatch Box is where Ministers come to tell the truth with complete candour, holding nothing back. Does the Paymaster General not realise that, regardless of the Prime Minister's non-existent reputation, his own reputation has been shredded in the past hour and 15 minutes? Does he not realise that, as a result, not only is the Prime Minister finished, but his own position has become almost untenable?

Michael Ellis: I can only say that I leave others to make those judgments.

Jonathan Edwards (Carmarthen East and Dinefwr) (Ind): This morning, I received an email from a constituent whose mother died from covid at the end of April 2020. The funeral was conducted via webcam in order to follow the rules. The family said that that meant they were not able to say a proper goodbye. My constituent says that the revelations have "destroyed" her. If the investigation reports that a party was held and that the Prime Minister, or other Ministers, attended, what does the Paymaster General think would be an appropriate political sanction?

Michael Ellis: That is hypothetical. It is not appropriate for me to make that judgment. It would not be appropriate no matter the result of the investigation. As a Minister in the Cabinet Office, my responsibility is to answer for Government business in the way that we have been hearing. What I am inclined to do is what I would do for anyone else, because we are all equal under the law, and that is to await the fair results of a fair independent inquiry.

Richard Thomson (Gordon) (SNP): I think that if someone was hosting a gathering in my back garden, I, like most people, would probably notice at some stage. I am also fairly sure I would remember whether I was

[Richard Thomson]

there. Does the Paymaster General agree that the failure of the Prime Minister to confirm whether he knew about this gathering, or whether he was there, is the reason why his authority is draining away even faster than the number of Back Benchers prepared to stand up during this sitting to support him this afternoon?

Michael Ellis: No, I do not agree with that characterisation. The Government buildings around Downing Street are not domestic buildings in the way that the hon. Gentleman characterises them, so as a general point he is wrong to make that assumption or characterisation. I accept that these allegations have caused considerable upset and apologise unreservedly for the upset they have caused, but we will await the results of the investigation.

Rachael Maskell (York Central) (Lab/Co-op): When someone's alleged conduct undermines the integrity of their role, the authority of their role, and trust in their role, they are suspended. When somebody is under investigation they are suspended, so why is the Prime Minister not suspended?

Michael Ellis: The investigation is about gatherings, not about individuals necessarily. The investigation which has been in progress since around 9 December is about gatherings, and gatherings on various dates. I have already said that if those inquiries lead to other developments, remedial action will follow, and that includes civil servants. But we have expected, and continue to expect, anyone who is asked to co-operate with that investigation to do so.

Stephen Flynn (Aberdeen South) (SNP): We have all seen the footage on Sky News of the Prime Minister smirking, even chuckling, at the suggestion that he attended this party in his own back garden, so may I ask the Minister a straightforward question: is it not the case that the Prime Minister has not just been laughing at the public but has also been lying to them?

Mr Speaker: Order. That is not the language we use and the hon. Member could temper it: "inadvertently" might do.

Michael Ellis: Thank you, Mr Speaker. It is nonsense to make that assumption or accusation against the Prime Minister. The Prime Minister does not take these matters lightly and never has done; he takes them incredibly seriously. He has rightly devoted a preponderance of his time as Prime Minister to this pandemic: he knows its consequences—he personally has been affected by it—and he sees the victims all the time when he visits arounds the country. The hon. Gentleman's characterisation is unworthy and unfair.

Co-operatives (Employee Company Ownership)

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

1.52 pm

Christina Rees (Neath) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to make provision about groups of employees at risk of redundancy buying their employing company as a co-operative; and for connected purposes.

As a Labour and Co-operative MP, I am very proud that Robert Owen, who was born on 14 May 1771 and is regarded as the founder of our co-operative movement, and whose vision included villages of co-operation and a "new world order" of mutual help and social equality, was born in Newtown, Powys, in beautiful Wales.

In the 1840s, cotton and woollen workers in Rochdale fought against falling wages and poor working conditions and adopted Robert Owen's values to form the first UK co-operative. By 1900 there were 1,439 different UK co-operative societies with over 2 million members, and in 1917 the Co-operative party was formed, with an electoral agreement with the Labour Party. UK co-operators believe that too much power rests with a small number of investors, shareholders and executives, and that decisions are often made for the benefit of the powerful and wealthy, not for the benefit of communities, workers, and the environment.

The "Ownership Effect" inquiry, chaired by Baroness Bowles, found that there was an economic dividend to employee ownership that benefits workers, businesses and the wider economy. The Nuttall review of employee ownership found a lack of awareness and a misconception of employee ownership among businesses, and that banks, traditional funders, education, academia and advisers lack employee ownership expertise.

The Employee Ownership Association found that without incentivised support for entrepreneurs and their employees to pursue employee ownership, few would take the perceived risk of changing their company structures and practices. Firms that want to transition to employee ownership, or those that have transitioned but want to expand, have problems accessing loans from banks. In times of crisis, co-operatives resist destabilisation because they fight for the long-term economic and social sustainability of their workers, and sacrifice remuneration to reinvest and to maintain employment levels. Any restructuring takes place locally.

UK Co-operative party public polling in our "Owning the Future" report of June 2020 found that only 10% of people believe that the economy prioritised wealth sharing before the pandemic, but nearly 70% believe there will be an opportunity post-pandemic to widen ownership and give communities more say in how businesses and the economy operate and shape our lives. Unfortunately, nearly two years after the onset of the pandemic, the virus is mutating, not fading away.

One way to widen ownership is to provide employees with the advice, support and funds to buy out their at-risk employer company. In Italy, the former Industry Minister, Giovanni Marcora, established the worker buy-out system over 30 years ago, during the economic crisis of the 1980s. Marcora law gives workers the pre-emptive right to save their jobs by taking their

redundancy entitlements, plus three years' projected social security payments, as a lump sum to invest in a new worker-owned co-operative company, supported by Italian Government loans and advice. Since 1986, the Cooperazione Finanza Impresa, known as the CFI, an institutional investor, has operated Marcora law on behalf of Italy's Ministry of Economic Development.

This is how it works. The CFI supports the setting up and development of worker production and social co-operatives, prioritising workers who have been excluded from the production cycle when the employer company is at risk, or the employer decides to close the business without succession planning, or a company has been sequestered or confiscated due to organised crime. It does that to promote, increase and safeguard employment so that new co-operatives can grow and compete.

The CFI holds a temporary and minority shareholding for no more than 10 years, with a repayment of 25% due in the fifth year. Its recipients are small and medium-sized enterprises with an annual turnover of less than €50 million and a maximum of 250 employees. The funding lasts for not less than three years and not more than 10 years, with a three-year grace period at 0% interest.

The risk capital shareholding has a maximum value equal to the company capital, or double in the case of reserves and member loans. The debt capital is made up from participative, subordinate and subsidised loans. An amortisation plan is put in place for workers to gradually pay off the funding, by deferred six-monthly instalments, expiring on 31 May and 30 November every year. Funding is granted for not more than €2 million, and not more than five times the share quota, which is held by the CFI in the beneficiary co-operative.

The decision to grant CFI funding is conditional on the positive outcome of checks on workers through the national state aid register—a centralised mechanism for verifying tax payments, social security contributions and public aid—and on workers' compliance with the anti-mafia code. The average investment per worker is €12,040, which is considered non-taxable for these purposes. The Ministry of Economic Development retains 98.6% of

the capital investment and has an oversight role on the CFI board. The CFI has a success rate of 85%, achieved by investing over €300 million in 560 companies, saving the jobs of 25,000 workers with a return of over six times the investment and retaining the skills and experience of the Italian workforce.

I must confess that as a Labour and Co-operative MP, I have previous as far as the Marcora law is concerned. I secured a Westminster Hall debate in September about the co-operative purchase of companies, and in December I spoke about the Marcora law in the excellent Westminster Hall debate that the hon. Member for Wycombe (Mr Baker) secured on co-operatives and mutual societies. In both debates, I set out the benefits of employee ownership, as I have done today, and urged the UK Government to consider introducing a UK-type Marcora law.

Italy is watching us. Camillo De Berardinis, chief executive officer of the CFI, watched my Westminster Hall debate and invited me to speak at the CFI's 35th anniversary in Rome in November, to celebrate the commitment of Italian workers who had transformed the failing companies that they worked for into successful co-operatives. Unfortunately, I did not get to Rome, but they beamed me in from Neath.

In response to the pandemic, the Chancellor created the furlough scheme, which saved many, many jobs. Perhaps he would consider creating a UK Marcora law to save many more jobs during the ongoing pandemic and in the future: in his honour, we could call it Sunak's law. I humbly request that my Bill be given due consideration and passed into law.

Question put and agreed to.

Ordered.

That Christina Rees, Gareth Thomas, Tracey Crouch, Luke Pollard, Christine Jardine, John Mc Nally, Claire Hanna, Mr Steve Baker, Preet Kaur Gill, Ben Lake, Rachael Maskell and Jim Shannon present the Bill.

Christina Rees accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 18 March, and to be printed (Bill 222).

Opposition Day

10TH ALLOTTED DAY

Household Energy Bills: VAT

2.4 pm

Rachel Reeves (Leeds West) (Lab): I beg to move,

That this House calls on the Government to cut the rate of VAT for household energy bills as soon as possible; and makes provision as set out in this Order:

(1) On Tuesday 1 February 2022:

(a) Standing Order No. 14(1) (which provides that government business shall have precedence at every sitting save as provided in that order) shall not apply;

(b) any proceedings governed by this order may be proceeded with until any hour, though opposed, and shall not be interrupted;

(c) the Speaker may not propose the question on the previous question, and may not put any question under Standing Order No. 36 (Closure of debate) or Standing Order No. 163 (Motion to sit in private);

(d) at 3.00 pm, the Speaker shall interrupt any business prior to the business governed by this order and call the Leader of the Opposition or another Member on his behalf to present a Bill concerning a reduction in Value Added Tax on energy of which notice of presentation has been given and immediately thereafter (notwithstanding the practice of the House) call a Member to move the motion that the Value Added Tax (Energy) Bill be now read a second time as if it were an order of the House;

(e) in respect of that Bill, notices of Amendments, new Clauses and new Schedules to be moved in Committee may be accepted by the Clerks at the Table before the Bill has been read a second time.

(f) any proceedings interrupted or superseded by this order may be resumed or (as the case may be) entered upon and proceeded with after the moment of interruption.

(2) The provisions of paragraphs (3) to (18) of this order shall apply to and in connection with the proceedings on the Value Added Tax (Energy) Bill in the present Session of Parliament.

Timetable for the Bill on Tuesday 1 February 2022

(3) (a) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings up to and including Third Reading shall be taken at the sitting on Tuesday 1 February 2022 in accordance with this Order.

(b) Proceedings on Second Reading shall be brought to a conclusion (so far as not previously concluded) at 5.00 pm.

(c) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings up to and including Third Reading shall be brought to a conclusion (so far as not previously concluded) at 7.00 pm.

Timing of proceedings and Questions to be put on Tuesday 1 February 2022

(4) When the Bill has been read a second time:

(a) it shall, notwithstanding Standing Order No. 63 (Committal of bills not subject to a programme order), stand committed to a Committee of the whole House without any Question being put;

(b) the Speaker shall leave the Chair whether or not notice of an Instruction has been given.

(5) (a) On the conclusion of proceedings in Committee of the whole House, the Chairman shall report the Bill to the House without putting any Question.

(b) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

(6) For the purpose of bringing any proceedings to a conclusion in accordance with paragraph (3), the Chairman or Speaker shall forthwith put the following Questions in the same order as they would fall to be put if this Order did not apply—

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment, new clause or new schedule selected by The Chairman or Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a designated Member;

(e) any other Question necessary for the disposal of the business to be concluded; and shall not put any other Questions, other than the Question on any motion described in paragraph (16) of this Order.

(7) On a Motion made for a new Clause or a new Schedule, the Chairman or Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

Consideration of Lords Amendments and Messages on a subsequent day

(8) If any message on the Bill (other than a message that the House of Lords agrees with the Bill without amendment or agrees with any message from this House) is expected from the House of Lords on any future sitting day, the House shall not adjourn until that message has been received and any proceedings under paragraph (10) have been concluded.

(9) On any day on which such a message is received, if a designated Member indicates to the Speaker an intention to proceed to consider that message—

(a) notwithstanding Standing Order No. 14(1) (which provides that government business shall have precedence at every sitting save as provided in that order), any Lords Amendments to the Bill or any further Message from the Lords on the Bill may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly;

(b) proceedings on consideration of Lords Amendments or on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement; and any proceedings suspended under subparagraph (a) shall thereupon be resumed;

(c) the Speaker may not propose the question on the previous question, and may not put any question under Standing Order No. 36 (Closure of debate) or Standing Order No. 163 (Motion to sit in private) in the course of those proceedings.

(10) If such a message is received on or before the commencement of public business on Tuesday 8 February 2022 and a designated Member indicates to the Speaker an intention to proceed to consider that message, that message shall be considered before any order of the day or notice of motion which stands on the Order Paper.

(11) Paragraphs (2) to (7) of Standing Order No. 83F (Programme orders: conclusion of proceedings on consideration of Lords amendments) apply for the purposes of bringing any proceedings on consideration of Lords Amendments to a conclusion as if:

(a) any reference to a Minister of the Crown were a reference to a designated Member;

(b) after paragraph (4)(a) there is inserted—

“(aa) the question on any amendment or motion selected by the Speaker for separate decision;”.

(12) Paragraphs (2) to (5) of Standing Order No. 83G (Programme orders: conclusion of proceedings on further messages from the Lords) apply for the purposes of bringing any proceedings on consideration of a Lords Message to a conclusion as if:

(a) any reference to a Minister of the Crown were a reference to a designated Member;

(b) in paragraph (5), the words “subject to paragraphs (6) and (7)” were omitted.

Reasons Committee

(13) Paragraphs (2) to (6) of Standing Order No. 83H (Programme orders: reasons committee) apply in relation to any committee to be appointed to draw up reasons after proceedings have been brought to a conclusion in accordance with this Order as if any reference to a Minister of the Crown were a reference to a designated Member.

Miscellaneous

(14) Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings on the Bill to which this Order applies.

(15) No Motion shall be made, except by a designated Member, to alter the order in which any proceedings on the Bill are taken, to recommit the Bill or to vary or supplement the provisions of this Order.

(16) (a) No dilatory Motion shall be made in relation to proceedings on the Bill to which this Order applies except by a designated Member.

(b) The Question on any such Motion shall be put forthwith.

(17) Proceedings to which this Order applies shall not be interrupted under any Standing Order relating to the sittings of the House.

(18) No private business may be considered at any sitting to which the provisions of this order apply.

(19) In this Order, “a designated Member” means— (a) the Leader of the Opposition; and (b) any other Member acting on behalf of the Leader of the Opposition.

(20) This order shall be a Standing Order of the House.

Prices are rising, bills are soaring, inflation is at its highest level for three decades and the growing cost-of-living crisis is leaving families across our country worse off. People deserve security, prosperity and respect, but what does the Chancellor give them? The highest tax burden in 70 years and no action on rising costs. The Chancellor’s national insurance rise is a tax on jobs, it is unfair and it is yet another broken promise.

The Conservatives are becoming the high-tax, high-inflation party because they have become a low-growth party. Today they can take a straightforward step to show they want to start breaking us out of that cycle. Voting for Labour’s motion would allow us to bring forward legislation to cut VAT on household energy bills from 5% to 0% for one year, and it would reserve parliamentary time on 1 February to do just that.

Gary Sambrook (Birmingham, Northfield) (Con): The Labour party has spent the past six years campaigning against Brexit, which is the only reason we can do what Labour wants us to do today. Will the hon. Lady be honest with the House and say, from her heart of hearts, the measure she proposes would not be possible if we went back into the European Union?

Rachel Reeves: We want to make Brexit work. We have this power, so let us use it now. A VAT cut is something practical that the Government could do right now, and it would be felt automatically in all our constituents’ bills. It would give security to people across our country, and I urge all hon. Members to back Labour’s motion today.

Harriett Baldwin (West Worcestershire) (Con): Does the hon. Lady accept, however, that cutting VAT on household energy bills would give a disproportionate tax break to those with the biggest houses and the deepest pockets?

Rachel Reeves: In fact the poorest households spend a higher proportion of their income on gas and electricity bills, with pensioners spending the highest proportion, so the beneficiaries of this measure would be the people we know need that support more than anyone.

We have had a decade of dither and delay from the Conservatives on energy policy. There is indeed a global price spike for gas, but this Government have left Britain uniquely exposed. They have failed to insulate homes properly and they have failed to invest in the new nuclear or renewables that we need. They have failed on gas storage, leaving us reliant on Russia and Qatar for our gas supply. They have failed to regulate the market, with 27 companies now having gone bankrupt, which has left rising prices hitting millions.

David Linden (Glasgow East) (SNP): Does the shadow Chancellor share my incredulity at the suggestion by the hon. Member for West Worcestershire (Harriett Baldwin) that, somehow, giving assistance to people in big houses is the wrong thing to do when the Conservatives are giving them £300,000 of levelling-up money to do up their driveways?

Rachel Reeves: That is levelling up in action, filling in the potholes at the Lord’s manor.

On this side of the House we want to keep bills low, which is why Labour is bringing forward this vote to reduce VAT on home energy bills to 0% for a year. It is why we would spread out the price increase that is about to hit bill payers because of the collapsing energy firms, and it is why we would help the squeezed middle, those on lower incomes and pensioners by increasing and expanding the warm homes discount to 9 million people. Our plan would save households £200 from their bills, and up to £600 in total for those who need it most. We would pay for this with a windfall tax on North sea oil and gas profits. These companies have profited massively because of exploding prices, so much so that some in the industry have referred to soaring energy prices as a “cash machine” for producers and their shareholders.

Jim Shannon (Strangford) (DUP): I welcome the hon. Lady’s proposals but, although I welcome and support the green energy push as the only way forward, does she agree that the Government should, in these extreme circumstances, consider removing the green tax during the current fuel crisis to bring down prices and thereby prevent the £750 bill increases that each household will receive this year?

Rachel Reeves: I welcome the hon. Gentleman’s concern for reducing gas and electricity bills for his constituents and all our constituents, and we are willing to consider anything that can be done to keep bills low this year. Our proposals would take £200 off everybody’s bill and £600 off the bills of those who need support the most. Labour thinks it is only right that cash from the companies that have done well from this price spike should go back to hard-pressed families, yet this Government seem to think differently. In fact, the Education Secretary said on Sunday that he thinks that oil and gas companies are “struggling”, even when they are expected to report “near record” incomes this year. Struggling—really? The people struggling in our country right now are those seeing their bills going up and up.

Alex Cunningham (Stockton North) (Lab): My constituent Gillian Fish from Billingham has seen her dual fuel bill go up from £39 to £94.28 a month, and she fears that, with just £33 left each month from her employment and support allowance after she has paid her essential bills, she will not be able to afford to leave her home. She does not smoke, she does not drink and she is ill enough to need a mobility scooter. I do not know what to say to her. Can my hon. Friend offer me some advice?

Rachel Reeves: I would say to my hon. Friend's constituent that, under Labour's plans, £600 would be taken off her bills in April compared with what will happen without Government action. That protects my hon. Friend's constituent and many millions of constituents like her who are struggling through no fault of their own right now.

During his Budget speech, the Chancellor said that the role of "Government should have limits." I wonder if the Chancellor's refusal to act so far is because he does not politically believe it is the role of Government to help alleviate soaring energy bills, or is it just that it is not a priority for him right now? The complete absence of action from Government speaks for itself. People deserve a Government who are on their side. Labour has a plan for action now to help with bills and to prevent the Government's mistakes of the last decade from being repeated again. We want to give support and security to families now and to keep bills low for the future. That is why Labour will reduce our reliance on imported gas by accelerating home-grown renewables and new nuclear. Our plan to make sure that 19 million homes are warm and well insulated will save households £400 not just for one year, but each and every year on their bills. We will regulate the market better, with a pledge to never again let energy companies make promises to working families that they cannot keep.

Dame Andrea Leadsom (South Northamptonshire) (Con): I am grateful to the hon. Lady for giving way, but I am incredibly disappointed. She is making some very good points about the cost of living, but today's motion is cynical. It has nothing to do with trying to save costs for consumers, and everything to do with Labour Members trying to make a point about taking control of the Order Paper, just as they tried to do during the Brexit debate, to try to undermine the Government. They know full well that the Government cannot possibly accept such a cynical tactic from Labour, so we will have to vote it down without any consideration whatsoever. She knows that. This is not about Labour trying to save costs for consumers; this is just about Labour playing politics, is it not?

Rachel Reeves: On 9 June 2016, the right hon. Lady said:

"We are unable to get rid of VAT on fuel bills"

because the EU prevents us from doing so, despite fuel poverty, but nothing prevents the right hon. Lady from doing the right thing today by voting with us this evening.

There is a straight choice in today's vote. A cut in VAT will make a real difference. If someone is on a lower income, they will feel the benefit of a VAT cut on their bills because they spend more of their household

budget on energy. If someone is a pensioner, they spend twice as much on energy and will be hit even harder by the rising energy price cap. A cut on VAT for home energy bills would be an immediate relief for all. I can understand why the Government do not want to back Opposition policies, as the right hon. Lady has said. However, they would in fact only be honouring the Prime Minister's own commitments, because the Prime Minister was once the greatest advocate of the VAT cut on home energy bills. In 2016, he said:

"When we Vote Leave, we will be able to scrap this unfair and damaging tax."

Not once, but three times he has backed a VAT cut on energy bills. Many on the Government Benches have since joined that call. The Chief Secretary went halfway there just last year when he said that VAT on electricity should be cut. But now that the Prime Minister has a chance to actually do something, and he and his Chancellor say no. The problem is that you cannot pay bills on broken promises.

Speaking of the Chancellor, yet again he is in hiding. He was not here yesterday when we debated fiscal responsibility, and he is not here today to debate the cost of living. Maybe he has gone back to California. Had he been here, I would have asked him not just about his broken promises on VAT; I would also have asked, given that he lives and works next door to No. 10 Downing Street, how long he has known about the party on 20 May 2020, and what he has done or said about this disgraceful breach of lockdown rules. Was he at the party when it happened next door, or was he at his window taking the pictures? He might not want to answer my questions, but the country deserves to know whether he too has colluded in the 18-month cover-up.

In just 80 days' time, on 1 April, working people will be hit—[*Interruption.*] Get on your feet. Tell your constituents why you will not be voting for a reduction in VAT this evening. Be my guest.

Jonathan Gullis (Stoke-on-Trent North) (Con): I am very grateful to the hon. Lady for giving way. She talks about levelling up, but it is Stoke-on-Trent's Conservative-led council and this Conservative Government that have delivered £56 million from the levelling-up fund, £29 million from the transforming cities fund, and 550 brand-new Home Office jobs. The only Stoke that the hon. Lady knows is Stoke Newington, not Stoke-on-Trent.

Madam Deputy Speaker (Dame Eleanor Laing): Order. Let us just take the temperature down a little. I did not want to interrupt the hon. Lady when she was in full flow, but she must not call the hon. Gentleman "you", because that might confuse him with me, and we would not want that.

Rachel Reeves: Literally no one would want that, Madam Deputy Speaker. I look forward to seeing the leaflets in Stoke-on-Trent at the next election and seeing how the hon. Member will justify not voting to keep VAT down on gas and electricity bills for his constituents.

In April we will see a national insurance hike and a council tax hike, and gas and electricity bills are going up too. Together we can today force the action that would reduce those bills for all our constituents—for people across our country—and ease the burden of a cost-of-living crisis that is spiralling out of control.

The Prime Minister seems to think that a cost-of-living crisis is when he cannot find a friend to pay for the luxury refurbishment of his flat, but for working people in our country it means struggling to pay gas and electricity bills. When it comes to the energy crisis, as with so much else, the Conservatives have been asleep at the wheel, and now it is ordinary people who are picking up the bill for their failures.

There is a clear choice with today's vote: MPs can either vote for this motion, allowing us to bring forward legislation to cut VAT on household energy bills from 5% to 0% for one year, or they can vote against it and block bringing in the practical, automatic and immediate support that would give security to all our constituents. People will soon be hit by yet more rising bills, rising prices and rising taxes. These are the everyday worries that politics must address. People want a Chancellor who understands this and has a practical plan to help. The Chancellor might not care about turning up the heating, but the very least he could do is turn up for this debate and take the action needed to help our constituents.

Several hon. Members *rose*—

Madam Deputy Speaker: I inform the House that Mr Speaker has not selected the amendment in the name of the leader of the Liberal Democrats. A great many Members wish to take part in the debate, as is obvious from the number now on their feet, and there will therefore be an immediate time limit of four minutes on Back-Bench speeches, after we have heard from the Minister.

2.18 pm

The Chief Secretary to the Treasury (Mr Simon Clarke): I am pleased to respond to this debate on behalf of the Government, although, as my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom) has said, the motion has clearly been put forward to seize control of parliamentary business, which we cannot and will not accept.

The Government recognise the pressure that people are facing in their household finances, including on their energy bills, and we have taken steps already to ease those pressures where and when we can, and will of course continue to look at other things we can do. The reality is that the higher inflation that we have seen is primarily due to global factors relating, to a large degree, to the fallout from the pandemic and a global spike in energy costs. This Government are never afraid to do what is right, or to take big decisions on behalf of this country, and the action we have taken during the pandemic is testament to that fact—£400 billion of direct support to the economy, protecting millions of jobs and livelihoods. We are also investing over £600 billion in gross public sector investment over this Parliament, investing in our health service, in our education system and in controlling our borders, bringing tangible improvements to the lives of millions.

Wholesale gas prices remain at very high levels. Some of the key drivers of the current price spike are the cold winter last year and wider international events that are driving demand. It is true, of course, that gas remains an important part of the wider energy transition that is under way. The current situation in the global gas market underscores the importance of diversifying our

energy mix and accelerating the deployment of renewable energy in this country. The shift away from carbon-intensive generation is likely to help insulate the UK from global swings in the prices of commodities such as gas in the future, and indeed, precisely because we have invested in renewables and energy efficiency, UK demand for natural gas has fallen 26% since 2010, which has helped to reduce our exposure.

Alex Cunningham: The Minister heard me speak earlier about Gillian Fish from my constituency, who has seen her dual fuel bill jump from £39 to £94 a month, leaving her with just £33 for food and travel. What has he got to say to her? We have given the House our answer to the crisis; what is the Government's answer to this crisis for Gillian?

Mr Clarke: Well, this is the Government who have introduced the £500 million household support fund, which is designed to help the most vulnerable households during the course of this winter. This is the Government who are making sure that we are delivering through our action on universal credit and on the national living wage, the rise in which will come into effect in April, and through the wider package of support, which I will come on to in a moment, including the warm home discount, cold weather payments—all the things that are designed to ensure that we give targeted support to people like Gillian who need it. I would remind the hon. Gentleman that Teesside is one of the best examples of levelling up that we have had anywhere in this country. One only needs to look at the response of the Teesside public to what is happening in our area to see the difference that a Conservative Government are making for our community.

Our record of investment in renewable energy is, of course, in great contrast to that of the last Labour Government. Labour's 1997 manifesto specifically stated:

"We see no economic case for the building of any new nuclear power stations."

The legacy of that is now seen today. While in government Labour failed to diversify our energy supply, with renewables making up just 7% of our energy mix, compared with 43% today.

While the up-front costs of certain technologies may be high in the early years of their deployment, they are falling over time. We have already seen the cost of offshore wind fall dramatically, together with that of solar panels and batteries. Our heat and buildings strategy set a clear ambition of working with industry to reduce heat pump costs by at least 25% to 50% by 2025, and to parity with gas boilers by 2030.

On the specifics of this debate, as I alluded to a moment ago, we have already introduced measures to support vulnerable households with the costs of energy, including increasing the warm home discount, winter fuel payments and cold weather payments, which together provided almost £2.5 billion in support to households last winter.

Alan Brown (Kilmarnock and Loudoun) (SNP): Can the Minister tell me how much the Government pay for the warm home discount?

Mr Clarke: I am sorry, could the hon. Gentleman repeat that?

Alan Brown: Can the Minister tell me how much funding the Government put into the warm home discount that he is bragging about?

Mr Clarke: The share of our support is going up. We are also increasing the number of people who are likely to be in scope. We are consulting on increasing the number of people for whom that discount provides a benefit by 780,000. It will also likely rise in value from £140 to £160, so it is an expanding benefit.

Vulnerable households will also be supported with the cost of essentials through the £500 million household support fund. That funding has been made available to local councils across England to support their residents this winter. Importantly, in recognition of the fact that families should not have to bear all the VAT costs they incur to meet their needs, domestic fuels such as gas and electricity are already subject to a reduced VAT rate of 5%. In response to the Opposition's calls to go further on VAT costs, I would note that that would mean our spending a significant amount on subsidising the fuel consumption of some of the wealthiest. When we look at our response to all these challenges, we need to ensure that we spend taxpayers' money on the most effective possible interventions to support the households struggling the most with the cost of living.

The cost of living is not about any single bill or expense. That is why, at the autumn Budget, the Government put in place a host of measures to help families with the cost of living.

Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op): There has been a £67 council tax rise, a national insurance rise of £250 and an income tax rise of £150—those are averages, for the average person. How on earth can the Chief Secretary say that his Government have put measures in place to help the ordinary person in this cost-of-living crisis when he will be clobbering them with, on average, a £1,405 bill? What they are doing is disgraceful.

Mr Clarke: That was a typically temperate intervention from the hon. Gentleman. To make sure that work pays, we have cut the universal credit taper rate by 8p, from 63p to 55p. That is an authentically Conservative response to make sure that we target our interventions to help people. We are increasing the work allowance by £500. Taken together, that is a tax cut for 2 million low-income families, which is worth £2.2 billion, or an extra £1,000 a year in their pocket. It was a Conservative Government who introduced the national living wage in 2016, and it will be a Conservative Government who increase the national living wage in April by 6.6% to £9.50 an hour for workers aged 23 and over.

Fleur Anderson (Putney) (Lab): Why did the Government scrap the green homes grant? It would have cut £400 from the average household bill. Will the Government be returning it?

Mr Clarke: It is vital that we make sure that we support households to make the changes to their homes that are needed to improve their energy efficiency. That is precisely why we have £471 million of spending, to date, on the social housing decarbonisation fund, which is worth £121 million, and the sustainable warmth programme, which is worth £350 million. Those are estimated to save households an average of £350 to £450 a year on their energy bills. In addition, the

Government have consulted on expanding the energy company obligation to £1 billion a year of improvements for fuel-poor households. Those are precisely the kinds of things that we need to do to help with bills and deliver the net zero transition.

Matt Western (Warwick and Leamington) (Lab): I am interested in the Government's estimate of the cost of transitioning a typical three-bed semi to a zero-carbon home using that fund. How much would it cost to put in an air source heat pump and all the necessary insulation to make it effective in the way that the Chief Secretary described?

Mr Clarke: The hon. Gentleman is right to say that we need to be moving towards technologies such as air source heat pumps. That is why our heat and buildings strategy sets out a plan to bring parity with gas boilers by 2030. That is precisely what we want to see, because those costs need to come down, and that is what we are enabling through our net zero strategy.

The Government are focused on protecting jobs, incomes and livelihoods through, by common assent, one of the most challenging periods in our lifetimes. Nineteen months of furlough protected almost 12 million jobs across the UK. The self-employment income support scheme, worth £28 billion, benefited nearly 3 million people. We significantly increased the generosity of the local housing allowance for housing benefit, and more than 1.5 million households are benefiting from an additional £600 a year. For those who need extra help with their housing costs, we provided £140 million for discretionary housing payments. Four million families are getting help with their council tax bills. We have provided nearly £5 billion for schools catch-up and we are rewarding our valued NHS and care workers, with more than 1 million NHS workers receiving a 3% pay rise in a year of otherwise wider pay restraint.

It has been a goal of successive Conservative Governments since 2010 to keep down the cost of living for working families. I mentioned the increase in the national living wage from April, which represents an increase of more than £1,000 in the annual earnings of a full-time worker on the national living wage. That sort of thing matters in places such as Stoke. We are committed to going further so that the national living wage reaches two thirds of median earnings for those over 21 by 2024, providing economic conditions allow.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Chief Secretary seems to be suggesting that everything is going fine, but the reality on the ground for many families is very different. The Trussell Trust had to give out nearly 1 million food bank parcels between April and September last year. That is an 11% increase on the same period in 2019. Why is that the case if everything that he is doing is working just fine?

Mr Clarke: I do not think anyone is saying that we are going through an easy time. We have just emerged from the teeth of an international pandemic, which is still causing major challenges. We have now got to a situation where, despite all the dire predictions, we are back at almost pre-crisis levels of economic activity, and unemployment is fully 2 million fewer than was

forecast at the height of the crisis in 2020. That is thanks to the co-ordinated policy decisions of this Government and it is certainly why this situation has not been much, much worse in millions of homes across the country.

Mr Richard Holden (North West Durham) (Con): Does the Minister agree that it is really interesting to hear what is happening from the Opposition today? If we had followed what they wanted to do, we would still be in lockdown and would have millions more people out of work or not working, and incomes reduced because there would still be people sat at home not working. It is the Government who have taken the bold decisions necessary to get the country moving again, opposed at every step of the way by the Opposition.

Mr Clarke: My hon. Friend is absolutely right. I think one of the Prime Minister's bravest decisions was in July last year, when he took the decision to move to step 4 of the roadmap. The right hon. and learned Member for Holborn and St Pancras (Keir Starmer) was all over the airwaves saying that that would lead to disaster, and of course it led to us being able to unlock our society and restore economic activity and our social life, which is obviously so important to people's mental and physical health. These changes would not have been made without that very clear example of leadership, in the face of, frankly, a complete absence of it from the Opposition.

The activity that we have undertaken includes doubling free childcare, worth around £5,000 per child per year, introducing tax-free childcare, and helping working parents with 20% of childcare costs up to £10,000. These are practical interventions of the kind that make a real difference to working homes. They are the sort of thing that bears down on the cost of living and makes sure that many people are weathering the storm.

As a Government, we want to help people into work and to gain the skills they need. We are investing £900 million in each year of the spending review on work coaches, who will provide effective support to help jobseekers on universal credit move into work and, for the first time ever, help people progress once they are in work. We have also invested over £200 million in the JETS—job entry targeted support—scheme, for those unemployed for over three months. Applicants are supported with CV writing, interview skills and job search advice, worth £1,000 per person. We also know that young people were disproportionately affected by the pandemic, which is why we invested in kickstart to fully fund and create hundreds of thousands of jobs for young people. So far, over 112,000 young people have started a kickstart job. To help those affected by long-term unemployment, we launched the restart scheme, which provides up to 12 months of intensive, tailored employment support.

We are giving employers £3,000 for every apprentice of any age they hire before the 31st of this month. That is a significant 35% wage subsidy for an apprentice on the national living wage and is in addition to the Government paying 95% of the training costs for smaller employers, who do not pay the apprenticeship levy. These are the kinds of things that this Conservative Government are doing to boost work and jobs and keep the economy moving forward, and our plan for jobs is working spectacularly.

Paul Blomfield (Sheffield Central) (Lab): The Minister seems to be talking about everything except the crisis facing families on the lowest incomes as a result of rising energy bills. Will he address that issue and recognise that families in my constituency will face choosing between heating and eating, as well as unmanageable debt that will break their budgets? Does he recognise that the sort of action needed—earlier he mentioned the warm home discount, for example—needs to go far further to totally offset the additional bills if those families are not to face untold misery?

Mr Clarke: I do not think that focusing on a jobs-led recovery is the wrong thing to do. Indeed, that is precisely what is vital to the life chances of families up and down the country. I have already set out all the measures that we are undertaking, from the warm home discount to winter fuel payments and our wider action on energy costs, which go to the heart of our programme to ensure that the cost of living remains affordable. However, it simply cannot be the case, and I do not think that even those on the shadow Front Bench are suggesting this, that we can completely offset fluctuations in the market price of energy. All we can do is provide families with targeted support, and that is what we are doing, openly, honestly and I think effectively, this winter.

We also need to remember the overriding context of this whole debate, which goes back to the issue we were debating yesterday evening: fiscal responsibility. That needs to be factored into this debate as well. When it comes to managing the economy throughout this challenging period, we have acted quickly, effectively and responsibly. For all that this Government have done to support families and businesses over the last couple of years—I remind the House again: £400 billion-worth of support—we cannot, and will not, abdicate our fiscal responsibilities. Our level of debt means that we are vulnerable to shocks, including changes to interest rates and inflation. A sustained one percentage point rise in interest rates and inflation would cost over £22 billion by 2026-27. As things stand, inflation is expected to average 4% this year and 2.6% next year. The good news is that we are on course for a return to target by the end of 2023, but, as I told the House yesterday evening, the fact that we have faced two “once in a generation” shocks in just over a decade highlights starkly why we must have the buffers to provide support when it is needed most, and why we must act to rebuild those buffers over the years ahead.

No one in this Government is under any illusion about the challenges that families are facing with their household finances, and we will of course continue to look closely at all the options that exist. The Business Secretary has been meeting industry representatives regularly, and we in the Government are committed to doing the best job we can to protect consumers. We have acted, not just on energy bills but in dozens of ways, to support working families. Our record on handling the economy during the pandemic and, indeed, over the last decade of recovery speaks to our commitment to see right by the British people, and that, I assure the House, is something that we will continue to do.

2.35 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is incredible, given the current cost-of-living crisis, that the UK Government seem to be incapable of doing

[Alan Brown]

anything different. The Chief Secretary reeled off a list of measures that the Government were already taking, but there was nothing new in his speech. There was nothing about what the Government are doing to tackle the current crisis, and they need to think again.

We have already seen the broken promises about lower energy bills post Brexit. Now all the Tory Back Benchers who campaigned for lower VAT on energy bills are queuing up to back the Government not to introduce a VAT holiday, and that makes no sense either. The fact is that without Government action, a real crisis looms. It is not credible for the energy cap to rise to approximately £2,000 a year in April. National Energy Action estimates that there are already 4.5 million fuel-poor households in the UK, which is a disgrace, and if the cap rises, as is predicted, the number will rise to 6 million. The Government really need to think about that, and take action to prevent it.

It is also worth looking at how the cap operates at present. It does provide protection for the vulnerable, but not enough protection. A constituent of mine who is on the standard variable tariff is struggling to pay her bills. Because the cap is based on average energy units, she is already paying £200 more per annum than the predicted cap. I urge the Government and Ofgem to look at how the cap works in reality.

As has been said, raising the cap to the extent that the average user will pay £600 more per annum would be so damaging that it cannot happen. I therefore support the calls for Government loans to be used to help energy companies to smooth over the transitional costs over, say, 10 years. I certainly support further direct intervention to mitigate any fuel rises. On that basis, I am happy to support the VAT holiday proposed in the Labour motion, although the predicted £89 annual saving will be wiped out if the Government do not take action to mitigate the cap.

Sammy Wilson (East Antrim) (DUP): I am glad that the hon. Member appreciates one of the benefits of Brexit, namely that we now have the option of reducing VAT—and I do not understand why the Government will not do that—but does he recognise that as a result of the flawed deal in Northern Ireland and the fact that the Northern Ireland protocol leaves Northern Ireland under the EU VAT regime, any reduction in VAT could not apply to consumers in Northern Ireland, because EU VAT rules still apply there?

Alan Brown: I was not aware of that, but it appears from recent figures relating to the impact of Brexit that the protocol is protecting Northern Ireland, and it is not taking the same hit to its economy as the likes of Scotland. It is swings and roundabouts. The Northern Ireland economy is doing much better than it would have as part of Brexit Britain.

I have said that I certainly support the VAT holiday, but I am not sure that some of the rest of Labour's £6.6 billion package and rhetoric has been completely thought through. The real windfall tax should be levied on the Treasury. As our energy bills have increased, so have VAT returns to the Treasury; as fuel prices have increased, the Treasury has raked in more money in fuel duty and VAT; and as for the North sea, it was confirmed in the Red Book for the November Budget that this

financial year the Treasury will receive an extra £1.1 billion in oil and gas revenues compared with the March 2021 prediction, and the Treasury will receive an extra £2 billion from oil and gas revenues in this coming year and £6 billion in total over the Parliament. The Treasury should release the additional windfall revenue it has received.

Although to impose a windfall tax directly on oil and gas companies is an easy political soundbite, it has potential implications, so what discussions has Labour had with the industry? What assessment has Labour made of the levels of investment—which could be part of the decarbonisation agenda—that might be clawed back because of such a tax? The harsh reality is that every previous windfall tax on the oil and gas industry has led to a drop in capital investment.

In our transition to net zero, we do need to get off our dependence on oil and gas, but the reality is that carbon capture and storage is part of the pathway to net zero. What assessment has Labour made of the potential impact on such projects, and particularly on the Scottish carbon capture cluster, which has already been sacrificed to reserve status by the Tory Government?

Jacob Young (Redcar) (Con): On low-carbon energy, if the hon. Gentleman wants us to get on a more sustainable footing where we do not rely on oil and gas as much, why did he, his SNP colleagues, the Lib Dems and even some Labour MPs oppose the Nuclear Energy (Financing) Bill last night?

Alan Brown: Let me come to the next part of my speech, which will address that point. I am absolutely incredulous that, as the hon. Gentleman pointed out, Labour MPs were whipped to vote for that Bill, which will add billions of pounds to electricity bills. The Bill's impact assessment, published by Ministers, shows an upper estimate of £63 billion for the capital costs and financing of a new nuclear power station. That is to be paid for by bill payers. That is not low cost: it is a burden of something like £40 billion to £60 billion added to our energy bills—and Labour voted for it. How can Labour MPs talk about lowering energy bills when they just voted to add £50 billion to our bills as bill payers? It is nonsensical and they need to rethink their nuclear policy rapidly.

On nuclear, the Chancellor allocated £1.7 billion for the development of Sizewell C to the final investment stage. That sum of money could pay for the Coire Glas pumped hydro storage scheme in Scotland, as well as the Cruachan dam extension. Those projects could be delivered quicker than Sizewell, they do not come with a £50 billion capital finance burden, and further investment in pumped hydro storage would save £700 million per year in operational costs compared with a reliance on nuclear.

Greater imagination is required in energy policy. The policies from both major UK parties sum up Scotland's place in the Union: the Scottish CCS project has been relegated to reserve status; Scottish bill payers are having to pay for a new nuclear power station; and we are stuck paying the highest grid charges in Europe, which not only disadvantages Scottish renewable projects but means higher bills for everybody across Great Britain. Meanwhile, the Scottish oil and gas industry is asked to pay to mitigate high fuel bills throughout the UK. What about demanding that at least some of the additional oil and

gas revenues are released to match fund the Scottish Government's £500 just transition fund for the north-east of Scotland?

Patricia Gibson (North Ayrshire and Arran) (SNP): The Business Minister said it was a "mistake" for the UK Government to withdraw support for the UK's gas storage site in 2017. That site provided 70% of UK storage capacity and helped to protect consumers from price shocks; we now have some of the lowest gas-storage capacity in Europe. Does my hon. Friend agree that the Minister should have acknowledged that and apologised when he was on his feet?

Alan Brown: I agree wholeheartedly. It is interesting that the Government are now revisiting the Rough gas-storage scheme. Yes, there has been a global impact on wholesale prices and prices would have risen, but it is clear that storage facilities would help to provide a buffer for the UK in times of need.

If we look at the history of North sea exploration, Scotland has paid £375 billion of oil and gas revenues to the Exchequer, which has been squandered by successive UK Governments. For all these years, the SNP has called for an oil and gas fund to be set up, which could have been utilised in this time of need. Norway did not start its oil fund until 1990, yet it is already the largest sovereign wealth fund in the world. It grew by £90 billion during 2020—one of the covid years—and now has assets worth well over \$1 trillion. That is the kind of long-term strategic planning that has been missing in the UK but that would create a buffer when required.

Craig Mackinlay (South Thanet) (Con): I may have missed it, but an element of clarity may be needed in the SNP's position. The hon. Gentleman said that the SNP will support the reduction in VAT. Is it right that the SNP's ambition is to be an independent country in the EU, under which his ambition to have 0% VAT on fuel would be completely scuppered and dictated to by other people in Brussels? Is that the SNP's position?

Alan Brown: I will make it clear for the hon. Gentleman: yes, our ambition is to be an independent country and yes, we want to join the EU. The vote today is about a temporary VAT holiday. The argument could be made that that could not happen under the EU, but energy policy would be reserved to Scotland so we would have much fairer policies. We would be able to do more and make other decisions, which would not rely on us having to back a 5% VAT holiday in Westminster. We would be able to do a lot more as an independent country, even in the EU.

David Duguid (Banff and Buchan) (Con): I am interested in the hon. Gentleman's point about an independent Scotland being able to make its own decisions. Within their devolved responsibilities, the SNP Scottish Government announced the £500 million north-east just transition fund. Is he aware of any announcement yet from the Scottish Government of precisely what the money will be spent on?

Alan Brown: That will come out. There have been some initial announcements. I presume from that intervention that the hon. Gentleman does not welcome the development of a £500 million fund that will serve

his area and that he does not support any calls for the UK Government to add to that. Does he not welcome it?

David Duguid: I want to know what it will be spent on.

Alan Brown: I take that to mean that the hon. Gentleman does not welcome it.

David Duguid: I welcome any funding in support of the energy transition. Much of it comes from the oil and gas companies themselves. In that respect, I welcome the stance of the hon. Gentleman and the SNP against Labour's calls for a windfall tax on the oil and gas industry. I believe that is what he said, so I welcome that. The specific question that I am asking of the Scottish Government via SNP Members of this House is what precisely that nice-sounding £500 million will be spent on. It is not that I do not welcome it.

Alan Brown: I am not responsible for the administration of the £500 million fund, but the hon. Gentleman should just be grateful that it is there. It is for a 10-year investment period, so clearly it is for long-term planning.

Sammy Wilson: I am confused about where the hon. Member stands on energy policy for Scotland now. He wants to have an independent country that is a member of the EU and subject to EU VAT rules, which unfortunately will still apply in Northern Ireland. I also understand that the Scottish National party does not actually want to exploit the oil and gas that lie around our shores, so how does it hope to reduce the cost of energy for consumers in Scotland and ensure the supply to them?

Alan Brown: The right hon. Gentleman seems easily confused, but of course he is a climate change sceptic. If Scotland was in charge of its own energy policy, there would be more investment in renewables and greater hydrogen development, and we would not be paying for nuclear power. I have already said that the nuclear power stations will put up to £63 billion on to our bills; that is the estimate. We would have a much better energy policy that we could implement as an independent country and we would not have the highest grid charges in the whole of Europe.

David Linden: I am looking on with a degree of bemusement—the hon. Member for South Thanet (Craig Mackinlay) is engaging in a debate about Scottish independence. Does my hon. Friend welcome the fact that the Government are finally engaging in the debate about Scottish independence? Perhaps the hon. Member for South Thanet will come up and campaign in the coming referendum.

Alan Brown: I welcome that intervention. It is good that people recognise that Scottish independence through a referendum is going to happen, and we look forward to a continued debate about the nuances of what will happen in an independent Scotland that has control of its own policies and can choose to go back into Europe.

As I said, we need to understand that the warm home discount is actually paid for by other bill payers. I am uncomfortable with the fact—the Chief Secretary did

[Alan Brown]

this earlier—that the Tories brag about the warm home discount as if it is a Government-funded measure. The reality is that, as a stand-alone tax measure, the warm home discount is actually regressive, because the people who can least afford it pay the same levy as those that can afford to pay more. So while the warm home discount does help people that require help, it is actually a regressive tax measure. If Labour's proposals were implemented in the way the scheme operates just now, that would add £200 per annum to the bills of those who are left paying for it. It is inferred that Labour's proposals would be funded from £3.5 billion of additional Treasury receipts, but that needs to be made clear. We also need to make sure that the Tories are not allowed to do a fudge when they raise the warm home discount, but by making other bill payers pay for it, giving them a free pass to pretend they are doing something. Similarly, there has been a call for policy levies to be removed from our electricity bills. I have argued this for a while because state levies on bills are also regressive, so we need to come to a fairer taxation measure to pay for our transition to net zero.

I have another concern about current Labour rhetoric about tax rises. It is as if all tax rises are bad. That plays to the Tories' narrative and encourages them to make tax cuts ahead of the next election. So yes, the national insurance rise is an unfair tax on workers, and it is correct to highlight that, but we need to debate fair taxation. The Chancellor shied away from setting capital gains tax at the same rate as income tax. Had he done that, it would negate the need for a national insurance rise.

In Scotland the Scottish Government have shown that this can be done differently with a low starting rate of income tax and incremental increases across the bandings so that those can afford to pay a bit more do so. This is a model that Labour should be espousing. It should be demanding that the UK Government match our £20 per week child payment and reinstate the £20 per week universal credit cut.

It has been highlighted that tax burdens are the highest in peacetime since world war two. If this were to create a fairer society as part of a genuine levelling-up agenda, it could be managed. But we have right now in the UK the worst levels of poverty and inequality in north-west Europe and the highest levels of in-work poverty this century. The UK has one of the worst pensions in the world, made worse by the Government's cap on the triple lock, so the Chancellor is balancing the books on already hard-hit pensioners struggling to heat their homes. How is it credible to reduce pensioners' income by over £500 a year on what it otherwise would have been this year? The UK has one of the lowest sick pay rates in the OECD with the current rate of £96 per week. That is wholly inadequate, especially if people still need support in self-isolating.

Small independent countries continue to demonstrate that they can create a fairer, more equitable society. It is time Scotland had these powers rather than having to continually tinker around the edges and have decisions imposed on us. The debate has started today. I look forward to continuing the debate in that form.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Eleanor Laing): We now have a time limit of four minutes on Back-Bench speeches, beginning with Gary Sambrook.

2.53 pm

Gary Sambrook (Birmingham, Northfield) (Con): I have never been called first, Madam Deputy Speaker, so I will have to buy you a cup of tea later to say thank you.

We saw at the beginning of this debate what it is really about. It is not about people's energy bills or VAT. We saw the mask slip from the shadow Chancellor as she got quite angry with my hon. Friend the Member for Stoke-on-Trent North (Jonathan Gullis) and the former Leader of the House, my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom). It is about cynical moves to try to control the Order Paper in this House—to try to rehash the old tricks of the Brexit Parliament to paralyse this place for cynical political gain. That did not work in the previous Parliament. When Labour Members start behaving like adults in this place, they may actually try to win general elections, when they can have control of the Order Paper.

Today's debate is very important, because we can all see that there is a problem coming down the line with the cost of living. That is why this Government have been taking practical action over the past couple of months, after the past year or so, to make sure that the most vulnerable people in this country are shielded from the effects of inflation and the cost of living. I see it in my constituency and in my city of Birmingham: the £500 million household support fund that the Government have put together gives £12.7 million to Birmingham to help the most vulnerable people with clothing bills, food and utilities. The fund will help 3 million to 4 million people across the country, including 75,000 to 80,000 people in Birmingham, with support targeted at the people who need it most.

The way we will help people across the country is with jobs and wages. The Government's 6.5% increase to the national living wage will put an average of £1,000 in the pockets of people earning that wage across the country, many of whom are constituents of mine in Birmingham, Northfield. The freeze in fuel duty is saving people money at the pumps every single day as they fill up their car to go out to work; they have each saved £1,900 since 2010. People in Birmingham know only too well that when the Labour party is in control of government, as it is in Birmingham, the motorist is always the first person it comes after and tries to squeeze.

As I say, it is about jobs. I had a letter yesterday from the Minister for employment—the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Mid Sussex (Mims Davies)—telling me that a new jobcentre will open in Kings Norton in my constituency, with a huge expansion in the work coach scheme to ensure that people are in work and getting the support they need with the protection of a pay packet. That jobcentre will be next to the Three Estates, where there are lots of people who have been left behind for far too long; it will help them to get into the workplace.

It is right that we should target our approach at the people who are most vulnerable up and down the country in constituencies such as mine. I am pleased to

support the Government today in making sure that we do not pander to the cynicism of the Opposition, who are trying to take control of the Order Paper and play silly political games while this Government are doing the serious job of government, delivering for people up and down the country and protecting the most vulnerable in our communities.

2.57 pm

Dr Rosena Allin-Khan (Tooting) (Lab): Far too many people of my age lived through the harsh cold winters of the Thatcher Government. That was to be expected in the Tory Britain of the '80s and '90s, but several decades later it is no better: children are having to grow up facing exactly the same hardship. How did we get here? The Office for National Statistics reports that two thirds of people say that their cost of living has increased in recent weeks. Come and ask people in Tooting market or on Balham High Road: they will say that the choice is between heating and eating—between freezing and going into debt.

A single mother got in touch recently. She is a housing association tenant, but because of the increase in gas prices, her property's managing agent is demanding more than £1,300 up front for the year; otherwise she will be disconnected in February. She has had to tell the managing agent that she can afford only £40 a month. This is my question to the Minister: what should I tell that single mum? How will her children sleep at night?

I know what it is to be cold in my own home. My brother, my mum and I gathered around the only heater we had for moments of relief from that gnawing, biting cold that saps energy and robs concentration. I know how hard it is on children to do homework when they are freezing, or to hear their mum awake at night worrying about how to keep them safe and warm. With the perpetual fear of debt and disconnection in the background, every moment of every day is consumed by uncertainty. A home should be a place of warmth and security; the Conservative cost-of-living crisis has filled millions of people's homes with anxiety and cold. As an NHS doctor in A&E, I and my colleagues see older people and young children coming into hospital with burns on their skin caused by electric heaters and painful scalds from burst old hot water bottles. As people cannot afford to heat their homes properly, they turn on electric heaters for a little warmth—just as I did when I was growing up—and more of them are getting injured and ending up in A&E. What a terrible indictment of this Government's failed energy policy.

What should the Government be doing? Well, Labour has a plan: removing VAT on domestic energy bills, expanding the warm homes discount for all working people on universal credit, and reducing the level of the price cap by £94 for a typical customer. *[Interruption.]* It is interesting hearing the opposition chuntering from a sedentary position.

Hon. Members: You are the Opposition!

Dr Allin-Khan: No, you are my opposition.

Regardless, my opposition are chuntering from a sedentary position, proving once again how absolutely out of touch they are with ordinary working people, who are feeling the cold, and who are going to A&E with their toddlers with third degree burns.

The Government have an opportunity today to do something about this. Why do they not act? They should stop playing games and vote with us. Why do they not do something to help the families huddled around heaters, the pensioners shivering under blankets and the children growing up in the cold, and why do they not care?

3.1 pm

Chris Skidmore (Kingswood) (Con): I rise to make a plea to Members from all parties that, regardless of the emotions that are raised in this debate, we maintain our united commitment to decarbonisation and energy transition, because, ultimately, net zero was part of all of our manifestos. I worry about having debates such as this, because they tend to become the start of a slippery slope. The shadow Front-Bench spokesperson, the hon. Member for Leeds West (Rachel Reeves), mentioned that this was going to be a temporary VAT cut. Rarely are tax rises or tax cuts temporary. We need a responsible debate about the form that taxation takes, particularly in a post-covid era where Government spending has, regrettably, been at record levels. The fact is that the VAT tax base raises about £134 billion a year—6% of GDP. If we get into the situation of whataboutery where we suddenly say that we will take VAT off here versus VAT off there, it is very difficult to argue a case for maintaining a tax that is actually one of the most sustainable forms of taxation in terms of raising revenue—revenue that is spent on the NHS, on welfare and on the vulnerable constituents mentioned by the hon. Member for Tooting (Dr Allin-Khan) in her powerful speech just now.

I want to make the case that the best long-term form of ensuring that we reduce energy bills is investment in renewable forms of energy and in insulation. We need to take a long-term view to achieve a long-term gain, as opposed to this short-term perspective of taking a one-year windfall tax as a revenue-raising exercise. It is not a sustainable mechanism by which to deliver a systems-based approach to net zero. We need everyone, not just in this Chamber, but in the country, pulling together to be able to deliver on net zero. Making certain organisations pariahs will not turn the dial back.

John Cryer (Leyton and Wanstead) (Lab) *rose—*

Sammy Wilson: *rose—*

Chris Skidmore: I will gave way to the right hon. Gentleman and that is it.

Sammy Wilson: While the right hon. Gentleman is eulogising about the target of net zero, does he not recognise that the large size of the bills that he says consumers have difficulty paying is a result of the green levies, which are stealthily placed on the consumer and which have reached 26% of what people pay every time they have an energy bill?

Chris Skidmore: That is what I mean by the slippery slope. It is the slippery slope of suddenly saying, "Well, what about reducing VAT?" Let's turn to the green levies—they are actually making up 12% of total cost—which are one of the best ways in which we can enact levelling up and regeneration in former coalfield communities and post-industrial landscapes by ensuring that we have future green investment, such as in Net Zero Teesside or on the Humber where we have seen a

[Chris Skidmore]

revolution in offshore wind. If we want to debate how we deliver on energy prices, it must be by looking at the energy sources for the future, and not at the energy sources of the past. The reason we have an energy cost crisis at the moment is that wholesale gas prices have risen by 400%.

John Cryer: The hon. Gentleman talks a lot about sustainability. He is quite right. That has been the big question about energy for as long as I can remember. On that basis, was it a wise decision to close the biggest gas storage facility in the country, which this Government did?

Chris Skidmore: No, it was not the correct decision to close that gas storage facility. We have the lowest gas storage in the whole of Europe—I think it is about 4% or a couple of days' worth of gas storage. That historic decision demonstrates why we need to take a long-term perspective, rather than short-term political wins.

We need to act like a Government, which the Opposition are clearly not prepared to do at the moment, and that is to think that difficult decisions need to be taken and need to be taken now, in order for us to think how we not only decarbonise, but reduce our emissions by 70% by 2030, as part of our nationally determined contribution. It beggars belief, to quote the hon. Member for Kilmarnock and Loudoun (Alan Brown), that countries attending COP26 in Glasgow will turn to us, thinking, "Actually, an Opposition party was calling for a reduction in taxation on gas and fossil fuels as a result of reducing VAT." I do not think that that is a responsible position for the Opposition to take.

Instead, when looking at raising taxation, we need to think about how we responsibly introduce a carbon tax, in the same way as we introduced a carbon tax on coal back in 2012—£18 a tonne on CO₂ ended up quite quickly reducing carbon emissions from coal from 140 million tonnes a year to 80 million tonnes a year, and they have dropped ever since. We could do the same with other forms of fossil fuels if we worked responsibly and together, just as we did when we introduced the Climate Change Act 2008 or net zero. We can work together to come up with a consensus that will outlive any one Government or any one party, because that is what we need to do if we are going to be able to deliver net zero by 2050.

3.6 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): I am grateful for the opportunity to speak in this important debate on an issue that is already causing so much distress to my constituents.

The covid-19 pandemic has exacerbated the stark inequalities in our society. The poorest families are the most likely to feel the greatest impact, whether that is in seeing their incomes shrink while on furlough or struggling with increased data bills to ensure that their children can continue learning. Those families were already suffering, even before the pandemic, from the effects of a decade of austerity, insecure work and stagnant wage growth.

Those same families are now being hit hardest by the cost-of-living crisis. That crisis calls for competent leadership, but the Government have failed to step up

to the challenge. In the face of soaring inflation and families struggling to put food on the table, what did the Government do? They took £20 a week away from those who needed it most. It comes as no surprise that the Government have turned their heads and looked the other way while the UK hurtles towards an eye-watering 50% rise in energy prices in April.

Only a few months ago, I stood here and raised the impact that the cruel cut to universal credit and the tax rise are having on my constituents in Sheffield, Brightside and Hillsborough, but the Government refused to listen. Now we stand in the midst of yet another hammer blow to working families as energy costs soar.

It is not just Labour that sees the devastating impacts that Government policies are having on working families; economists have warned in the *Financial Times* that inflation will outpace wages this year and that, at the same time, high energy costs and tax rises will hit those on the lowest incomes the hardest. Covid has of course affected all nations, but decisions by this Government have meant that we are on track to see living standards lag behind those of our European neighbours.

Many constituents have contacted me because they simply do not know what they will do if their energy bills rise by those monumental amounts. On their behalf, I ask the Government a simple question: how are families who are on the breadline, already making choices between heating and eating, supposed to find an extra £600 a year to pay their bills? How are they supposed to put food on the table when the cost of their weekly shop continues to rocket upwards?

Those are the questions that so many families are now having to ask themselves. It should bring shame to us all that in 2022, people are still making choices that we should only expect in a Charles Dickens novel. That is the impact of this Government's policies on my constituents.

It is not too late to avert that crisis, however. The Government can and must step in to protect people from the energy price rise in April. Labour's fully costed and common-sense proposals would be a crucial step to support my constituents on lower and middle incomes. By scrapping VAT on domestic energy and expanding the warm home discount, many households in my constituency would see their energy prices rise by only £5 a month in April, instead of more than £50 a month.

The Government talk a lot about levelling up, but that is just an empty phrase without the policies to back it up. My constituents need Ministers to step up to the plate and stop burying their heads in the sand in the midst of this cost of living crisis. I urge the Government and Conservative Members to act now before even more families are plunged into never-ending poverty.

3.10 pm

Fay Jones (Brecon and Radnorshire) (Con): It is a pleasure to be called in this debate on household energy. I have a number of problems with today's motion, which is not a rational debate on how to manage the spiralling cost of living while recovering from the pandemic and meeting our climate change goals. This motion is designed to do nothing more than construct a misleading trope for social media. The Opposition are bringing it forward this afternoon in an attempt to wrestle control of the Order Paper, which they have no business doing,

in order to deliver a blunt instrument that will not benefit those on low incomes. They ignore their own role in the spiralling cost of living in Wales.

I notice that what is missing from the motion is anything about the rural cost of living—something that I am desperately concerned about. We understand that we pay a high price for the beautiful landscape in which we live, but that price is becoming unreasonable. Looking at energy, around 12.5% of those living in rural areas across the country are in fuel poverty. The Energy Saving Trust estimates that this is slightly higher than in urban areas. We invariably have antiquated heating systems and poor insulation, and around two thirds of my constituents live off the gas grid, myself included.

Mr Holden: I have a similar situation in my North West Durham constituency. Does my hon. Friend agree that some of the other issues, particularly around the cost of transport, also need to be addressed? I take her point wholly that this debate today is very much about playing politics with the situation. Obviously the Government are thinking about important measures for the future, but that is not about handing everything over to the right hon. Member for Doncaster North (Edward Miliband) and his pals, who failed to win general elections themselves.

Fay Jones: I agree with my hon. Friend, and I find it somewhat ironic that the last time the Opposition tried to take control of the Order Paper was during the Brexit debate. They had no mandate for that, and they have no mandate for this.

This also means that we in Brecon and Radnorshire will find it harder to play our part in the fight against climate change. Many of my constituents are deeply worried about how to replace their boilers at the end of their useful lives, so I was deeply reassured to hear the Business Secretary restate during Business, Energy and Industrial Strategy questions today that the UK Government are determined to support residents in Wales as well as those in the rest of the United Kingdom. BEIS is making £450 million available for upgrades, as well as £1.1 billion for lower-income households. This is the type of action that my constituents very much welcome.

Having spoken to my right hon. Friend the Chancellor, I am reassured by the way in which he is focusing on the issue of rising household costs. He is approaching it in a sensible and measured way, not with social media clickbait but with targeted interventions that will make a meaningful difference to those who need it most. As a result of investment in the kickstart scheme of around £2 billion, peak unemployment is now forecast to be 2 million fewer than previously feared. Keeping to the energy price plan and increasing the warm home discount and the winter fuel payment are all steps that will curb the rising cost of living, and the increase in the universal credit taper is a tax cut for 2 million low-income families. I and many other colleagues on this side of the House will be meeting the Chancellor again later this evening to discuss this in greater detail. I am extremely grateful to the Treasury and BEIS teams for the listening mode that they are so clearly in.

There are many in this House and beyond who often mistake rural areas such as mine for extremely wealthy areas, but this is simply not the case. The cost of living is

hitting hard in Brecon and Radnorshire, but that is on top of other pressures that are ignored by the Labour Government in Cardiff. We have next to no public transport, so we are forced to drive everywhere in cars powered by ever more expensive fuel. I commend my hon. Friend the Member for North West Durham (Mr Holden) for the work that he has done to draw attention to this. Our broadband is slow on a good day, because funding is targeted at densely populated and, curiously, Labour-voting areas. Our schools have to close and our council tax is higher because our local authority has been given one of the lowest budget allocations in Wales for the last 10 years. If only we could have the level of investment and support that has been directed at the cities and the south Wales valleys, household bills in rural areas such as Brecon and Radnorshire would be lower.

I will not support the Opposition motion today. I want the House to have a meaningful debate on household costs that is not motivated by knocking lumps out of the Government, but puts the rural poor at its centre. I commend the Government for their mature and grown-up efforts to tackle the cost-of-living crisis.

3.14 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): I rise to speak briefly in support of the motion.

Madam Deputy Speaker (Dame Eleanor Laing): I beg the hon. Gentleman's pardon, but I have to reduce the time limit to three minutes.

Gerald Jones: Thank you, Madam Deputy Speaker.

Families in Merthyr Tydfil and Rhymney and across the country face a bleak start to the new year. Rising energy costs are especially concerning at the coldest time of year. The cost-of-living crisis is growing. Shopping baskets were £15 more expensive this Christmas than last Christmas because of inflation, and the price of petrol was 24% higher. Families face real pressures on their household incomes this winter, yet so far the Government have not stepped up to the challenge and offered anywhere near adequate support.

Next month, a new price cap is likely to be announced to take effect from April 2022, and there is some alarming speculation that bills could rise by as much as 46%. Undoubtedly, some will point to the rise in energy bills being partly due to the short-term increase in the global gas price, but let us be clear: the reality is that a decade of Conservative government has left us exposed to the market. Do the Government recognise that their failure on regulation and gas storage, the delay in new nuclear and renewables, and the failure to insulate homes properly have led to working people paying the price for the Government's incompetence?

Labour's plan, which the motion outlines, will go some way to support families up and down the country who face a cost-of-living crisis here and now. We know that oil and gas producers in the North sea have posted huge profits during the pandemic. A windfall tax to help cut VAT on home energy bills and ease the burden on working families is appropriate at this most difficult time for families across the country.

Cutting VAT on energy would save most households around £200 on their bills at a time when the poorest need support. We also know that the Prime Minister,

[Gerald Jones]

the Levelling Up Secretary and the Home Secretary backed cutting VAT on fuel in the past. Therefore, the Government could support the motion. Why are they so far refusing to do so? As I said, Labour's plan would save most households £200 while targeting support at low earners, and pensioners would save £600. The plan tries to ensure that people do not have to choose between eating and heating.

The Welsh Labour Government have already announced a £38 million winter fuel support scheme that directly supports families to cover their energy costs and keep their homes warm this winter. That demonstrates the Welsh Government's willingness to offer support to those most in need. The Welsh Government never shied away from trying to support families through the crisis. We now need the UK Government, with all their financial clout, to step up to the plate and deliver for those who need it most at this most difficult time. I urge all Members, particularly those on the Conservative Benches, to do the decent thing and support the Opposition motion.

3.17 pm

Lee Anderson (Ashfield) (Con): Now then, if Labour Members really wanted to help the poorest people in society, they would not come to this House with a motion to cut somebody's bill by £61 a year. There were Labour MPs drinking in the Terrace bar last night who spent more than that on a round of drinks.

Do I want VAT removed from our energy bills? Of course I do. Everybody does. That is why last week I signed a letter to the Chancellor, asking him to cut the VAT on bills. I also want the removal of levies on domestic energy, which are nearly a quarter of an electricity bill. That sort of saving is a real saving, which would make a real difference to the people in Ashfield and Eastwood, but of course there is not much of an appetite for that in this place as we strive to be net zero in record time.

No one disagrees with what we are trying to do to save the planet, but a lot of us are sat here on over 80 grand a year—and some people have second jobs—and we are telling poor people that they must pay more to heat their homes. Frankly, when it comes to heating homes, people do not care where their gas or electricity comes from, in the same way as they do not care where their petrol or diesel comes from when they go to fill up their cars. All people want is to be able to afford their bills—that is all.

Labour Members are trying to play politics with people's lives so that they can get a cheap social media clip saying, "The nasty Tories are voting against a cut in VAT." They rely on the great British public not knowing how the process works in this place. It is a pitiful way of conducting themselves.

Let us be honest, this is not a vote to help poorer people pay their bills. It is a vote to take over the Order Paper so the Opposition can return us to the disastrous days of a few years ago that almost cancelled Brexit. There is no doubt that people are struggling and the cost of living is increasing with the increase in fuel prices, but who is to blame for that increase? We cannot just blame the pandemic, as we are all to blame. Successive Governments have never taken this seriously. We closed

all our pits and we do not produce gas like we used to. Both Conservative and Labour Governments, let us be honest, have ignored this for years.

I see Labour Members shaking their heads, but they are not really interested in helping people in places like Ashfield, which has been ignored for decades. Ashfield has had no investment at all, but so far under this Government we have had £70 million, two new schools coming and hopefully a new railway line. We have millions of pounds coming to Ashfield, and what is Labour's answer to levelling up Ashfield? A saving of £1 a week on energy bills. That is absolutely disgraceful, and Labour Members should hang their head in shame.

3.20 pm

Tommy Sheppard (Edinburgh East) (SNP): The last two years have been brutal and miserable for millions of people in this country, but not everyone has had a bad pandemic. Last year the number of millionaires in Britain increased by 10% and the number of billionaires increased by 15%. In fact, *The Sunday Times* estimates that, between them, the 171 billionaires in the United Kingdom are worth £600 billion, which is enough for them by themselves to fund every single pound of Government covid support over the last two years and still be the richest people in the country.

Jacob Young: I take on board what the hon. Gentleman is saying. I am confused, because the hon. Member for Kilmarnock and Loudoun (Alan Brown) signalled that the SNP will be supporting today's motion, yet this is a tax cut for the very millionaires the hon. Member for Edinburgh East (Tommy Sheppard) is talking about.

Tommy Sheppard: I am not sure of the relevance of that intervention. I was describing the manifest economic injustice apparent in our country, and that is the context against which we need to examine rising energy prices.

It might be thought that any Government would want to do something about the extremes of wealth and poverty in Britain, but in fact this Government are making it worse. Last autumn they chose to cut the household income of the 6 million poorest families in the United Kingdom by £1,000 a year—that was a political choice. They are now preparing to introduce tax increases this April, and tax is always a political choice. One could choose to make the wealthiest pay more or one could choose to tax accumulated wealth and capital, but no. This Government are increasing taxes for average and low earners in order to avoid increasing tax for the wealthiest people in the land, for whom tax is at a historically low level. That is the moral tapestry against which we should judge this.

The Government need to take serious action, because standing aside and doing nothing about the cost of living crisis would be to abdicate government. Of course there should be a cut in VAT on energy bills. In fact, consider what it means not to do that. It means that families the length and breadth of the land will face the misery of higher gas and electricity bills and, at the same time, the Government will profit from that misery by bringing in more money from the tax levied on those bills. That is immoral, and of course this proposal should be supported.

Two other things are required. First, the energy cap must be maintained and the Government must take action to make sure energy suppliers are capable of delivering on it. Secondly, as a matter of priority, the Government need to make a heating and energy payment to low-income families that will allow them to deal with the increases that have already happened.

I would hope that these are reasonable asks of the Government of the United Kingdom, but I do not doubt what is going to happen. I know those asks will be ignored, and I know this Government think their 80-seat majority makes them impervious to reason and logic, so they will continue as they wish. That is why, in Scotland, people will be looking again at whether we have to forever be hitched to this Government—whether we have to go along with them and these policies, which benefit the well-off at the expense of the poorer—or whether it is time to take matters into our own hands and, through the political agency of being an independent country, be able to deliver things in a better way, and build an energy supply system and an economy based on fairness and community solidarity.

3.25 pm

Jack Brereton (Stoke-on-Trent South) (Con): I struggle to believe what we are seeing from the Labour party today: a party that has repeatedly opposed Brexit and did everything it could to try to stop us leaving the EU is now proposing something that would have been impossible had we remained in the EU. We see right through these underhand attempts by the Labour party to subvert democracy and take over control of Government time. The reality is that, yes, our constituents across the country are feeling the pressures of inflation and increased energy costs, but this is not just a UK issue; this is an issue faced by the global economy as we emerge from the pandemic, as well as a result of the actions of adversaries, including Putin's Russia, which are ramping up global energy costs in an attempt to prop up their own domestic failings.

The challenges of the cost of living faced by my constituents in Stoke-on-Trent South are nothing new. For decades the neglect of our city by the Labour party has seen wage levels remain far below the national average. It is only now that we are starting to see things change, with wage levels increasing with a resurgent Stoke-on-Trent economy.

Lee Anderson: My hon. Friend is talking about the deprivation and years of neglect in his own patch in Stoke; does he agree that that pattern was repeated all over the country in the north and the midlands and that we are finally putting it right?

Jack Brereton: I absolutely agree. We are seeing that right across the north and the midlands, in towns and cities that were neglected for decades by the Labour party, including Stoke-on-Trent, and which are now growing faster than most other UK cities. According to Office for National Statistics figures, in the last decade the average weekly pay in Stoke-on-Trent has risen by more than £125 a week. That is due to the policies of the Conservative Government: increasing the national living wage, cutting tax for the lowest income families and freezing fuel duty repeatedly. That is the only way we are going to get out of this cost of living and energy price crisis: continuing to see people's wages rise and ensuring people take home more.

Government can put off the inevitable cost increases, but for how long? What is being proposed today would only delay them, as this is a global trend of increased energy costs that shows little sign of reversing. This measure would also not focus enough on those who need help the most, and given that cost increases are not just being seen in electricity and gas prices we must take broader action to ensure that people are able to earn more and are better able to cope with the pressures of increased costs of living. The only way this is achieved is through helping people to increase skills levels and take on better job opportunities, and getting more people back into meaningful work through schemes such as kickstart and the lifetime skills guarantee that this Government are focused on delivering.

After decades of decline under Labour, Stoke-on-Trent is a city with renewed confidence, and not only have we seen wages go up, but we have seen record numbers of people in work. The number of jobs available in the city over the last decade has increased by around 17,000 and the number of workless households has almost halved, such was the legacy of a Labour party that condemned people to a lifetime of worklessness and benefits, with hopes and dreams lost. We as Conservatives are determined to reverse that by delivering on the Government's levelling-up agenda and rebalancing opportunities for our whole country, which has recently seen us secure £56 million for Stoke-on-Trent from the levelling-up fund. It is through these actions that we will see people rising out of poverty and address the cost of living challenges we face.

3.28 pm

Kim Leadbeater (Batley and Spen) (Lab): I am really concerned that some Conservative Members simply do not understand the reality or scale of this problem and just how many people are truly fearful of the impact of the cost-of-living crisis that is coming down the line.

Of course, first and foremost we need to help those in the greatest need—people in serious poverty who are struggling to put food on the table—but the reality I see in my constituency of Batley and Spen, and which I am sure is the same across many other areas, is that people in many households are already experiencing genuine anxiety and hardship. There are many families that the Government are putting under huge pressure; they are not desperately poor but they are not rich either, and often both partners are working full time. They are trying to do the best for their kids, but they are really struggling through no fault of their own.

I have heard from many such families in my constituency. They are proud, hard-working people, but too many face the embarrassment and—I know some would say—humiliation of having to rely on food banks. When I see Conservative Members on social media going to food banks and telling them what an amazing job they are doing, quite honestly I think that they are the ones who should be embarrassed. Those food banks are there for a reason: the policies pushed by the Conservative party over the past 12 years.

I was contacted last week by a couple whose story really shocked me. He works full time helping people with drug and alcohol problems, and she is a children's crisis counsellor. They cannot afford to pay this month's gas and electricity bills and are worried about what will happen if they fall behind on their rent. They are

[Kim Leadbeater]

desperately trying to ensure that their kids do not suffer, but things are so tight that they cannot afford to go to the shops for the next two weeks. He described it as a

“matter of survival getting to the end of the month.”

These are good people trying to help those even less fortunate than themselves, and we should not be making their lives even more difficult in the coming months.

I also have elderly constituents and constituents with disabilities who are trying to navigate complex procedures around heating costs, reductions in benefits and a lack of housing provision. Many are struggling with anxiety and depression on top of their physical health issues. Indeed, this afternoon we are focusing, quite rightly, on the financial impact of the cost of living crisis, but we should also take a moment to remember that the past couple of years have had a huge impact on people in other ways. Many have already paid a heavy price with their physical health and mental wellbeing. So why would the Government want to add extra stress and pressure to people who are already struggling by not supporting the motion, which would help them? There are things that we could do to make a real difference to people's lives. For me, it is very simple: if we can act, we should act. I urge Members on both sides to recognise the seriousness of the crisis that many people are facing by supporting the motion.

3.31 pm

Jacob Young (Redcar) (Con): People in Redcar and Cleveland will remember the last time the Order Paper was wrestled from the hands of Government. It was, of course, when ardent remainers, ably supported by the Labour party, tried to block the decision made in the 2016 EU referendum. The irony of this situation should not be lost on us, because the Leader of the Opposition is attempting to use the same tool he used then to try to block Brexit, but this time to exploit one of the freedoms that Brexit gave us: the ability to get rid of VAT on energy bills.

Axing the 5% VAT on energy is clearly an option to support people, but it is an expensive and incredibly poorly targeted one. The Labour party usually complains about tax cuts that help high earners, yet that is what it is supporting here. I am left asking why I or any of us, given the salaries we are on, should expect the Government to subsidise our energy costs. My view is that we should be focusing our support on those who need it most, not those who want it. That must be the cause of any responsible Government.

How are we supporting people right now? We are supporting people through winter fuel payments, the warm home discount, cold weather payments, the energy company obligation and the household support fund. That is on top of our general measures, such as increasing the living wage to £9.50 an hour and freezing fuel duty for the 12th year in a row, and the help given over the course of the pandemic. The Government supported 12,500 people in Redcar with furlough payments, and spent more than £16 million supporting businesses in my area.

Of course, for the Labour party it is never enough. During the pandemic Labour criticised the cost of test and trace, and then demanded that covid tests remain

free indefinitely. Labour criticised the Government for not producing enough personal protective equipment fast enough, and then demanded investigations into why contracts were given quickly. They want it both ways. They want to go back into the EU while benefiting from the freedoms that Brexit gave us. I begin to wonder whether “Goldilocks and the Three Bears” is required reading for the shadow Cabinet—everything is a bit too much and a bit too little; nothing is ever just right.

What we are discussing today are short-term measures to support people, and I think that it is as important to discuss how we handle energy in the long term. We are in this position today because policy decisions—some good and some bad—made over the decades have left us without an alternative to imported gas for baseload supply, whether that was Blair's Government rejecting new nuclear in the early 2000s, Cameron's Government and hesitancy about fracking, or this Government and our decision to phase out coal completely. We have made these policy decisions, which have left the most vulnerable vulnerable to the swings in gas prices that we are seeing today.

3.34 pm

Hywel Williams (Arfon) (PC): Energy prices are going to increase enormously. That is just a plain fact. The question is, of course, what we do about that and about the long-term cost of living crisis, which predates the pandemic, and particularly child poverty, which has been tragically high and indeed endemic in Wales for decades, since the deliberate destruction of our heavy industry for political reasons over 40 years ago and the neglect of manufacturing, all leading to chronic, deep poverty.

Nearly 20% of Welsh workers earn below the real living wage, earning essentially poverty wages. People are now indeed making the choice between whether to cook food or heat their homes. They are cutting back on spending for themselves and even having to cut down on spending for their children. On top of that, millions of people across Britain are already facing a rise in national insurance and are weeks away from a catastrophic rise in energy bills. We in Plaid Cymru agree with the Opposition proposal to cut VAT on energy bills, but this does not go far enough to cover the average estimated bill surge of £750, nor does it target support sufficiently at those who need it most.

The further top priority should be support for lower-income families, those unable to cut non-essential spending, all of whose spending is essential, and those who cannot draw on savings—they have no savings. We call for immediate Government action through the tax and benefits system. It is beyond belief that the UK Government have taken over £1,000 a year from the poorest through the £20 cut to universal credit. That direct attack on the poorest people in Wales and across the UK should be reversed both for those in work and those not working, for it has pushed 275,000 Welsh families even further into poverty.

The Government say that work is the answer to poverty. Forty per cent. of Welsh households claiming universal credit are already in work, and many are key workers, so the £20 uplift should be reinstated and extended to those on legacy benefits. Equally, we call for the warm home discount to be increased and the eligibility criteria extended to include all poorer working-age

households. The cold weather payment should also be reformed, as per my private Member's Bill in 2018, which was on an issue that I have campaigned on subsequently. However, in the long term we must end our dependency on fossil fuels and move to more renewables and, I should say, greater use of pumped storage, with retrofitting of our homes to make them more energy-efficient.

3.37 pm

Craig Mackinlay (South Thanet) (Con): Sadly, this Opposition day debate is, I believe, an opportunity lost for the Opposition. Energy prices and how we can help the lower-paid—and all of us, frankly—to weather the storm of high energy prices is a great topic to be debating. We could have had a debate this afternoon about why that has happened, rather than just papering over the crack of the problem that we are in, which is frankly all we can do at the moment.

Of course, VAT is one measure that is in our gift to take, now that we are outside the European Union. It is quite funny. Labour spent weeks, months and even years trying to frustrate the Brexit referendum. Mr Deputy Speaker, you were here at the time of what I would call the Brexit wars. We remember the scars of the Letwin amendment, the Grieve Bill and the Benn-Burt Bill, when similar activity was indulged in this House and people tried to take over the Order Paper and get their way, in opposition to the elected Government of the day.

I hate to break it to the Opposition, but the Government of the day are on these Benches, and they have a pretty big majority. They control the agenda, and I do not think we want to go through the shenanigans of the past. However, if Labour had left today's motion to about the first line, I think I would be speaking greatly in support of it. The first line says:

"That this House calls on the Government to cut the rate of VAT for household energy bills".

I agree with that absolutely and entirely, but we need to go further in addressing the papering over the cracks during 20 years of failed energy policy. It is not just our energy policy that has failed—I will admit that—but the Opposition energy policy that failed when they were in government.

I am absolutely delighted that the right hon. Member for Doncaster North (Edward Miliband) is with us today, because I think I can put at his doorstep many of the problems that we face, through the climate change levy, the renewables obligation and the Climate Change Act 2008, which added all those extra green and renewable levies on to our energy bills at a time when we really do not want or need them.

I will quote what the right hon. Gentleman said in 2008, justifying rising costs to business in energy prices. He said that it was a good price to pay and that we should sacrifice economic growth to cut emissions. That is exactly what we are doing now. We need cheap energy. We need a debate on our energy supply. Is it at all sensible that Britain and the European Union spend billions on gas with Putin's Russia, so that he can have more money to create weapons of offence on the borders of Europe and the UK? It is a mad policy. We need a new policy, but today is not the time for supporting the Opposition.

3.41 pm

Naz Shah (Bradford West) (Lab): People are having to make difficult choices in their shopping lists to keep food on their family table. People are having to decide between staying warm or facing the chill this winter because of rising energy bills. People are literally emptying out their savings to cover everyday costs because of the rising level of inflation.

The Prime Minister and his Government have lost their grip across the board and are tearing down our economy and our country with poor planning and incompetence time and time again. They had years to plan for Brexit and boost skills and jobs for workers in Britain, yet all five flagship policies in their "plan for jobs" are failing. Last September the British population felt the brunt of their poor planning when they had to queue for hours just to get fuel for their cars, due to a shortage of HGV drivers. The energy price rises set to take place in April will be catastrophic, with bills set to rise on 1 April by another 50% to as much as £2,000 a year for an average household paying by direct debit.

The Prime Minister and his Government are in complete denial and empty of any solution to this crisis, probably because the cost of living crisis does not affect him. When the going gets tough and the Prime Minister has to slum it out, he texts his Downing Street chum and he can simply drop a message to his rich mate the Lord, who will cough up from the coffers to fund the designer Lulu Lytle-inspired £840 a roll wallpaper, or a Baby Bear sofa for just under 10 grand, or a three grand Lily Drum table. What is an extra 15 quid on the Christmas shopping list for him this year compared with last? How will the rise in inflation, the 24% increase in petrol prices, rents at the highest level in 13 years, or the price to heat our homes going up by 50% this April bother this Prime Minister, or anyone on the Government Benches? The Government are totally out of touch with what it is like for real families in Britain—working-class people, people in Bradford West and across this country.

That is why we, the Labour party, are providing a solution to protect families, especially in places such as Bradford West, to protect lower and middle-income earners—and pensioners—who have already been squeezed by years of underfunding and under-investment, and face the choice between food and heating. We have the highest rates of child poverty in Yorkshire. This is not something that we did not know was going to happen; we knew it was going to happen. The Prime Minister stood there and said that inflation was all made up; yet two months later it is the highest that it has been in decades. The Government are in complete denial and they fail every child and every person in Bradford West by not supporting our motion.

3.44 pm

Ben Bradley (Mansfield) (Con): The debate on the cost of living and energy bills is obviously very important and pertinent, and I hope and trust that it is going on in the corridors of this place all the time, because it is a matter of huge importance to my constituents.

It is clear that cutting VAT on energy bills is one option to consider. The last I understood, I think it was the Prime Minister who said last week that it was under active consideration. There is obviously a decision to make on how targeted and effective that support might

[Ben Bradley]

be. Clearly, such a measure would reduce energy costs, but it would mean spending taxpayers' money on cutting energy bills for a lot of people who are not struggling and do not need that support. Indeed, it would be a tax cut for all of us in this room, despite the salaries that we are paid.

We have a duty in this place to ensure that taxpayers' money is spent in an effective way and where it is most needed, so it is understandable and right that the Government will want to consider a whole range of measures to ensure that they come to the most effective conclusion both in targeting that support and for cost-effectiveness for the taxpayer. There are other options, including some of the green levies on bills, which have been discussed already, that make up a higher proportion of many energy bills than VAT. While it is true that the long-term answer may be investment in sustainable energy production, in the short term it makes bills more expensive. Reports from the TaxPayers Alliance in recent weeks suggest that the burden of those green taxes is likely to rise by as much as 40% in the coming years, and that will have an impact on the cost of living.

Lee Anderson: My hon. Friend is most generous with his time. We talk about the green levies, which affect poorer people the most in society, and we talk about cutting VAT, which will benefit the most wealthy in society, such as people in this place earning £80,000 a year. Does he think that that is unfair?

Ben Bradley: I thank my hon. Friend for that intervention, and he is absolutely right to say that many of our constituents who are ably described by Opposition Members as struggling to pay their bills would I am sure prioritise paying those bills and putting food on the table, rather than paying green levies on their energy bills for some future that they may or may not see. We know that that may be a short-term solution, but this is a short-term problem that we need to tackle now, and those levies are not helping people put food on the table tomorrow and to pay their bills tomorrow. We do need to think more about this than just to chuck an answer out there that may seem all right on social media, but actually relates to something in the region of about £1 or £1.10 a week for such constituents. It is certainly not the answer.

It is clear that there is an awful lot of work to be done, but there is already a lot of work being done to support people in need. We have had the list already from Conservative colleagues. There are warm home discounts, winter fuel payments, cold weather payments, winter support grants—it goes on and on—so let us not pretend that the Government are not acting on this. We know that these are tough times for a lot of people, but through covid, uncertainty, inflation and rising costs, the Government have acted, and they will act further and will help.

That debate is a legitimate and important one, but this is not that debate. The bit of the motion that may pass many of my constituents by—on the surface it is dry, internal administrative stuff, but it is actually really important to recognise this—is that it does not just ask the Government to tackle the cost of energy bills, but seeks to take us back to a time in the midst of Brexit negotiations when the Government lost the ability to

control the business of the House through such a motion. The chaos that surrounded that whole scenario, with the damage that that process caused at the time to our Brexit negotiations and the illegitimacy of the premise that elected Governments should no longer decide what laws they introduce, was of absolutely no help to anybody. In fact, it made a mockery of this House and its procedures, and undermined both the democratic outcome of the referendum and the democratic outcome of the preceding general election, because it is of course Governments who are elected to make laws, not the Opposition.

This Opposition day debate does not just ask the Government to remove VAT; it asks the Government to give up control of the legislative agenda. It means we would just forget the measured consideration of which of the measures I described earlier might have the best impact and value, and instead allow the Opposition to set the agenda and timetable, and to legislate. That is not how Parliament works and it is not how democracy works. We have been there and tried that, and it was wrong at the time and it is wrong now. Sadly, the Opposition have turned what is otherwise a reasonable debate into something wholly unacceptable. If Labour Members' answer to the rising cost of living is to knock a quid a week off energy bills and tell people it is a silver bullet, I think they need to go away and think harder, as the Government are doing, about how we genuinely support people in need.

3.48 pm

Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op): The cost of living is ratcheting up, but it did not need to be this way. It did not need to be this way because the Government have implemented a number of tax increases. It did not need to be this way because the Government have failed to ensure that food prices, energy prices and other costs of living, including housing costs—with the inflated housing market, people are paying far too much for renting their houses—have been controlled.

It did not need to be this way because, for over a decade, this Government have made poor choices on energy. They banned onshore wind farms. This is now one of the cheapest forms of electricity known to this country, but it was banned for 10 years by this Government, who only U-turned last year, in the midst of a pandemic, when they realised there were very few options left for them. They cut the solar feed-in tariff, which meant that hundreds of poor families who would otherwise have chosen the option of having solar panels on their roofs could no longer afford to do so, and it became a luxury limited to the rich and middle classes. And, of course, they failed to invest in truly insulated green homes, and their insulation schemes have been a disaster.

I am no fan of the tactics of Insulate Britain, although I defend to the hilt their right to protest, but what they are right about is the simple failure of this Government to insulate every single home in the country. It is possible that family energy bills could have been reduced, almost decimated. We could still do that now, in just a few years: every council house, every social house, every house in the rented sector and then the houses that are owned could be transformed through a street-by-street measure. However, this Government have no answers apart from silly giveaway grants that do not

even touch the sides of the insulation of a home, let alone its transformation into a Passivhaus or something approaching it.

As for our proposal, it is a short-term fix for the year. It means slashing VAT, but also ensuring that we make long-term investments in green energy. Investing in our country and our infrastructure can be a possibility, but only by voting for this motion today will we start to turn the tide of Government failure on the cost of living, on bills and on our climate.

3.51 pm

Danny Kruger (Devizes) (Con): Real pressures on the cost of living are obviously coming down the track. I recognise that, and I also note the work that the Government have done and are doing to address it. It is worth noting in passing the contributions made by Treasury Ministers in the last year: reducing the universal credit taper rate and putting £1,000 in the budgets of 2 million low-income families, increasing the national living wage by more than 6.5%, freezing fuel duty for the 12th year in a row, and introducing the housing support fund for lower-income families. However, more clearly needs to be done. The debate has been helpful in identifying some of the options that are open to the Government, including the possibility of a cut in VAT on energy. I note that the Chancellor is considering that option among many others. However, it is worth observing that a cut in VAT on household fuel would disproportionately benefit those with larger homes. I think it is right for the Government to consider it as part of a suite of possible interventions and measures to support families during the current energy price spike.

There is one option that I have not heard mentioned today, although according to news reports last year it was probably being considered then. I refer to the policy of what is called a carbon fee and dividend. The fundamental challenge that we face, given our net zero commitments, is to reduce carbon emissions without hurting low-income families and the economy more generally. One way of doing that is to ensure that as we tax carbon emissions—as we bear down on carbon using fiscal levers—the income that is generated for the Treasury is reallocated directly to families, and to low-income families in particular, in the form of a carbon dividend or climate income, as it is sometimes called. Other countries have been experimenting with this. I accept that it is quite a statist solution and one that might not come naturally to Conservative Members, but I think it is worth considering the option of enabling the income from carbon taxation to go directly to low-income families.

Finally, let me make a point that I think must be made in every speech from the Government Benches. It is very wrong and very regrettable that the Opposition are using the opportunity of a debate on this important matter to propose taking over the Order Paper. I was a spectator in the last Parliament, but I saw very clearly during that terrible time a paralysed Parliament, a Government unable to govern, and the public looking on in bewilderment as their representatives serially failed them and betrayed the promises that they had made in their manifestos—

Mr Deputy Speaker (Mr Nigel Evans): Order. We must leave it there.

3.54 pm

Christine Jardine (Edinburgh West) (LD): It is an honour to speak in today's debate, even though it is a very frustrating one. I cannot get my head around the fact that Government Members seem more offended by the Labour party trying to take control of the Order Paper than the cost-of-living crisis facing this country. That is not coming down the line; it is here and it is now. We have inflation at its record highest level in the last 10 years, a stealth tax that the Government introduced by freezing the tax threshold and a hike in national insurance, all of which are making a bad situation worse. Let us not start reheating pointless Brexit arguments; let us try to deal with the issue.

The Liberal Democrats believe that cutting VAT is a blunt instrument, so in principle, we would prefer to see targeted measures, doubling the warm home discount and the winter allowance. That is what we need, but we will support the Labour party today because it wants address the issues that people in our constituencies care about: how they will heat their homes, feed their children and keep themselves warm if they are elderly. That is what they care about, not debates that happened two years ago or, for that matter, Scottish independence. They care about how they pay their bills now, so we will support the motion.

Will the Government please stop speaking to us all as though we are not aware of what is going on in the country? Perhaps they are not aware—perhaps they are detached from it—but we Liberal Democrat Members are very aware of the problems that our constituents face due to the cost of living, inflation and energy prices going up, and the economic impact of the pandemic on our local businesses and independent traders, who provide vital income not just to our local communities, but to the people who work for them.

Two years ago, the Chancellor promised us that he would do whatever it took to fix the economy. It is a crying shame that he and the rest of the Government are apparently not prepared to do whatever it takes to help the people of this country through an economic crisis and a cost-of-living crisis that is hitting them hard.

3.57 pm

Duncan Baker (North Norfolk) (Con): This debate highlights the fact that a severe cost-of-living crisis is upon us, as I think we can all agree. There are many factors and I will not spend my three minutes debating the whys and wherefores of those, not least because we know of the global gas price hike. I want to draw a line on what we should be doing about it and what interventions we should make and discuss. The bottom line is that with inflation running at 5% and energy bills soaring, this very real issue needs to be tackled urgently.

Labour has talked about cutting VAT and there are three reasons why that causes me great concern. It is a blunt instrument, as we have heard. That is not necessarily a bad thing, but if it is going to have an impact on people who do not necessarily need that cut, that blunt instrument needs to be reformed to make it better. Also, the change would be immaterial—the bottom line is that this crisis requires more than a 5% cut in a bill. Therefore, more targeted measures, which I will come to in a moment, would be far more hard-hitting for the people who need them. Also, as we have seen in this pandemic, there have been difficulties when we have

[Duncan Baker]

had to take something away and then bring it back again, and my right hon. Friend the Member for Kingswood (Chris Skidmore) made a compelling case on that.

I would not necessarily agree with some Government Members about cutting green levies. If we are serious about dealing with the climate crisis we are in, then, for exactly that reason, we have to keep those levies to ensure that in the future we have energy security from sustainable sources that will help to alleviate the problems that we have today.

I want to outline two positions. As we have seen, winter fuel payments help 8 million pensioners and the warm home discount helps 2.2 million people on low incomes. That is the targeted intervention that we need. My North Norfolk constituency is particularly rural. It has the highest demographic of older people in the entire country. Those are the people who particularly need support: our older citizens, who had the triple lock taken away for one year only, for understandable reasons. I would like to see the Government taking targeted measures very seriously and costing them up to help people.

Finally, we should look at the energy companies. There are clear regulatory failures. We should look at Government-backed loans to smooth out the problem that we have seen this year and ensure that it does not recur in the next few years.

4 pm

David Linden (Glasgow East) (SNP): This is the second day in a row that the Chancellor of the Exchequer appears to have been posted missing. At the beginning of the pandemic, he was absolutely everywhere: we could see all his branding on Instagram and he was clearly trying to pump himself up in advance of a Tory leadership bid. This Government often talk about their plan for jobs, but it is becoming increasingly clear that the Chancellor has a plan for only one job: his next job, which the Prime Minister seems to be doing his best to expedite today.

Yesterday, I met Age UK and Age Scotland, which told me that 96% of respondents to their snap survey last week were worried about their energy bills. People are already making really tough choices between heating and eating: for example, some people are making the decision just to live in the one room in their house that they can heat.

The Government need to reflect that, when people fall into destitution, the state bears the cost anyway, so there is a preventive argument as well. What we need from the Government is not just a plan for jobs, but a plan for their cost-of-living crisis and a plan to tackle pensioner poverty. We need a one-off payment to low-income households, which could be identified by way of the council tax reduction mechanism. We need to increase and extend the warm home discount, delivered through customers' bills and funded by the Government. We need the April benefits uprating to better reflect inflation rates and certainly to reinstate the £20 that was cut from universal credit, which was so callous on the Government's part.

We need to reinstate the pensions triple lock, on which the Government broke their own manifesto commitment only a couple of months ago, because

pensioner poverty is on the rise and the UK already has one of the poorest pensions in the OECD. We were told that an 8% rise in pensions would be disproportionate, but reasonable economic forecasts now expect inflation to run at 7% in April. We need bold action on pension credit. Over 3,000 constituents in Glasgow East are eligible for pension credit but do not take it up, so we need more action from the Government to promote it.

The Department for Work and Pensions needs to look again at the £500 million household support fund. Initially, we had £41 million of that Barnettised to the Scottish Government. Rather than winding the fund down, the UK Government should increase it. We need to reintroduce and mandate the social energy tariff, reinstate the free TV licence for over-75s, who largely spend more time at home, and reduce or remove VAT and environmental levies on energy bills.

Those are just some of the things that could be in the Chancellor's plan for the cost-of-living crisis but, as we all know, his only plan for jobs is for his next one. This place is clearly not going to deliver anything for Scotland, so the only way to do it properly is with Scottish independence.

4.3 pm

Ruth Jones (Newport West) (Lab): In rising for the first time since Friday, I want to place on the record my sadness at the untimely passing of the Member for Birmingham, Erdington. Jack Dromey was a lovely man and a staunch trade unionist, and he always stood up for working people. If he were with us today, I am sure he would be speaking in this debate, because it is about fairness, decency and supporting those who are most in need.

I know from speaking to residents of Newport West how worried they are about the rising cost of living. They are paying more for their food, more for heating, more for gas and more in tax. In short, the people of Newport West and this country are worse off under the Tories, and they need a break. Today, the Opposition are forcing a binding vote on a VAT cut on home energy bills because the Conservative party refuses to back a windfall tax that would support families. Simply put, it is not interested in giving working people the support that they need and deserve.

Incomes are still falling relatively, but for those with the least, living costs are still rising. More than half of Welsh households have seen their food costs increase, while more than 60% have seen their utility bills increase. The impact on children is worsening: more than one in five families with children have had to cut back on items for them, including books, toys, nappies and clothing, while one in 10 families with two children have had to cut back on food for them.

My pledge to the people of Newport West is this: I support removing VAT from domestic energy bills for a year from April 2020; I support expanding and increasing the warm home discount; I support smoothing the cost of supplier failure; and I welcome the establishment of a contingency fund that would be directed at supporting energy-intensive businesses. Those are real and tangible actions that would make my constituents' lives better. I cannot understand why the Conservatives will not support us.

I say to the Minister that someone in Newport West on the energy price cap with typical usage is currently paying £1,277 a year for their dual fuel bill. That is expected to rise to £1,865 a year from April according to the latest estimate, which is a £588 increase. We need less time to be spent on agreeing excuses for lockdown parties and more time to be spent on standing up for those most in need. We need less time to be spent pretending that energy costs are not rising and more time to be spent cutting the cost of gas and electricity.

Simply put, we need more action for those most in need and less dither, delay and letting people down. Dither and delay are exactly what Tory Ministers will do if they vote against this important motion. The Opposition's motion will make life that bit easier for those most in need, so what are we waiting for?

4.5 pm

Mohammad Yasin (Bedford) (Lab): January is the toughest month for most people, but this year, people's financial worries are at a whole new level. In December, emails started coming in from my constituents telling me that they are having to choose between heating and eating.

It is not just pensioners, those unable to work or workers on low incomes who are worried about spiralling food, fuel and energy costs, but the majority of people—many millions of workers—who are not entitled to Government help. They include the self-employed hammered by IR35 and those excluded from help during the pandemic. Most of them can normally withstand the odd unexpected bill, but they cannot now budget for the spiralling costs, income tax hikes, council tax rises and the cost of inflation heading towards 7%, alongside real-terms pay cuts and stagnant growth.

In 2016, the Prime Minister and the Secretary of State for Levelling Up, Housing and Communities promised us, as they outlined their plans to cut VAT on household energy payments, that gas bills would be lower for everyone and wages would be boosted if voters backed Brexit. A year after Brexit, the opposite is true. Ministers should make good on their promise to ease the burden on families by cutting VAT on energy bills, but instead of action, all we are left with is a tissue of false promises.

The Government cannot keep hiding behind the cost of the pandemic as an excuse to do nothing, when other Governments have faced the same difficulties. The Labour party has a plan that I hope the Government will listen to today. UK households are already under pressure from inflation and face a sharp rise in costs in April when the cap on energy prices will be raised. The poorest 10% of households will see their spending on energy increase from 8.5% of their total budget to 12% according to the Resolution Foundation. Again, the people who can least afford it are footing the bill while the millionaires and billionaires are untouched.

We must act now to prevent the devastating consequences of sky high bills that many people simply cannot afford. The need to reform our broken energy and regulatory system has never been clearer. We must unleash the vast potential of British renewable and nuclear energy and we must insulate our homes. To deliver the green transition, we need energy security and affordable bills.

4.8 pm

Mary Kelly Foy (City of Durham) (Lab): It is undeniable that the cost of living is spiralling out of control and the situation is being made bleaker by skyrocketing energy prices. The Government have failed to prepare for and refused to respond to the problem. When the new energy price cap is announced, households in Durham and across the country face a potential 46% rise in their energy bills, yet the Government are doing nothing to protect ordinary people from that hammer blow.

Fortunately for the Government, while they dither, the Labour party has a plan to protect households from the worst of the spiralling energy costs. The Government must act immediately to reduce the financial burden on households. According to polling by YouGov, a third of people say that a £25-a-month increase in their living costs would be unaffordable, while 50% say that they could not afford a £50-a-month increase. I do not think the Government truly appreciate the gravity of the situation for ordinary people. Labour's plan would mitigate the impact of energy price rises by temporarily scrapping VAT on domestic energy bills, while taking steps to prevent the costs of supplier failure from being passed on to consumers.

We also recognise that there are those who need greater protection from these rises, which is why Labour would expand the warm home discount and increase it from £140 a year to £400 a year, ensuring that it reaches squeezed middle-income and low-income households as well as pensioners. This, combined with our other proposals, would give eligible households a £600 a year reduction in energy payments.

The Government will no doubt protest that these plans cost money, but what is public money for if not to be spent on the public? At a time when households are experiencing greater pressure than ever on their resources, it is the Government's duty to relieve that pressure. The best bit about this is that it could be paid for by a windfall tax on North sea oil and gas profits. As ordinary people are left to shiver in their cold homes or to pay through the nose for energy, these oil and gas companies are expected to report near record income in 2021-22. That simply is not right, and Labour would make these companies pay.

However, we cannot just look at short-term solutions to the crisis. We must also look to the future. Our energy system is broken, and it needs reform to make it greener and more sustainable by accelerating the switch from gas to homegrown renewables and by ensuring that millions of people in Britain have warm and well-insulated homes.

MPs have a simple choice today: we can vote to ease the squeeze on families across Britain or we can leave many to choose between heating and eating. I know which I will be voting for.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Nigel Evans): The wind-ups will begin promptly at 4.25 pm.

4.11 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): Thank you, Mr Deputy Speaker.

[Rebecca Long Bailey]

Annual fuel bills are expected to rise not by a little bit but by a whopping 50% when the current energy price cap is raised in April. This motion is right. To provide some temporary relief, the Government must cut VAT on household bills as soon as possible. Beyond that, the longer-term problems must be addressed.

We could see this crisis coming for a long time. Closing the UK's largest gas storage plant in 2017 without a plan to replace it was illogical, and the Government were repeatedly warned at the time that the country faced more volatile winter gas prices and was becoming too dependent on energy imports, but they ignored all advice.

The bigger issue is the business model of the energy sector as a whole. For years since privatisation, the monopoly grid companies prioritised dividend extraction over upgrading the system for renewable energy. The generators did not really start investing in renewables until public money was put on the table, and the supply market is in complete disarray. Many smaller suppliers are now folding, creating even less competition and leaving huge market shares for the bigger players. In response to that collapse, we see the Government setting aside billions in public funds to prop up firms that are too big to fail, but with that public money comes no change in the broken energy market, no reduction in household bills and none of the benefits of public ownership.

If our energy system were brought into public ownership, such public companies would not be duty bound to prioritise huge returns for shareholders. They could invest in the system and in renewables, and they could use financially buoyant times to build up reserves to protect against the price fluctuations we are seeing. They get this in Germany, where two thirds of electricity is bought from municipally owned energy companies. They get this in France, where two thirds of electricity comes from EDF, which is majority owned by the French state. EDF also runs the French grid and generates most of the electricity. In fact, EDF supplies the UK, yet the Government do not think we are good enough to have our own public energy company.

Until the Government recognise that public ownership is central to addressing the crisis we face in our energy system, our constituents will continue to pay the highest price. Today's motion would help them, but ultimately the Government have to look at the bigger picture and examine public ownership.

4.14 pm

Matt Western (Warwick and Leamington) (Lab): May I just put on record how much I miss Jack?

Working families everywhere are feeling the pinch. Energy prices are rocketing, housing is increasingly unaffordable and inefficient, food prices are rising and there is a global gas price crisis. Ten years of failed energy policy has left us particularly exposed, including through the closure of the Rough gas storage facility. It was vital to keep that open. That facility would have ensured some energy stability and resilience. Now, our storage capacity is only 2% of our annual usage, compared with 25% in France and Germany.

Meanwhile, in February Ofgem will announce a new price cap for April 2022 onwards, under which bills can rise by 46% or £600 a year. That compares with wage growth of 4.2%. How on earth are families going to survive this increase? Without Government support, they will not. Research from YouGov shows one in 10 Brits could not afford a £5 per month increase in their cost of living, a third could not afford an additional £25 per month increase, and half could not afford an additional £50 per month. Almost 4,000 households in my constituency are already in fuel poverty—that is 8.9% of all households—and they will be hit the hardest and have to choose between heating and eating.

Inflation is running away at over 5% and it is going to hit 7%, according to Goldman Sachs and the Bank of England. As my hon. Friend the Member for Leeds West (Rachel Reeves) has said, we are facing a high inflation, high cost and low growth economy. That is why Labour is calling for measures now to reduce the expected energy price rise in April. Removing that price rise and increasing the warm home discount would save most households around £200. The lowest earners and the squeezed middle would save up to £600 on bills, preventing all the expected increases in energy bills.

Pensioners have also been abandoned by this Government through the Chancellor's failure to protect the triple lock. That simple action would have avoided a short-term crisis but there is more to do to protect our constituents from future shocks. Our housing stock is poorly insulated, the worst in Europe. British homes leak heat up to three times more quickly than the more energy-efficient homes on the continent, resulting in higher bills and colder homes. The last Labour Government introduced a legal requirement for new homes to be zero carbon by 2016. We would have had a million homes built in the past five years if that had been allowed. Labour would make the green deal deliver 19 million warm and insulated homes, saving households an average of £400 a year, but the Government do not see the advantage of that. The Government have also failed to accelerate quickly enough to domestically produced clean energy, as we have heard. Then there is house price inflation and rent inflation, and the exorbitant costs that people living in this country face. I understand how hard this winter is going to be for my constituents, and I believe that the Government have to act urgently to address that.

4.17 pm

Mick Whitley (Birkenhead) (Lab): Our country faces the worst cost-of-living crisis in recent memory as families grapple with rising inflation, soaring food costs and an energy crisis that has rapidly got out of control. This Government's decade-long failure to reduce the country's foreign energy dependence has left us especially exposed to the devastating impact of wholesale gas prices. In the space of just a few short months, no fewer than 27 energy providers have collapsed, and ordinary people are being forced to reckon with the real possibility that their gas and electricity bills could rise by as much as 45% to 50% by spring 2022, according to the trade association Energy UK. No one has been spared the fallout from this spiralling crisis, but it is the poorest communities, such as those in my constituency of Birkenhead, that are being hit hardest of all.

Last autumn, I warned the House that thousands more people across Wirral risked being pushed into poverty as a result of changes to the energy price cap and the cut to universal credit. At that time, those concerns were dismissed out of hand by complacent Ministers, but now National Energy Action is warning that 2 million more people could be plunged into fuel poverty as a result of rising costs, bringing the overall total to the highest level since records began.

At this challenging time, the country has the great misfortune to be governed by a party more interested in its own internal power struggles and the increasingly untenable position of the Prime Minister than in giving British households the support they so desperately need. Ministers rushed to take to the airwaves this weekend to condemn Labour's plans to bring energy bills down, but it is clear for all to see that they have no realistic plan of their own. Some Conservative Members have seen this crisis as an opportunity to take aim at the net zero agenda, calling for the environmental levy on energy bills to be scrapped and for the resumption of fracking and the expansion of drilling in the North sea. That is not prompted by the slightest concern for people struggling to get by. Instead, those Members are motivated by a deep-seated and ideological objection to climate statute.

Let me be clear: we cannot solve the problems of today by trading away our grandchildren's future. Hard-won progress on the climate must not be sacrificed to make up for the Government's monumental failings. In truth, only my party has put forward credible proposals to meet the immediate needs of British households and industry. I commend my hon. Friends on the Front Bench for the proposal that they have brought before the House today, including the removal of VAT on domestic energy bills, a windfall tax on North sea gas and oil, and a £600 contingency fund to support energy-intensive industries such as British Steel.

The Minister must put partisanship to one side and engage constructively with those proposals in the national interest. But I believe that he must go further, too. The current crisis has exposed enormous vulnerabilities inherent in our fragmented and privatised energy system. Wholesale reform of the sector is badly needed. By bringing energy into public hands, we can—

Mr Deputy Speaker (Mr Nigel Evans): Order. Sorry. Claudia Webbe.

4.20 pm

Claudia Webbe (Leicester East) (Ind): The Tory Government of the super-rich are presiding over a cost-of-living crisis that will hit the most vulnerable the hardest. Between the uncontrolled pandemic, inflation, soaring energy bills and the end of covid support schemes, households across the country are facing a difficult start to 2022. UK household incomes could be down £1,000 this year, according to analysis by the Resolution Foundation think-tank, as rising prices combine with welfare benefit cuts and rising taxes.

The truth is, when faced with a crisis, this Government balance the books on the shoulders of those who can least afford it, while leaving the fortunes of their rich mates untouched. The unjust policies of the Government will push more people over the brink into destitution. Inflation increased by 4.2% in October alone, the highest

figure in a decade. Everyday items are getting more expensive and, on top of that, the Government's planned national insurance increase is a regressive tax, which will hit the poorly paid the hardest, as workers' pay packets are raided at a time when wages are failing to keep up with the UK cost of living.

That means a landlord who rents out dozens of properties will not pay a penny more, but the tenants working in full-time jobs will. Meanwhile, the billionaires, large corporations and super-rich whom this Government truly represent will continue to pay a lower rate of tax than people who are struggling to make ends meet. For all their empty talk of levelling up, the Conservatives continue to rig the economy in favour of the privileged few. Even before the current energy price rises, an appallingly high number of Leicester East residents were forced to make the impossible choice between keeping their family warm or going hungry.

When I became an MP, 5,800 households in Leicester East, or 14.4% of the constituency, were in fuel poverty. That has worsened during the pandemic to 18.6%, or 7,659 households in fuel poverty. Faced with a sharp energy price rise, the Government are now refusing to take the necessary action to combat poverty and protect families in Leicester and across the UK.

The Government must raise their ambition by setting a fuel poverty eradication target, as well as committing to end all forms of poverty for good. That can be achieved by raising taxes on those who can afford it most, the super-rich and big businesses. Failing energy companies must be brought into common ownership.

The crisis is not one that will be felt equally. Those in poverty already spend the highest share of their income on daily essentials. Poorer households pay as much as 50% more on their utility bills than the wealthiest. I will end with this: as the inspiring James Baldwin once said—

Mr Deputy Speaker: Order. To resume his seat no later than 4.25 pm, Grahame Morris.

4.23 pm

Grahame Morris (Easington) (Lab): Thank you, Mr Deputy Speaker. In another place, those who were last will be first. It is an honour to follow my hon. Friends the Members for Leicester East (Claudia Webbe) and for Birkenhead (Mick Whitley).

This issue, the cost of living, shows the disconnect at the heart of Government and the realities on the ground for the vast majority of people, including many in my constituency. When the book is finally closed on the last chapter of the Conservative Government, they will leave a legacy of insecurity—the gig economy, zero-hours contracts, fire and rehire and the loss of workplace rights. Sadly, the Conservative party will be remembered as the party of child poverty, food poverty, fuel poverty and homelessness. We see that in the growing queues for food banks, the rising levels of private debt, and the unprecedented numbers of people sleeping rough on our streets. The political choices of the past decade have not put the resources of the state behind addressing these critical issues. Working families are facing tough choices this winter, and, in the months ahead, many will be pushed below the poverty line.

Mr Deputy Speaker (Mr Nigel Evans): Apologies to those who did not get in. There were quite a few of you.

4.25 pm

Edward Miliband (Doncaster North) (Lab): I want to thank all hon. Members who have spoken in this debate. I particularly thank my hon. Friend the shadow Chancellor, my hon. Friends the Members for Tooting (Dr Allin-Khan), for Sheffield, Brightside and Hillsborough (Gill Furniss), for Merthyr Tydfil and Rhymney (Gerald Jones), for Batley and Spen (Kim Leadbeater), for Bradford West (Naz Shah), for Brighton, Kemptown (Lloyd Russell-Moyle), for Newport West (Ruth Jones), for Bedford (Mohammad Yasin), for City of Durham (Mary Kelly Foy), for Salford and Eccles (Rebecca Long Bailey), for Warwick and Leamington (Matt Western) and for Birkenhead (Mick Whitley), and my hon. Friend the Member for Easington (Grahame Morris) for his just-a-minute speech, which was excellent.

There are three questions at the heart of this debate. How did we get here? What short-term action should we take? And, what is the long-term plan to stop it happening again? First, on the crisis, there is no question but that there is a global dimension to this crisis. Many countries are facing strains as a result of what has happened to wholesale energy prices, but there are some undeniable facts about how badly we have been hit. No other country has seen 28 energy companies go under. They are failures that we already know will cost consumers £100 on bills. No other major European country has gas storage equivalent to just 2% of its energy demand. No other country in western Europe performs as badly on fuel poverty and insulation as the UK. These undeniable facts are symptoms of Government failure over the past decade. There were failures of regulation. They were warned repeatedly about the regulation of the sector, and did not act—in fact they loosened regulations. As the recent Citizens Advice report said:

“From 2010 onwards, dozens of companies entered the market with limited checks. Some offered good services to consumers, but others were poorly prepared.”

It went on to say that the regulatory system

“allowed unfit and unsustainable energy companies to trade with little penalty.”

It is consumers and businesses that are paying the price. There were failures of strategic decision making, too, such as the closure of the Rough storage facility, which my hon. Friend the Member for Leeds West (Rachel Reeves) warned about when she was Chair of the Business, Energy and Industrial Strategy Committee.

Let me get to the heart of this debate, and I say this to the anti-net zero tendency in the Conservative party. We can reach two different views. Some Conservative Members say that it is because we have gone too fast on the green transition. I say that they are dead wrong; it is because we have gone too slowly. It is continued dependence on fossil fuels that makes us more vulnerable and less resilient. Let us take energy efficiency. A 2014 study showed that a comprehensive programme of energy efficiency could cut gas imports by a quarter, but what have we seen? We have seen the abolition of the zero carbon home standard, the fiasco of the green deal and the fiasco of the green homes grant. That is why emissions from buildings are now as high today as they were in 2015, and it is not just about energy efficiency. Before this debate, I looked up the number of onshore wind

turbines being constructed each year in the past four years—it is because I am a nerd. I will not do a guessing game in the House as I do not have the time. The answer is that just four turbines a year were granted planning permission in the past four years. It makes no sense, because onshore wind is the cheapest power at our disposal—so much for being the Saudi Arabia of wind power; it is just hot air.

I come now to what short-term action should be taken. There is a divide in this House between a party that has some proposals and a party that does not. Fundamentally, that is it. Conservative Members can talk all they like about the Order Paper and all that stuff, but they do not have an answer. We have come forward with an answer. What is the principle of the answer? It is this: we help all families, and we give most to those who need it most. I want to explain this to the House. We have said that we want to increase the warm home discount from £140—£150 from April—to £400. We want not just to increase it, but to extend it from 2.2 million households to 9 million households, or one third of families. That is the right decision to help the poorest people in our society who are going to be so badly hit. But we all face a dilemma, and we need to be honest about this. It is right to help the poorest, but it is not just the poorest who are facing tough times as a result of this crisis; it is those in the middle as well, and the swiftest, most direct way of helping those families is to get rid of VAT on energy bills.

Perhaps I am a bit naive in thinking it surprising that this idea is controversial, because this is a Government whose Prime Minister and Home Secretary, along with 26 Conservative MPs, used to think that it was the bee's knees. They thought it was a great idea. It was not some random, chance remark made by the Prime Minister; it was a promise made over and over. Given the Prime Minister's long and distinguished record of integrity, demonstrated again today, surely the British people were entitled to take him at his word when he said that “we will be able to scrap this unfair and damaging tax”, and again, just two years ago, when he said:

“Not only will we be able to reduce VAT in the UK, but we will be able to do it in Northern Ireland as well.”

As Conservative Members consider how they will vote in a few minutes' time, instead of making arguments about the Order Paper, why do they not look at the substance of the motion? Labour Members say, “Let us take action”; their Government have nothing to say. That is the difference, and they should join with us. The problem is not just that the Government have nothing to say. I think we got to the heart of where they really stand on Sunday when we heard what the Education Secretary said when he was sent out to comment. It is not great being a Government Minister going out there at the moment, to be honest; I remember times like that in the Labour Government too. The Education Secretary—I had to double and triple-check this quote—said:

“A windfall tax on oil and gas companies, who are already struggling in the North Sea, is never going to cut it.”

“Already struggling”? As my hon. Friend the Member for Leeds West said, the chief executive of BP, Bernard Looney, said that the price rises were a “cash machine” for his business. It is not putting that money into investment; it is putting it into dividend share buy-backs from its shareholders. Who is filling up that cash machine? It is working people. All we are suggesting is something

quite simple, which is a one-off windfall tax for a year to get some of that money back and help families right across this country.

Short-term action is essential, but we need long-term action as well. There is a very big difference we could make to families, and that is a national mission to retrofit homes in this country. It is the closest thing there is to a no-brainer with regard to energy policy. We could cut bills by up to £400. We could make ourselves much less dependent on volatile fossil fuels. That is why we put forward a plan for a £6 billion a year retrofit and zero-carbon energy programme to insulate 19 million badly insulated homes. But the Government refuse to act. They offer piecemeal privatised programmes that do not work, and they are still short of their very inadequate manifesto promise on this. We can get a sense of where the Government stand. When they had the fiasco of the green homes grant—I do not blame them for thinking it was not going very well—they did not plough the money saved back into retrofit but simply cut £1.5 billion of investment. We need to go faster on energy efficiency. We need to invest in our ports and grid so that we can meet and exceed 40 GW of offshore wind. We need to end the effective moratorium on onshore wind, embrace tidal power and other forms of renewable energy, drive forward our nuclear programme and invest in clean energy storage.

There needs to be a proper inquiry into how we ended up with the disastrous regulation system under this Government and a root-and-branch reform of that system so that we never again have a situation where so many companies go bust and it is the British people who are left to pay the price, with such a dramatic impact on their bills. I am afraid to say that the culpability lies directly at the Government's door: they were warned and they did not act.

This debate has been revealing in very many ways.

Alan Brown: Will the right hon. Gentleman give way?

Edward Miliband: I will not.

We have a Government who got us into this mess and have no clue how to help the British people out of it. They are paralysed in the face of this cost-of-living crisis. They do not have any answers for the British people, either now or in the future. That is why we are acting. I urge Members from all parties to join us in a few minutes and vote for relief for hard-working families across this country.

4.34 pm

The Minister for Energy, Clean Growth and Climate Change (Greg Hands): I thank right hon. and hon. Members for their valuable contributions to this debate.

I can fairly describe the main thrust of our debate as: wholesale gas price volatility has caused many problems—what are the Government doing about it? By contrast with what the right hon. Member for Doncaster North (Edward Miliband) said, we have everything to say about this issue. There are two main parts to the Government's answer, and the first is about making significant improvements to our energy supply, with more energy.

Our long-term strategy is about finding effective replacements for fossil fuels that are reliable and do not expose us to the volatility of international commodity

markets. That means investment in renewables, as my right hon. Friend the Member for Kingswood (Chris Skidmore) pointed out, and in nuclear energy, which will be key to achieving that aim. In both areas we have made massive progress since 2010 and continue to do so. As of 2020, renewables contributed 43% of our electricity mix. I checked who the Secretary of State for Energy and Climate Change was in 2010: of course, it was the right hon. Member for Doncaster North. Renewables are now six times the level they were when he was Secretary of State, when they contributed just 7% in that year.

On 13 December, we launched our biggest-ever contract for difference renewables auction—the largest yet—with a goal of around 12 GW, which is more capacity than the previous three rounds combined. That was a major step towards delivering the Government's increased ambition. We already have the world's largest installed offshore wind capacity, which was created under this Government, but we are not resting on our laurels: our ambition is to quadruple that over the next decade. It is a proven technology that is moving us away from the volatility of gas and other fossil fuels.

There is a key role for nuclear. I am delighted that the Labour party supported in principle the Nuclear Energy (Financing) Bill last night. That is a far cry from Labour's 1997 manifesto, in the writing of which I think the right hon. Member for Doncaster North was involved. In that year, the Labour manifesto said:

"We see no economic case for the building of any new nuclear power stations".

The lost time on nuclear is entirely down to the Labour party.

I am delighted that we have the new regulated asset base model for the financing of new nuclear power stations.

Several hon. Members rose—

Greg Hands: I am not giving way.

There is £1.7 billion of funding to support our objective of approving at least one new large nuclear power project by 2024, as well as the new £120 future nuclear enabling fund. Nuclear will play a vital role in the reduction of volatility in the energy system and work hand in hand with renewables to produce reliable power for generations of consumers to come.

Let me turn to the points raised by my hon. Friend the Member for South Thanet (Craig Mackinlay). It is a misnomer to say that the Government are not appreciative of the efforts currently being made on issues such as the North sea. It is not right to say that we have not welcomed more investment in the North sea. In the final quarter of 2020 alone, five new gasfields came onstream: Arran, Columbus, Finlaggan, Tolmount and Blythe and Elgood. The majority of our gas consumption still comes from domestic production; of the rest, the biggest part comes from Norway, which provides more than half our imports.

There is this idea that storage would have helped. Storage does not help when there is a price issue. It might help when the issue is supply, but here it is price. Being able to store high-cost gas does not help with a price crisis.

[Greg Hands]

The protection of households is vital to the Government. We are committed to supporting vulnerable households with their energy bills. My right hon. Friend the Chief Secretary to the Treasury pointed out many of the important schemes that we have in place, not least the energy price cap, the warm home discount scheme, the energy company obligation, the solar process, which has led to the ability to transfer people's energy provision from one company to another seamlessly and without cost to the consumer, the winter fuel payment, and the £500 million household support fund. They are all in place to help and protect consumers.

We have had a very good debate. If I may say so, we had some fantastic contributions from my own side of the House. My hon. Friends the Members for Birmingham, Northfield (Gary Sambrook) and for Stoke-on-Trent South (Jack Brereton) spoke passionately about Government help for residents in their constituencies. My hon. Friend the Member for Brecon and Radnorshire (Fay Jones) spoke about her rural constituency and again highlighted support from the Government in her area. My hon. Friends the Members for Ashfield (Lee Anderson) and for Mansfield (Ben Bradley) forensically and skilfully took apart the Labour motion. We had thoughtful speeches on net zero from my right hon. Friend the Member for Kingswood and my hon. Friends the Members for Devizes (Danny Kruger) and for North Norfolk (Duncan Baker), who also looked in detail at the workings of the energy market.

My hon. Friend the Member for South Thanet called for changes in energy policy. There are changes. The main one is that we are producing more energy. We are producing more renewables and more nuclear. We are making sure that we get as much gas as we can from UK domestic sources. That is the basis of our energy policy.

In contrast to the Opposition, we have a plan. I have outlined what it is. Labour Members do not have a plan. A four-page motion is not a plan. This is a student union tactic, which they rehearsed well during the Brexit years. I thought that the departure of the right hon. Member for Islington North (Jeremy Corbyn) as leader of the Labour party might herald a return to serious Opposition politics. To be fair to the hon. Member for Leeds West (Rachel Reeves) and the right hon. Member for Doncaster North, they were part of what was a more serious Labour Opposition from 2010 to 2015. I give them that credit, having done Opposition politics myself from 2009 to 2010. It all started well for them. On Sunday, there was that classic briefing to *The Observer* about their plans, and a full media round on Monday. It was all looking good until they arrived here today and produced this four-page, 20-clause, student union motion. The first line mentions "households" and "bills". In the following four pages, there is no repeat of those words. Instead, we have multiple mentions of "motion", "proceedings", "amendments" and even the term "dilatatory Motion." They have completely lost the plot and disappeared into their own world of procedural gobbledegook. The Opposition have no new plan and no new thinking. Their motion does not deserve serious consideration today and should be comprehensively rejected.

Question put.

The House divided: Ayes 229, Noes 319.

Division No. 158]

[4.43 pm

AYES

Abbott, rh Ms Diane
Ali, Rushanara
Ali, Tahir
Allin-Khan, Dr Rosena
Amesbury, Mike
Anderson, Fleur
Antoniazzi, Tonia
Ashworth, rh Jonathan
Bardell, Hannah
Barker, Paula
Beckett, rh Margaret
Begum, Apsana
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, rh Ian
Blackman, Kirsty
Blake, Olivia
Blomfield, Paul
Bonnar, Steven
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Alan
Brown, Ms Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Byrne, Ian
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Sir Alan
Campbell, Mr Gregory
Carden, Dan
Carmichael, rh Mr Alistair
Chamberlain, Wendy
Champion, Sarah
Chapman, Douglas
Charalambous, Bambos
Cherry, Joanna
Clark, Feryal
Cooper, Daisy
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Coyle, Neil
Creasy, Stella (*Proxy vote cast by Chris Elmore*)
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Daby, Janet
Davey, rh Ed
David, Wayne
Davies, Geraint
Davies-Jones, Alex
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Docherty-Hughes, Martin
Dodds, Anneliese
Donaldson, rh Sir Jeffrey M.
Doogan, Dave
Dorans, Allan
Doughty, Stephen
Dowd, Peter
Eagle, Dame Angela

Eagle, Maria
Eastwood, Colum
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elmore, Chris
Eshalomi, Florence
Esterson, Bill
Evans, Chris
Farron, Tim
Ferrier, Margaret
Flynn, Stephen
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Grant, Peter
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hanna, Claire
Hardy, Emma
Hayes, Helen
Healey, rh John
Hendrick, Sir Mark
Hillier, Dame Meg
Hobhouse, Wera
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Howarth, rh Sir George
Hussain, Imran
Jardine, Christine
Jarvis, Dan
Johnson, rh Dame Diana
Johnson, Kim
Jones, Darren
Jones, rh Mr Kevan
Jones, Ruth
Jones, Sarah
Kane, Mike
Keeley, Barbara
Kendall, Liz (*Proxy vote cast by Mr Pat McFadden*)
Khan, Afzal
Kinnoch, Stephen
Kyle, Peter
Lake, Ben
Lammy, rh Mr David
Lavery, Ian
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lynch, Holly
MacAskill, Kenny
Madders, Justin
Mahmood, Mr Khalid

Mahmood, Shabana
 Malhotra, Seema
 Maskell, Rachael
 Mc Nally, John
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stuart C.
 McDonnell, rh John
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McKinnell, Catherine
 McMahon, Jim
 McMorris, Anna
 Mearns, Ian
 Miliband, rh Edward
 Mishra, Navendu
 Monaghan, Carol
 Moran, Layla
 Morden, Jessica
 Morgan, Helen
 Morgan, Stephen
 Morris, Anne Marie
 Morris, Grahame
 Murray, Ian
 Murray, James
 Nandy, Lisa
 Newlands, Gavin
 Nichols, Charlotte
 Nicolson, John
 O'Hara, Brendan
 Olney, Sarah
 Onwurah, Chi
 Oppong-Asare, Abena
 Osamor, Kate
 Osborne, Kate
 Oswald, Kirsten
 Owen, Sarah
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Phillipson, Bridget
 Pollard, Luke
 Qaisar, Ms Anum
 Qureshi, Yasmin
 Rayner, rh Angela
 Reed, Steve
 Rees, Christina
 Reeves, Ellie
 Reeves, Rachel
 Reynolds, Jonathan

Ribeiro-Addy, Bell
 Robinson, Gavin
 Rodda, Matt
 Russell-Moyle, Lloyd
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheppard, Tommy
 Slaughter, Andy
 Smith, Alyn
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Sobel, Alex
 Spellar, rh John
 Stephens, Chris
 Stevens, Jo
 Stone, Jamie
 Streeting, Wes
 Stringer, Graham
 Sultana, Zarah
 Tami, rh Mark
 Tarry, Sam
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, rh Nick
 Thompson, Owen
 Thomson, Richard
 Thornberry, rh Emily
 Timms, rh Stephen
 Twigg, Derek
 Vaz, rh Valerie
 Webbe, Claudia
 West, Catherine
 Western, Matt
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Whitley, Mick
 Whittome, Nadia
 Williams, Hywel
 Wilson, Munira
 Wilson, rh Sammy
 Winter, Beth
 Wishart, Pete
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Ayes:

Gerald Jones and
 Liz Twist

NOES

Adams, rh Nigel
 Afolami, Bim
 Afriyie, Adam
 Aiken, Nickie
 Allan, Lucy
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Gareth
 Bacon, Mr Richard
 Badenoch, Kemi
 Bailey, Shaun
 Baillie, Siobhan
 Baker, Duncan
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, rh Steve
 Baynes, Simon
 Bell, Aaron
 Benton, Scott
 Beresford, Sir Paul
 Berry, rh Jake
 Bhatti, Saqib
 Blackman, Bob
 Blunt, Crispin
 Bone, Mr Peter
 Bottomley, Sir Peter
 Bowie, Andrew
 Bradley, Ben
 Brady, Sir Graham
 Braverman, rh Suella
 Brereton, Jack
 Bridgen, Andrew

Bristow, Paul
 Britcliffe, Sara
 Browne, Anthony
 Bruce, Fiona
 Buchan, Felicity
 Buckland, rh Sir Robert
 Burns, rh Conor
 Butler, Rob
 Cairns, rh Alun
 Carter, Andy
 Cartledge, James
 Cash, Sir William
 Cates, Miriam
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Sir Christopher
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Mr Simon
 Clarke-Smith, Brendan
 Clarkson, Chris
 Clifton-Brown, Sir Geoffrey
 Coffey, rh Dr Thérèse
 Colburn, Elliot
 Collins, Damian
 Costa, Alberto
 Courts, Robert
 Coutinho, Claire
 Cox, rh Sir Geoffrey
 Crosbie, Virginia
 Crouch, Tracey
 Daly, James
 Davies, David T. C.
 Davies, Gareth
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Davison, Dehenna
 Dinenage, Dame Caroline
 Dines, Miss Sarah
 Djanogly, Mr Jonathan
 Docherty, Leo
 Donelan, rh Michelle
 Dorries, rh Ms Nadine
 Double, Steve
 Dowden, rh Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duguid, David
 Duncan Smith, rh Sir Iain
 Dunne, rh Philip
 Eastwood, Mark
 Edwards, Ruth
 Ellis, rh Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Eustice, rh George
 Evans, Dr Luke
 Evennett, rh Sir David
 Everitt, Ben
 Fell, Simon
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Ford, Vicky
 Foster, Kevin
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George

Freer, Mike
 French, Mr Louie
 Fuller, Richard
 Fysh, Mr Marcus
 Gale, rh Sir Roger
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Gideon, Jo
 Girvan, Paul
 Glen, John
 Goodwill, rh Sir Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Griffiths, Kate
 Grundy, James
 Gullis, Jonathan
 Hall, Luke
 Hammond, Stephen
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Harrison, Trudy
 Hart, Sally-Ann
 Hart, rh Simon
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Henderson, Gordon
 Henry, Darren
 Higginbotham, Antony
 Hinds, rh Damian
 Hoare, Simon
 Holden, Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, John
 Howell, Paul
 Huddleston, Nigel
 Hudson, Dr Neil
 Hughes, Eddie
 Hunt, Jane
 Hunt, rh Jeremy
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sajid
 Jayawardena, Mr Ranil (*Proxy
 vote cast by Stuart Andrew*)
 Jenkin, Sir Bernard
 Jenkinson, Mark
 Jenkyns, Andrea
 Jenrick, rh Robert
 Johnson, rh Boris
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, Fay
 Jones, Mr Marcus
 Jupp, Simon
 Kawczynski, Daniel
 Kearns, Alicia
 Keegan, Gillian
 Knight, rh Sir Greg

Knight, Julian
 Kruger, Danny
 Kwarteng, rh Kwasi
 Leadsom, rh Dame Andrea
 Leigh, rh Sir Edward
 Lewer, Andrew
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Loder, Chris
 Logan, Mark
 Longhi, Marco
 Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig
 Mackrory, Cheryl
 Maclean, Rachel
 Malthouse, rh Kit
 Mangnall, Anthony
 Mann, Scott
 Marson, Julie
 May, rh Mrs Theresa
 Mayhew, Jerome
 Maynard, Paul
 McCartney, Karl
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Millar, Robin
 Miller, rh Mrs Maria
 Mills, Nigel
 Mitchell, rh Mr Andrew
 Mohindra, Mr Gagan
 Moore, Damien
 Moore, Robbie

Mordaunt, rh Penny
 Morris, David
 Morris, James
 Morrissey, Joy
 Mortimer, Jill
 Morton, Wendy
 Mullan, Dr Kieran
 Mumby-Croft, Holly
 Mundell, rh David
 Murray, Mrs Sheryl
 Murrison, rh Dr Andrew
 Neill, Sir Robert
 Nici, Lia
 Nokes, rh Caroline
 Norman, rh Jesse
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Pawsey, Mark
 Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Philp, Chris
 Pincher, rh Christopher
 Pow, Rebecca
 Prentis, Victoria
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, rh Dominic
 Randall, Tom
 Redwood, rh John
 Rees-Mogg, rh Mr Jacob
 Richards, Nicola
 Richardson, Angela
 Robertson, Mr Laurence
 Robinson, Mary

Rosindell, Andrew
 Rowley, Lee
 Russell, Dean
 Rutley, David
 Sambrook, Gary
 Saxby, Selaine
 Scully, Paul
 Seely, Bob
 Selous, Andrew
 Shapps, rh Grant
 Sharma, rh Alok
 Shelbrooke, rh Alec
 Simmonds, David
 Skidmore, rh Chris
 Smith, Chloe
 Smith, Greg
 Smith, Henry
 Smith, rh Julian
 Smith, Royston
 Solloway, Amanda
 Spencer, Dr Ben
 Spencer, rh Mark
 Stafford, Alexander (*Proxy
 vote cast by Greg Smith*)
 Stephenson, Andrew
 Stevenson, Jane
 Stevenson, John
 Stewart, rh Bob
 Stewart, Iain
 Streeter, Sir Gary
 Stuart, Graham
 Sturdy, Julian
 Sunak, rh Rishi
 Sunderland, James
 Swayne, rh Sir Desmond

Syms, Sir Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tomlinson, Justin
 Tracey, Craig
 Trott, Laura
 Tugendhat, Tom
 Vara, Shailesh
 Vickers, Martin
 Vickers, Matt
 Villiers, rh Theresa
 Wakeford, Christian
 Walker, Sir Charles
 Walker, Mr Robin
 Wallis, Dr Jamie
 Warburton, David
 Warman, Matt
 Watling, Giles
 Webb, Suzanne
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Sir Bill
 Wild, James
 Williams, Craig
 Williamson, rh Gavin
 Wood, Mike
 Wright, rh Jeremy
 Young, Jacob
 Zahawi, rh Nadhim

Tellers for the Noes:
Michael Tomlinson and
Alan Mak

Question accordingly negated.

Reducing Costs for Businesses

Mr Deputy Speaker (Mr Nigel Evans): There is quite a bit of interest in this debate, so may we have some time restraint from the Front Benches in order to allow as many Back Benchers in as possible? I think anyone looking to contribute from the Back Benches should really limit their speaking time to three minutes.

4.58 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I beg to move,

That this House recognises the strain that businesses are under following a difficult Christmas period and two years of disruption during the covid-19 outbreak; notes challenges are more severe in some sectors; regrets that businesses are struggling with increasing energy costs, high inflation, low growth and higher taxes as a result of the Government's long-term failures and lack of adequate support; and therefore calls on the Government to reform business rates, to alleviate the debt burden by allowing businesses flexibility on Government loans and to implement a contingency fund to support businesses with high energy costs.

Our motion highlights the strain that British businesses have been under over a difficult Christmas period and acknowledges the further challenges that they will face this year. Most of all, I hope that it will facilitate a discussion about what this country needs to allow British businesses to grow and succeed, in order to ensure our and their future success.

I hope that we can take a moment at the beginning of the debate to recognise the toll that the recent challenging trading environment has taken on many people. When the shadow Chancellor and I met a wide range of businesses just before Christmas, I was struck by the impact of the pandemic on the mental health of many of the people present on the call. The uncertainty and the constant need to reinvent business plans and respond to changing consumer behaviour brought on by the pandemic have taken a toll on many people. The Government's press conference just before Christmas, in which people were advised not to go out but no support package was offered alongside that advice, was genuinely very difficult for people. It was because of the testimonies we heard that day that we were so insistent that support had to be offered before Christmas. I am pleased that the Government changed course and recognised that additional need.

I am sure that we will hear from hon. Members in this debate the effect of that short-term pressure on businesses in the areas they represent.

Alex Cunningham (Stockton North) (Lab): Energy-intensive industries, such as those on Teesside, are under the cosh when it comes to the cost of gas, and not just for energy but as a feedstock in the production of a wide range of goods. Does my hon. Friend agree that without action on the highest prices in Europe, on gas transportation costs and on carbon costs, many companies could fail, costing thousands of jobs?

Jonathan Reynolds: I absolutely agree with my hon. Friend, who has put his case as he always does. I will mention energy-intensive sectors later in my speech, but the broader point is that the medium and long-term pressures facing businesses do not look much better than the short-term pressures that they have just come through.

Janet Daby (Lewisham East) (Lab) rose—

Catherine McKinnell (Newcastle upon Tyne North) (Lab) rose—

Jonathan Reynolds: I am conscious of your warning, Mr Deputy Speaker, but I will give way to a couple of hon. Friends.

Janet Daby: Rising energy prices have been described as an existential crisis for small businesses in the hospitality sector. Does my hon. Friend agree that the Government must offer support to businesses in paying their energy bills immediately?

Jonathan Reynolds: Very straightforwardly, yes. We will talk about some of the specific proposals that the Labour party has developed to help alleviate that pressure.

Catherine McKinnell: Like many colleagues, I visited many small businesses in my constituency just before Christmas on Small Business Saturday. Although they were really pleased with the support, they also described the immense challenges they face and have faced over the past couple of years. High energy bills and inflation are clearly having a big impact, but it is set to get even worse with the increase in national insurance we are expecting in a matter of months. Surely my hon. Friend agrees that the Government cannot expect businesses to keep shouldering extra burdens without putting more support in place.

Jonathan Reynolds: My hon. Friend is right. There is already a cost of living crisis gripping the country, and it has been brought on by the frightening increases in energy costs and inflation following a decade of poor Government decisions.

It is obvious that this requires a response from the Government. Surely they cannot be considering allowing the average energy bill to hit £2,000. Surely they cannot be willing to see industry halt production or to have inflation hit double-digit figures. Frankly, it has all gone a bit Ted Heath. Where are the Government?

In contrast, we have made it very clear how Labour would act. We would take VAT off fuel bills. We would take off the supplier of last resort costs, too, and we would increase both the amount and the eligibility for the warm homes discount. I regret that Conservative Members have said they cannot vote for that, because Labour's plan would have saved the average household £200 and the worst-hit households £600. The Government have already rejected that plan today, so please let us hear the alternative. It feels like the Government are asleep at the wheel, or perhaps they are just too bogged down in constant crisis and scandal to get the grip our economy needs.

Mr Richard Holden (North West Durham) (Con): The hon. Gentleman is setting out a case, but the crucial thing is that the Government have a plan and he has not set out an alternative. So far the alternative sounds to me like extra borrowing. If it is not extra borrowing, where will he get the money to do everything he proposes today?

Jonathan Reynolds: The hon. Gentleman is more astute than that. He will have seen the plan to take revenue from the Exchequer windfall and the VAT

[Jonathan Reynolds]

receipts the Government have already received. We will increase money coming from the North sea oilfield with a windfall tax. He will know the North sea is one of the world's most profitable jurisdictions in which to extract oil and gas.

There is something else the hon. Gentleman is not telling the House. If the Government allow the national insurance rise to go ahead, that alone is estimated to put two additional percentage points on inflation. He knows that will trigger a range of further Government expenditure, as well as causing major pain to households. With respect, I do not think he has a case.

The businesses I have spoken to this week are understandably worried that a squeeze on households of this scale will adversely affect consumer spending. In addition, as we have heard, businesses are directly affected.

Matt Rodda (Reading East) (Lab): Will my hon. Friend give way?

Jonathan Reynolds: I will give way one last time.

Matt Rodda: I will be brief, as I appreciate the pressure on my hon. Friend's time. He is absolutely right to point out the link between household expenditure and businesses. In Reading and Woodley many businesses in the hospitality sector's supply chain have been badly affected. We have a thriving microbrewery industry, and these hard-working brewers are badly affected by rising energy prices, and they have been badly affected by the difficulties that affect the whole hospitality sector, but they have received less support from the Government. Does he agree that the Government need to listen to businesses and to think about the whole business community, not just certain parts of it?

Jonathan Reynolds: I love it when Members bring testimony from their own constituencies about specific sectors that have been affected. In the urgent question we had before Christmas, a lot of people mentioned coach companies, for instance, which were not at the time getting the national coverage they deserved. I thoroughly agree with the point my hon. Friend has made that businesses are directly affected by energy costs too, because they are seeing their bills go up while revenue goes down. That is clearly the case for energy-intensive industries, for which out-of-control energy hikes are simply unaffordable.

I am absolutely adamant that great British industries such as ceramics, glass and steel must have a future, but I recognise that that will not happen without political commitment. Many of us here are from places that take real pride in our industrial strength and heritage, and there has to be a future for these industries not least because, although their domestic carbon footprint is high, if we compare them with foreign competitors they are usually among the most efficient in their class. We cannot attempt to hit net zero simply by letting industry, emissions and jobs go overseas. That is why we have proposed a £600 million contingency fund to support energy-intensive industries, and we have laid out a plan for green steel, promising to fund pilot projects using hydrogen instead of coal for production and to joint-fund new equipment so the sector can grow.

However, if we want to keep these jobs and firms, it will require the public and private sectors to work together, and that brings me to the long-term challenges facing businesses because in many ways that is the most concerning picture of all. Right now, every economic indicator we have is heading in the wrong direction. The forecast for long-term growth is poor, productivity growth is appalling, wages are stagnant, and inflation is high and rising.

Kevin Hollinrake (Thirsk and Malton) (Con): Will the hon. Gentleman give way?

Jonathan Reynolds: I will proceed.

I know many Government Members are uncomfortable hearing it, but it is true to say that the Conservatives have become a high tax party because they are a low growth Government, and there is no plan that I can see to change that. In fact, most of the decisions the Government take tend to make things worse. Raising taxes, failing to deliver on transport promises and tearing up the existing industrial strategy are not the ways to increase productivity, growth and wages.

We used to talk about the danger of industrial strategy being the Government trying their hand at picking winners. This Government's strategy is better described as kicking winners. Not a week goes by without some Government Minister trying to drag our world-class universities into their desperate culture wars, instead of recognising the pioneering research that, among other things, gave us the vaccine. There is the Brexit deal the Government negotiated that delivered none of the market access our financial services industry asked for, and which has put bureaucracy and red tape in the way of British exports.

If we are to meet the challenges of the future, it will take a lot more ambition than this Government have so far shown, and it will require a change of course in several areas. It will require reforms—significant reforms—such as the replacement of business rates that we have proposed, and policies that incentivise long-term growth and investment over slogans such as levelling up, or unproven flights of fancy such as freeports.

Mr Toby Perkins (Chesterfield) (Lab): I am grateful to my hon. Friend for giving way and really pleased to come in when he is talking about business rates because for both the hospitality sector and the retail sector—two sectors that are crucial in my constituency and so many others—business rates are one of the biggest barriers to growth and to survival.

Jonathan Reynolds: I am particularly pleased I gave way to my hon. Friend because I drive through Chesterfield when I am going from Stalybridge to London, and I pay tribute to him and his local colleagues for the work they have done. He is absolutely right that our promise on business rates is to replace an outdated system that does not work with one that is fit for the future. That means rebalancing rates so that bricks-and-mortar businesses do not lose out to online firms and making sure we encourage, rather than disincentivise, investments in new plant and machinery.

Kevin Hollinrake: Will the hon. Gentleman give way?

Jonathan Reynolds: No, I am going to proceed. *[Interruption.]* Okay, go ahead—I give way.

Kevin Hollinrake: Just to make a point of detail about the context, the hon. Gentleman talks about runaway inflation in the UK, but does he accept that these are international problems? The inflation rate in Germany is actually higher than in the UK at 5.3%, and the inflation rate in the US is 6.8%, which again is much higher than in the UK. Shall we have some facts in this debate, rather than some of the rhetoric coming out from his speech?

Jonathan Reynolds: I always have time for the hon. Member, so I am not sad that I gave way to him. Yes, as we come out of the pandemic there are pressures on the global economy—we can see that in supply chains and in inflation. The question for the hon. Member is this: seeing that global picture, are the Government right not to take action, but to add further to the problem? We can see the impact on domestic energy prices, to which we are uniquely exposed because of his party's Front Benchers. Is that the right course of action, or should we follow the route that the Opposition are putting forward, which I respectfully say is a much better proposition?

We are fortunate to live in a country where we have world-leading industries, but we agree that our productivity has stalled, that too much work is low-skilled and low-waged, and that prosperity is not shared in every community. With the right leadership from Government, I believe that many of our problems and challenges could be overcome.

The Opposition motion clearly sets out the action that the Government could take now: freezing and replacing business rates, saving the average shop or small factory £4,000 this year; alleviating the debt burden on firms, allowing them to pay back some Government loans when they are more profitable; not going ahead with the national insurance rise, which is a tax on jobs for employers at the worst possible time; and introducing a £600 million contingency fund for businesses, particularly in energy-intensive sectors, to address spiralling energy costs.

Where the Government have left the pitch, Labour will back businesses to keep British firms competitive. We need a Government who can match the vision and dynamism of British business, which we are ready to do. Labour is unashamedly a pro-business, pro-worker party. The leaders and entrepreneurs I speak to—*[Interruption.]* Quiet, Secretary of State! They do not want handouts from the Government; what they want is a level playing field and an environment they can do business in. They want the state to take the long view and provide the foundations that they need for success, and that is exactly what Labour will offer.

5.11 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Lee Rowley): I am grateful for the opportunity to contribute to the debate.

I agree with the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) that this has been an extremely difficult time. He is right to highlight the impact on businesses across the country: it is difficult to overstate

the stresses and strains that businesses face, and this has been one of the toughest periods for business and industry since the second world war. From restrictions to rising energy costs, from supply chain shortages to rising inflation, businesses have had to weather an especially turbulent storm. They have had to cope with the logistical and financial disruption brought about by the coronavirus, while keeping staff and customers safe against a disease that we did not initially know much about and that has frequently required rapid changes. We remain extremely grateful for their fortitude and resilience.

Throughout the pandemic, the Government have tried to do what we can, in the most extraordinary period of our lifetime, to support businesses through the tough times. The interventions that we have made are unprecedented, even for a politician like me who does not like talking about policy solely in terms of input. We have mobilised, necessarily, hundreds of billions of pounds in support from the taxpayer to provide one of the world's most comprehensive and generous economic responses to the pandemic. Our plan backed business, because we know that only by supporting business can we enable it to create jobs, strengthen communities and support the whole economy. It came on top of other pro-business measures that have always been at the heart of how we, as a Conservative Government, run a strong economy.

In the Chancellor's 2020 Budget, he announced a series of substantial interventions through a business rates relief package. The majority of businesses in the hospitality and leisure sectors will see a 75% reduction in their rates bill across this financial year and 50% capped business rates relief next year. We recognise that the hospitality and leisure sectors have been hit particularly hard, so there is a reduced 12.5% VAT rate to support cash flow and viability until the end of March, which has helped to keep 150,000 business afloat and has supported nearly 2.5 million jobs. On top of that, we had the £1.5 billion covid-19 additional relief fund for those who had not previously had business rates support.

Dr Matthew Offord (Hendon) (Con): As the Minister will know, the threshold turnover for small businesses to register for VAT is £85,000. A constituent emailed me today to say that as a result of the pandemic, inflation has increased and he has had to increase his prices. Does the Minister agree with him that the Government could raise the VAT threshold to ensure that businesses can grow and the money can be used for investment?

Lee Rowley: My hon. Friend tempts me to get into policy, which is not the purpose of Opposition day debates—as much as the Opposition would like it to be—nor something that I have control over. He has made his point, however, for which I thank him.

We had all that support, and then when omicron came along, the Chancellor announced a further £1 billion of support for the most affected businesses, in particular, again, hospitality and leisure businesses, which had seen a steep drop in consumer demand. Taken together, that shows the Government acting in extraordinary times. I am pleased that the IMF praised our support measures as, “one of the best examples of coordinated action globally”.

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I thank the Minister for courteously taking my intervention. As the House knows, I represent the furthest

[*Jamie Stone*]

away constituency of mainland UK. Does he agree that in such a constituency, where distance is a huge issue, businesses face special challenges owing to remoteness and the cost of transportation and every other service?

Lee Rowley: The hon. Gentleman makes an important point that demonstrates the different challenges for different businesses in different parts of the country, and why the half-baked plans that the Labour party has put forward today—almost—demonstrate that it does not have a coherent plan to face the challenges.

All those measures came on top of more than £79 billion of Government loan schemes, which have directly supported over 1.5 million businesses. On the specific point in the Labour motion about repayments, which the hon. Member for Stalybridge and Hyde did not discuss to any great extent in his opening speech, we have already changed the way that they work to provide greater flexibility for individual circumstances through things such as “Pay as you grow”.

At every twist and turn of the virus, the Government have acted decisively to protect businesses and livelihoods. I refute in the strongest possible terms the charge made by the motion that we have failed to support UK businesses through the pandemic.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Does the Minister recognise the anger and upset of excluded businesses that have been unable to get any support, such as those in the coach industry and many others, especially when they see the amount of fraud involved in some of the online loan schemes that the Government have introduced? Further to that, I raised the issue of fraud involved in loans coming from the Government in the Treasury Committee, but I did not feel that there was a fervour or desperation to deal with and tackle the issue. Will the Minister talk about how the Government will recoup some of the money that has been wasted on fraud and how they will ensure that excluded people get the support that they need to get through the pandemic too?

Lee Rowley: The hon. Lady makes an important intervention. When policy is made at speed, it is a huge challenge, as the House knows, to ensure that we understand where the lines are drawn correctly. All the way through this difficult time, with the changes that have been required, the Government have tried to target the interventions and the support in the best way to cover the most people who need it.

The hon. Lady’s point about fraud is hugely important. As we hopefully move from a direct intervention model to one of recovery, there will be a huge focus on fraud. The permanent secretary of my Department was before the Public Accounts Committee yesterday with some hon. Members present to talk about that subject, which demonstrates its importance in the future.

Let me turn now to another substantive part of the motion, business rates, which are a favourite topic for Labour party Opposition day motions. There are constant suggestions for changes. On some days the suggestion is to cut business rates, on others it is to reform them. Occasionally, when the Opposition are feeling very bold, they say that we should scrap business rates.

Mr Perkins: Will the Minister give way?

Lee Rowley: I will not give way now, but perhaps in a moment.

Months after those bold statements began to be made during last year’s Labour conference, we are still yet to hear the detail of how Labour will meaningfully reform business rates.

Mr Perkins: Will the Minister give way on that point?

Lee Rowley: I am happy to give way; perhaps the hon. Gentleman can explain it.

Mr Perkins: I have a better memory than the Minister, because I remember when George Osborne stood at that Dispatch Box in 2015 and said almost exactly the same thing, so we have been waiting six or seven years for business rates reform under the Government. We will wait another two years until my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) is on the Government Front Bench to actually get the change that our businesses need.

Lee Rowley: I hate to break it to my neighbour, but we came out last year with a reform of business rates, which is intended not just to save a substantial amount of money for businesses in his constituency and mine, but to ensure reform and recognition of the changes necessary. Labour ignores those kinds of changes, and what the Opposition did just a moment ago is a perfect example. The Chancellor’s 2021 Budget delivered a huge tax cut to business, freezing the multiplier for 2022–23, worth nearly £5 billion over the next five years, introducing a new temporary 50% relief for the retail, hospitality and leisure sectors, and moving to a yearly revaluation cycle from 2023.

Kevin Hollinrake: The only detail that we seem to know about in Labour’s plans to reform business rates is a sixfold increase in the digital services tax. One thing we know about the digital services tax is that Amazon, for example, passes it straight on to consumers, which is exactly what it did. The other thing we know is that it does not apply to Amazon’s direct sales, so those plans will hit small businesses and consumers. Is that not the wrong emphasis for reforming business rates?

Lee Rowley: I am grateful for my hon. Friend’s intervention, and that is exactly the level of detail that demonstrates why, when the Opposition come to this House and put forward half-baked schemes, they immediately fall apart when they come under scrutiny, away from the warm words.

We have just gone through a business rates review, which we have talked about, although it might have been useful, consistent or, indeed, even slightly coherent for those on the Labour Front Bench to actually say what they were going to do over and above that. Of course we acknowledge the burden that rates impose. That is why many of us on the Government Benches are here in the first place: because we recognise over the long term that a lower tax burden is the way to make society and communities healthier, happier and wealthier. I can tell the hon. Member for Stalybridge and Hyde how that is going, given that he sat on the Opposition

Front Bench under the right hon. Member for Islington North (Jeremy Corbyn), who was going to raise taxes until the pips squeaked. As Conservatives, we know that a successful, dynamic, thriving private sector is the only way we get a strong economy in the long run. This is a Government that support business. We backed business robustly during this unprecedented crisis period, and we will continue to do so as we rebuild the economy following the pandemic.

This economic plan is working. The vaccine roll-out continues to play a key role in enabling us to lift restrictions, allowing sectors to remain open and businesses to recover. The UK was one of the fastest-growing G7 countries in 2021, and the same is likely in 2022. There are over 400,000 more people in employment than before the pandemic, and redundancies are below pre-pandemic levels. As we recover and move from the most unprecedented health situation of our lifetimes, we are moving towards the most unprecedented economics, whereby many economies are experiencing high inflation, primarily due to pressures from rising energy prices and disruptions to the global supply chain. My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) highlighted the equivalence of inflation elsewhere in the world. Those global pressures are the main drivers of higher inflation in the UK. Global production and supply chains are in the process of adapting and adjusting to that disruption, and the Chancellor is working with his G7 partners to monitor global supply chain pressures and build a strong and resilient recovery.

Before I conclude, I want to spend a short time on the third part of the motion, energy. On recent high energy prices, I want to acknowledge the concerns of industry and business and make it clear that the Government are committed to them both now and in the longer term, as we work through these immediate challenges and volatile times, and then look to opportunities and challenges over the long term. The Government are constantly engaging with stakeholders, including large energy users, businesses and energy retailers, to consider what action may be necessary. The recent rise in energy prices over the autumn and winter has been driven by the increase in the price of wholesale gas, the demand for which has grown, as we and other nations have recovered from the covid-19 pandemic. Consequently, higher wholesale gas prices have been observed in Europe and Asia in the last half of 2021.

However, it is vital to note that this has not impacted our energy security. The Government continue to work closely with Ofgem, National Grid Gas and other key industry organisations to monitor supply and demand. At the same time, the Government are determined to secure a competitive future for all businesses, including those that are energy-intensive.

Alex Cunningham: Will the Minister give way?

Lee Rowley: I apologise to hon. Gentleman; I need to make progress so that others can come in.

Many large energy users have already taken the sensible and responsible step of adopting hedging strategies to shield them from some of the exposure to gas and electricity prices. In recent years, although the Opposition never acknowledge it, we have provided extensive support, worth more than £2 billion since 2013, to help with the costs of electricity and to protect jobs.

Yet again, just as with business rates and just as with loan flexibility, we are left asking, “What would Labour actually do?” What is the detail behind the warm words? What are the changes that Labour will be proposing when the headline writers have moved on? How will the contingency fund work? Who will have access to it, and for how long? How will the moral hazard of those who have hedged be dealt with? What will be the definition of “energy-intensive”? How will the windfall tax work? How will Labour avoid reducing investor confidence or capital investment, ensuring that we have enough domestic energy to supply a transition to a greener future?

There are no answers, no detail, no nothing. This is Labour’s debate in Labour’s time with Labour’s choice of subject, but yet again we find ourselves without the detail, without the information, without the alternative—and why? Because Labour’s plan is no such thing. It seeks headlines rather than solutions, it offers soothing words rather than actual detail, and it plays politics when sober analysis and close working with industry are required.

I will end my speech by stating once again the Government’s belief in this country as a great place to do business. We have the lowest corporate tax rates in the G20, a regulatory framework that puts us in the global top 10 for ease of doing business, and a highly skilled workforce. It is easy to see why the UK is consistently home to one of the largest and most resilient economies in the world. That is why we are seeing so much excitement in the rest of the world about investing in the UK, not least when investors queued up to spend at the global investment summit last year. In the last 10 months, we have already seen a flurry of spending in the UK: a gigafactory in Sunderland, Ford and Stellantis churning out electric vehicles in the north-west, GE Renewable Energy and others creating an offshore wind hub in Teesside. That is a huge vote of confidence in the UK as a place to do business as we recover from the pandemic.

We will take no half-baked plans, no headline-grabbing stunts and no lessons from the Labour party. The Conservative party is the party for business, and we will continue to work with business and industry through difficult times to build the free-market, competitive and dynamic future that will make our country healthier, wealthier, greener and happier.

5.27 pm

Stephen Flynn (Aberdeen South) (SNP): It is a pleasure to take part in this important debate, and, of course, to see so many Members on the Government Front Bench. That contrasts starkly with what we saw earlier today, when the Conservatives were seeking to defend their Prime Minister—or not, as it so happens.

Given that this is such an important debate, I for one am a bit surprised by its content so far. We heard from the Minister that the Government had done everything that they possibly could to assist businesses throughout the pandemic, but what the Minister did not say—and what the shadow Minister, the hon. Member for Stalybridge and Hyde (Jonathan Reynolds), did not seem to reflect on either—was that at the height of the pandemic, what the UK Government chose to do was leave the world’s biggest single market.

[Stephen Flynn]

What we have not heard about at any point during the debate so far is the impact of Brexit on businesses in Scotland and, indeed, throughout the United Kingdom. It is the proverbial elephant in this Chamber. All of us, every single one of us, will have businesses in our constituencies that are facing challenges, and the vast bulk of those challenges emanate from Brexit. We all know that the headline will be our figures relating to the 4% hit to the UK's economy. We all know about the trade deficits that we have seen, the impact on exports and imports, the problems caused by labour shortages. The right hon. Member for Epsom and Ewell (Chris Grayling) shakes his head, but that is the reality of the situation.

Chris Grayling (Epsom and Ewell) (Con) *rose*—

Stephen Flynn: I am more than happy to give way to the right hon. Member.

Chris Grayling: May I ask the hon. Gentleman to point out to the House that this country's trade deficit in the last few months has narrowed, not widened, as he has just suggested?

Stephen Flynn: I hoped that the right hon. Member was going to rise to defend Brexit, but unfortunately he chose not to do so, because the fact is that it cannot be defended. It cannot be fixed, as the Labour party seems to think it possibly can.

I talk to businesses in my constituency regularly, and hear about the challenges that they face. Goods that took a couple of days to ship to the continent now take a couple of weeks, if not a couple of months. The order book is not there. The impact is huge. Those businesses' ability to grow has been constrained and, in exchange for that, the Government tell them they can perhaps have a trade deal with Australia instead, which will do a fraction of good in comparison to the damage being done by leaving the EU. And that is of course before we get on to the labour shortages I mentioned earlier, which are enormous. Businesses seeking to function and to grow simply cannot get the employees they were able to get before. We see some puzzled expressions on the faces of Conservative Members; perhaps that is because they have not been engaging with the hospitality sector. Would the hon. Member for Stourbridge (Suzanne Webb) like to clarify whether she is disagreeing with the fact that businesses have difficulties in terms of labour shortages? I will happily give way to her. No? Of course not, because the reality is that labour shortages are damaging businesses exponentially. She continues to shake her head, but that is the reality on the ground in hospitality, food processing, agriculture, right across the board, and that is before we get to the public sector challenges, including in recruiting staff to our care homes and hospitals.

So Brexit should be at the forefront of our debate and, frankly, I am a little disappointed that the Labour party seems to be trying to walk away from that. Notwithstanding that, a lot in the Labour motion is somewhat difficult to disagree with. It seeks to raise various topics, including businesses. I think all of us across the Chamber realise there are challenges in relation to business rates; it does not take a genius to figure that out.

However, I have some concerns with Labour's proposals, albeit not necessarily with the motion. What comes next? What does Labour want to replace this with? Coming from a local authority background, I know the huge role business rates play in funding local authorities. Unless you can say, "This is what we are going to replace it with" it is inevitable that the public will say "Where is the detail?" Without seeking to do the Conservative party's job for it, that is a fair question to ask and Labour is going to have to answer it in due course. We in Scotland have done things slightly differently from the UK Government because in Scotland there is currently 100% rate relief for retail and hospitality, which does not exist in England at present. That is a phenomenal benefit to businesses—[*Interruption.*]—irrespective of what the chuntering Member, the hon. Member for Peterborough (Paul Bristow), is saying.

Beyond business rates, important though that is, the energy situation is of great concern to businesses throughout this United Kingdom and the Government are offering no solutions to that. The easier choice today would of course have been to back the earlier motion in relation to VAT, but as I see it the Government have not offered any support for businesses with their energy costs. That is a wrong that needs to be righted as soon as possible, otherwise businesses, not just households, are going to face an unenviable position.

Jamie Stone: I can think of examples of families I know personally where the budgeting is so tight that just a pound or two either way gets them into a bad situation. If the fuel bill, or the diesel bill for the car, goes up, they spend less money shopping, and that in turn hits wee businesses in Aberdeen South, in the highlands or wherever. It is a vicious spiral in the wrong direction.

Stephen Flynn: Absolutely. My hon. Friend makes an excellent point illustrating the knock-on impact the economy will face as a result of the crisis before us. Before finishing, I want to reflect on two further points.

Kevin Hollinrake *rose*—

Stephen Flynn: As always, I am happy to give way to the hon. Member.

Kevin Hollinrake: If I were running a business in Scotland, I would want to know what the hon. Member is going to do in the future, because annual economic growth in Scotland between 2013 and 2019—pre-pandemic—was 1.2%, versus the rest of the UK's 2%. That is bad for business. What is he going to do in Scotland to grow the economy more rapidly, even to the rate of the rest of the United Kingdom?

Stephen Flynn: Join the single market.

I shall move on to the two biggest outstanding issues that I have not touched on. The pandemic is an enormous challenge that is still with us and we need to be cognisant of that as we move forward, but we cannot reflect on the challenge posed by the pandemic without reflecting on the fact that there are still businesses up and down this land that have not had support from the Government throughout the pandemic—those among the excluded. I spoke to one earlier today—Puls8 in Aberdeen, an innovative company that is trying to do remarkable things, working alongside some of the biggest players in

the North sea oil and gas sector, but which has not had the support that it needed from the UK Government. That is deeply regrettable. We should not have a discussion about businesses without remembering that important fact.

That leads me on nicely to my final point, on perhaps one of the biggest sectors in Scotland that needs support from the UK Government—our renewables sector. Scotland has 25% of Europe's offshore wind capacity. Scotland can be a world leader in renewable technologies, but as I said—and I am sure the Minister heard—Scotland still faces the highest level of grid charging in the entirety of Europe. We have a natural resource on our shores—and off our shores—that we should be exploiting, and this UK Government are erecting barriers to business in terms of capitalising on that.

To conclude, it is important to reflect on the fact that much of what I have spoken about is a reflection upon the failures of this UK Government. When we look at it from a Scottish perspective, certainly when I look at it from my perspective, I see the shortcomings of this UK Government and I see what more Scotland could do if it had the powers of an independent nation.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): I am afraid that I now have to put a three-minute time limit on.

5.36 pm

Chris Grayling (Epsom and Ewell) (Con): I refer the House to my entry in the Register.

I have great respect for the hon. Member for Stalybridge and Hyde (Jonathan Reynolds). He deserves to sit in the front rank of his party, but I have to differ from him when he says that this Government have provided inadequate support to the business sector. I take him back to 2010. Both parties have faced a crisis; Labour had the financial crisis, we have had the pandemic. Both parties have had to spend hundreds of billions of pounds to prop up the economy. But back in 2010, when I became Employment Minister, unemployment was 2.7 million and the pressures were all upwards. Today, in the wake of the pandemic, having just before the pandemic managed to get unemployment back to the levels of the 1970s, and having feared that the pandemic would take us back to where we had begun, actually we have ended up, as we are, I hope, coming to the end of the pandemic, with unemployment heading down towards 4% and hopefully below, and significant numbers of vacancies in our economy. That has happened because Ministers took the right decisions at the right time and targeted their support in the best possible way. It is not possible to do everything for everyone—

Jonathan Reynolds: I share the mutual respect that the right hon. Gentleman kindly outlined at the beginning, but he will accept, because this is his background, that there are 1 million fewer people in the labour market than pre the pandemic. Yes, unemployment has gone down, but of course the participation rate has gone down; it is not because those people have simply transferred across. The huge worry right now, and what is leading those shortages, is that participation has fallen. That is the true picture, surely, is it not?

Chris Grayling: The hon. Gentleman knows from experience, when this country has been through bad times, how devastating unemployment can be for communities, when people are looking for jobs and cannot find them. Today, if people are looking for jobs in our workforce, the opportunities are a whole lot better than they were back in 2010, even after the impact of a pandemic, and we should be pleased about that. Of course it is not a reason for complacency; of course we still face many economic challenges, but it is a major step forward for this country that we are not in the place that I thought we would end up in after a devastating pandemic, going back to those days of 2.5 million and 3 million unemployed. We do not have that right now, and that, I think, is because Ministers took the right decisions at the right time. I am proud that they did that.

So what do we do now? The first thing I would do is exactly the opposite of what the Labour party wanted us to do before Christmas: I want to lift the restrictions on our economy now. I did not think that we should have them, even to the degree that we have them now. I did not support them, but I think the bold decisions that the Government took before Christmas have been proved right. Many businesses are closed and unable to function in Scotland—a country that saw a lot of its population come to England for new year's eve to enjoy Hogmanay here, because the Scottish Government put in place restrictions that I do not think were necessary. Now we are in a position in which the right decisions were taken and we have an opportunity to lift restrictions further, so that those businesses in our city centres that are suffering because of people working from home can get back into better shape again. So I say to the Labour party, which has argued for tighter restrictions and against what this Government have done, that now is the moment for the party—and the whole House—to support the removal of our restrictions.

The last point that I want to make is about the energy issue. We have heard a lot today about energy as it affects households. The impact of what is happening globally at the moment will be devastating for households across Europe. However, we also need a smart strategy for energy to support businesses well, and we will not get there if we step away from the resources that we have.

I support the move to net zero and the expansion of renewables, but I also support the continued exploitation of the gas reserves we have in the North sea. Simply to step away now and say, "Because we are talking net zero in 2050, in 2022 we should exploit none of them", is nonsense, in my view. We need that gas, we need the resources for the United Kingdom and we need a smarter strategy than that of those who are simply arguing that we should stop all fossil fuel exploration right now. That is the wrong thing to do and it must not happen.

5.40 pm

Nia Griffith (Llanelli) (Lab): We in the Labour party recognise just how important business and industry are to our country, generating wealth and creating good jobs. We also recognise that Government have a vital role to play in providing the best possible conditions for our business and industry to flourish. It is about constructive partnership with business, with Government listening carefully to business, seeking to resolve the obstacles facing it and creating the best sorts of conditions for it to flourish, whether that is developing and updating a

[Nia Griffith]

proper industrial strategy, training and education, workforce supply, modern infrastructure and connectivity, or developing cheap and reliable energy supplies.

It is not just households that face massive energy costs—industry does too, and in particular energy-intensive industries such as steel. Sadly, that is nothing new. Even before the current energy-cost crisis, UK steel manufacturers were facing a much higher energy cost than their continental competitors. In spite of the UK Government being told time and again about the comparative cost of energy and the devastating impact of those costs on UK steel production, they have done absolutely nothing to alleviate them.

As my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) explained, Labour has a plan for a windfall tax on North sea oil and gas production. Labour would use £600 million of that as a contingency fund to support struggling firms, including energy-intensive industries. But there is much more to do.

The question is, why are we facing a worse energy price rise than other countries? It is simply because the Government have failed to produce the renewable energy that we should be generating by now. They have not got on with it fast enough. Basically, the Government have been caught napping. The gas price hike should be a wake-up call to make up for lost time and to accelerate the development of renewables.

Lastly, I turn to procurement. During the pandemic, when supplies were hard to come by, as the whole world tried to stock up, firms across the UK stepped up to the mark and changed production lines to meet our needs. UK companies were encouraged to think that they would get ongoing business if they helped out during the personal protective equipment shortages. Many companies committed in good faith and invested in UK production to future-proof British PPE supply resilience.

For example, a local SME in my constituency switched from producing a camping gas fuel to producing hand sanitiser. It invested more than £700,000 to automate its hand sanitiser production, but now most Departments have gone back to their original foreign suppliers. What happened to “build back better”? The Government need to do much more to buy British, whether steel or PPE. That would be good for security of supply, good for jobs and good for the planet—as our production is often greener than cheap imports. It is high time that the Government decided to back British, not just wave the flag.

5.43 pm

Suzanne Webb (Stourbridge) (Con): Time and again, I and other Members on the Conservative Benches have risen to oppose motions such as this from an Opposition who believe £407 billion in support throughout the pandemic has not been enough. At every turn, they have sought to undermine the measures that the Government have put in place to support businesses, and they have had the temerity to do so with no costed plan of their own. Instead, we must all wait for the Leader of the Opposition's costed manifesto at the next general election.

Of course, it would not be the Labour party if there were not already a few uncoded measures thrown around here and there. One example was scrapping business rates,

which was announced jubilantly by the shadow Chancellor at the Labour conference, only to be watered down later, probably because Labour eventually worked out that it did not know how it would pay for that. Perhaps it would do so by raising corporation tax, income tax or stamp duty or by more borrowing. It would give with one tightly pinched palm now but take with heaped handfuls later.

I am of course happy that these motions give me the chance to outline how Stourbridge's businesses and employees have benefited from a Conservative Government managing this pandemic. As Conservatives, we believe that private sector innovation is the key to a strong economy. We do not just believe in it, however; we deliver it. Since 2010, over 1 million more businesses in the private sector have been created across the UK thanks to this Government's policies. In the west midlands alone, over 50,000 more businesses have been established since 2010, thanks to this Government.

The Opposition's motion today makes the astonishing claim that businesses have been affected by low growth. That is simply not true. The UK is the fastest-growing economy in the G7, with almost 6% growth in the first three quarters in 2021. The Conservative Government's management of the pandemic, coupled with our exceptional economic growth in private sector innovation, has benefited working people too. Nobody would deny that businesses have experienced one of the toughest environments in a generation, but billions of pounds of loans and grants have kept the economy moving. Economic growth has not been disrupted as expected, and the labour market came back strong. It is a labour market that has seen 61,000 new jobs created since March 2021 in the west midlands alone.

Our economic plan is working: employment is up, growth is up and businesses are starting to make a recovery. It was this Government who promised my constituents that we would do whatever was needed to provide security and stability, and that applied to the businesses too. This is a Government who encourage business investment, innovation and productivity, and who are giving every business the opportunity to grow and innovate. It is a Government who are bold and committed to building back better.

5.46 pm

Holly Lynch (Halifax) (Lab): Businesses in my home town of Halifax have acutely felt the culmination of factors that has created such a tough operating environment in recent months. Halifax had a lot to boast about going into the pandemic, and while the prevalence of independent businesses in Halifax, alongside our financial and manufacturing sectors, gives us a strong offer as a town, it also brings with it a certain vulnerability when faced with the challenges we have endured. We know that business rates have become a weight around the neck of businesses, choking off growth. I hear that time and time again.

Harveys is an independent department store that first opened its doors in 1950. It is an institution in Halifax, but like others, it was forced to close during the pandemic for eight months in total. Naturally, this has had a significant impact on its finances and resilience. Harveys has contacted me with concerns that putting business rates back to pre-pandemic levels before footfall and takings are anywhere near back to pre-pandemic levels

could be the difference between survival and failure for it and so many other businesses. We have been clear that we would immediately reduce business rates before scrapping them entirely within the first term of a Labour Government.

There is not time in today's debate to cover every business sector in need of further consideration and support, but alongside travel and the night-time economy, I will single out children's soft play as being among those hardest hit. I have several soft play centres in my constituency, and they are required to adhere to the strictest of measures, given the nature of their business as well as the tiered system that affected West Yorkshire for prolonged periods of time. One such business is Play Palace in central Halifax. It was able to benefit from a bounce back loan but sadly it has not bounced back as a business, given the variant and the inevitable time required to rebuild consumer confidence in the activities that it offers. Like other businesses that took up the loans on offer to get them through, it is now carrying debts that only add to the pressures it is facing here and now.

Beyond the pandemic, it comes as a surprise to precisely no one that Brexit was not the bonfire of barriers to trading promised by some. I have heard from 4x4 Overlander Ltd in my constituency just this week. Its costs have already gone up by 10%, and it is seeing rising shipping costs, custom clearances and a whole host of fees and tariffs. The company worries that it will have no option but to pass those costs on to the customer. I have also written to the Government on behalf of the Leo Group and others in my constituency about the skills shortages that are crippling their sector. The rush to end free movement had no accompanying skills plan whatsoever, and those businesses really are feeling it. There are a number of other issues. Crime is affecting businesses in my constituency, and the criminal justice system is collapsing on this Government's watch. We on this side of the House are listening to businesses. I hope the Government are doing the same.

5.49 pm

Gareth Davies (Grantham and Stamford) (Con): It is a great pleasure to speak in this debate and I am grateful for the opportunity, once again in an Opposition Day debate, to highlight the tremendous support that this Government have provided up and down the country, whether that is the £154 billion in specific support for businesses nationally or the £407 billion in total. In Grantham and Stamford, we have seen £144 million in loan support and more than 20,000 workers supported through the furlough scheme. I want to take this opportunity to thank those in our local authorities, whether in South Kesteven District Council or Lincolnshire County Council; Martin Hill and Jon Hinde have done a tremendous job throughout this crisis.

I have a great deal of respect for the hon. Member for Stalybridge and Hyde (Jonathan Reynolds), who opened the debate, but it would have been nice if he had mentioned the £60 million of loans for businesses in his constituency or the £100 million of grants and rates relief. The point is that we need to support our businesses and the Government have done that.

It is great to hear the Labour party talking about debt. I am surprised to hear Labour Members bring up company debt when they showed so little regard for

national debt when they were in office, spending more in debt interest than they did in defence spending. But here we are: it is a new world.

It is also surprising to hear Labour Members talk about growth. The OECD has predicted that the UK will be one of the fastest-growing countries in the G7—that is a fact. Deloitte has also come out with a business survey this week stating that businesses expect growth and productivity to grow exponentially in the United Kingdom. That is thanks to the support, to such things as the furlough scheme and to the fact that the Government are taking very hard decisions in a very difficult crisis to support businesses and employees up and down the country, whether that is in Stalybridge and Hyde or Grantham and Stamford.

5.51 pm

Ms Marie Rimmer (St Helens South and Whiston) (Lab): St Helens has been at the heart of the global glass industry for over 200 years and is, in fact, known as the world leader in glass. Glass is part of the past, present and future of our town. In fact, that security glass up there in the Chamber was produced in St Helens and erected by men—as it was at the time—from St Helens.

Pilkington glass, or Pilks to us locals, is a business that is part of our furniture. Pilks is a business that is close to my heart, as I spent a lot of years working there. Energy bills for Pilks and other energy-intensive businesses have skyrocketed. There are numbers and variances that the business can cope with—the Minister referred to that as a hedging strategy.

In April 2020, during the first lockdown, Pilks' energy bills were £540,000 a month—just over half a million pounds. The average before the energy surge was around £1 million a month. These are acceptable business variances—a hedging strategy—yet in autumn last year, the price surged to £3.6 million a month. At that point, the industry asked for help from the Government and met the Department for Business, Energy and Industrial Strategy. No support was given and there was no response. In December, the price surged to £5.4 million. The industry again asked for support. Once again, there was no support and no response. This is about not just Pilkington, but heavy industry.

As if the prices were not bad enough, Pilkington's energy bills have now hit £8.2 million a month from an average of £600,000 a month. That is more than eight times higher than what it is used to paying. That is an unsustainable situation for Pilkington and its supply chain and for other heavy industry, not just gas production.

The Government need to support British glass and heavy industry. Glass customers are now looking to Europe for their glass—one of Pilkington's largest customers is looking to Europe. It cannot compete. Why? Yes, energy prices are surging there, but the Governments there are working in partnership to share the burden with glass and other heavy industries. They are helping them when they need it—it is called partnership working. That is what partnership is about—not just gloating when things are going right but being there to help at times of heavy demand like this. Last year St Helens Council in the Liverpool city region awarded funding to pursue the Glass Futures project, which would provide research and development to revolutionise the global glass industry. Yes, this Government were involved in that. Glass is one of the most—

Madam Deputy Speaker (Dame Rosie Winterton): Order.

Ms Rimmer: I am sorry, Madam Deputy Speaker. We need help and we need help now.

5.55 pm

Julie Marson (Hertford and Stortford) (Con): It is a pleasure to speak in this debate. I would like to start by speaking directly to people who run businesses and work in businesses in my constituency, because there is absolutely no doubt that they have struggled hugely over the past two years. They have had an incredibly difficult time and they have shown the most incredible creativity and resilience in that process. I thank them. When I am out and about in the constituency, I know that they know that this Government have been there to support them, because they thank me and ask me to pass on their thanks to this Government. That is incredibly important, because I listen to them and I know what they are saying to me as well. The support has been unprecedented and unparalleled. The figures are eye-watering—£407 billion, with £1 billion just for hospitality before Christmas—but every penny means saved jobs. Every penny has meant that businesses continue to employ people to produce services and goods that they would not have been able to had it not been for this Government's support. So even to suggest that this Government are not supporting business does not stack up: I will not have it, and I do not think many businesses in my constituency will have it either.

The role of Government—I have used this analogy before and I probably will again—is to be the groundsman. The economy is the pitch and our job is to create the conditions on which our batsmen and bowlers can play to their best strengths so that we can win the match, and that is what this Government are doing. Looking at skills, or initiatives to increase investment such as the super-deduction, it is all with that aim in mind. I could go on to the G7 growth league—the jobs market is booming—and what we are doing in the venture capital sector and the life skills sector, which is also important. We see what Labour does when it is in power. In Wales, as has been said, people are coming over the border to do things because of restrictions. Frankly, Labour likes lockdown so much that it is not even pro-parkrun, let alone pro-business.

5.57 pm

Naz Shah (Bradford West) (Lab): Throughout the pandemic, a mixture of lockdowns, local restrictions and Brexit have put businesses under increased pressure. According to the CBI, the UK's GDP went from +1.4% in 2019 to -9.8% in 2020. This has meant that businesses and families have to deal with a financial crisis worse than that of 2009.

During the height of the pandemic, while the rest of the country emerged out of the second national lockdown, Bradford, among other northern cities, was placed in the highest tier of restrictions. This meant that businesses in northern cities such as Bradford were in restrictions and localised lockdowns longer than those in other parts of the country. The impact of this continues to hinder business recovery and livelihoods as we start to emerge out of the pandemic. A survey conducted by

Bradford Council to measure the economic impact on businesses found that 94% of businesses in the retail, hospitality and leisure sectors bore the brunt in the early months of the pandemic. Inflation is also a considerable concern for many businesses in my constituency. According to the Federation of Small Businesses, 78% of small businesses face costs arising from it. It is therefore clear that the Government cannot go back to their pre-pandemic business plan. I have said this before and I will say it again: supporting local businesses means supporting the workers, families and people in our communities. Local businesses are not just the backbone of our economy but a lifeline. The Government must acknowledge the disproportionate impact that the further localised restrictions had on local businesses and economies.

In October, I asked the Government to put a freeze on business rates, which would benefit sectors such as retail and hospitality. They must increase the small business rate relief to help them offset the rise and the cost of inflation. The Government cannot be serious about business if they fail to level up business opportunity and sustainability in the northern cities, such as Bradford.

If the Government are serious about economic growth and have a plan for levelling up, they cannot abandon Northern Powerhouse Rail. A through line and one stop alone would boost Bradford's economy by £30 billion over a decade. It is clear that nothing short of an industrial strategy will give businesses the trust and confidence to invest in the long term. We cannot fulfil our ambitions for Britain without the plan for business succeeding. Bradford is the litmus test.

I say this time and again, but we cannot have an economic strategy without having Bradford at the heart of the Government's levelling-up programme, certainly across the north. The Government need to row back on their decision on NPR. I know that Bradford is bidding to be the city of culture for 2025, and that we have put in an application for a hospital. Bradford cannot be left the way that it has been. I would welcome a meeting with the Minister to discuss in further detail my constituents and the city of Bradford.

6.1 pm

Kevin Hollinrake (Thirsk and Malton) (Con): As the hon. Member for Bradford West (Naz Shah) knows, I entirely agree with her about the need for an independent Northern Powerhouse Rail that goes through Bradford from Leeds to Manchester. However, I do not agree at all with the shadow Minister, the hon. Member for Stalybridge and Hyde (Jonathan Reynolds). In his motion, he talks about

“increasing energy costs, high inflation, low growth and higher taxes as a result of the Government's long-term failures.”

I have a great deal of time for him, but he is absolutely wrong on all counts. On energy costs, the wholesale price of gas has increased tenfold in little over a year, but that is an international issue, not domestic policy. I agree that we need to do something about it, but the tenfold increase is principally because of Russia and China, for different reasons.

Inflation is an international issue, too. As I have pointed out previously, the inflation rate in Germany is higher than that in the UK—it is 5.3% compared with the UK's 5.1%. There is a slightly different calculation for the US, but the rate is 6.8% versus the UK's 5.1%,

so the hon. Gentleman is absolutely wrong again. He is also absolutely wrong about low growth. As my hon. Friend the Member for Grantham and Stamford (Gareth Davies) points out, the OECD says that the UK had the fastest growth in the G7 in 2021, and that it will have the fastest growth in 2022.

Jonathan Reynolds: I know that I am pushing my luck by intervening, but I am sure that the hon. Gentleman will not mind.

This is interesting, because when we had a global financial crisis, I do not remember Conservative Members highlighting global factors as a cause. On that point, he will know that we had the biggest hit in the pandemic; we fell the furthest. When we say that we have a projected high growth rate next year, it is because we are bouncing back. The long-term growth rate for this country is under 2%, and under the historical norm for each of the years that we have forecast for once we have recovered from the immediate hit of the pandemic. That is the point. That will not succeed in sustaining the living standards of this country, and the hon. Gentleman knows that.

Kevin Hollinrake: I agree with the hon. Gentleman on long-term productivity, but that is not what his motion says. It says “low growth”, which is absolutely inaccurate. Let us have some facts in this debate.

The hon. Gentleman is absolutely right on energy costs, and I think that we need to intervene. The Government are not doing nothing. They are consulting now on the right kind of measures—whether it is VAT for consumers, the warm home discount, or direct intervention in the business. It is absolutely right that we consult on those things and look at them properly. There are other issues as well, including labour costs, supply chains and other such things, the vast majority of which are international issues. Yes, of course, there are some Brexit issues, too, there is no doubt about it. *[Interruption.]* Anybody who voted for Brexit and thought that they were voting for the status quo was not reading the facts properly. The reality is that those things have to be dealt with, but they are short-term issues that will be resolved.

I say to the shadow Minister that it is the easiest job in the world to stand on the sidelines and criticise, which is what he is doing. *[Interruption.]* He is criticising higher taxes. How on earth would he pay for the huge amount of money that has to go into the NHS over the next few years to deal with the backlog? Would he simply borrow more money? That is what that money is for. There is also the fact that businesses are not even paying the higher taxes yet; they do not kick in until April. Again, the motion is entirely wrong.

Let me turn to what we should do. The motion mentions the reform of business rates; the solution of the hon. Member for Stalybridge and Hyde is absolutely deluded. A sixfold increase in the digital services tax would be passed straight to consumers and would not hit Amazon and others. It is absolutely wrong. He has no long-term detail on how he would reform business rates. In my view, we should scrap the business rates system completely. It is outdated—it is the wrong system for today—and business rates hit not just retail but lots of other channels and sectors. I would scrap business rates completely and find the £30 billion by adding that

to VAT, because that would immediately create a fair and level playing field for all businesses that trade through whatever channel.

While the Minister is present, I press him to look at regional mutual banks, which I mentioned at Business, Energy and Industrial Strategy questions this morning. They can have a massive impact in lending to the productive economy to get the growth rate growing to the level we need it to be to pay off our debt.

6.5 pm

Sarah Olney (Richmond Park) (LD): This pandemic is not yet over. The costs and risk of the continuing high rate of infections are being borne by the individuals forced into self-isolation, by the businesses that saw revenues fall off a cliff over the crucial Christmas period and by the frontline workers who are scrambling to deliver high-quality healthcare and education in the face of record infection rates. The Government have abdicated all responsibility for bearing those costs and risks and have gone missing when they should have provided leadership, as the Prime Minister demonstrated again earlier—although I am sure the hospitality industry, and particularly those in the business of supplying cheese and wine, appreciated his continued generous support during the lockdown.

Thanks to our vaccination programme, we are in a position to make plans again. The difference that makes is that entrepreneurs and investors can start to identify opportunities, employees and young people can invest in training and skills, and consumers can save up or borrow for new purchases. But the Government seem intent on putting barriers in the way of new opportunities. I think most particularly of the new customs checks that were implemented on our borders over the new year, which will make it more difficult and more expensive to import goods from the EU. They will increase prices in the short term while making a greater number of trades unviable in the medium term, thereby decreasing the choice and quality of goods available and denying opportunities to future entrepreneurs. The Office for Budget Responsibility estimates that the impact of Brexit will be a 4% hit to GDP in the long term, but our only new trade deal to date—with Australia—is projected to add only 0.02% to our GDP. That will not come near to addressing the gap. The Government's deliberate policy is to pursue barriers to trade and a decline in GDP.

In the past few months, it has been striking how every employer I have spoken to in every sector has talked about a shortage of staff being their barrier to growth. That has been exacerbated by high levels of infection in every part of the country—and that is before businesses have had to absorb the increased energy costs that were debated at length in the preceding debate and the Government's plans to increase national insurance contributions. The NI increases will not only reduce the amount of money people have available in their pockets to spend in the economy but increase the cost of employment for businesses, thereby reducing the number of new staff they can afford to take on. That will limit growth and opportunities for businesses and their employees alike.

It is clear that the Government must get a grip on their support for businesses as we emerge from the pandemic. We cannot deliver economic growth when

[Sarah Olney]

we are reducing opportunities for trade, increasing costs and limiting employment. We must support the retail and hospitality sectors to recover from the pandemic. We should maintain the current 12.5% VAT level for the hospitality sector and continue the 100% business rates relief so that important town-centre businesses have the chance to re-establish themselves.

We must urgently focus on the needs of young people and deliver a strategy to get them into work. We owe our growing generation that much for the sacrifices they made to keep the older generation safe. We need a relaunched kickstart scheme and new apprenticeships.

Were the Government ambitious, they would set out a long-term strategy for the transition to a green economy and to ensure that opportunities for economic growth were being nurtured in every part of the country. Were they competent, they would put in place clear plans for how to achieve such a strategy, thereby enhancing investor confidence and encouraging training in the new skills we need.

6.8 pm

Shaun Bailey (West Bromwich West) (Con): I am probably going to be quite parochial in my comments, but I have the pleasure of representing the beating heart of the Black Country and its industrial base.

I cannot deny the unprecedented support—which we have heard about from Conservative Members—that the Government have provided to businesses, and particularly to businesses in my constituency. We have heard about the £407 billion of support provided overall and about the £1 billion for hospitality. We have also heard about the importance of integrated investment. My hon. Friend the Member for Hertford and Stortford (Julie Marson) made a really good point when she talked about the integrated nature of investment when it comes to things such as our town centres. Wednesbury in my constituency has benefited from £3.6 million for its heritage action zone, which will mean businesses are invested in for the future.

Our problem in Sandwell—keeping things parochial—was not Government support getting to Sandwell but Labour-led Sandwell Council not paying businesses. I hope there are members of the Labour national executive committee on the Opposition Benches, because I have to say to them: get a grip on Sandwell Labour. It is not to my political advantage to ask the Labour party to get a grip on Sandwell Labour, but I plead with it to do so. When I challenged the council on the payment of business grants, the deputy leader said, “That’s not nice, Shaun.” What is not nice is that the businesses crying out for this support are not being paid, and it is not because of the Government. If my hon. Friend the Minister had not ensured the money got through to the frontline, I would have been straight there to make sure it was paid to the local authority. Local authorities are delivering it, and it is the leadership of the Labour party in my local area that caused those issues.

We need to think further, too. I agree with the hon. Member for Llanelli (Nia Griffith) on buying British. She is absolutely right that procurement has to be about ensuring we make the best of the goods we produce domestically. [Interruption.] The hon. Member for Aberavon (Stephen Kinnock) asks why we did not push

it. Well, we are. I am saying it right now, and I am agreeing with the hon. Member for Llanelli, too. We have to have a procurement policy that makes the most of those goods.

Just like the hon. Member for Aberavon, I represent an area with a strong industrial base and well-established industrial SMEs that really need this support. As we build the funding and support structures, one thing I have noticed at times is that we miss out established SMEs. I have SMEs such as Pattern Fasteners in Oldbury that are investing in the area. As we build these structures, we need to make sure such businesses do not miss out because the thresholds are too high or because the structures are targeted at much larger companies and organisations.

This Government have supported business. I do not deny that there is more to do, but I thank them for the support they have given to my communities.

6.11 pm

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Many hon. Members have said that SMEs are at the heart of their constituency, and I want to mention a fish and chip shop called Goldenfry, which is highly recommended. If Members are ever in the city centre of Hull, they should pop in and get a portion of fish and chips. The business has really struggled because of the covid pandemic and the lack of footfall into the city centre, and it has had difficulty getting back on its feet, but the business has not just complained; it has set up a scheme so that people can go in and buy an extra portion of fish and chips to donate to a person or family without the food they need.

That shows the kind of community we have in the city of Hull and in our SMEs. We look after our own and we look after each other. Excuse the pun but, when the chips are down, we are still there and we still help each other. A local businessman told me this important lesson, “Emma, if you ever want to get support from business, look at those businesses that have people born and bred in the city of Hull, because they will always go the extra mile and do so much more.” Unlike the hon. Member for West Bromwich West (Shaun Bailey), I pay tribute to my Labour-led Hull City Council for being one of the fastest councils in the country in giving out the Government grants.

On the support provided to businesses, as the hon. Member for Aberdeen South (Stephen Flynn) said, we cannot ignore those that have been excluded or gone without any support whatsoever. As I mentioned in my intervention, businesses are angered when they see money wasted by the Government through fraud and through the track and trace schemes that did not work—when they see money, to quote the Prime Minister, “spuffed up the wall” by the Government when they have gone without. There is a real sense of injustice and unfairness, which I hope the Minister recognises as a serious point, especially when we look at sectors such as the coach industry.

On energy costs for businesses, I hope the Minister will look again at Labour’s plan for the contingency fund. There is a local business called Rhythm & Dreams, which is a wonderful dance club where young children can practise their dancing. It won my small business award just before Christmas, and it is a great organisation.

The woman who owns the company contacted me to say how rising energy costs are affecting her business, because of course she wants to keep her dance studio warm. She has lots of people coming and going. She has seen huge rises in her costs, but she is not seeing the same increase in income as people are still hesitant about returning to mixing with others. We need to consider targeted and specific support for businesses that are struggling with energy costs.

Although I recognise the support the Government have provided, they could have targeted their money much more successfully. I hope they will not continue to exclude those who have been missing out on support for so long.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): I will try not to cut the time limit, but I may have to at some point, so I encourage people to stick to their three minutes and, if they take interventions, to still stick to three minutes.

6.14 pm

Mrs Flick Drummond (Meon Valley) (Con): It is a pleasure to speak in the debate and to support our businesses during this difficult time. I am full of admiration for businesses across Meon Valley, which have overcome challenges during covid for the most part with ingenuity, commitment and, of course, the support of Government and their customers.

I have heard from businesses, especially in manufacturing, that they have carried on with minimal disruption during covid, except for covid-related staffing issues. That is because of the underlying strength of the economy when we entered the pandemic. Those businesses have been able to trade fairly normally. The biggest challenge they face is the enormous disruption to the global supply chains. Those pressures are beginning to ease around the world, although there are still particular bottlenecks in some specialist sectors, such as semiconductors.

We should also recognise when we talk about inflationary pressures that they generally have global origins. We live in a world with pressures that are outside the control of any Government. Having said that, consumer prices in the UK have increased more slowly than in many economies, including several in the eurozone. Current UK unemployment is considerably lower than in the eurozone—4.2% as opposed to 7.3%—and among the lowest in the developed world.

We have created record numbers of jobs. We have more than 1 million vacancies across the economy. The economic picture is very different from that of stagnation that the Opposition motion paints. The final figures for economic growth in 2021 will look healthy and stand comparison with any other major economy.

Our plan for jobs will continue to help people find high-value work and ensure that businesses can continue to grow. There are two reasons why the fundamentals of our economy are positive. First, the basic economy was strong when we approached the pandemic, thanks to the past 10 years of a Conservative Government, which rebuilt our finances. Secondly, the Government supported businesses through the difficult times. The package of support for the economy has passed the £400 billion

mark. That has defended families, jobs and businesses against uncertainty and the inevitable slowing down in some sectors during the pandemic.

The coronavirus job retention scheme supported 12 million workers when they could not be expected to work safely. However, funnily enough, the Opposition said that the scheme was a waste of money. Then there were predictions of mass unemployment as furlough began to end and business resumed activity. Those gloomy predictions did not turn out to be accurate and I do not think that the motion will be accurate. Businesses have been able to use loans and discretionary grants effectively, especially in the hospitality sector, which—I think we all agree—has faced the most challenges.

I wish every business in Meon Valley a successful 2022. As our economy continues to grow, I am confident that we are emerging from the pandemic in a relatively strong position and that our Conservative Government's policies will continue to be good friends to business and consumers alike.

6.17 pm

Joanna Cherry (Edinburgh South West) (SNP): It is a pleasure to follow the hon. Member for Meon Valley (Mrs Drummond), although, unlike her, I rise to support the motion, which makes some good points and suggests some policy initiatives that I am happy to support.

However, when I first read the wording, I was reminded of Sherlock Holmes and

“the curious incident of the dog in the night-time.”

Fans of Conan Doyle—or of Mark Haddon's eponymous novel—will recall that what was curious about the dog was that it failed to bark in the night while a major incident was taking place. There is a major incident taking place in the British economy that is having a significant impact on business across the UK, yet the official Opposition have omitted to mention it in the motion, which sets out to describe the reasons for the strain business is currently under. Of course, I am speaking about Brexit, which, as my hon. Friend the Member for Aberdeen South (Stephen Flynn) reminded us, is forecast by the Office for Budget Responsibility to do twice as much damage to the UK economy as covid-19.

As we heard from another speaker, a maze of new customs bureaucracy has been imposed on business as of 1 January. Goods imported from the EU now need import declarations immediately, not six months down the line as before. Food and plant products need to be notified in advance and the tariff-free trade that the Prime Minister promised happens only if importers and exporters can prove that the goods were made substantially in the UK or the EU.

British exporters to the EU had to face all that bureaucracy last year and it has drastically damaged the seafood industry in Scotland. It has also damaged high-tech, high-value companies such as Coda Octopus in my Edinburgh South West constituency. Despite my strenuous attempts to lobby the Government, it has been forced to move its substantial business operations to the EU because of the UK Government's post-Brexit red tape.

Problems with supply chains into the United Kingdom at the moment are not just covid-related; they are also the result of Brexit. They are affecting all sorts of businesses, from car manufacturers to supermarkets.

[Joanna Cherry]

It is often SMEs that are hit the hardest, as we have heard from the Federation of Small Businesses and other business representatives. Businesses need Brexit support now, because otherwise they will have to abandon trade or pass costs on to already hard-pressed customers.

Ultimately, only realignment with the European Union's single market and customs union will undo the worst impacts of Brexit. However, rather than seeking solutions, the UK Government are basically agitating over the Northern Ireland protocol. Yet Labour will not talk about it. Labour does not have a plan for what to do about Brexit. It is an abdication of its responsibility as the official Opposition not to seek to tackle the problem of Brexit in this motion on business today.

6.20 pm

Simon Baynes (Clwyd South) (Con): As a Welsh MP representing Clwyd South in north Wales, on the border with England, I see very clearly the considerable difficulties for local businesses arising from the Welsh Government's covid restrictions, compared with the more enlightened and balanced approach being taken by the UK Government across the border. Sadly, the Welsh approach is not working, and we can see that in the way it is curbing covid cases, which in recent weeks have risen two to three times faster in Wales than in England.

The crucial point that I want to make this evening is about how we approach the debate. The overall structure and conditions for business are of critical importance in reducing costs for businesses and creating a pro-business environment in which companies and enterprises can flourish and plan for the future. I commend the UK Government for creating that environment. We have heard much talk today about the £400 billion of support, which has gathered compliments from both sides of the House. This obviously has defended and supported jobs and livelihoods, and the package is more generous than that of any other country in the world.

I would like to highlight one or two other aspects of the support package provided by the Government. First, I am very pleased that they have extended the recovery loan scheme to June 2022, providing a guarantee to lenders on finance up to £10 million. This too has had a wider impact for companies, because it has brought them closer to some of their lenders and improved their financial position for the longer term.

Secondly, I would like to highlight the provision of £100 million of new discretionary funding for local authorities to support other impacted businesses, which has been crucial. I am delighted that Wrexham and Denbighshire councils have been so adept at passing on that support to companies across my constituency.

Finally, I wish to highlight the cutting of business rates by at least 50% next year for 90% of retail, hospitality and leisure businesses. My goodness, that is needed in Wales at the moment. I make regular visits to companies in Clwyd South that frequently express their approval of the UK Government's measures, which have made a huge and very positive difference to the health of their business. That in turn has made a significant contribution to the UK having the fastest growing economy in the G7.

In conclusion, I applaud the Government's strong support for businesses, both the measures that they have taken and the favourable environment that they have created for businesses in the UK.

6.23 pm

Stephen Kinnock (Aberavon) (Lab): As the party of growth and enterprise, Labour will help British business to weather this crisis and bounce back stronger than ever. As a passionately pro-business and pro-worker party, we recognise that private enterprise is the lifeblood of the British economy, which is why we would help to create 100,000 new businesses over five years and boost the start-up loans scheme. In our commitment to boosting productivity and growing the economy, we recognise the critical role of British manufacturing and the foundational industries that underpin it, such as steel. That is why Labour's plan to make, buy and sell more in Britain will not only get our economy firing on all cylinders, but build our sovereign capability and help to achieve our net zero targets.

We need a more resilient Britain that can stand more firmly on its own two feet, because we have had 11 years of offshoring our good jobs and selling off our strategic national assets. Over the past decade, we have become over-reliant on countries that do not have our best interests at heart. That includes our reliance on China for personal protective equipment, lateral flow tests and even our nuclear power stations.

A Labour Government would do things very differently. Through our fully costed plan, we would create a £600 million contingency fund to support struggling firms, including in energy-intensive industries. We would pay for it with a one-off windfall tax on North sea oil and gas producers, which have profited hugely from recent price rises. Ours is a fully costed, focused economic plan that can support businesses throughout this crisis and, in so doing, protect workers and their families. That is what the Opposition is all about—what a contrast with the complacency and inaction that we see on the Government Benches!

The Labour party recognises that long-term, sustainable businesses can provide those good jobs that not only provide a pay cheque at the end of the month, but offer dignity, meaning and purpose for working people—a sense of being part of something bigger. We rightly cheered and applauded key workers on our doorsteps throughout the pandemic; let us never forget that many of them work in the private sector. I think of the factory workers and steelworkers in my Aberavon constituency who kept the show on the road, and of the pride that they feel in powering our country forward. The Labour party will always stand up for those values: dignity and respect for workers, opportunity for business to grow and flourish, and a commitment to building a higher growth, more resilient Britain that can stand more firmly on its own two feet.

The British people are tiring of low-growth Tory Chancellors. Labour has a plan to get Britain firing on all cylinders. Labour is truly back in business.

Several hon. Members *rose—*

Madam Deputy Speaker (Dame Rosie Winterton): Order. To get everybody in, I am afraid that I will have to reduce the limit to two minutes after the next speaker.

6.27 pm

Mike Wood (Dudley South) (Con): The covid pandemic has presented unprecedented challenges for businesses in every part of the country and in virtually every sector of the economy, but the Government have met them with unprecedented levels of support. While the last Labour Government bailed out the banks while dole queues doubled, this Government have provided support—whether through the furlough, grants, loans or business rates support—on a scale that I think few could have anticipated from any Government of any political colour before the pandemic. Of course, things have still been extremely difficult—many businesses have struggled from one week to the next, and sadly some have not been able to survive this long—but for many, many businesses, the support provided has made the difference between survival and going to the wall.

Every part of the economy has been affected and many businesses have suffered, but some have been hit harder than others, particularly the hospitality sector and the businesses that rely on its success. It was a brutal December for the sector; December usually accounts for about a quarter of hospitality's trade for the year, but we have now had two Decembers in a row that were well below normal trading levels. The support announced before Christmas has allowed most hospitality businesses that qualified to get through the Christmas period into the new year and stand a chance of surviving, but we also have to look at the supply chains.

There are businesses that may not be immediately within the hospitality sector, but that rely on it. Brewers, catering, event management and, for that matter, hair and beauty rely on large events. We need to make sure that local authorities are prioritising businesses like those with the discretionary support that is available, and I would encourage Ministers to make it clear in guidance for discretionary support that those businesses are precisely the kind of businesses that that support is aimed at.

But of course what businesses need more than anything is to be able to do what they do best—provide the goods and the services that consumers or other businesses want to buy—to get back to some kind of normal. The last thing we need would be to have taken the advice of some of the Labour Members before Christmas, and had further restrictions sooner and for longer, or endless furloughs.

Madam Deputy Speaker (Dame Rosie Winterton): Order.

6.30 pm

Mr Toby Perkins (Chesterfield) (Lab): As someone who spent 20 years in business, including running two businesses, prior to coming into this place, there is a great deal I would like to say today, but the restrictions we have on time mean that I am going to restrict my remarks really to the hospitality sector. There are many different sectors that have had a really difficult time during the pandemic. I am concerned about the self-employed, particularly those who find that they have become a bad credit risk in the eyes of the bank because they availed themselves of one of the Government support schemes. I am very concerned about the high street. Anyone who takes a trip to almost any high street in the land will see that the pandemic has increased the pace of shop closures.

However, I do want to touch particularly on the hospitality sector, as the hon. Member for Dudley South (Mike Wood) did just a moment ago. This crucial sector employs almost 3 million people, it delivers £66 billion of revenue and pays tens of billions of pounds in taxes. I do not want anyone to think that, because the Government decided not to close the hospitality sector in the run-up to Christmas, English publicans, restaurant owners or hoteliers were therefore the lucky ones. The truth is that many organisations in this sector had a massive reduction in their business over Christmas—they saw cancellations of Christmas parties—and while the sector may not have been forcibly closed, their takings were well down, and many providers told me they had taken on staff on the basis that it would be the busiest time of the year, only to find it much quieter than normal.

Business rates is a crucial issue. Everyone listening to this debate today will have heard a very clear message: the Labour party is the party of reform of business rates, and the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for North East Derbyshire (Lee Rowley), made it absolutely clear that the Tory party is the party of a temporary discount and stick to the same old system. This system penalises pubs, it penalises the hospitality sector, it penalises manufacturing and the high street, and it protects the internet businesses that do not on the whole put as much into the economy as those sectors. I support what we are proposing here today.

6.32 pm

Paul Howell (Sedgefield) (Con): I of course recognise the hardship that businesses are facing through the pandemic, but if the Government had followed the Opposition's advice, we would have been in a lot worse state—back to circuit breakers and stage 4 in July last year. The Government paid out £70 billion—I repeat that: £70 billion—in the job retention scheme. The hon. Member for Wigan (Lisa Nandy) described that as “money wasted”. This feels very much like the Leader of the Opposition's comments when he described moving the Treasury to Darlington as “not levelling up”, but “giving up”. It shows a shocking lack of appreciation for the number of jobs and businesses that were protected and saved through this scheme.

Like my hon. Friend the Member for Hertford and Stortford (Julie Marson), I have met multiple businesses in my Sedgefield constituency that have outlined how grateful they are for the Government support they received over the course of the covid-19 pandemic, and how it has meant they have been able to keep their businesses open and employees in work. This has extended from both small local shops such as Aycliffe Framers to international suppliers such as Gestamp, which employs over 1,500 people in my constituency.

Having spent my life prior to coming to this place as director of a manufacturing business, I, like everyone who owns a business, know what matters is profit—sales less cost—but also clarity, and Ministers coming to the constituency to meet businesses helps them to understand what is happening. I have been delighted that so many of the Business team and the International Trade team have been to NETPark—North East Technology Park—in Sedgefield to understand what those businesses really need and how we can help them best.

[Paul Howell]

That contrasts massively with when I spend my time on the Business, Energy and Industrial Strategy Committee. With the exception of the hon. Member for Bristol North West (Darren Jones), who is the Chair and has to come, Labour Members' attendance has been woeful. How they can say that they are interested in business, when they do not even come to a Select Committee I do not know. Members of the shadow Cabinet have described business owners as "the enemy". How can a party with views like that be trusted with British business?

6.34 pm

Mary Kelly Foy (City of Durham) (Lab): I am immensely proud to represent Durham, and part of what makes it so special are the wonderful independent businesses that are the pride of our high streets. We have fantastic pubs, such as the Fram Ferment, the Dun Cow Inn and the Browney. We have lovely shops that are unique to Durham, such as Wing and a Prayer, Elvet & Bailey and Discovering Durham. La Chocolatrice makes incredible chocolates; Circle Vintage and Pears Boutique sell quality clothing; and I will not even get started on how much I love our indoor and outdoor markets.

I reference those places because Durham's high streets are home to a higher-than-average number of independent shops, which we cannot afford to lose. The decline of the high street is undeniable. As the Durham Business Improvement District points out, nowhere represents that better than Silver Street. It was once the artery that ran to the beating heart of our city, but it is now littered with empty shops and serves as a sad reminder of the struggle that many bricks and mortar shops face.

Although the pandemic has accelerated the decline, it started long before 2020. It will come as no surprise to my constituents that the north-east has the highest vacancy rate in England. There are many reasons for the high street's struggle, but chief among them are sky high business rates. What I am hearing from businesses in Durham is that the priority must be levelling the playing field between high street businesses and online and out-of-town retail.

That is why I am glad that the Opposition are calling for business rates to be cut immediately in '22-'23, funded by a one-off rise in the digital services tax. When we are in Government, we will scrap the outdated business rates system entirely and replace it with the fundamentally reformed business rates property tax. Independent businesses in Durham are ready to bounce back. The only question is: will the Government let them?

6.36 pm

Jack Brereton (Stoke-on-Trent South) (Con): The support for businesses in the last two years to help them cope with the pandemic has been unprecedented. Stoke-on-Trent alone has had about £1 million in grants for businesses to cope with the challenges, not to mention all the support received through the furlough scheme, coronavirus business interruption loan scheme and self-employment income support scheme. Given that we now have record numbers of people in work—far more than before the pandemic—those measures have clearly worked to preserve jobs and livelihoods.

Many of the challenges are not new, however, and we must continue to support businesses to overcome the challenges they face. A part of the economy that has been particularly affected by the heightened energy costs is energy-intensive industries such as ceramics and steel, which were the subject of my recent Westminster Hall debate. Hundreds of thousands of important skilled jobs are dependent on those sectors.

Unlike the significant decline in manufacturing jobs that we saw under the last Labour Government, in the last decade an increasing number of people have been employed in manufacturing roles. It is vital to further support those sectors to reduce energy costs; become more efficient; and develop new, more reliable forms of power to continue the successes that we have seen in recent years.

In the ceramics sector alone, there has been a doubling of GVA in real terms since 2010. I was particularly pleased that the Midlands Industrial Ceramics Group recently secured £18.27 million in Government funding through the UK Research and Innovation's strength in places fund. The Government are doubling UK research and development investment and it is vital that more of that goes to industries such as ceramics and to energy-intensive industries to support the transition and the levelling-up of our economy across the country.

6.38 pm

Matt Western (Warwick and Leamington) (Lab): Let me start with energy costs, which are significant. Energy prices in the UK are 87% higher than our EU competitors, which is a massive cost disadvantage against them. They are a massive factor for small businesses too, irrespective of the sector that they are in, as the Federation of Small Businesses has highlighted. Some 78% of small businesses say that they expect energy costs to increase significantly in the next three months.

Business rates, as we have heard, are not fit for purpose in their current guise. Almost 50 shops a day disappeared from our high streets in the first six months of last year. They are also a massive cost burden for our major businesses. Some of our big automotive plants and other manufacturing sector sites have a 50% higher tax burden from business rates compared with sites in Europe. By freezing business rates this year, which would save a small shop or factory £4,000, and by seeking to abolish business rates altogether in favour of a fairer system, the viability of our high street could be guaranteed only under a Labour Government.

On Brexit, briefly, businesses in my constituency are really concerned. They have told me time and again about the painful and expensive exercise of navigating customs, including the complexity of navigating 27 VAT regimes in Europe. Then there is the shortage of staff—HGV drivers, warehouse staff and skilled workers—that is also having an impact and costing our businesses. The Prime Minister infamously said "F*** business", and I am afraid that he has. The lack of an industrial strategy has underlined that. The simple truth, I am afraid to say, is that the Conservatives are no longer the party of business, but the party of burden.

To conclude my two minutes, the Labour party is unashamedly pro-business. With every day that passes, our pro-business policies gain more and more traction with the business community and the electorate. With that in mind, I unreservedly support the motion.

6.40 pm

Paul Bristow (Peterborough) (Con): I am pleased to speak in this debate, because it gives me the opportunity to thank the businesses in my constituency in Peterborough for showing such patience and resilience and also for employing record numbers of people in my city. It also gives me the opportunity to thank the Government for the support they have given to businesses in Peterborough, because it undoubtedly has been tough.

I understand that businesses have had to face challenges, but when Opposition Members claim they are the party of business, I would say that they are the party of doom and gloom. I do not see that doom and gloom. Rather, I see 2022 as the year that the Peterborough economy cranks back up and we have record growth in our city, because ambition for businesses in Peterborough is high. Pre pandemic, Peterborough was among the top 15 cities with the highest number of business start-ups in the UK and the 13th best out of 100 cities in which to start a business. This is post pandemic, and the previous stat was pre pandemic. We also have our university coming, which will specialise in manufacturing, engineering and technology, and we are going to make the decisions that will guarantee our future health, wealth and happiness in those STEM industries.

That is what this party and this Government are delivering—£75 million to help us through the pandemic in my constituency, with £1.2 million just before Christmas, and a brand-new university that will open in the centre of our city, and that is not to mention the huge of vote of confidence that Peterborough's economy has been given through £59 million-worth of Government investment in city centre regeneration and our university. Peterborough's time is now, so I urge Opposition Members to forget the doom and gloom. Forget the opportunism; let us get behind British business and be positive and optimistic for our future in 2022.

6.42 pm

Owen Thompson (Midlothian) (SNP): We have heard from Members already this afternoon about many of the issues raised in the motion. I particularly welcome the fact that it talks about flexibility in repaying some of the Government's loan schemes. Many businesses have already begun to repay debt accrued in the covid loan schemes, such as the coronavirus business interruption loan scheme, but while interest might be covered by the Government loans for the first year, repaying the capital is already presenting many businesses with a challenge, on top of those that we have heard about from Brexit and the pandemic. As early as June 2020, reports were warning of the tens of billions of pounds of toxic debt that the Government loan schemes could generate.

Clearly we will all be living with the consequences of the economic fallout of the pandemic for many years to come, so surely the Government can recognise that their decision to roll out loans instead of grants was a bit naive. Businesses already being hit hard had to take out loans, but they were never going to be in a position to bounce back straight into profit while having to repay them. Government loans have had an even tougher impact on those already hit hard, particularly the excluded, as others have mentioned, who have not had any support so far. Some were only able to get loans. By their very nature, those who borrowed were often the least likely to be able to repay.

I am sure that many on the Government Benches will claim that that is simply the effect of the free market, but these are businesses that were healthy before covid. When the pandemic hit, it was beyond their control. Leaving many at the whim of the market simply is not an option. That is why we needed to look to different options, and certainly I have called on the Government to look at these loans in a different way, perhaps with a pay-as-you-earn style of repayment, so that as businesses start to rebuild their incomes, we could taper or tier the repayments in a way that made them far more affordable, better supported those businesses and got the Government's money back.

6.44 pm

Sarah Champion (Rotherham) (Lab): Today, Rotherham businesses are facing an economic crisis. Prices across the board are skyrocketing. Last year saw the fastest ever rise in production costs. Staff retention and recruitment is harder than ever. Inflation is at a 10-year high, and taxes on people and businesses have reached a 70-year high. It is no wonder that consumer confidence is down and that, according to Make UK, two thirds of UK manufacturers are worried about further cost increases in the coming year. Why is this happening? Because the Government have lost control and because they have not got a plan. Ministers seem more interested in protecting the Prime Minister than in protecting British businesses, and more interested in saving their own jobs than in saving those of our constituents.

The warning signs were clear. Even before the pandemic, costs for businesses were at record levels, thanks in no small part to the Government's failure to deliver a working Brexit, and nowhere was that clearer than in the energy-intensive industries. For nine years, I have been sounding the alarm on energy prices, but time and again the Government have failed, despite pledges of support. Warm words will not forge steel, but action to bring down production costs might. Our steelmakers pay 61% more for electricity than competitors in Germany and 51% more than those in France. Similarly, glass producers such as Beatson Clark in Rotherham face unsustainable energy costs thanks to a 400% increase in wholesale gas prices. Costs of that kind cannot be sustained.

Where this Government step back, however, Labour steps up. We propose a contingency fund to support firms through hard times, including energy-intensive industries such as steel and glass. Labour would freeze business rates and replace them with a system fit for purpose that would ensure a level playing field between the online giants and physical shops, and Labour proposes a patriotic commitment to buy British.

6.46 pm

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): I have raised the case of a certain business in my constituency before. It is a well-known family-run company that is about to reach its centenary. When the time came for the business to renew its energy tariff last year, it was increased by £30,000—almost 500% more than in the previous year. That was an astronomical cost, which has caused considerable stress to the owner at a time when he should be celebrating the achievement of the business reaching its 100th birthday. I wrote to the Department for Business, Energy and Industrial Strategy at the end of October seeking advice and support, but it has not yet responded.

[Margaret Ferrier]

Like many local business owners, the owner of this business employs local staff, and like many of his peers, he feels a great deal of responsibility to keep them in their jobs. When businesses suffer, however, there is a domino effect on everyone involved—employees, contractors, investors and suppliers. That, in turn, has an impact on both the local and the national economy. Not to provide this essential support now is incredibly short-sighted.

In recent months, I have been contacted by a number of constituents who are feeling the impact of that domino effect, such as those working in the hospitality sector whose hours were cut in the run-up to Christmas because their employer could not afford to pay them for their regular hours. Yes, restrictions in my constituency were imposed by the Scottish Government, and yes, the Treasury did announce a package of support, but not until the eleventh hour, when many of those decisions had already been made.

I urge the Government to commit themselves to giving businesses much more comprehensive support. That is vital to the prosperity of the UK. We cannot continue to rely on rushed, last-minute solutions to very clear and long-standing issues.

6.47 pm

Geraint Davies (Swansea West) (Lab/Co-op): The Minister and the Prime Minister claim that there are 400,000 more people in work, but the Office for National Statistics says that there are 506,000 fewer. Why is that? Because the Government do not include the self-employed. What a laugh. They have said that there are 1.1 million vacancies, but that is because 1.4 million people have stayed in the EU. These are empty jobs. There are fewer jobs and fewer people working.

The Government talk about tax. Last year, the Chancellor imposed £40 billion worth of tax, 2.7% of GDP. That was virtually unprecedented: these were 1950s tax levels, and, according to the Institute for Fiscal Studies, they were almost entirely unrelated to the pandemic.

The reason for this is, of course, low growth. We should be, on trend, at a 40% higher level of earnings, for people's pockets and for the economy as a whole. Let us compare that with Labour's record. Labour produced a 40% increase in the size of the economy in the 10 years to 2008, and invested in doubling the size of the education and health systems. The choice for the electorate is clear: high growth and investment in public services, or low growth, high tax and cuts, which is what we are seeing now.

What business wants—my background is in business—is market access, a skilled workforce and cost-controlled stability, but that is being ruined by a botched Brexit. What we want is more engagement with the nearest biggest market, which is the European market. We want customs co-ordination with the EU so that we can get the tariffs off. Of course, if we were in the customs union, we would not have tariffs from the United States, but now we do. Why do we not work together, instead of blowing raspberries? We want support for the high street. I support what my Front-Bench team are putting forward. I also support the idea that local authorities should be empowered to have their own virtual hubs, or virtual marketplaces to compete directly with Amazon, with profits going to subsidise local services.

Let us have a strong economy to pay for a fair society, not a weak and divided economy and a divided society. Labour is backing business. Ultimately, we need a strong economy and Labour will deliver that, as we have in Wales.

6.50 pm

Seema Malhotra (Feltham and Heston) (Lab/Co-op): One thing that stands out from this debate is that British business is calling for a Government who are on its side. We have just seen the third consecutive quarter with more than 100,000 business deaths reported. From across the House, we have heard stories about struggling businesses, jobs at risk, businesses facing hardship and closure, and sectors of our economy left to fend for themselves as crises are worsened by Government inaction. I thank colleagues for speaking in this debate, including my hon. Friends the Members for Llanelli (Nia Griffith), for Halifax (Holly Lynch), for St Helens South and Whiston (Ms Rimmer), for Bradford West (Naz Shah) and for City of Durham (Mary Kelly Foy), the hon. Members for Thirsk and Malton (Kevin Hollinrake) and for Richmond Park (Sarah Olney), the hon. and learned Member for Edinburgh South West (Joanna Cherry), and many others.

The reality is that business support from this Government has been haphazard or, for some, non-existent. One thing that business needs above all else is stability and the ability to plan ahead with confidence. That has been as absent as the Chancellor was before Christmas, with his trip abroad delaying much needed action for businesses in that period. The Government were also absent during last summer's HGV crisis, the steel crisis, the supply chain crisis, the CO₂ crisis and the fuel crisis that saw forecourts close across the country, with small businesses reliant on their vehicle for trade unable to visit their customers. This Government had one test—were they making life easier for businesses to get through the covid crisis, or were they making life harder? In many respects, they failed that test.

On top of that, the Conservatives are bringing in a new jobs tax, just as support measures come to an end. That is not a plan. It is evidence of a lack of one. Clearly, the Conservative party has become the high-tax party because it is the low-growth party. All the indications are of future years of low growth, on top of the low growth going into the pandemic.

When it comes to the economy, Labour puts the national interest first. We called for furlough-style employment support in early 2020 and it was right to have such support. We called for and supported help for the self-employed, business loans and urgent support on commercial rent debt. However, so much came so late, with businesses paying the price. Many are still excluded from the support that they need.

Covid is not over, however, and businesses need clarity on how to plan for the future. We believe in a strong private sector where investors and entrepreneurs are rewarded fairly. We believe in an economy where companies are good corporate citizens, sharing wealth, engaging communities, paying their fair share of tax and treating their employees with dignity and respect; in a national economy that is anchored in every part of the UK, every region and nation, with no locations left behind; in prosperity that is shared evenly, bringing security,

dignity and respect to families across our country; and, most of all, in an economy that moves smoothly towards a low-carbon economy, with a plan for how businesses move to net zero and, as part of that journey, our businesses doing well as they do good.

To achieve those goals, we need a proper industrial strategy, with a plan for how we buy, make and sell more in Britain, a strategy with leadership and direction that guides serious investment, not an incoherent plan with slogans and soundbites. The more I hear the phrase “levelling up”, the less faith I have that the Conservative party has a clue about what it is doing.

Today's Labour party is the party of business. We will freeze business rates until the next revaluation. We will increase the threshold for small business rates relief, ahead of more fundamental reform—[*Interruption.*] Government Members may chuckle, but that is because they know that we are right. We will support businesses now with their energy bills, extend the VAT discount for hospitality, and invest in skills and training to tackle skills shortages to help businesses to build those new capabilities.

Every economic indicator, every commentator and every ounce of common sense tells us that we have the perfect storm of rising costs, rising skills shortages and rising taxation. This is catastrophic for businesses. So Ministers have a choice. What will they do to support businesses, large and small, with the next set of challenges that faces them? Businesses across the country are watching and waiting for a plan. They cannot keep shouldering the burden. Today is the Minister's opportunity to tell businesses what the Government will do now. It is now the Labour party that is the party of business and the Conservatives who have led to life for British businesses being harder than it is for businesses abroad.

6.55 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): I have run many, many businesses over the last 25 years, and in welcoming the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) to his place, one thing I particularly agree with him on is mental health. I know what it is like to run a business in normal times. It is stressful enough for entrepreneurs who risk their homes and their own livelihoods to pay other people in normal times. In these particular times, it is right that we stepped up to support entrepreneurs to protect jobs, to protect livelihoods and to protect those businesses. Insolvencies were at a 40-year low at the height of the pandemic, and putting that £408 billion of support out there gives us 408 billion reasons to get this next bit right, to make sure that we can shape the recovery.

We have just heard the extraordinary claim that the Labour party has suddenly become the party of business. But we also heard from my hon. Friend the Member for Sedgfield (Paul Howell) about Labour Members' woeful attendance at the Business, Energy and Industrial Strategy Committee, where they cannot be bothered to scrutinise the Department. Also, at oral questions in this place, the employers, the entrepreneurs and the people who are giving jobs are portrayed as the bad guys time and again by those people across the way. We also heard that Labour is apparently the party of the workers, yet in Wales, it is fining people for going to work.

We heard from my hon. Friend the Member for Stourbridge (Suzanne Webb) about the 50,000 more companies that have been formed since 2010. These are the fundamental roots that allow us to be able to pivot to a good solid recovery, because the fundamentals behind the UK economy remain strong as we look to power through our growth.

My hon. Friend the Member for Grantham and Stamford (Gareth Davies) was right to pay tribute to local authorities. We have heard other examples where things have not worked so well, but we have worked in partnership with local government to make sure that we can get the support to businesses, and we will continue to do so with the discretionary grants and the grants to hospitality and leisure. We need to be able to work collaboratively with local authorities.

My hon. Friend the Member for Hertford and Stortford (Julie Marson) was also listening to businesses. She talked about unprecedented events. I think the word “unprecedented” has been used an unprecedented amount of times in the last two years. I loved her analogy about the Government being the groundsman who sets the pitch for the game ahead. Unfortunately, the Labour party would set a pitch that would just take spin, because there is no plan behind what it is saying. The wicket that we would prefer would allow entrepreneurs to make a good start, to build a solid innings and to hit boundaries so that they could scale up quickly with the support that we need to be able to give them.

My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) talked about energy issues and supply issues. Yes, we are feeling them here and we must tackle them, but they are indeed a global issue. I am pleased that he again raised the issue of regional mutual banks, because that diversification of funding will have a longer-term view beyond the initial response that the Government are giving for businesses.

I was pleased that my hon. Friend the Member for Clwyd South (Simon Baynes) contrasted Wales with the UK Government. We can see the direct comparison. This is not just talk; we can see the direct comparison between what is happening in England and Wales, where that business support has dissolved.

Sir Alan Campbell (Tynemouth) (Lab) *claimed to move the closure* (*Standing Order No. 36*).

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put.

The House divided: Ayes 219, Noes 0.

Division No. 159]

[6.59 pm]

AYES

Abbott, rh Ms Diane	Black, Mhairi
Ali, Rushanara	Blackford, rh Ian
Ali, Tahir	Blackman, Kirsty
Amesbury, Mike	Blake, Olivia
Anderson, Fleur	Blomfield, Paul
Antoniazzi, Tonia	Bonnar, Steven
Ashworth, rh Jonathan	Bradshaw, rh Mr Ben
Barker, Paula	Brennan, Kevin
Beckett, rh Margaret	Brown, Alan
Begum, Apsana	Brown, Ms Lyn
Benn, rh Hilary	Brown, rh Mr Nicholas
Betts, Mr Clive	Bryant, Chris

Buck, Ms Karen
 Burgon, Richard
 Byrne, Ian
 Byrne, rh Liam
 Cadbury, Ruth
 Campbell, rh Sir Alan
 Campbell, Mr Gregory
 Carden, Dan
 Carmichael, rh Mr Alistair
 Chamberlain, Wendy
 Champion, Sarah
 Chapman, Douglas
 Charalambous, Bambos
 Cherry, Joanna
 Clark, Feryal
 Cooper, Daisy
 Cooper, rh Yvette
 Corbyn, rh Jeremy
 Cowan, Ronnie
 Coyle, Neil
 Creasy, Stella (*Proxy vote cast by Chris Elmore*)
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Daby, Janet
 Davey, rh Ed
 David, Wayne
 Davies, Geraint
 Davies-Jones, Alex
 Debbonaire, Thangam
 Dodds, Anneliese
 Donaldson, rh Sir Jeffrey M.
 Doogan, Dave
 Dorans, Allan
 Doughty, Stephen
 Dowd, Peter
 Eagle, Dame Angela
 Eagle, Maria
 Eastwood, Colum
 Edwards, Jonathan
 Elliott, Julie
 Elmore, Chris
 Eshalomi, Florence
 Esterson, Bill
 Evans, Chris
 Farron, Tim
 Ferrier, Margaret
 Flynn, Stephen
 Fovargue, Yvonne
 Foxcroft, Vicky
 Foy, Mary Kelly
 Furniss, Gill
 Gardiner, Barry
 Gibson, Patricia
 Girvan, Paul
 Grant, Peter
 Green, Kate
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hanna, Claire
 Hardy, Emma
 Hayes, Helen
 Hendrick, Sir Mark
 Hillier, Dame Meg

Hobhouse, Wera
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Rachel
 Hosie, rh Stewart
 Howarth, rh Sir George
 Hussain, Imran
 Jardine, Christine
 Jarvis, Dan
 Johnson, rh Dame Diana
 Johnson, Kim
 Jones, Darren
 Jones, rh Mr Kevan
 Jones, Ruth
 Jones, Sarah
 Kane, Mike
 Keeley, Barbara
 Kendall, Liz (*Proxy vote cast by Pat McFadden*)
 Khan, Afzal
 Kinnock, Stephen
 Kyle, Peter
 Lake, Ben
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Leadbeater, Kim
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Linden, David
 Lloyd, Tony
 Long Bailey, Rebecca
 Lynch, Holly
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Maskell, Rachael
 Mc Nally, John
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stuart C.
 McDonnell, rh John
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McKinnell, Catherine
 McMahon, Jim
 McMorris, Anna
 Mearns, Ian
 Miliband, rh Edward
 Mishra, Navendu
 Monaghan, Carol
 Moran, Layla
 Morden, Jessica
 Morgan, Helen
 Morgan, Stephen
 Morris, Anne Marie
 Morris, Grahame
 Murray, Ian
 Murray, James
 Nandy, Lisa
 Newlands, Gavin
 Nichols, Charlotte
 Nicolson, John
 O'Hara, Brendan
 Olney, Sarah
 Onwurah, Chi

Oppong-Asare, Abena
 Osamor, Kate
 Osborne, Kate
 Oswald, Kirsten
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Phillipson, Bridget
 Pollard, Luke
 Qaisar, Ms Anum
 Qureshi, Yasmin
 Rayner, rh Angela
 Reed, Steve
 Rees, Christina
 Reeves, Ellie
 Reeves, Rachel
 Reynolds, Jonathan
 Ribeiro-Addy, Bell
 Rimmer, Ms Marie
 Robinson, Gavin
 Rodda, Matt
 Russell-Moyle, Lloyd
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheppard, Tommy
 Smith, Alyn
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Sobel, Alex
 Spellar, rh John
 Stephens, Chris

Stevens, Jo
 Stone, Jamie
 Streeting, Wes
 Stringer, Graham
 Sultana, Zarah
 Tarry, Sam
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, rh Nick
 Thompson, Owen
 Thomson, Richard
 Thornberry, rh Emily
 Timms, rh Stephen
 Twigg, Derek
 Vaz, rh Valerie
 Webbe, Claudia
 West, Catherine
 Western, Matt
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Whitley, Mick
 Whittome, Nadia
 Williams, Hywel
 Wilson, Munira
 Wilson, rh Sammy
 Winter, Beth
 Wishart, Pete
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Ayes:

**Liz Twist and
 Gerald Jones**

NOES

Tellers for the Noes:
Lilian Greenwood and

Mark Tami

Question accordingly agreed to.

Resolved,

That this House recognises the strain that businesses are under following a difficult Christmas period and two years of disruption during the covid-19 outbreak; notes challenges are more severe in some sectors; regrets that businesses are struggling with increasing energy costs, high inflation, low growth and higher taxes as a result of the Government's long-term failures and lack of adequate support; and therefore calls on the Government to reform business rates, to alleviate the debt burden by allowing businesses flexibility on Government loans and to implement a contingency fund to support businesses with high energy costs.

Business without Debate

WELSH GRAND COMMITTEE

Ordered,

That:

(1) the matter of Strengthening the Union as it relates to Wales be referred to the Welsh Grand Committee for its consideration;

(2) the Committee shall meet at Westminster on Tuesday 18 January at 9.30am and 2.00pm to consider the matter referred to it under paragraph (1) above; and

(3) the Chair shall interrupt proceedings at the afternoon sitting not later than two hours after their commencement at that sitting.—(*Scott Mann.*)

Solihull Police Station: Proposed Closure

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

7.12 pm

Julian Knight (Solihull) (Con): I will open my remarks by paying due regard briefly—I know that the House will have a longer time to do this—to Jack Dromey, the late, departed, much missed Member for Birmingham, Erdington. Jack believed wholeheartedly in policing and he always believed in cross-party working. He was a friend of mine and, like many people, I am very deeply saddened by his loss. He would have been here tonight very much contributing to this debate, so he is much missed. I know that the House will have longer to pay tribute and I know that my colleagues will join me in those comments.

When we worked on policing, we did so with my hon. Friend the Member for Dudley South (Mike Wood), my good friend, to effectively raise the precept from its ceiling to provide greater resource for West Midlands police. As a result, band A, B and E properties in my constituency will pay a direct precept of £217 each year to the Labour police and crime commissioner for the west midlands. As a Conservative, I am not proud of that. I do not want to see tax money going in that direction, with such a high rise in taxes. In fact, £13.7 million has come from Solihull alone.

The reason why the departed Member for Birmingham, Erdington and my hon. Friend worked together on this was that we knew that there was a situation—as the famous note said, there was no money left—in which there had to be a series of financial savings across many parts of Government, and we wanted to help with the rebalancing of that. The agreement that we made at that point does not match what we have now seen—frankly, it was not about inflation-busting rises every year in order to more than make up for any previous deficit.

Shaun Bailey (West Bromwich West) (Con): I pay tribute to my hon. Friend for securing this debate. In Wednesbury, Oldbury and Tipton we are losing all three of our police stations. People up the road in Aldridge were promised a consultation—indeed, my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) has been fighting hard to make sure that that police station is safe. My hon. Friend just talked about the agreement; does he agree that a key part of that agreement is the principle that there will be consultation and that it is utterly disgraceful to disregard it in the way that the PCC has?

Julian Knight: It is an absolute shambles, frankly. The announcement was originally made in a press release and, basically, the same insult has been followed through. We all knew what the result was going to be as soon as the PCC election was decided. Lo and behold, here we are with a PCC in the west midlands who has been elected through Momentum. If we look around the Chamber, we can see that it is Conservative Members whose local police stations are being closed. I absolutely agree with my hon. Friend, and although my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) cannot speak in tonight's debate, she is also a fervent defender of her local police station.

We hoped that the money that we agreed to would be adequately spent. Let us have a look at it for a moment. More than £20 million has been spent on Lloyd House, the PCC's head office—that is a lot of wallpaper, is it not? When the previous PCC's original decision about the police station was announced, without consultation, there was more than £100 million in the reserves. That would keep my local police station going for more than a century. The £20 million-plus that has been wasted—well, not wasted but spent, or I suppose they would say it has been invested; I would say, “Nice comfortable chairs—£20 million”—would effectively keep my local police station open for 40 years. Despite the Metropolitan Borough of Solihull having contributed £13.7 million in precept allocations in this financial year, we are about to be robbed of our main police station.

Suzanne Webb (Stourbridge) (Con): I am hearing loud and clear that we have a police and crime commissioner who is failing constituents not just in Solihull but throughout the west midlands—he is certainly failing the constituents in Stourbridge. Does my hon. Friend agree that the consistent problem with the police and crime commissioner is that he is continually closing police stations and not reopening them, which was the promise? He certainly promised to me to reopen the police station in Stourbridge and that has not yet happened.

Julian Knight: It is a familiar story from my hon. Friend. I will come on to the promises that have been broken over this period.

Let me be absolutely clear: I stand against the proposal to permanently close Solihull police station. The plans will leave my constituency without an operational policing base. I know that my constituents stand with me in opposing the plans. Just before the Christmas recess, I launched a petition with my hon. Friend the Member for Meriden (Saqib Bhatti), whose constituency is also greatly impacted by the proposals. To date, more than 700 residents from across the borough have signed the petition. That is in addition to the 3,000 who signed the previous time the Labour police and crime commissioner came knocking. I put on record my thanks to my local residents and councillors and to my hon. Friend the Member for Meriden for supporting the petition.

Saqib Bhatti (Meriden) (Con): I thank my hon. Friend for securing this debate. Does he agree that this is not an either/or situation? Constituents in the north and south of my constituency deserve adequate police resources. The Labour police and crime commissioner has taken a political decision to undermine the safety and security of residents throughout the metropolitan borough of Solihull.

Julian Knight: My hon. Friend is absolutely right. Actually, the police and crime commissioner has tried to play my hon. Friend and me off against each other by suggesting there will be extra investment in the north of the borough and that that will somehow make a difference in the south of the borough. Everyone knows that the distances are large and the challenges are much different. Frankly, as I will come to say, 125,000 residents in my constituency and beyond, including in parts of my hon. Friend's constituency, will be left without a major police presence.

Mr Andrew Mitchell (Sutton Coldfield) (Con): Is my hon. Friend aware that the disgraceful proposal also includes closing the main police station in the royal town of Sutton Coldfield? The only people who support this appalling decision are the two Labour Birmingham city councillors. Is not the right answer to build a police hub to serve my town of 100,000 people, with all the relevant police infrastructure, rather than to replace it all with a front counter that is not open all hours? Will my hon. Friend join me in praising Simon Ward, the leader of Royal Sutton Coldfield Town Council, for his motion condemning the decision, and Janet Cairns, a councillor and community activist who has campaigned forcefully against the dreadful proposals?

Julian Knight: I concur with my right hon. Friend. The royal town of Sutton Coldfield has been in the trenches with me over the last few years following this disgraceful attack on our constituents, which is completely unnecessary for the reasons I will now outline.

I accept it is easy to speak against a police station closure, so I hope Members will allow me to outline what I believe to be the legitimate reasons why Solihull police station must remain open. First, it primarily serves the south of Solihull borough, which includes my constituency and some of the villages in the constituency of my hon. Friend the Member for Meriden, including Dickens Heath, Dorridge, Knowle and Hampton in Arden. We are talking about a population of around 127,000 residents. The fact that an area with such a dense population is going to lose its only operational police base is nothing less than a scandal and a travesty.

It is also important to remember that in 2015 the previous Labour police and crime commissioner closed Shirley police station. My hon. Friend the Member for Stourbridge (Suzanne Webb) and I were told that, magically, there would be a police presence, and what has happened? Absolutely zilch.

Mike Wood (Dudley South) (Con): My hon. Friend has alluded to the previous police and crime commissioner closing various police stations in Dudley borough, including Stourbridge, Kingswinford and Netherton among others. When he announced that Brierley Hill police station would be closing in the next two or three years to open a new police station in Dudley town centre, moving our only remaining police station from the centre of the borough to the far corner of the borough, he promised that a meaningful police presence would remain in Brierley Hill town centre. Does my hon. Friend agree that it needs to be a proper police station with officers operating out of it, not just a locker and an office?

Julian Knight: I completely concur with my hon. Friend, and we are in a similar situation. Frankly, cars will have to come from Tally Ho and Coventry, which is far too long a response time for my constituents.

In response to my constituents' rightful frustrations, the police and crime commissioner stated in his estate review that

"locations for public contact offices in Solihull and Sutton will continue to be explored".

That is very big of him. There is absolutely no commitment to give Solihull a public contact office. A number of questions have been raised as to what a public contact office really means. Reference has been made to it merely

being a desk in a library with someone wearing a bit of hi-vis. For 127,000 people a desk in a library, 9 to 3, hi-vis—that is it, done. It is absolutely ridiculous, a travesty and a disgrace.

How can I honestly encourage my constituents to report crime, particularly crime of a personal and sensitive nature, to a police desk in the middle of a public space that is open only at certain hours and where they do not know precisely to whom they are speaking? What if one of my constituents suffering from physical and emotional abuse does not, for whatever reason, have access to a telephone and wants to seek refuge in a secure policing environment? That will now not be available anywhere in my large town.

As my constituent Mr Thompson of Compton Close—not the other Mr Thompson—put it brilliantly:

"We have already suffered the closure of the Shirley police station. It's clear this next step is unacceptable to all Silhillians. Solihull residents deserve more than the muted 'desk' to take concerns. We deserve and should expect a local Police station with officers to respond directly to our needs."

The police and crime commissioner tries to defend this cruel decision to close Solihull police station by using the usual line from the Opposition Benches, which are empty tonight, that West Midlands police has suffered from cuts and austerity. In a press release, he stated that once again—

"a decade of reckless Government cuts."

Home Office data on direct money shows that from 2018-19 to 2021-22 it has gone up from £442 million to £694 million—an uplift of £250 million in four years. So, in light of the substantial increase in direct subsidies from the Home Office, straight into the PCC's office, we have to ask ourselves why on earth he has decided to put forward plans to permanently close our police stations, when funding is proportionally higher than it was many years ago.

I would also draw the House's attention to the fact that, as a result of more Government funding to the Labour police and crime commissioner, West Midlands police has managed to recruit hundreds of new police officers. Indeed, it admits in a statement that since the general election, this Conservative Government have managed to recruit 867 police officers across the west midlands. With the hundreds of additional police officers on the beat across the west midlands, particularly in Solihull, the PCC clearly forgets that we need adequate space to house those new officers. By closing Solihull police stations and those of my hon. Friends, and other stations across the west midlands, the PCC is drastically reducing the size of the constabulary's estate just as the police force is growing, which means fewer desks, less officers and a reduction in the number of cells.

I am sure hon. Members know just how often we are contacted by our constituents about the levels of crime in our areas. I am contacted daily by constituents about the concern that exists about the substantial rise in crime across Solihull, which has been going on for many years. In particular the fear of violent crime, knife crime and burglary is a real concern to my residents. In December 2019 we had the murder of 21-year-old Jack Donoghue outside Popworld; he was simply enjoying a night out.

Lockdown has created difficulties in assessing crime statistics. However, despite our not having the full crime statistics for 2020-21, I can confirm to the House that of

those that are already reported, 666 individual cases of violent crime have been reported in Solihull in the last year alone. That is already a massive increase on the data for 2020, when we had 574 such incidents. Undoubtedly, West Midlands police has a reputation—a very unwelcome reputation—for suffering large-scale knife crimes. What is the answer, I ask? Well, the answer of this police and crime commissioner is first to stop stop and search; that is a great way to stop knife crime. And the other one is to close our police stations, despite the huge uplift in moneys that come, not only from the precept, but from central Government.

My constituents deserve better. They deserve permanent policing. Theirs is a large town, a vibrant town, a town with many older residents who need the safety and protection that is the very basic that we all ask for ourselves and our society.

It is no secret that I have always been sceptical about the role of police and crime commissioner. In the financial year 2019-20—and who can blame him, frankly—the West Midlands PCC's office spent £437,000 on salaries for the PCC, his deputies and the senior statutory officers alone, money that I believe should instead be spent on frontline national policing.

To conclude, if we are not going to get rid of the role of police and crime commissioner—and I would be absolutely delighted if we did—we have to fold it into the role of the Mayor of the West Midlands, someone who actually knows what he is doing and is not an ideologue, and does not think that the cure for knife crime is less stop and search.

Mr Mitchell: My hon. Friend is making a brilliant speech. I agree that there is some scepticism about police and crime commissioners, because when we set them up, earlier in the period of Conservative Government, we were very keen that police and crime commissioners should stand up for the public, so that they were really well represented when the police made decisions. Is not that the great failure this time, in his patch and in mine—that the police and crime commissioner is not reflecting the heartfelt views and opinions of the people that we represent?

Julian Knight: My right hon. Friend has obviously been reading my speech.

My final challenge to the police and crime commissioner is this: prove us wrong. Prove that you are not partisan. Prove to us that you are committed to your job—that of protecting the residents of the west midlands. And by so doing, acknowledge that you have had the uplift in money, you have had the extra precept, and do not close our police stations.

7.29 pm

The Minister for Crime and Policing (Kit Malthouse): Before I begin, may I offer my condolences to the family of Jack Dromey? I did not know him well, but in all our dealings, he was always polite and respectful. He was a party man to the last. I saw him last just before Christmas in Westminster Hall where he had sponsored a debate, seeking, with his Labour party colleagues, to defend the decision of the police and crime commissioner in the west midlands to raise the precept by the full £10. I am sure that he will be missed by many, including me.

I thank my hon. Friend the Member for Solihull (Julian Knight) for securing this debate and allowing me to address what is obviously an extremely important issue across the west midlands that has excited so many colleagues to come along and defend the interests of their constituents.

I should start by saying from the outset that I hope the Government have demonstrated their commitment to supporting the police in the past couple of years. They perform a unique role in our society. They are on the frontline of the fight against crime and absolutely critical to the foremost duty of any Government of keeping the public safe. This is a mission of the utmost importance to us and one that we are embarking on with tenacity and relentless determination that the law-abiding majority would expect. I hope that our actions bear this out.

For 2022-23, we are proposing funding for the policing system of up to £16.9 billion, equating to an increase of up to £1.1 billion when compared with last year. For the west midlands, this means that funding will be up to £694.9 million in 2022-23, an increase of up to £39.4 million on the 2021-22 police funding settlement, and, as my hon. Friend pointed out, a significant increase over the past four years.

At the spending review last year, it was announced that the three-year settlement had secured an additional £540 million for the police uplift programme by 2024-25, enabling forces to recruit and maintain the full 20,000 police officer uplift provided for by our recruitment campaign emanating from our manifesto. I am confident that, in the future, with this funding settlement and the funding announced at the spending review in October, police forces will have the necessary resources and capabilities to perform their vital function and keep our citizens safe from harm.

Strengthening police numbers is a key priority, and I am pleased to say that we are halfway to meeting our 20,000-officer target. As of 30 September, forces had recruited 11,053 additional officers. Of this figure, as my hon. Friend said, west midlands police had recruited 867 additional officers, a significant uplift in resources. We expect this outstanding progress to continue into the third year of the programme.

Although we will always play an active role in public protection and crime fighting, it is important that we always remember that local accountability is vital. That is why all operational decisions, including those on the number of police stations and their locations, are for chief constables and for the directly elected police and crime commissioners, and Mayors where they have PCC functions. They are, we hope, best placed to make such decisions based on their local knowledge and experience.

My hon. Friend, along with his colleagues, is obviously expressing significant dissatisfaction about the decisions of the police and crime commissioner. In his speech, he raised three substantive points that I want to address. First, he raised the issue of funding. I have addressed that in correspondence with the police and crime commissioner and, indeed, in the Westminster Hall debate that was called by the Labour party just before Christmas. He is right to point out that there has been a significant uplift in funding for the west midlands police, which will result in a significant number of police officers being recruited. They do need somewhere to operate from. He is quite right in his assertion that whatever

[Kit Malthouse]

plans may have been laid as a property strategy for the west midlands, it would seem sensible to me—and I am sure to him—to at the very least review them in the light of the expansion of police resources and to be sure that every part of the west midlands receives an adequate service, and, critically, that police response times from those bases are acceptable. In some parts of the country, we have seen police officers operating from patrol bases or stations, where they naturally keep their kit, that are some distance from where they need to get to operationally. That wasted time is inefficient. As the money we are giving for the uplift includes resources for things like buildings, equipment, cars and all the ancillary support mechanisms, I hope that all police and crime commissioners, including the west midlands PCC, will review that issue.

The second issue is that I hear repeatedly from the police and crime commissioner in the west midlands that his financial situation is down to the actions of the Conservative Government and that somehow austerity was uniquely targeted at West Midlands police, which was somehow singled out—unlike other police forces, from which I do not hear the same issues. That is patently untrue, not least because police funding is distributed by a legally enforceable formula that does not discriminate by area: there is no discretion as to distribution. The formula may well be elderly, and we have given a commitment to review it—I hope to be able to run the new formula before the next election—but to say that somehow the financial problems of West Midlands police are down to the Government, when other police forces are faring much better, is economical with the actualité, shall we say.

In truth, the situation in the west midlands is the product of decisions made by the police and crime commissioner's predecessor. In the Westminster Hall debate, I challenged the Opposition about why other forces were in a different position. What different decisions have they made during the past decade that have put them at an advantage over West Midlands police and meant that they have not had to take such steps?

I am perfectly happy to take the consequences of and shoulder the responsibility for austerity. I was not in this House at the time, but I recognise that the country had to do something about its finances, and thank God we did—if we had not, what state would we have been in now and during the pandemic? There were consequences to that, but it cannot be a sustainable argument to say that all West Midlands police's successes are down to the Labour party and that all the problems are down to the Conservative Government. Labour has to take responsibility for the decisions that it took on police stations, the balance between officers and staff, or the deployment of resources generally. What is the point of someone standing for election if they do not feel that they will make a difference?

The third point, which was raised powerfully by my hon. Friend the Member for Solihull and my right hon. Friend the Member for Sutton Coldfield (Mr Mitchell), is about the police and crime commissioner listening to local people. I was technically the first police and crime commissioner in the country: back in January 2012, London went ahead of everywhere else by five months, and for that small period I was in the unique position of

being the only PCC. I believe in that position, because the replacement of the old police authorities, which were faceless, nameless, known to nobody and had very little accountability to the public, was critical. We wanted to replace them with a named individual, elected by mandate. Once the election had been fought on party lines, that individual could then do what we all do: seek to serve all our constituents equally, irrespective of how they might have voted or of who their councillors, MPs or other representatives might be.

Given the anger that has been expressed today and in the Westminster Hall debate, in which my hon. Friend the Member for Dudley North (Marco Longhi) complained that promises to him about a police station had been broken, it feels as if the consultation may have gone awry. If I were the police and crime commissioner in any area, I would do as I did in London: seek to build a coalition of support politically for what we were trying to do. The work of the police is difficult, challenging and often confrontational, so ensuring that coalition of support is critical. When we hear that party interests are possibly being put ahead of building that coalition, and when those loyalties are not laid aside, it can be concerning. I am alarmed to hear that in Sutton Coldfield there is dissent—albeit small in number—on the council about the protection of people in the area, and that consensus cannot be built in the area about the disposition of resources.

Mr Mitchell: The Minister is responding brilliantly to the debate, but can I just be quite clear that everyone in Sutton Coldfield is against these monstrous proposals? The only people I can find in the entire town who are in favour are the two Labour Birmingham city councillors.

Kit Malthouse: My right hon. Friend makes a powerful point. As I have said, my view is that once elections are done, all of us in elected office must seek to build consensus about what we are doing. We cannot expect always to agree with everybody, but we must do our best to ensure, first, that we are listening; secondly, that we are being fair in communicating our decisions; and thirdly, that we are fulfilling the promises we made to the electorate.

I will be in the west midlands on Thursday to review preparations for the Commonwealth games, which hopefully will be a cause for great celebrations across the whole of the west midlands, and indeed across the whole of the Commonwealth. I will be having conversations with the police and crime commissioner about this and other matters, not least violent crime in Birmingham. We have put in significant funding through our grip programme and the violence reduction unit to try to get on top of that problem in the west midlands. When I see him, I will express my surprise that, at a moment of really unprecedented expansion in British policing, when UK policing is stepping forward much more confidently than it has in the past, I have heard such a chorus of distress from elected representatives from across the region. I hope that will give him cause to reflect on his role.

Question put and agreed to.

7.41 pm

House adjourned.

Westminster Hall

Tuesday 11 January 2022

[CAROLINE NOKES *in the Chair*]

Eye Health and Macular Disease

9.30 am

Caroline Nokes (in the Chair): Before we begin, I remind hon. Members that they are expected to wear face coverings when they are not speaking in the debate. This is in line with current Government guidance and that of the House of Commons Commission. I also remind you all that you should have a covid lateral flow test before coming on to the parliamentary estate, and give one another plenty of room when entering and leaving the Chamber. I call Jim Shannon to move the motion.

Jim Shannon (Strangford) (DUP): I beg to move,

That this House has considered the matter of eye health and macular disease.

Thank you, Ms Nokes. This is a very important issue. I suppose all issues are important, but this one is very important, as I shall illustrate in my speech. I place on the record my thanks to the Backbench Business Committee, as always, for agreeing to schedule this debate, and to the Macular Society, which is working with Fight for Sight and Roche pharmaceuticals in the Eyes Have It campaign group—we say “The Ayes have it” in the House many times, and the eyes have it literally this time—for its support in securing the debate.

I thank all the hon. Members who are here for taking the time to discuss this important issue. I have spoken to some of them, and they will all bring their individual comments and contributions to the debate. I am very pleased, as always, to see the shadow Minister, the hon. Member for Denton and Reddish (Andrew Gwynne), in his place, and it is a particular pleasure for me and for all of us to see the Under-Secretary of State for Health and Social Care, the hon. Member for Lewes (Maria Caulfield) in her place. We look forward to her response as well.

As someone who had glasses from a young age—eight years old—and who has had diabetes for the last 15 years, I can say that eye health is a matter of great personal import, as well as a constituency issue that affects a huge swathe of my constituents. Every day, 250 people start to lose their sight. At least half of all sight loss is avoidable. That is the key issue in this debate, because if sight loss is avoidable, the question is what steps we take to ensure that people do not lose their sight. With that in mind, I look forward very much to the Minister's response.

More than 2 million people have sight loss, and 350,000 people are registered blind or partially sighted. Age-related macular degeneration is the leading cause of blindness in adults, leading to 50% of blindness. The hon. Member for Great Grimsby (Lia Nici), when we spoke last night, told me that she herself has this. Therefore the contribution from the hon. Lady, out of everyone in the House, will be particularly poignant and relevant to the debate.

I was shocked to learn that more people in the UK are living with macular disease than with dementia. We hear lots of stories—I am not saying we should not, by the way—about dementia, but just to give an idea of the magnitude of the subject of this debate and its importance, there are more people with macular disease than there are with dementia. Macular disease is a particular risk for the nearly 4 million people in the UK who, like me, are living with diabetes. I have long been instructed that poor control of blood sugar and insulin levels can damage the blood vessels of the eye, causing fluid retention in a condition called diabetic macular oedema. About one in every 14 people with diabetes develops DMO, which will result in a noticeable loss of vision.

Why should this topic be flagged as urgent for every Member of the House? Well, the issue is not just the physical health problems but the financial costs. The cost of eye conditions to the UK economy has been estimated at £25.2 billion per year, and without action, that is forecast to rise to £33.5 billion per year by 2050, so there is clearly a financial equation to this issue. It is about prevention and about reducing the costs for the health service as well. But cost is not the only important factor. The fact is that it is an awful thing to lose one's sight and—for many people—one's independence. Members across the House will know—perhaps through their own experiences or those of a loved one, or perhaps through the stories shared by their constituents, which we see in our constituency offices each and every day—the impact that sight loss can have. Loss of vision can have an impact on quality of life by undermining patients' ability to live and work independently. For example, I recently met a member of the Macular Society, Bryan, who was diagnosed with age-related macular degeneration in 2012 and told me that something as simple as catching a bus can become very challenging.

Sight loss can also have a profound impact on emotional wellbeing. Sight is considered by many people to be the most important sense. Patients with macular disease, who are at risk of losing their sight, report feelings of isolation, shock, anger, anxiety and hopelessness. Those feelings may grow as individual sight deteriorates, with patients increasingly cut off from the world as they had previously experienced it. Losing one's eyesight makes one particularly lonely; those who lose their eyesight do not know what is happening around them. I often think that, of all the senses that one could lose, eyesight is—with no disrespect to those who have lost other senses—the most important.

At the same time, macular disease can put pressure on the family members, friends or neighbours who act as carers for people with macular disease. This means that, although macular disease is more common among older people, its effects can be felt across the working-age population as well. Such feelings are understandable.

Without treatment, sight loss can be rapid. For example, wet age-related macular degeneration—wet AMD, where blood or fluid from abnormal blood vessels leaks into the macula, causing scarring—can cause significant sight loss within a matter of weeks. That is why this is so urgent. It is vital that patients are diagnosed and treated as quickly as possible. Can the Minister tell us what has been done to achieve the early diagnosis of AMD? It is so important that sight loss is addressed urgently. Other hon. Members in the debate will reiterate what I am saying shortly.

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): In 2018, the Royal College of Ophthalmologists found that there was a need for an extra 230 consultants and 204 staff and associate specialists over two years. Does the hon. Gentleman agree that recruiting and retaining staff in the ophthalmology workforce needs to be a primary consideration?

Jim Shannon: I certainly do, and I thank the hon. Lady for that intervention. That was one of my points; the Minister has heard it said there, and I will not repeat it. The importance of having the staff in place, to which the hon. Lady referred, is one of the asks in this debate. How can we address that? If we have the staff in place, we can address the issue of eyesight loss earlier.

We are all aware of the demand for NHS eye-care services over recent years. Ophthalmology is now the busiest outpatient specialty in the NHS, with some 7.9 million attendances in 2019-20. That gives one an idea of the magnitude of the issue. That is why this debate is important, and why today we need to look to take things forward. Waiting times have been made worse by the covid-19 pandemic—we understand that. The pandemic has meant that some patients faced a waiting time of up to six months to access care. We know that the wait can be a matter of weeks, but if patients have to wait six months for a diagnosis and medical response, their eyesight can deteriorate significantly in that time. Up to 22 people a month may suffer severe or permanent sight loss as a result of delays to follow-up care. Can the Minister tell us what we can do to address those issues, and what has been done to catch up on that in the pandemic?

Paul Howell (Sedgefield) (Con): Does the hon. Gentleman agree that we have seen massive innovation in the NHS during the covid pandemic? It has been able to deliver huge treatment gains. Does he agree that it is also important that the science of things like macular deterioration is picked up and taken forward? A company called PolyPhotonix, in my constituency, has developed an amazing solution that needs to be driven through to end state. I encourage the Minister to visit the company, because we are very close to making a major difference to treatment both in and out of hospital.

Jim Shannon: The hon. Gentleman has, I think, passed on that information to the Minister. It is important that we see where innovation has moved forward. PolyPhotonix, the firm to which the hon. Gentleman referred, can bring beneficial and positive changes to those with eye issues. I thank him for that intervention, and I look forward to the Minister being able to visit the company.

Care for patients with diabetic macular oedema was deprioritised during the pandemic, and delays have led to a doubling in the number of patient with DMO losing between one and three lines of vision. It is very important that that issue is addressed. The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) referred to staff shortages, and again I look to the Minister to see how we can address that issue.

We know that, as with other areas of healthcare, there are inequalities in eye care. Some parts of the population are not accessing regular sight tests, even if they might be eligible for them for free on the NHS. Can

the Minister tell us what can be done to ensure that people are accessing that care? I know that the pandemic has changed many lives, but how do we address that? It is about solutions, not about negativity, but we have to say these things in the introduction to the speech so that we can look to the changes that we wish to see.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate my hon. Friend on securing the debate. We are coming up to the winter Olympics, and if there was a ski slalom for getting Westminster Hall debates, my hon. Friend would win the gold medal every single year. Given the localised comments that he has very appropriately made about the need for people to get their testing done, it is often the case that when the reminders come through for an ophthalmology appointment, they are overlooked. It is important that people take them up and any problems are identified very early on.

Jim Shannon: How pertinent that intervention is. I will give a couple of examples now that I was going to give later because they are pertinent to this. The opticians and ophthalmologists in Strangford and Newtownards town have told me of two occasions in 2021 when people who went for their test were sent straight away to the Ulster hospital in Dundonald because they had a tumour. They had no other ailments, but their ophthalmologist or optician spotted something early on. They say the eyes tell the health of the whole body, and I think they do. In that case, two lives were saved, and there are probably many others.

Margaret Ferrier: Following that point, it is really important to use the available data effectively in understanding the level of serious eye issues experienced across the UK. Does the hon. Gentleman agree that streamlining data sharing across all health care providers should be mandated?

Jim Shannon: It is always important to have the data on health issues. The Minister, the shadow Minister and hon. Members will know that. If you have the data, you can respond to where the problems are. The hon. Lady is right; we need to have that data in place.

In 2018, the APPG on eye health and visual impairment took evidence from the charity SeeAbility. People with learning disabilities, including children in special schools, are much more likely to have a sight problem, but much less likely to access NHS sight tests. Last night, in a different debate on the welfare cap, the right hon. Member for Hayes and Harlington (John McDonnell) referred to those who will feel the pain of the welfare cap, but those with disabilities will feel it more. That is very real when it comes to health issues and it is why this issue is so important.

With that in mind, the APPG and SeeAbility asked for sight testing and glasses dispensing facilities in all special schools, which has now been taken forward by NHS England. That is excellent news and it shows that sometimes—hopefully all the time—APPGs and their partners can bring about changes. This will reach around 130,000 children and help to address and prevent avoidable sight issues and reduce the need to use hospital eye clinics.

The commitment by NHS England to reform must continue as these children have an equal right to sight. We will all follow matters closely, and I would like to see

the rest of the UK following Northern Ireland. The excellent work by the Ulster University Centre for Optometry and Vision Science in special schools has also shown the same need. When we see that issue being addressed, it is good news. Let us all look at the opportunity for reform in England and in the devolved nations and seek to improve sight testing for adults with learning disabilities in the community too.

There are targeted schemes with optical practices in every area. Unfortunately, Minister, at the moment we see a patchwork across the UK. In some areas the service is good and in other areas it is not. We need to act across the board in all postcode areas to see the level of care and attention that we seek in today's debate.

The health inequalities experienced by people with learning difficulties justify more attention. People with learning disabilities are dying of avoidable health issues at least two decades before their peers. We cannot have people living without good sight and even going avoidably blind because national health services overlook their needs. That cannot happen and should not be allowed to happen.

I have outlined the issues, but I want now to look at the good news; the positive, glass-half-full news about how we make the changes to address those issues, including improving the quality of life for people with macular disease and the pressure on family and friends that inevitably comes with that.

With rapid and appropriate treatments, whether those are pharmaceutical treatments, laser treatments or surgery, we can do the job better, working alongside opticians. They are keen to be involved, and to address these issues. As my hon. Friend the Member for East Londonderry (Mr Campbell) said, when a person gets an appointment from their optician, they should go to it: it is so important that they do so, and we want to make sure that people do that. So many cases of sight loss could be either treatable or preventable.

As the UK builds back from the covid-19 pandemic, there is an opportunity to transform eye care services, increasing capacity to deliver rapid and appropriate treatment for macular disease and other causes of sight loss. NHS planning guidance for 2022 focuses on tackling elective care backlogs. Minister, what has been done to address those backlogs? I understand that there are many backlogs—we know them all too well. We need to deliver 110% of pre-pandemic elective activity, but we must also support the NHS to transform services for the long term, to ensure there is enough capacity to treat patients who start to experience sight loss. Improved integration of eye care services must also be a priority for integrated care systems as they move towards implementation. That should include supporting lower-risk patients to be treated in the community, freeing up specialist service capacity for those patients who need it most. At the same time, as the hon. Member for Rutherglen and Hamilton West said, data sharing needs to be improved, for example through the electronic eye care referral system. That is just one example of what could be done to ensure that everyone has the information they need to improve the quality and timeliness of care.

We must also ensure that the NHS is making use of the most innovative treatments—the hon. Member for Sedgfield (Paul Howell) has referred to one of them—especially those treatments that help people living with

sight loss to manage their condition as independently as possible, with less frequent need for hospital visits. If we can reduce hospital visits and improve care, we will reduce costs and improve long-term health. We must invest in the workforce we need to deliver current and future eye care. I am very pleased to note that the Government have already confirmed that the process to appoint a new national clinical director for eye care has begun. I hope that this role will provide much-needed leadership and drive forward a transformation of NHS eye care services, including improved integration, better use of data and expansion of the workforce, which I believe is essential to provide the high-quality care that will, in turn, deliver better outcomes for patients. That national clinical director should therefore be appointed as a matter of urgency, and I look to the Minister and to Government to give us a clear timetable for making that appointment.

To ensure accountability and transparency, the national clinical director for eye care should report to a single Minister with responsibility for eye care services across primary, secondary and community care. The role of that individual is critically important for outlining a strategy and moving forward. Sight loss is widespread, and its implications are significant for the NHS. The cost of sight loss to the public purse cannot be ignored, but it is most important for the patients whose lives will be irrevocably altered by a diagnosis such as macular disease. Timely access to appropriate treatment could quite simply be the difference between someone losing and keeping their sight. We want to ensure that people can keep their sight, so it is vital that we do all we can to ensure that every patient can get the treatment they need, when they need it—the earlier the better. When it comes to sight, every day matters. Every appointment is essential, and that principle must underpin our approach to the necessary changes to macular eye health in this post-covid world.

I thank the Minister again for offering her time. People will say, “Well, that’s her job”, but she comes here with a passion and an interest in this issue. It makes it much more pleasurable for me introducing this debate, and for other Members as well, that we have a Minister who can respond positively. I welcome the opportunity to continue these discussions following today’s debate—I know that the Minister is always agreeable to doing so. In anticipation of their speeches, I also thank all of my colleagues, right hon. and hon. Friends and Members, in this Chamber. Working together, we can and will achieve.

9.49 am

Peter Gibson (Darlington) (Con): It is a pleasure to serve under your chairmanship this morning, Ms Nokes. I pay tribute to the hon. Member for Strangford (Jim Shannon) for leading this morning’s vital debate on eye health and macular disease, which affects many millions up and down the country. Indeed, more than 2 million people in the UK suffer from partial or complete sight loss and the loss of vision is extremely detrimental to someone’s health and wellbeing. Things that many of us take for granted in our daily lives—driving, reading, recognising faces or experiencing colour—are taken away unfairly from those suffering from loss of vision. We know too that loss of vision can lead to further complications, greater care needs and loneliness.

[Peter Gibson]

I was pleased to receive reassurance from Ministers in response to my recent written questions that steps are being taken to address waiting lists, including prioritising urgent treatment for sight-threatening eye conditions such as age-related macular degeneration, which affects 23% of those with sight loss. I welcome the steps being taken to reduce the waiting times and backlogs in our health service, including £2 billion committed this financial year through the elective recovery fund to reduce waiting times. I am pleased to learn that the Government have also committed £8 billion between 2022 and 2025 to transform elective services and increase activity. That is joined by a further £5.9 billion in capital funding to support elective recovery, diagnostics and the vital technology that our health service needs to provide accurate diagnosis.

The NHS's national eye care recovery transformation programme should ensure that existing money will go into improving effectively and efficiently the quality of the service and outcomes for patients. Through the Health and Social Care Bill, integrated care boards will improve patient access and empower primary care providers to tackle eye health and macular disease quicker and without putting further pressure on GPs and hospitals. The forthcoming appointment of a national clinical director for eye services in England, as outlined by the hon. Member for Strangford, is most welcome but long overdue. I know that that appointment will be welcomed by many with an interest in sight loss.

Tackling the issues of poor eye health goes further than just prevention. We must do more to help the sight loss community up and down the country. In my constituency, there are a number of projects and campaigns underway to improve the quality of life for those who are visually impaired. It is right at this point to pay tribute to Darlington's phenomenal Darlington Action on Disability, led by chairman Gordon Pybus and chief executive Lauren Robinson. The association has been leading the way in campaigning to improve the life of members of Darlington's visually impaired community. I am proud to support their current campaign to have tactile paving installed on the platforms of Darlington's Bank Top station and I urge the Minister to lend her support to the push for Network Rail to install such paving when the station undergoes its £105 million refurbishment and expansion.

Yesterday, I spoke to Gordon, who highlighted to me the further problems facing people with sight loss in my town. They include vehicles parked on the pavement, which are both an obstruction and a hazard, with wing mirrors at head height, which cannot be located by someone using a cane or a guide dog. Other members of the community I serve have raised concerns with me about issues such as the rapid increase in the number of e-scooters on our streets, the poor placement of street furniture and other street clutter such as A-boards outside businesses, and the risk posed to those with sight loss from near-silent electric bikes and vehicles. Every Member of the House will have heard the same concerns in their own areas and I urge the Government to continue to listen to those most affected by poor eye health and macular disease to take steps to make our streets safer for them.

I am proud of the work being done by the Government on the matter, tackling waiting lists and investing in preventive measures. However, I urge the Minister to maintain and extend the level of support and investment over the coming years to ensure that we continue to support the visually impaired community in the UK.

9.54 am

Ms Lyn Brown (West Ham) (Lab): It is a genuine pleasure to serve under your chairmanship, Ms Nokes. I wish you, and everybody here, a happy new year.

I thank the hon. Member for Strangford (Jim Shannon) for securing the debate on this neglected topic. Not for the first time, my comments will echo those of my right hon. Friend the Member for Hayes and Harlington (John McDonnell), because today I will focus on the damage that refractive eye surgeries can do to health. In particular, I would like to talk about my constituent, Darren Clixby.

Like many of us, Darren had lived much of his life needing glasses or contact lenses for short sight. As many people have, he heard the messages about laser eye surgery, and its promise to make life easier and better. He also heard the statistics that are bandied about regarding the rarity of serious complications, so he paid his money and went for it in January 2009, but I am sorry to say that the damage immediately after the surgery was awful.

Darren was in tremendous pain. He could not open his eyes at all until the following day and, when he did, his vision was unrecognisable. It was filled with sunbursts coming from light sources, with halos arounds them, with images that overlapped and with many floaters, which are small objects that persistently stay in the vision no matter where someone looks; I have loads of them in my eyes.

Having such damaged vision was distracting, disorientating and very distressing. Darren could not function. He had been told that this was merely a temporary effect and that it would go away after surgery, so he took sick leave and he persevered in that hope. The weeks passed, then the months, and the problems with his vision simply did not go away. Understandably, Darren became increasingly distraught, anxious and depressed. At check-ups, he was told time and again that it was temporary. He was fobbed off with steroid eye drops, which did nothing.

He was then offered another procedure with the same company, using an alternative refractive surgery technique, then another, via a private referral to Moorfields Eye Hospital, and then another. Darren has now had five separate refractive eye surgeries, four of which were to correct the damage of the first. None of these operations have helped. In fact, Darren believes they have just made things worse.

All of this time, Darren's mental health was deteriorating. He found his work as a solicitor increasingly impossible because of the psychological damage that resulted in a diagnosis of severe depression and anxiety, which remains 13 years on. He resigned from his job and endured 18 months out of work. Even now, after getting a new legal role, he has found it difficult to continue and he had to resign 18 months after starting that job. Eventually, in 2012, Darren had to stop the process of repeated

surgeries, and disengage to protect what was left of his mental health. It has taken him many years to come to terms with what has been done.

Jim Shannon: I thank the hon. Lady for sharing what surgery can be like. I have a diabetic constituent who asked a consultant if laser surgery would be appropriate. Unfortunately, as a result of that surgery he lost his eyesight in its entirety. Today, he has no sight in either eye. When it comes to surgery, the hon. Lady is absolutely right and I thank her for the reminder that it does not always work. People need to be careful and aware of that.

Ms Lyn Brown: Darren now believes that there is nothing that can be done significantly to repair the damage to his sight. He has uncomfortable, dry eyes every day of his life, which become far worse after reading or concentrating for long periods. He cannot see clearly in low-light conditions or drive after dark. Even crossing the road can be dangerous because it is hard to judge the distance between cars.

Darren believes that he was not fully informed about the risks before his surgery. He has no trust in what little regulation or self-regulation exists via the General Optical Council and the General Medical Council. This was a private, elective procedure that Darren paid for. Surely to heavens, the company that performed the surgery should be responsible for the best possible aftercare, and for making it right. In 2017, Darren again contacted the company responsible for the original surgery. It was made absolutely clear that it would offer him nothing. Effectively, it told him to go away, to stop being a nuisance and to stop getting in the way, frankly, of it making more money.

As always, the NHS has been left to pick up the pieces after poorly regulated private medicine has failed. I ask the Minister how much is this costing the NHS across the country? It would be good to know. Does she have any information to hand on that? We need to create a system where patients are genuinely informed about the real risks; a system where there is proper recourse to a regulator when things go wrong, and where private companies are held responsible for their failings and the cost.

10.1 am

Dr Matthew Offord (Hendon) (Con): It is a pleasure to serve under your chairmanship, Ms Nokes. I also pay tribute to the hon. Member for Strangford (Jim Shannon) for securing the debate.

I first became interested in eye health as a child when I wore glasses and had extreme myopia. That manifested itself in 2011 when I had my first detached retina and experienced the possibility of losing my eyesight. I had a second detached retina that necessitated an operation at Moorfields. That was two detached retinas, and I subsequently required cataract operations on both eyes.

My clinical experience at Moorfields was very good and I had no problem with that. However, when I had subsequent check-ups for glaucoma, there was an excessive number of people per session. On occasion, my consultant was treating up to 100 people in under three hours, which greatly concerned me. This is an issue about which I have always been passionate, more so when

constituents came to me and said that they had experienced problems, not only with glaucoma and age-related macular degeneration but with cataracts. I realised that this was a problem across the whole of society.

In 2019, the hon. Member for Enfield, Southgate (Bambos Charalambous) called for a national strategy for eye health, which I support. More recently, in response to a written question, the Government stated that there were no plans to develop a national strategy for eye health and that, given the size and variety of health needs in England, the approach should be managed locally.

That is not a view that I share. As the hon. Member for Strangford said, the number of people waiting for treatment on the NHS for eye-related conditions has increased during the pandemic. We are certainly aware of that, but what is most troubling is that clinical commissioning groups ration the number of operations for conditions, including cataracts. A survey in 2017 of ophthalmic leads shows that some CCGs apply even stricter access to patients needing surgery on a second eye. That means, as has been said, that people are unable to drive and, certainly, unable to read, and have great difficulty accessing normal sight due to the need to wear a single glass lens in a pair of glasses, rather than glasses for one eye.

I have struggled with the possibility of losing my sight, both as a Member of Parliament and as an individual. May I tell the Minister that it is a difficult diagnosis to receive when someone says, "If you do not have this operation, you will lose your sight. If you have it, you will probably save your sight. We have to tell you that, if you do not have it, you will definitely lose your sight"?

I have been keen to campaign for more eye clinic liaison officers. I have repeatedly asked Ministers about the number of eye clinic liaison officers and how we could have more. The response has always been that they are funded by CCGs based on assessment of need. In dealing with the impact of sight loss, the actions of ECLOs in helping people through their support and rehabilitation has always been judged to be of great value. In September 2021, a response that I received to a written question said:

"Eye clinics and their staff, including Eye Clinic Liaison Officers, are commissioned, and funded by individual Clinical Commissioning Groups on the basis of local assessments of need, details of which are not routinely collected centrally."

Once again, we go back to the point of having the issues decided at local level, with the Department of Health and Social Care not knowing how many officers are in attendance.

The Department is keen to highlight the additional £2 billion that is going into the NHS this year—£8 billion over three years—to increase activity on the elective care backlog caused by the pandemic and other factors. We welcome that, but I have a problem with Ministers never identifying where any of the money will be awarded. Eye health is never identified, so we do not know how many elective operations will occur in the next year or the next three years. The Department also says:

"NHS England and NHS Improvement's National Eye Care Recovery and Transformation programme aims to transform secondary care ophthalmology services by using existing funding more effectively to improve service quality and patient outcomes."

[Dr Matthew Offord]

That seems to counteract an assertion that any of the £2 billion this year, or the £8 billion over three years, will be allocated directly to eye care.

I have two asks of the Minister. The first is to establish, promote and publish a national eye health strategy for England. The second is to identify and allocate resources to ophthalmology so that we can say to our constituents that, when they need the NHS at a moment that could effectively end their productive life through the loss of their sight, we will be there for them.

10.6 am

John McDonnell (Hayes and Harlington) (Lab): I join others in thanking the hon. Member for Strangford (Jim Shannon) for securing the debate. I congratulate him on providing a service to us all by securing so many debates on so many relevant issues. I concur with the previous speaker, the hon. Member for Hendon (Dr Offord), that it is time for a national strategy; we have been calling for one for a while.

Like my hon. Friend the Member for West Ham (Ms Brown), I will talk about refractive surgery. I completely concur with the hon. Member for Strangford, and the general tone of the debate, about the need for longer-term, stable investment, and the worries that we all have about the postcode lottery in access to eyesight assessment, and services to tackle any problems that are identified. Part of the problem of the postcode lottery is that people who have concerns about their eyesight can become desperate and resort to alternative methodologies, one of which has been refractive surgery.

Refractive surgery is often successful, but there is always a risk. We are talking about both laser surgery and lens replacement, in larger numbers every year. It is a growing issue. Thousands upon thousands are receiving refractive surgery, basically from three main companies: Optical Express, Optimax, and Optegra. Tragically, of those thousands, many hundreds are now experiencing serious problems. They have failed to find a solution to their eyesight problems by turning to surgery, but in many instances have been harmed by the surgery itself.

I have been campaigning on this issue for over a decade. I have worked with other MPs and campaigners. We have had private Members' Bills, ten-minute rule Bills and debates in the House. I pay tribute to the external campaigners. Sasha Rodoy from the My Beautiful Eyes Foundation has brought together literally hundreds of cases, providing people with support and exposing some of the appalling practices. My hon. Friend the Member for West Ham referred to the GMC. There are specific examples of where the GMC guidelines are ignored, resulting in real harm. The guidelines basically say that the surgeon undertaking the surgery should meet the person who is to be operated on. There should be a proper assessment of their suitability for the surgery, and advice should then be provided.

Over the past decade, we are finding too many examples of where the assessment has been given largely by salespeople rather than clinically qualified staff. Often, the person will not see the surgeon until the day of surgery. Owing to the oligopoly of the companies involved, the pressure of meeting sales targets seems to be more important than achieving good outcomes for the clients

or patients involved. Inadequate advice then leads to unsuitable judgments and people undergoing surgery that damages their eyesight.

My hon. Friend the Member for West Ham mentioned one tragic case, but there are so many others: paramedics who can no longer pursue their career; police officers who are unable to drive professionally any more; and, as hon. Members may have seen in the media, one health worker who took his own life as a result of the distress.

When things go wrong, the companies often deny responsibility. Sometimes they accept that they need to do something, but they will often delay appointments with the surgeon beyond 12 months and then refuse to accept any responsibility, with people having to be sent off to the NHS for treatment. I want to raise the same issue with the Minister as my hon. Friend the Member for West Ham. It would be really helpful if we ensured that the NHS collated the information about the work it has to undertake and the investment it has to put in to correct the damage and harm caused by those private companies. There was even one company that went into administration and therefore denied all responsibility and liability to patients, only for it to restructure itself and form a new company to continue providing the same services.

On the complaints, I have to say there have been numerous complaints to the GMC and the General Optical Council. Unfortunately, it is often judged that the case does not meet the seriousness threshold and therefore little or no action is taken by those bodies to regulate and monitor companies that are not abiding by basic guidelines. We have discovered that people are operating without being professionally qualified even in cases that are coming up this year. Those shocking examples demand a response now, after all these years.

I am happy to meet with the Minister or, as I know she is busy, with her colleagues and officials to talk through the review that needs to be undertaken into the operation of refractive surgery, as well as what needs to be done to improve regulation and to ensure that the harms caused by the operations largely being carried out by private companies are addressed and that people are supported in the very distressing situations they have found themselves in.

10.13 am

Lia Nici (Great Grimsby) (Con): I thank the hon. Member for Strangford (Jim Shannon) for securing the debate. As he alluded to earlier, I have macular disease, and I want to speak about what macular disease is and its effects.

When I was diagnosed 20 years ago, my eye specialist told me that I was going blind. Anybody who does not really understand about going blind might think that one day the lights will switch off, but that is not actually the case. The macula is a particular part of the retina that deals with detail. Over time, it becomes very difficult for people to see in the centre of their vision; there is difficulty reading, recognising faces and writing. It poses a number of challenges, but there is life after a macular disease diagnosis. Hon. Members will notice that I am using my iPad—technology performs a huge service to people with issues such as mine.

I would like to talk about some of the causes. We have talked about diabetes and age-related macular degeneration, but it also happens to younger people. It happened to me when I was young, as secondary to high myopia. Councillor Daniel Westcott, a colleague and constituent of mine, was diagnosed at the age of 17 with Stargardt disease, which is a loss in the macular area of the eye. Despite it ending his career as a plasterer—he could no longer see enough detail—he trained as a teacher and is now working as both a personal trainer and a councillor. Those people who experience the shock and concern of being diagnosed can certainly still have a very positive life that contributes to society.

I want to talk about the importance of going to the optician. We have talked about ophthalmology, but as the hon. Member for Strangford said, it is going to the optician regularly that spots these serious issues. With the retina in particular, speed is of the utmost importance. I went to my optician because when I was reading I noticed that the lines on the page of my book had a dip in them. I went to the optician not thinking anything of it, but it was actually the start of the back of my eye bleeding and causing a bubble. Imagine looking through a window through a raindrop—that is the effect that starts to happen. If anybody hears of someone having that kind of issue, they must go to their optician, who will give them an urgent referral to the hospital. If they cannot get to the optician, they should go to accident and emergency straight away and explain; they will then get straight in to the eye specialist. My constituency is Great Grimsby—that is where I live—and Diana, Princess of Wales Hospital has a fantastic ophthalmology team. Mr Kotta, Mrs Bagga and the whole team are fantastic; the nurse specialists really are specialists, and they are fantastic at care and treatment.

It is incredibly important that we support technology companies being able to continue helping with this. In my case, 20 years ago there was no treatment for my eye condition. However, when it went into my second eye, there had thankfully been a lot of development in technology. I had 11 injections directly into my right eye in order to save my sight. Companies such as Regeneron and Novartis have produced medicines that go directly into the eye. If they had not been available, I would now be registered blind. The effects of those 11 injections meant that my eyes improved five lines on the acuity test. That is quite amazing, and it allowed me to continue to drive. I obviously still have some issues, and colleagues will know that they have to prod me because I do not always recognise them—especially on a dark night. Stem cell research is the real pinnacle, and will hopefully mean that people's eyes will work better for them in the future.

I want to highlight computer technology, and in particular Apple computers. Twenty years ago Apple had the foresight to ensure that accessibility was built into their operating systems. If it was not for Apple's technology and foresight, I could not have continued in my previous job of teaching, video production and camera operating. When a camera operator is told that they are no longer going to be able to see, that can be a little bit of a problem. Computer technology allowed me to continue to be able to do what I do, and Members can see that I am working with large text today. It is absolutely vital, and I say to other producers of computer

operating systems and programming systems that they should really think about simple things to allow people to zoom in and to magnify. All those things are now on the market and they really do make a difference to people's independence.

If someone does not lose all of their sight, it is very difficult for people to understand. They do not walk into things, and their peripheral vision is fine. It is the detail that is the problem. For a lot of people, that affects their independence. They can no longer read a telephone bill or look at something on the internet. If they love reading, they can no longer do that either. Writing is also affected because they cannot see what they are doing. There is much hilarity in our household when people say that I should become a professional prescription writer because they cannot read anything that I write any more.

Most important, for me, is the role of employers. When I was first diagnosed, my public sector employer—whom I will not embarrass by naming—was appalling. They were not supportive; in fact, they went into panic mode. I would like to say to employers that when somebody comes to you to say that they are having eye problems, do not go into panic mode, because they can continue to be a positive, important part of the team. It just means that they will need slightly different ways of working. I continued to run a television station, keeping a close eye on my editors and camera operators, who always used to say that I may have eye problems, but I could still see their mistakes.

The Royal National Institute of Blind People in particular was fantastic. Its staff will come and do a free assessment in the workplace and offer advice to the employer. I also thank the people at ACAS because when my employer was being downright dirty, they were fantastic in advising me in what I was able to do. Rather than people with eye or macular disease having issues and becoming vulnerable, they can actually become a positive and important part of the team—even more so than before their eye problems. I send this message out to employers: embrace the team member who has these issues, because they will continue to be a fantastic part of the workplace.

Caroline Nokes (in the Chair): I thank the Member for that contribution. We now come to the Front-Bench spokespeople.

10.22 am

Steven Bonnar (Coatbridge, Chryston and Bellshill) (SNP): I commend the hon. Member for Strangford (Jim Shannon) for bringing forward this debate on a hugely important subject. Macular disease is the biggest cause of sight loss in the UK, with up to 40,000 people developing wet age-related neovascular macular degeneration every year, with wet macular degeneration being the worst of all known eye diseases.

Age-related macular degeneration is a common condition that affects the middle part of a person's vision. It usually affects people in their 60s and 70s, rising to a rate of around one in 10 people aged 75 and above. However, it can strike at any age. It can happen in one eye or both and, as we have heard from the hon. Member for Great Grimsby (Lia Nici), it affects the middle part of a person's eye. AMD can make things such reading, watching television, driving or even facial

[Steven Bonnar]

recognition difficult. Other symptoms can include seeing straight lines as wavy or crooked—which was how the hon. Lady established that she had a problem—objects looking smaller than normal, colours seeming less bright, or seeing things that are not even there.

AMD is not painful and does not affect the appearance of the eye. It does not cause complete or total blindness, but it can make everyday activities incredibly difficult. Without treatment, vision may worsen gradually over several years, which is known as dry AMD, or quickly over a few weeks or months, known as wet AMD. The exact cause is unknown; it has been linked to high blood pressure, being overweight, smoking or having a family history of AMD.

I am sure Members agree that the figures and statistics prove the seriousness of the disease, and why pre-emptive measures should and must be taken. I am proud that that is exactly why we are leading the way in optometry in Scotland. We are currently the only country in the UK to provide free, universal, NHS-funded eye care examinations. Since 2006, adults in Scotland have been able to attend a free eye health check biannually, with children under the age of 16 and adults over the age of 60 entitled to an annual visit. That proves that the Scottish Parliament is committed to delivering a world-leading eye care service for its people.

An NHS eye examination in Scotland is more than just a sight test. It provides a general eye health check that can detect early signs of sight-threatening conditions and other general medical conditions, including diabetes, high blood pressure, cardiovascular disease, tumours, dementia, or even arthritis. Optometrists in Scotland deliver a system of eye care services in which all areas of the ophthalmic workforce are truly at the top tier of their professional competency and expertise. That enables higher quality, safe, effective and person-centred eye care services to be delivered in the community and closer to people's homes, freeing up hospital services to focus on the most complex eye conditions and urgent patient cases.

Community optometrists are already the first point of contact for any eye problems and they can diagnose and treat a number of conditions without the patient requiring an appointment with their GP or an ophthalmologist, easing pressures on an already burdened health service. An increasing number of community ophthalmologists are also registered independent prescribers and can issue patients with an NHS prescription to treat their eye problem or condition.

I was fortunate enough to be able to visit one of the opticians in my constituency of Coatbridge, Chryston and Bellshill just yesterday. Tuite Opticians in Coatbridge is a family-owned optician currently run by Eamonn Tuite, which has been at the heart of our town since 1973. Tuite understands the needs of the community it serves and always goes the extra mile to ensure the best healthcare and support are provided to all service users. As a result, it not only provides eye examinations in the practice, but also a bespoke service for the housebound, ensuring minimum fuss is required by the patient for such a vital check. I am pleased to be able to place on record my gratitude to the optometrist Stephen Kirley, who took the time to explain to me in great detail the

impact of macular degeneration on individuals and why early intervention is so important in treating the disease.

That all lies within and is covered by the free eye test and the fantastic policy of the Scottish Government. By ensuring there are no barriers to accessing eye care, optometrists such as Stephen have a positive impact on patients' health needs. In return for every eye test carried out, the Scottish Government provide practices such as Tuite with a fee to cover the cost of its work and ensure the business can continue to support as many in the community as possible.

Tuite Opticians was kind enough to carry out my own eye test yesterday and I sure all Members will be happy to learn that I have a clear bill of health—all the better for keeping a beady eye on this Government.

John McDonnell: I went for my eye test yesterday. I could not get an appointment in Hayes, my constituency, so I went to Uxbridge. Unfortunately, at the same time the Prime Minister did an official visit to the eye test and disturbed it. How inconsiderate could he be?

Steven Bonnar: That is so surprising. This Prime Minister is known for his consideration of others.

I put my thanks to Tuite Opticians on the record, not only for having me, but for its tremendous commitment to the wider community of Coatbridge for over 30 years.

Jim Shannon: I thank the hon. Gentleman for his positive contribution to this debate. The other good thing about going to an optician, is that if he has any concerns, he can refer the patient on—it does not necessarily have to go through the GP. I did that when I went to my optician in the Cathedral Quarter in Belfast to get all the tests necessary and ultimately was given the all-clear. An optician can put someone's mind at ease.

Steven Bonnar: I thank the hon. Member for his intervention. He is absolutely right. The optician can highlight so many things. We know the burdens across the NHS, particularly on our GPs and this can lighten the load. However, as he correctly outlined, unfortunately, in England, Wales and Northern Ireland, the situation can sometimes be difficult. Optical practices are not so fortunate in that there is no governmental support and provision for free eye tests for the general public.

In England, a typical eye examination costs between £20 and £25 for all, except children, the elderly or people registered as partially sighted or blind. Having a monetary value attached to an eye examination would undoubtedly deter those unable to afford the crucial health test and endanger their long-term health and hamper the early prevention tactics that so evidently work. This in a country where health care should be free at the point of need is unacceptable. I believe it is unacceptable to administer a charge. The rest of the UK should follow suit. We have heard repeated calls for a national strategy—the example set by Edinburgh should be followed. Scottish citizens do not have to pay to have their eyes examined. Seeing is a privilege that so many of us will struggle to appreciate, but ensuring that there is universal access to eye tests means that those who require them do not have to think of any cost ramifications.

Scotland not only leads the way in the universal accessibility of eye tests but is the first country in the UK to enable access to important treatments for macular disease. Treatment depends on the type of AMD. Dry AMD accounts for 80% or 90% of cases. There is no treatment, but vision aids can help reduce the effects on day-to-day life. Wet AMD, which affects 10% to 20% of sufferers, may require regular eye injections and, very occasionally, as we heard from the hon. Member for Great Grimsby, a light treatment called photodynamic therapy, to stop vision getting any worse.

The other nations of the UK are missing a trick not only in determining new treatment methods for macular disease, but when it comes to understanding the importance of addressing such issues in terms of the impact on the wider health and social care system.

Rehman Chishti (Gillingham and Rainham) (Con): I am very grateful to the hon. Gentleman for all that he is saying with regard to macular degeneration. From speaking to surgeons such as James Neffendorf at King's College Hospital, I know that treatments are absolutely crucial, but what will help to save people's eyesight, whether in Scotland, England, Northern Ireland or Wales, is the public awareness of macular degeneration, so that those signs can be picked up earlier across the United Kingdom. Will he agree that the Government should ensure that there is a public campaign across the country to pick up those signs earlier, so that people can know when those symptoms arise and get best treatment early on?

Steven Bonnar: That is a fantastic idea. Any attention that we can draw to this, we must.

Macular degeneration, both wet and dry, leads to visual impairment, which can in turn lead to depression in many patients. The loss of one's sight is so catastrophic that it often leads to clinical depression or other mental health issues—up to a 50% increase compared to non-affected patients. Furthermore, sufferers also have a 25% increased risk of developing dementia. The role of optometrists in administering primary care in the community is therefore critical to identifying these conditions at an early stage and minimising the impact on other areas of healthcare. If the protection of the wider health service is not a reason to address the shortcomings in eye care, I am not sure what is.

Eye care and macular health is vital. It is important that we, as a Parliament of the people, address needs in this area and remove any barriers, financial or otherwise, to affording our constituents the ability to access sufficient care on a regular basis. Universal free eye examinations enable optometrists to detect sight-threatening and other medical conditions without depending on how much money a person has or the ability to pay. Let this Parliament follow the example of the Scottish Parliament; let this Parliament put healthcare at the heart of everything that we can achieve. Only by doing so will we fulfil our duties to protect all citizens and communities within our reach.

10.33 am

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to serve under your chairmanship, Ms Nokes. I commend the hon. Member for Strangford (Jim Shannon) for securing this important debate. We have had some powerful contributions. I pay particular tribute to the hon. Member for Great Grimsby (Lia Nici) for setting

out her personal experiences. It is those experiences that make for such an informed debate, and I thank her for putting those on the record.

The RNIB estimates that there are currently more than 2 million people living with sight loss in the UK. Fight for Sight estimates that by 2050 that number will reach 4 million. Without support, ophthalmology services will be stretched to capacity. As we have heard in the debate, eye health and macular disease are important issues. I am grateful to have been given the opportunity to respond to this debate on behalf of Her Majesty's Opposition.

As has already been made clear throughout the debate, the demand for ophthalmology services has risen at a rapid rate. Referrals from primary care were up by 12% in December 2019 compared to 2013-14. With an ageing population, it is likely that referrals will increase still further. Around 600,000 people are living with age-related macular degeneration in the United Kingdom. Degenerative sight loss not only is physically traumatising but can have a severe long-term impact on mental health and quality of life. Some 90% of vision impairment is treatable, but treatment must be fast and accessible to limit impairment.

Back in 2018, the all-party parliamentary group on eye health and visual impairment published its report, which found that the current system of eye care is "failing patients on a grand scale".

It found that services are delaying and cancelling time-critical appointments, resulting in some patients not receiving sight-saving treatment and care when they need it most. The Government promised to consider the recommendations of the report, yet here in 2022, people are still suffering sight loss on an unprecedented scale.

Nationally, almost 35% of patients—more than 592,000 people—are waiting longer than 18 weeks to start ophthalmology treatment. Shockingly, at the end of October 2021 around 28,000 patients in England and Wales have been waiting a year or longer to begin treatment. It is important to note that there is stark regional inequality in access to eye health services. At the Tameside and Glossop trust, one of two that covers my constituency, over 50% of patients wait more than 18 weeks to begin treatment. That is around 15% higher than the national average. Those figures represent individuals whose eye health is deteriorating rapidly, and who are incredibly anxious and scared about what their future may hold. If they do not receive adequate treatment and care, they will suffer a permanent alteration to their vision and quality of life.

The Government have to tackle this situation, because we know that the figures largely represent the state of the NHS before the pandemic. Waiting lists for treatment have got worse because of the pandemic, but the situation was far from perfect before the covid storm hit these shores. The problem in eye health care is not new; for several years, many organisations and people, including Members of this House, have been calling for the Government to act on it. It is too easy to simply point to the pandemic to excuse lack of action. It will not wash with us or with members of the public, who understandably are frustrated and worried about their own treatments.

I would be grateful to the Minister, whom I respect a lot, if she could outline the Department of Health and Social Care's current assessment of ophthalmology waiting

[Andrew Gwynne]

times and what her Department plans to do to ensure that patient safety and care remains a priority over the next few months, particularly given the acute staffing challenges that the health sector is facing.

In December 2019, the getting it right first time programme's national specialty report was published. The report was endorsed by the Royal College of Ophthalmologists, and is the product of two years of painstaking work. Over 120 trusts were visited across England and several recommendations were made. I am sure many Members are familiar with the contents of the report, but I want to highlight just a few key points that I believe are instructive to the debate.

The two most common medical retina conditions are diabetic and age-related macular degeneration. Despite how common age-related macular degeneration is, it is important to note that macular disease can affect people at any age, including children. The getting it right first time report recommended that attention be paid to improving the accuracy and efficiency of diabetic retina screening. By utilising cutting-edge 3D imaging techniques, we can generate more detailed images of the retina and thereby increase referrals for diabetic maculopathy. However, the report found that in 2019, only 45% of providers utilised optical coherence tomography to refine referrals.

What we do know—I would be grateful to hear the Minister's thoughts on the recommendations—is that the Government and her Department need to improve access to top treatment and referrals for eye conditions. Specifically, I would be interested to hear what the Department makes of calls to train more staff to deliver specialist AMD injections.

I would also like to draw attention to the proposed Health and Care Bill, and specifically its provisions relating to new integrated care systems. For those to be effective in tackling the crisis in eye health, the Government must ensure that ICSs can co-ordinate community optometry and hospital ophthalmology services, to ensure that patients are seen promptly and at the right time. I would be grateful for any clarity that the Minister could give on how ICSs can be best placed to deliver those important changes.

In conclusion, we cannot continue to overlook the challenges that ophthalmology is facing. It is the busiest outpatient service and was under extreme pressure before coronavirus. The Opposition have repeatedly called on the Government to be straight with the British public about the current strain in the NHS and to urgently set about addressing it. We have time and again urged the Government to undo some of their more damaging policies on the NHS. Waiting times have soared and patients have been let down before covid, yet there is no detailed plan, and patients, staff and people across the country are now looking to the Government to deliver on their promise to improve NHS care and to drive down waiting times and waiting lists. We look forward to seeing the detail, but as has already been mentioned in the debate, there needs to be a real consideration in the plan for eye health and how waiting times can be driven down. I ask that the Minister reflects on the points made during the debate, because people who are suffering poor eye health need to have reassurances from the Government that they are doing everything possible to address the concerns of healthcare leaders, staff and patients.

10.42 am

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): It is a pleasure to serve under your chairmanship, Ms Nokes. I want to start by thanking the hon. Member for Strangford (Jim Shannon) for securing this important debate. Before the Christmas recess, the last sitting in Westminster Hall was on surgical fires, and it is a pleasure, so soon after the recess, to be debating with him again.

The prevention, early detection, access to diagnosis and treatment of eye conditions is such an important issue, and we have heard from many Members, including my hon. Friend the Member for Darlington (Peter Gibson), who raised the impact on people's day-to-day life, on simple steps such as trying to catch a train, and the impact of e-scooters and street pavement furniture. There was also a very moving speech from my hon. Friend the Member for Great Grimsby (Lia Nici). We cannot replace that insight and knowledge of how living with sight problems has an effect on every aspect of life and the simple improvements that can make a big difference.

There are many conditions that affect the eyes, as we have heard about today, and many of them share common risk factors, including some that are unavoidable, such as age and medical conditions such as diabetes, which the hon. Member for Strangford so eloquently described. However, we have not touched on some lifestyle factors that can impact on eye health—for example, obesity and smoking play their part. After age, smoking is the second-most consistent risk factor for age-related macular degeneration, with an increased risk of up to four times. Obesity is also a risk factor for age-related macular degeneration, but also for diabetic retinopathy, retinal vein occlusions and stroke-related vision loss. Morbid obesity is associated with higher eye pressure, which can increase someone's risk of glaucoma.

When addressing eye health, it is important to tackle some of the low-hanging fruit of what can be preventable in affecting someone's eye health. The UK is a world leader in tobacco control, and we remain committed to reducing the harm caused by tobacco. Later this year, we will produce a new tobacco plan that will set out how we will support people to give up smoking or to not start in the first place, because there are still 6 million people in England who smoke, which obviously has a knock-on effect on the possibility of eye problems further down the line.

We are also committed to a healthy living and weight loss management programme through our obesity strategy, building on the progress made on nutrition labelling. New rules on products that are high in fat, salt and sugar will come into force from October this year and, from January next year, we will introduce restrictions on the advertising of such products before the 9 pm watershed. We are also delivering a £100 million investment in promoting healthy lifestyles. In the years to come, all of those measures will have a knock-on effect on the number of people presenting with eye conditions.

That said, as we have heard today, there are many unavoidable causes of eye problems. Diabetes is one of the lead causes, and the diabetic retinopathy screening programme offers annual screening to millions of eligible people with diabetes. I place on record my thanks to all the staff of that screening programme who have carried

on during the pandemic, because for the first time in 50 years, diabetic retinopathy is no longer the leading cause of certifiable blindness in adults of working age. That is a tremendous achievement.

There are other causes that can affect people of any age. For children, the healthy child programme sets out the schedule of child health reviews from pregnancy through the first five years of life. That includes examining the eyes of the newborn at six weeks and during the two-year review, as well as recommending that children should be screened for visual impairment between the ages of four and five. As we heard from the hon. Member for East Londonderry (Mr Campbell), we know that at all ages, regular sight testing can lead to early detection of eye conditions. My hon. Friend the Member for Great Grimsby spoke very well about the importance of the appointment with the optician. Combined with early treatment and prevention, we can prevent people from losing their sight, so today's message of "Attend your eye tests" is very important indeed.

Jim Shannon: I thank the Minister for her very positive response. This is not just about a person's visits to their opticians, but their appointments with their GP as well, especially if they are diabetic like me and attend their GP's clinic twice a year. They should do a retinopathy test as well: the GP's clinic can do all the things that can indicate whether that person's sight is going backwards, staying level, or indeed improving. There are lots of things that people can do, and part of that is attending their GP appointments. Do not miss them: they are equally important.

Maria Caulfield: Absolutely: we have heard today about the impact that overall health has on eye health. We know that NHS sight test numbers were impacted at the peak of the pandemic, but there has been a strong recovery, with 9.7 million sight tests carried out between April and December last year. Again, I thank the NHS, and particularly primary eye care providers, for their efforts.

It is vital that once a problem is detected, individuals have access to timely diagnosis and any necessary treatment. Age-related macular degeneration is one of the leading causes of sight loss in the UK, and is a devastating disease that can seriously impact a person's life. The vast majority of people with age-related macular degeneration suffer from "dry" degeneration, for which there is currently no effective treatment, although vision aids can reduce its impact. For those with "wet" degeneration, this condition can be far more serious and sight-threatening. There are a number of available treatments for that form of AMD, and I point colleagues to the National Institute for Health and Care Excellence's guidelines: a person should be referred within one day if their condition is considered to be wet active AMD, and offered vascular endothelial growth factor drugs within 14 days of a referral. It is important that patients are able to access that treatment, as indicated by NICE.

Although we do have some effective treatments for macular disease, we do not rest on our laurels. Medicine continues to evolve, and we heard from my hon. Friend the Member for Sedgfield (Paul Howell) about the potential of sleep masks—evidence is still being collected about that treatment. We also heard from my hon. Friend the Member for Great Grimsby, who is the

expert in this area, about the exciting developments in stem cell research and the possibilities that they could create in future.

During this time, the NHS has continued to prioritise urgent and life-saving treatments, including for sight-threatening eye conditions. I am pleased that the number of ophthalmology patients seen last October was almost back to a pre-pandemic level.

To help the NHS drive up activity, we have provided £2 billion this year through the elective recovery fund, and a further £5.9 billion of capital funding will support elective recovery, diagnosis and technology. That does include—my hon. Friend the Member for Hendon (Dr Offord) asked about this—the ability to expand capacity for new surgical hubs that will drive through high-volume services, such as cataract surgeries, so that they are high on the agenda in tackling the backlog. The NHS has also been running the £160 million accelerator programme, which includes 3D eye scanners and other innovations that are helping to develop a blueprint for elective activity in the NHS.

Ophthalmology is one of the largest out-patient specialties. Change is needed to ensure the NHS can both be sustainable for the future and deal with the growing numbers of people needing eye care services. To address these challenges, NHS England has developed the national eye care recovery and transformation programme to work across all systems and look at everything from workforce to the services provided. It is working with local systems to prevent irreversible sight loss as a result of delayed treatment.

In recognition of this important work, I am delighted that NHS England is recruiting a national clinical director for eye care. That person will oversee services at a national level, which will filter down to tackle the inequalities and disparities we have heard about in certain parts of the country. Much good work is happening, but it is important that the public health outcomes framework is used to identify gaps in services. The framework tracks the rate of sight loss across the population for three of the commonest causes of preventable sight loss—age-related macular degeneration, glaucoma and diabetic retinopathy. The data is openly available and is being used to match areas where services and outcomes need to be improved.

I want to touch on the points raised by the hon. Member for West Ham (Ms Brown) about her constituent, Darren, and those raised by the right hon. Member for Hayes and Harlington (John McDonnell). I am concerned about issues around laser surgery and the impact they are having. I am happy to meet the right hon. Gentleman and the hon. Lady, and other colleagues, to discuss that. The Care Quality Commission regulates that area, but I am concerned by the information shared today and I am happy to look at the issue further. It is important that the situation of people with minor eye ailments is not made worse by having surgery that may, or may not, be suitable for their needs.

We have had a good debate today. I hope I have reassured colleagues that eye health procedures, treatment and diagnoses are part of the post-covid recovery process. I take on board the points made by my hon. Friend the Member for Great Grimsby that this is about more than just diagnosing and treating; it is about improving the lives of those with sight loss, to enable them to live the most productive and fulfilling lives they possibly can. I

[*Maria Caulfield*]

am pleased to hear that the Royal National Institute of Blind People and ACAS were instrumental in helping her and others who are trying to improve the workplace experience. My hon. Friend the Member for Darlington also pointed out that technological changes can have a positive impact but that things such as electric cars can have a negative impact on people with sight loss, as those vehicles are so quiet.

To conclude, maintaining good vision throughout our lives is very important. Some preventable factors, such as smoking and obesity, can help improve eye health, but there are many unavoidable issues that we need to deal with.

Steven Bonnar: Are there plans in any part of the national strategy to remove the financial impediment, so that English, Welsh or Northern Irish people can get a free eye test?

Maria Caulfield: Many people in England qualify for a free eye test. We are not seeing that issue as a barrier to people coming forward, but I have outlined the many measures we are putting in place to improve the outcomes for people with significant sight loss problems. As we emerge from the pandemic, our priority remains tackling the elective backlog and ensuring that we have high-quality, sustainable eye care services for the future.

10.55 am

Jim Shannon: First, I thank each and every one of the right hon. and hon. Gentlemen and Ladies who have made a contribution. The hon. Member for Sedgefield (Paul Howell) referred to the innovative company in his constituency, which I think can help. The hon. Member for Darlington (Peter Gibson) clearly outlined the issues for those who are blind when it comes to obstacles such as street furniture, e-scooters and so on. He also referred to the strategy in his constituency.

I thank the hon. Member for West Ham (Ms Brown) so much for what she said. It was a reminder to us all that corrective surgery, unfortunately, does not always work. She referred to its being regulated. The hon. Member for Hendon (Dr Offord) referred to his own personal experience and to how he has better vision today because of the steps that were taken. He also referred to the eye strategy for the United Kingdom.

The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) referred to the data. Data is critical to all health issues. My hon. Friend the Member for East Londonderry (Mr Campbell) referred to the fact that people must attend their optician appointment. The right hon. Member for Hayes and Harlington (John McDonnell), in a significant contribution, referred to the longer-term investment that is needed. He also said, "Listen to clinical and medical advice and don't listen to the salesperson."

I think every one of us was moved by the contribution from the hon. Member for Great Grimsby (Lia Nici). It was a real step-by-step story of the hon. Lady's situation, and we thank her for all that she said. She referred to modern technology, buy-in by employers and computer advances.

The hon. Member for Coatbridge, Chryston and Bellshill (Steven Bonnar), in a significant contribution, referred to what is done in Scotland. I wish that we in Northern Ireland perhaps had something similar to Scotland. That is something for us to look at as well. The hon. Member for Gillingham and Rainham (Rehman Chishti) referred to a public campaign being needed. The hon. Member for Denton and Reddish (Andrew Gwynne), in a very good contribution, referred to some people waiting more than a year for treatment. He pointed out that all ages are affected, and it is good to remember that it is not just people of a certain generation; it is younger people as well. Waiting times have soared, and people have been let down.

The Minister, in her response, has been incredibly helpful, as she always is. She understands the issues and understands the concerns of each and every one of us here. We said to the Minister—I think the right hon. Member for Hayes and Harlington also spoke about this—that if we could have a meeting with her, we would certainly do that. In relation to AMD, diabetes and glaucoma, a national eye care director is being put in place. There are certainly significant programmes. The issue is to ensure that those programmes are available across the whole United Kingdom, in every postcode. The Minister is committed and certainly very positive, and we look forward to working with her, all of us together.

Question put and agreed to.

Resolved,

That this House has considered the matter of eye health and macular disease.

A1: Peterborough to Blyth

11 am

Caroline Nokes (in the Chair): I remind Members that they are expected to wear face coverings when not speaking in the debate, in line with current Government guidance and that of the House of Commons Commission, and that they are asked by the House to have a covid lateral flow test before coming on to the estate. Please give each other plenty of room when seated and when entering and leaving the Chamber. I will call Alicia Kearns to move the motion. I will then call Gareth Davies to make a short speech, and the Minister to respond. As is the convention for 30-minute debates, there will not be an opportunity for the Member in charge to wind up.

Alicia Kearns (Rutland and Melton) (Con): I beg to move,

That this House has considered the safety of the A1 between Peterborough and Blyth.

It is a pleasure to serve under your chairmanship, Ms Nokes. The A1 is not fit for purpose. I am not saying that for dramatic effect; that is the case, and it is why we are here today. The A1 is failing us as a critical artery for our country and a critical piece of national infrastructure. Ultimately, it is failing the people of Rutland and Melton. We are tired of heartbreaking accidents and severe delays.

It is between Peterborough and Blyth where the road is most grievously failing our communities. That 72-mile stretch serves 1.9 million people, and the issues are numerous. We have substandard junctions; dangerous right-turn movements across the carriageway; safety issues, including accident blackspots all along the corridor; a lack of alternative routes during closures; severe congestion hotspots, which often lead to queuing on the carriageway; a large number of local junctions and small service areas with extremely poor merging, which I drive through every single week as I go to and from my constituency; and slip roads made of just a handful of metres.

Critically, there is also a lack of safety technology, including CCTV and even SOS telephones, along this section of the road, so those in danger are unable to get the help that they need. As a result, the rate of fatal collisions on this section of the A1 is significantly higher than the strategic road network average for an A road dual carriageway. Over the past five years, 27 deaths have been recorded, and there have been 201 closures—more than one a fortnight. The average clear-up and therefore closure time for an incident is five hours, although more recently the road has been closed for over 10 hours at a time. That is not just an inconvenience for our communities; it is an issue of strategic importance for our economy and our country.

There is only one meaningful solution: to upgrade this section of the A1 to a three-lane motorway standard. Over the Christmas gooch, I was looking at how that would benefit the Government and our country. Forecasts by Midlands Connect found that improvements to the corridor would deliver over £138 million in benefits to the region and the wider economy. The A1 is vital for moving freight across the whole UK. It connects businesses with major ports on the east coast such as Felixstowe, Grimsby, Immingham and—via the M25—Dover, and it unites us as a country, from London to Edinburgh.

At the northern end of the corridor lies Associated British Ports' Humber port complex, handling £75 billion of goods per annum and forming a vital part of British and international supply chains. By investing in the functioning of the road and improving the reliability of journey times, we can grow our world-leading logistics sector and improve our supply chain resilience. The UK's logistics sector is clustered all along the A1, and is heavily reliant on good connectivity and high road standards to operate cost-effectively. Heavy goods vehicles make up 25% of all vehicles that use the corridor. That is more than the national average of 12%, so it is more than double the typical trunk road.

I am incredibly proud, as all my colleagues will know, of the reputation of the east midlands for food, drink and agricultural products. We have the largest concentration of food manufacturing, storage and distribution in the whole of England. Positioned at the heart of a supply chain worth over £4 billion, the people of Rutland, Leicestershire, Lincolnshire, Nottinghamshire and Cambridgeshire grow over 15% of the UK's food. Investing in those vital upgrades to the A1 will reduce costs to the agri-food sector, speed things up, get people moving, give businesses the confidence to grow, and encourage a greater amount of onshoring in sectors such as agriculture along the corridor. It would also allow local authorities to be more strategic in the east midlands in how they use available land.

Those upgrades are all the more necessary when we consider that the east midlands has long been stifled by under-investment in critical infrastructure. Despite our amazing potential, spending per head on transport for the last 20 years has been 60% less than the UK average. In 2020-21, the east midlands received the lowest spending per head in the entire country—the lowest for any region. If we were funded at a level equivalent to the UK average, we would have an extra £1 billion a year to spend on transport in the east midlands, which would revolutionise our entire area.

The state of the A1 is not just endangering our residents but holding back growth in the counties of Rutland and Leicestershire, and across the country. How can we deliver more goods and boost growth across the UK when this vital artery is constantly choked by delays and accidents? I ask the Minister to support Highways England to deliver a modernisation programme with urgent safety improvements within the road investment strategy 2, or RIS2, period. The closure of substandard junctions, the provision of a concrete central barrier and better active traffic management would improve road safety considerably.

As chair of the A1 MPs working group, I ask the Minister to work with all my colleagues, many of whom were unable to come today—two have valiantly turned up—to help us upgrade the A1 in the long term to a three-lane, motorway-standard road all the way from Peterborough to Blyth. My neighbours and I are united on this issue, our councils are united on this issue and this is precisely the kind of long-term infrastructure project that will generate growth as we recover from covid.

Levelling up the A1 can be a flagship programme for this Government, because it perfectly encapsulates the levelling-up agenda. It will level up our transport options, level up the safety of our communities, level up opportunity for our businesses, level up connectivity across our

[Alicia Kearns]

nation, level up opportunities to export and level up the east midlands, which, for too long, has not seen the investment it deserves.

11.6 am

Gareth Davies (Grantham and Stamford) (Con): I thank my neighbour and hon. Friend the Member for Rutland and Melton (Alicia Kearns) for securing this debate on one of the top issues that has plagued my area for many years. Since my selection in July 2019, it has probably been one of the top three issues I hear about on doorsteps whenever I am out and about. It is important to my constituents not just because the A1 is a key arterial strategic road for my constituency, but because it is a key arterial road for our entire country. As my hon. Friend pointed out, there are incredible economic benefits to seeing improvements on this road. I want to focus on two aspects that are very specific to Grantham and Stamford.

There are clearly issues, as my hon. Friend has said. Almost daily, there are news reports that there has been a bump, a scrape or a serious accident. That has a knock-on impact on our villages, causing congestion and diverting valuable Lincolnshire Police resource away from fighting crime. People just want to get around the place—they want to get to work; they want to get to school—safely and without delay.

Last June, I conducted a survey of Colsterworth village, which is right on the edge of the A1. The message from constituents was clear: all of them felt unsafe, but they were very clear about two issues that they would like fixed. First, we have some of the shortest slip roads in the country. Secondly, we have deathtrap crossovers that are an absolute nightmare when there are long vehicles trying to cross four lanes on a 70-mile-an-hour road. That is not to say that we should not be ambitious and look in the long term to create a three-lane A1(M) on my stretch of the A1, but my constituents were clear that they want action now on what are, frankly, pretty minor improvements.

Who is responsible? It is not actually Ministers—Ministers have provided significant funding to National Highways, which is the body responsible. There are two funding pots of note—RIS2 funding, which my hon. Friend mentioned, of £27 billion or thereabouts for strategic road improvements over a long period, such as those my hon. Friend mentioned; and the £936 million designated funds pot. That funding pot is critical to what we are talking about today, as it is specifically for safety and congestion measures, to tackle things like the crossovers and the length of slip roads.

Significant funding has been given to National Highways, and it is the internal bureaucracy of that organisation that is holding up the safety improvements that the people of Grantham and Stamford really want and need. I ask two things of the Minister today. It cannot be right that National Highways applies the same internal process to approve small funding amounts for minor improvements as for multibillion-pound upgrades to the A1. Different processes are needed for the different types of upgrades we are talking about, specific to the designated fund pot. It is crackers that there is a blanket process, despite massive changes and deliverable timelines for the improvements.

Secondly, could there be a threshold that Government can apply to National Highways to say that, if it is about bumps and scrapes and closing crossovers and slipovers, we can have an expedited process as part of designated funds? I urge the Minister to look at National Highways and its internal bureaucracy, because that is what is causing the most angst to my constituents.

11.11 am

Robert Jenrick (Newark) (Con): It is my pleasure to support my hon. Friends the Member for Rutland and Melton (Alicia Kearns) and the Member for Grantham and Stamford (Gareth Davies) in today's debate. I first raised this issue in a debate here in 2017, when my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) was the Transport Secretary. It is one that has bedevilled our three counties for many years. As my hon. Friend the Member for Rutland and Melton said, the A1 is one of the most important arterial routes in the east midlands and the whole country, and has been since it was built in Roman times. In recent years, it has become heavily congested and the site of accidents and fatalities significantly above the national average.

The debate I first held on this issue, shortly after I was elected, followed a spate of fatalities, including, notably, a constituent of the former Member for Grantham, whose current MP sits beside me, my hon. Friend the Member for Grantham and Stamford.

I want to raise three issues. First, I support the proposition that our part of the A1 should in time become a motorway. It does not make sense that this key arterial route, through an important part of the midlands, connecting a number of cities and ports, is not a motorway. Secondly, I emphasise the point that, because of its history, a number of the slip roads on to the A1 from villages and towns that we have the pleasure of representing, are very short. That leaves them in a dangerous position, leading to constant accidents, delays and, sadly, fatalities. I strongly urge the Minister to consider instructing the Highways Agency to conduct the kind of work that has been discussed, to ensure that those slip roads are safe, and that the short-term improvements required are done as quickly as possible.

Thirdly, and most importantly for me as MP for Newark, I urge the Minister to take forward as quickly as possible the major investment in the dualling of the A46, which brings with it a major upgrade of the interchange between that road and the A1 around Newark. That will ensure that the dangerous slip roads there are made safe, making a big difference to the level of congestion. It is at that set of interchanges and slip roads that so many accidents and delays occur.

This is my specific question to the Minister. When will she be able to publish the final route of that new dualling of the A46? We have been working closely with the Highways Agency as it prepares those plans, and it has promised to do so within weeks. It would be extremely welcome for my constituents if she could do that this month, then we can analyse those plans and comment as they proceed to a public inquiry. If that major investment is made, we will see the first fruits of the campaign to improve safety on the A1.

11.14 am

The Parliamentary Under-Secretary of State for Transport (Trudy Harrison): It is an absolute pleasure to serve under your chairmanship, Ms Nokes. I would like to

start by commending my hon. Friend the Member for Rutland and Melton (Alicia Kearns), not just for this debate but for founding and chairing the working group of MPs to improve the A1. We have heard today how important and historic the A1 is, particularly for the midlands. We have also heard eloquently described how vital the midlands are, particularly the east midlands, for the UK and its prosperity.

It is a pleasure to respond to the points raised during today's debate, and I am grateful that the debate was secured as it gives me an opportunity to provide an update on some of the priorities in the short term. I have also heard loud and clear from Members today about the long-term aim of full motorway status. I am not the roads Minister, but I know that the roads Minister in the other place, Baroness Vere of Norbiton, is very willing to meet with Members to discuss this in more detail. She will also be keen to discuss some of the challenges that I have heard regarding National Highways, and the bureaucracy that has been referred to, the expediting request and a proportionality request for schemes to be treated in different ways. I will endeavour to make sure that meeting does happen.

The A1 is one of the country's vital north-south links; it plays such an important part in the way that people and goods move around the country. I know that my right hon. Friend the Member for Newark (Robert Jenrick), through his previous role as communities Secretary, understands the importance of good infrastructure and roads for the prosperity of our communities. It was good to hear him speak on this important matter for his constituency.

Between 2020 and 2025 we are spending £24 billion on the strategic road network. The core principle in the road investment strategy is to create exactly what has been called for today: a road network that is safe, reliable and efficient for everyone, and sets a long term strategic vision. I commend the A1 working group for aligning with that aspiration, because transport connectivity is not just local and regional—it is important for the whole of the United Kingdom. The Government are aware of the economic case for upgrading the road network for the entirety of the UK and its economy.

Investment in our strategic road network is focused on the network as a whole, and how various roads interact to provide a reliable network for all users. Some of the schemes we are committed to will have a positive impact on the A1 around the east midlands, and enhance the experience of road users. Those road improvements will provide better links to the A1 and improve the resilience of the network, while boosting business productivity and economic growth by providing a much more reliable road network and improved local access. I have heard much today about the right turns; I understand that that is part of the key priorities in the short to medium term. The reliability of journey times on the strategic road network is particularly important for all road users. While road users recognise that incidents happen, they also expect them to be cleared as soon as possible, and the frequency of incidents to be minimised.

National Highways regularly undertakes route safety studies across the network; the most recent study of the A1 in the midlands was conducted in September 2020. This included a review of the personal injuries, collisions and casualties recorded on this part of the network. As well as fulfilling an important monitoring purpose, the

information is used to identify potential sites for safety improvement schemes. National Highways is also looking at 14 more potential safety schemes between Peterborough and Blyth.

Gareth Davies: I have remembered something that I did not include in my speech. My hon. Friend the Member for Blyth Valley (Ian Levy) could not be here today because he is dealing with a matter in his constituency. He wanted me to relay his concerns on this as well.

Trudy Harrison: I thank my hon. Friend for relaying that. My hon. Friend the Member for Blyth Valley (Ian Levy) spoke to me earlier this week ahead of this debate. I know he would like to be here because this is a debate about the area between Peterborough and Blyth, which I know he is incredibly passionate about and works hard to improve. He and I have had that conversation, and I expect that he will want to join the meeting with Baroness Vere.

I briefly talked about the 40 more potential safety schemes between Peterborough and Blyth, which include the junctions near Colsterworth, Little Ponton, Barrowby and North Muskham, among others. I firmly believe that good transport is a catalyst for enterprise and growth. Better connectivity means greater economic opportunity and all the benefits that that brings to communities.

I acknowledge that the hon. Member for Rutland and Melton is passionate about investment in the east midlands, so I want to turn to some of our wider plans for transport in the region, in addition to the work on the A1. She referred to levelling up and to the benefit that the UK appreciates from the east midlands, mentioning the fantastic food economy that is flourishing in the area. Levelling up all parts of our United Kingdom is at the centre of the Government's agenda and as we build back better from the pandemic, we will publish our levelling-up White Paper setting out new and bold policy interventions, giving local control to drive economic recovery. Transport is key to that, and that has been explained by Members today. The Government understand and are prioritising that.

We are investing in transport across the east midlands: in its cities, towns, villages and everywhere in between. We are investing in the key local roads that people and businesses rely on, providing £50 million towards the recently opened Lincoln eastern bypass. Through the levelling-up fund, another £50 million has been allocated for access roads to the South Derby growth zone and Infinity Garden Village. In Leicestershire and Nottinghamshire, we are supporting the county councils to trial on-demand bus services, improving connections for people in rural and suburban areas. We are seeing investment from the transforming cities fund start to take shape. It includes a brilliant new e-bike hire scheme in Leicester, as well as plans for an iconic new foot and cycle bridge over the River Trent in Nottingham.

We believe, and I know Members here believe, that better transport connectivity will create new and exciting opportunities for all places, helping them realise their full potential. As we look to the future, we have taken significant steps in planning future improvements to the National Highways network. We have just finished the formal evidence-gathering phase of the third round of route strategies, which are an important input alongside

[Trudy Harrison]

strategic studies, informing decisions about investment on the strategic road network beyond 2025. My right hon. Friend the Member for Newark asked a specific question on the timeframe, and I will endeavour to write to him with that answer.

National Highways will publish the results of the route strategies in its strategic road network initial report later this year. Shortly after that, the Department for Transport will then consult on the SRN initial report and proposals for the draft road investment strategy. I am excited by the potential of the east midlands, particularly given the ambition of MPs, as we have heard today, and bodies such as Transport for the East Midlands and Midlands Connect, working alongside national partners. The way in which my hon. Friend the Member for Rutland and Melton consistently and effectively campaigns for her area is testament to the benefits we are going to see in the east midlands.

I will finish by reaffirming my thanks to colleagues for this insightful debate. I hope my hon. Friend is satisfied by my responses and the meeting that she will be able to have with the roads Minister to discuss the matters in more detail, and possibly with National Highways as well, as it is a critical delivery partner. I hope I have made it clear that we recognise the vital importance of not just the A1 but the entirety of the strategic road network and the wider needs of the east midlands. I thank colleagues for their enthusiasm for the east midlands and their effective campaigning for better transport connectivity.

Question put and agreed to.

11.25 am

Sitting suspended.

Ultrafast Broadband: Devon and Somerset

[CHRISTINA REES *in the Chair*]

2.30 pm

Christina Rees (in the Chair): Before we begin, I remind hon. Members that they are expected to wear face coverings when they are not speaking in the debate. That is in line with current Government guidelines and those of the House of Commons Commission. I remind Members that they are asked by the House to have a covid lateral flow test before coming on to the estate. Please also give each other and members of staff space when seated, and when entering and leaving the room.

Selaine Saxby (North Devon) (Con): I beg to move,

That this House has considered the roll-out of ultrafast broadband in Devon and Somerset.

It is a privilege to serve under your chairmanship, Ms Rees. Although in many ways being the MP for North Devon is an immense privilege, our broadband connectivity is not one of the constituency's finer features. On the doorsteps during the election campaign of 2019, getting broadband done was second only to getting Brexit done.

Ever since, I have taken every opportunity to raise the plight of my constituents' poor connectivity. I have taken on chairing the all-party parliamentary group on broadband and digital communication, where we also campaign tirelessly for better connectivity in colleagues' not-spots, including the majority of Devon and Somerset, which is more not-spotty than not.

The sorry state of broadband across Devon and Somerset stems back many years, many contracts and, in my mind, a decision by Connecting Devon and Somerset in 2015 to reject BT's £35 million bid to connect our counties. BT was clear then that it could not meet the 95% superfast target by 2017; here we are in 2022, with south-west England still at only 92% and my constituency at just 87% connected. That decision set off a chain of events that I suspect colleagues across Devon and Somerset will also reference today. It has sent our constituencies to the bottom of the superfast pile. My constituency, at 607, does not win the race to the bottom in Devon and Somerset, with central Devon in at number 643. My hon. Friend the Member for Tiverton and Honiton (Neil Parish) could not be with us today, but wanted me to ensure that I mentioned his concerns, with his constituency languishing at 631.

Although CDS does its utmost to connect us, the nature of the contracting process has not attracted the big boys of broadband to our contracts. We remain a technology roll-out behind much of the country, with confusion as gigabit rolls out alongside superfast. I am not sure many residents are clear which fibre is which, or how much we may be missing out on by not even having superfast.

CDS notes that the UK's superfast programme was predicated on an assumption that the commercial sector would deliver for two thirds of premises, leaving the programme to deliver the remaining third. In the main, across the CDS region, that ratio has been inverted, with CDS needing to deliver closer to two thirds; in more rural parts of the region, CDS has on occasion delivered more than 80% coverage.

Bizarrely, our gigabit availability, relative to the rest of the country, is nothing like so poor, reaching more than 27% of the constituency, ranking us at 399. The commercially viable parts of my constituency, like so many all over the country, are being fibred—over-fibred—offering great competition to those constituents who live in conurbations. We need to find a way to connect rural Britain, as well. Why is choice only found in town or city? My concerns about being over-fibred are different from many. It happens when the CDS contracts overlap with an extended commercial build.

The complexity of the process of connecting Devon and Somerset cannot be overestimated. I know we have to look forward and cannot change the past, but the future looks as though it will go the same way—and that we can influence. Delivering gigabit-capable broadband to the depths of Devon and Somerset is a monumental engineering task. It is clearly not commercially viable, and reaching the ultimate target of 100% gigabit capability is not happening any time soon.

Pondering today's debate, I was keen not to repeat the anecdotes about persuading Openreach to connect schools, charities and all of Lynton and Lynmouth, using the funicular railway as home for the fibre, but it would be remiss not to mention how the voucher scheme does work, as Lynton and Lynmouth have shown and Chulmleigh will show.

However, Lynton and Lynmouth were the subject of a special Openreach project. Together, they form the fourth biggest town in my constituency, yet they were an Openreach special rural build. Accessing the vouchers has worked well, but when a constituency has 93 villages, as mine does, it is difficult to know how many of them will access the voucher scheme and make it work.

Sir Geoffrey Cox (Torridge and West Devon) (Con): Does my hon. Friend agree that local councils have an important role to play in promoting community fibre partnerships? West Devon Borough Council has recruited a community broadband officer, who is now recruiting broadband champions throughout the small villages of west Devon. Cannot local councils play an important role in promoting community fibre partnerships?

Selaine Saxby: I agree entirely with my right hon. and learned Friend, who is my constituency neighbour. There is much that our local councils can do, and are already doing, to support the work of Connecting Devon and Somerset, and Openreach. Where it works, as it is now in Chulmleigh, in my constituency, it works incredibly well. My right hon. and learned Friend's constituency shares many features with mine: we have lots of very small villages. I am concerned about these hard-to-reach areas, which I will come to.

I and many colleagues, including my hon. Friend the Member for Tiverton and Honiton, who could not attend the debate, are keen to pass on our grateful thanks to Openreach for its help with these partnerships and for extending its commercial build. We hope that Openreach will be able to extend further into the fields and moors of our beautiful constituencies.

The target of 85% gigabit-capable broadband coverage by 2025 leaves me fearful that Devon and Somerset could be the missing 15%. Our rural constituencies are not suddenly going to become commercially viable. The £5 billion funding pot is there, but the contracts, the

engineers and the plan to infill is not. Project Gigabit is committed to deliver, and I know Building Digital UK and CDS are committed to delivering, but we cannot infill until we know where the commercial building will be, which is still years away. We need to find a way of looking at rural Britain to redefine commerciality for our rurality.

The very hard-to-reach premises, otherwise known as rural Devon and Somerset, are not currently served by any CDS contracts or commercial plans. They are the most remote and rural premises, and will not get any less so as time goes on. The voucher schemes and community fibre partnerships are simply not viable, as the cost per premises will far exceed the support available. Yes, there has been a consultation, but we need action and some creative solutions. I do not want to forecast that we will become the 15% that is not connected, but that increasingly seems to be the direction of travel.

CDS itself is keen to accelerate the deployment of resources from Project Gigabit, particularly relating to the very hard-to-reach premises. This piecemeal marketplace makes the entire situation more complex. CDS asks for clarity, alongside support for ever-smaller schemes and community-led solutions. My own hope is that one of the bigger players in the market will look at Devon and Somerset as an opportunity to show its understanding of the challenges we face in rural Britain, and sweep through to prevent us becoming ever more digitally divided.

When I talk about levelling up North Devon, the infrastructure I am talking about is not road or rail, but broadband. Our poor connectivity holds everything back. We are never going to get geographically less remote, but we could be far better digitally connected, making so many more things accessible. If we are to level up Britain, then levelling up rural access to ultrafast broadband is essential. I do not expect a six-lane motorway to Ilfracombe, but to unlock the potential of rural Devon and Somerset we need look no further than access to ultrafast broadband as the bedrock of our levelling-up journey.

Today, we are speaking about becoming gigabit capable, but what about the shocking fact that the south-west has almost twice the proportion of homes below the broadband universal service obligation than the national average? We have 4.2%, as opposed to 2.5% nationally. In west Devon, 12.4% are below the universal service obligation, which is the eighth worst in the country. The issue is the depth of this divide, the length of time it has prevailed and the fact there is not a clear plan to fix it. I know we have to wait for commercial builds, and I know more is being built this way than originally planned, but I have schools whose catchments are twice the size of Birmingham. The geography is immense. I would like to invite the Minister to come and see the challenges we are up against, as from Westminster it is hard to ever fully understand what rurality and a digital divide look like.

The complexity of connecting Devon and Somerset is not to be underestimated. I would like to take the opportunity to thank everyone who listens to me bang this drum: the suppliers such as Jurassic, Openreach, Airband, Truespeed and Wessex Internet, alongside the tireless work of CDS and BDUK. But just as a gigabit is really fast, we would like our rural roll-out to go a bit faster—100% superfast would be a great start.

2.40 pm

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Ms Rees. I thank the hon. Member for North Devon (Selaine Saxby) for introducing the debate so well and so thoroughly. Let me reassure her and other Members that there is cross-party support for the introduction of high-speed, decent, accessible and affordable broadband internet right across Devon and Somerset.

North Devon and Plymouth have very different geographies and communities, but we all need the entire south-west region to be better connected not only by transport but by internet. The pandemic has changed the context—it is important to mention that. More people are moving to the far south-west, not only because we live in a beautiful, wonderful part of the world with a generous quality of life but because the high cost of living in big cities does not need to apply when working from home is increasingly the norm.

But many people who move to the south-west find that our slow internet speed is an inhibitor to their delivering the job they were hoping to do from the west country. That sets us back as a region. It also reinforces the stereotype that the west country is somehow slow, or slower than the rest of the country. That could not be further from the truth. We want to deliver growth, more jobs and a zero carbon economy. Faster internet is a foundation stone for all those things.

I echo the calls from the hon. Lady for greater political priority for this issue. The Government's entire majority is built out of MPs in the south-west of England. I would like that voice to speak louder and clearer to Ministers, to tell them that we deserve our fair share as a region. Levelling up is not just something that should affect the north and the midlands. The south-west needs levelling up. Rural communities need levelling up. For the past two years I have been in the fortunate position of serving in the shadow Cabinet, speaking on rural affairs. As a west country lad, it is personal to me—my sister is a farmer in north Cornwall, where we have internet problems as well, although Cornwall enjoys faster connections than Devon, thanks to a lot of European Union cash in the past.

We need to ensure that the divide between urban and rural communities is closed. Otherwise, rural communities will not be able to achieve their potential. Young people will be priced out of not only jobs but housing and opportunities. Increasingly, people who want to get online will move out of those communities, creating a drain of the talent we need to prosper. Rural Britain really does deserve better, including better internet.

There are three aspects I want to touch on: first, there is no point having high-speed internet, be it superfast or gigabit-capable, if the families living in the properties that the pipes run alongside cannot afford to access them. That is an especially acute problem in the south-west, where we have high levels of poverty and deprivation. It is often presumed that rural communities are affluent, but you cannot eat a view.

In our rural and urban communities there is a real problem with people being able to afford devices. It is estimated that 9% of families in the UK do not have access to a laptop, desktop or tablet at home. In Plymouth, especially in some of our poorer communities such as around Stonehouse or parts of Devonport, access to

data as well as to devices is holding people back. During the pandemic, young people were unable to access Google Classroom online because they did not have a laptop in the family. An entire family of children sharing a single laptop to learn is one problem, but the family may be unable to afford the data that goes along with it.

Data poverty is something that worries me. The cost of rolling out broadband in the south-west would be, to a certain extent, passed on to the consumer—through not only public subsidy, but the prices that we will pay in our bills. I worry that high costs and the difficulty of connecting rural economies will eventually fall on the bill payer. That will force low-income families out of the opportunities that gigabit-capable internet provides. Plymouth City Council estimated that someone without access to high-speed internet during the pandemic would achieve one grade lower than they otherwise would have. That is a stark view of the potential for our children, and we need to address it.

My next point is, I realise, not quite within the scope of the Minister's Department, so I hope she will forgive me. Not only should we look at laying more superfast and gigabit-capable pipes for properties and businesses; we should also consider our transport network. The hon. Member for Newton Abbot (Anne Marie Morris) and myself have been pushing the Department for Transport to look at using the GSM-R masts that run alongside our trainline. The trainline in the west country is very beautiful, and there is plenty of time to enjoy the beauty, because it is very slow.

The GSM-R masts are a safety feature that accompany the entirety of the UK rail network. GSM-R is basically 1G. The proposal we have been arguing for, on a cross-party basis, is that there should be work with Network Rail and its western route to upgrade the GSM-R masts to be either 4G or 5G capable. The signal would be targeted alongside the trainline. It would not be, as with a normal mobile phone mast, providing a full 360° coverage. For many communities in the west country, the railway is their connectivity. There are many communities alongside the railway, especially on the mainline, which connects Exeter to Plymouth. The GSM-R mast upgrade would provide not only high-speed internet for people travelling on the trains, but access to the internet for communities living alongside the railway.

We were hoping that the Department for Transport would approve that project. Network Rail wanted to run a £5 million demonstrator project to show that it would work. It had chosen Dawlish, in the constituency of the hon. Member for Newton Abbot—a place that became famous when part of it fell into the sea during the storms of 2013—to demonstrate that the different topographies and technologies on that route would show it working.

Sadly, even though the money is within Network Rail's budget, and even though the project was supported by Network Rail, the Department chose not to allow it to spend that money. That was disappointing. It would cost around £100 million to update all of our GSM-R masts in the west country, but we first have to demonstrate that it works. Could the Minister speak to her colleagues in the Department for Transport to understand why this project—which is non-partisan, would make a big difference and would speak to the Government's levelling-up ambitions for the south-west—could not be explored

further, especially when Network Rail and Network Rail Telecom themselves are keen to deliver it? It would be an opportunity worth exploring.

I would like to encourage the new shadow Minister, my hon. Friend the Member for Ogmore (Chris Elmore), to be equally ambitious with the roll-out of rural broadband. There is always a temptation to believe that it is the norm for urban to come first and rural to come second. It should not be so. I hope that, in putting forward an ambitious manifesto at the next election, he will be as confident and bold with the connectivity ambitions for the south-west as he would be for any urban area.

Selaine Saxby: Does the hon. Gentleman agree that we should be following an outside-in, rather than inside-out, approach? We are almost approaching the whole broadband issue back to front in order to get everyone connected.

Luke Pollard: The hon. Member for North Devon has made a powerful case since being elected, and I hope she remains a thorn in the side of every Minister that holds this post to ensure that we get there. We do need to start with the ambition of every home and every business being able to access high-speed internet—be it superfast or gigabit capable. If we do not have that ambition, as a region we will be accepting a poorer deal, and we must never accept that. The south-west deserves the very best in the country, and we should not be afraid to call for it.

There is an objective here that can be met. The hon. Member for North Devon made clear in her remarks that the contractual relationship, especially for our rural areas, is not delivering—nor will it deliver next year, the year after, nor, potentially, the year after that. As we get further behind those deadlines, we are further behind other economies in the UK that could be outperforming us, simply because of access to the internet. That would put south-west businesses at a disadvantage.

To conclude my remarks, there is strong support in the west country for better internet. We are an ambitious region that wants to deliver the benefits that greater connectivity can bring, not only for business but for education and innovation. We have a strong case for it, and I hope the Minister will look kindly on the remarks that have been made, but also pick up with DFT colleagues on how we can get that train-line connectivity. If our train journeys are to be slow, let us at least make them productive.

2.50 pm

David Warburton (Somerton and Frome) (Con): It is a pleasure to follow the hon. Member for Plymouth, Sutton and Devonport (Luke Pollard), who made many important points on an issue which affects so many across the south-west, particularly in more rural areas. I congratulate my hon. Friend the Member for North Devon (Selaine Saxby) on securing this debate. In many ways, I wish we did not need to debate this issue. We have been here many times before and we need to get it well and truly sorted.

To me, this is an issue about competition. The south-west needs to compete with the rest of the country. Three-quarters of our young people leave Somerset after their education. Our businesses tell me that to stay in Somerset they need to connect not just through better roads and rail services but through the digital highway. Those businesses

and the young people they employ will remain with us only if they can achieve their dreams rendered in full digital glory.

If I may digress, looking across Somerset we see dozens of little hills dotted around; mounds bulging out of the earth. I am sure Members will know that these beacon mounds gave Norman Britain a natural early warning system. When a threat was seen, they would light a fire on top of the nearest beacon and broadcast their concerns across the county in minutes. People would stop their wattle and daubing, grab a pitchfork and be battle-ready in moments. You would think that, 1,000 years later, communications would have improved, but for many homes and businesses you would be wrong. It would probably be quicker to use these ancient beacon hills to deliver a message than to try to fire up their broadband router.

With endless faults and starts, an ever-changing roll call of companies involved in rolling out ultra-fast broadband across Somerset has achieved much, but there are still many pockets of resistance. Many areas across my constituency lag far behind. A lot of work has been done. I think that 46% of premises nationally in the UK are gigabit up, but Devon and Somerset fall way behind. In my patch, only 13% of premises are fully connected. In my constituency, Cury Rivel, Sparkford and Langport fall into the worst 10% of areas for download speed and connectivity. They literally lag far behind, and I see this frustration in my inbox every day.

The pandemic has highlighted the huge productivity gap between urban and rural areas that we have heard about. With ever more people working from home, digital connectivity should be like water or electricity—an essential utility.

Mr Marcus Fysh (Yeovil) (Con): I thank my hon. Friend for giving way. Does he agree with me that the border area between our constituencies—places such as Lopen and Over Stratton—are perfect examples of areas that are falling between the cracks and that there is sometimes a lack of understanding between what the universal service obligation can bring and what can be done through vouchers? Getting people on to the proper gigabit service through vouchers is what they need to be able to engage with the digital future that my hon. Friend mentioned earlier.

David Warburton: My hon. Friend is exactly right. I think people are very confused about the voucher system. We continue to lag behind in developing these schemes. A great many small and medium-sized businesses in those areas drive the economy, and their entrepreneurial zeal needs to be fully unleashed. Connecting Devon and Somerset has achieved a great deal. Apparently, we have more premises connected than any other English programme. Coverage is now 90%, and more than 300,000 homes and businesses do have decent broadband, but there is still a great deal more to be done. Rural communities suffer from a productivity gap compared to urban areas, and the answer lies in technology and infrastructure.

The Government were elected on a promise to level up the UK, and I hugely welcome the investment we have had in physical infrastructure across the south-west; we are beginning to see the results of that. We are starting to bridge that physical divide, but it is bridging the digital divide that will really unlock our counties' vast economic potential.

[David Warburton]

The problem is that every day that divide grows and we lag further and further behind, which makes it harder and harder to catch up. I say to the Minister that our entrepreneurial zeal needs to be fully unleashed, and digital connectivity is the fibrous ligament that binds us together and acts as a springboard to the future. Like our Norman beacon hills linking villages across the west country, those ligaments strengthen us, our businesses and our communities. They will allow us to react and respond to the needs of tomorrow, so let us grab that opportunity.

2.56 pm

Anthony Mangnall (Totnes) (Con): I start by congratulating my hon. Friend the Member for North Devon (Selaine Saxby). She has been a fastidious campaigner on this issue and has made extraordinary moves to bring to the attention of the Government the digital connectivity deficit we have in Devon and Somerset.

Over the course of the past two years, digital connectivity has been more important than ever. From working at home, to speaking to loved ones, to providing at-home education, the internet and digital connectivity are not luxuries but necessities. The pandemic has highlighted the blackspots and notspots all over our respective constituencies. Thankfully—there must be something to be thankful for over the past two years—that has created a better understanding of the need and the scale of the challenge we all face.

If I can be nakedly focused on my own constituency during this debate, Totnes in South Devon has 52,500 premises, which breaks down as 19,023 residential properties and 23,608 commercial properties with superfast broadband. If my maths is correct, that leaves an estimated 9,056 premises in need of improved digital services. I always feel rather guilty mentioning those statistics because they are considerably better than my colleague's in North Devon, but they do point to the need and lack of digital connectivity for so many of my constituents.

I understand that Connecting Devon and Somerset is looking to cover those premises through a new £38 million programme, plus the £18.7 million of Government funding. That is all very welcome, and the take-up of those services is essential, as the hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) just mentioned. In so many instances, we have seen Openreach and other providers create the network for people to plug into, but they have yet to do so. As I understand it, in Devon there is a 70% take-up, which is considerably better than the national average of 61.4%. While that has increased, how will the Minister encourage people to take up the internet connectivity available to them and how can we close that gap of 30%?

I am delighted that Openreach has launched an ultra-reliable gigabit-capable full fibre programme for Dartmouth. Work is already under way, and I look forward to seeing the other areas around South Devon included as the programme expands. Digital connectivity is essential to modern living. Its roll-out helps businesses, attracts investment, and, perhaps most important, connects us all with those we have been so far from over the past two years. I look forward to hearing what more can be done.

The hon. Member for Plymouth, Sutton and Devonport asked that Conservative south-west MPs speak with a loud voice. I would say that Conservative south-west MPs have spoken with an incredibly loud voice on road and rail infrastructure; on levelling up; on second homes; on fishing and farming. We will happily continue to speak with a unified, loud voice to ensure that the south-west is not overlooked, that our networks are improved, and that the opportunities that come with improving them can be delivered for all.

2.59 pm

Anne Marie Morris (Newton Abbot) (Con): I, too, am delighted that we are having this debate today, because broadband and the connectivity it gives us in the west country is crucial because we are significantly underserved in just about every other infrastructure one can possibly conceive. The hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) has articulated some of the challenges on our railway. It must not be forgotten that we have one railway line, and that is it—so the points that he makes are even more important. Communication and connectivity across all infrastructure is mission critical for us in the west country. This is not something that is just a nice-to-have; it is, almost, not a must-have, because in all of this, Devon and Somerset have become left-behind counties in so many ways. A broadband solution to this problem would significantly change the position that these two counties find themselves in.

We are left behind economically. We have some of the lowest productivity rates in the country and some of the lowest skill levels in the country. As I have said, we also have some of the most challenged transport links. Buses are lovely if you can get one; if you think you can come back the same day, dream on—it will not happen. People are therefore very isolated. It is not just those people who have chosen to retire—elderly people who have maybe lived there with their families for all of their lives—but also our working-age community. It is those such as our farmers and policemen who, without connectivity and communication, are disadvantaged, not only in terms of doing their job but in terms of their mental health, never mind their physical health. We have one of the highest rates of mental health challenges in the country.

We are the most challenged, and there is one thing that we can do nothing about: distance. We are where we are; the roads are where they are and the train line is where it is—we are the left-behind counties. The Government policy on broadband is not up to scratch, and does not address this problem. If levelling up is to mean anything at all, then that has to change.

What is it that has to change? Hon. Members have made a number of very important detailed suggestions, and all of those should be taken forward with willingness and energy. However, the priority needs to change. The priority must be the disadvantaged, not the easy-to-fix; it must be the hamlet that seems to be completely unreachable and—dare I say it—in the minds of the Government, unimportant. That is the wrong mindset. We know that these people matter, and we know that more and more people actually want to live in our beautiful countryside. Why should they not be able to achieve that? We are not going to do this in a cost-effective way without a very different approach to investment in innovation.

When we look at the problem, it is not just about fixing broadband or broadband roll-outs and all the challenges of technology associated with that; it is about asking what new technologies would better enable communication. We increasingly see a merging of what is happening in the mobile sphere and what is happening with broadband—the two are coming together. Indeed, if we really start blue sky thinking, I am sure that there will be a third piece of technology to solve this interesting but very challenging problem. I would urge the Government, whatever they choose to do, to be forward looking and look at broadband, mobile technology and everything else that is out there with a view to speed, efficiency and economy, and to look at those who are hardest to reach and most adversely affected as a priority.

In the short term, we must look at what we are going to do to meet this broadband challenge. I suggest that with the best will in the world, fixing fibre to cabinet is only the beginning of the problem, because as we all know, people's distance from a cabinet is the real challenge. In rural communities, that distance is even further, and that issue—"Who is going to pay for it, and what are we going to do about it?"—has to be addressed. At the moment, we are looking at old-fashioned technology and how we replace copper. Those innovative, very clever scientists must have a better way of dealing with this. They must come up with that solution, and the Government must invest in it very soon.

In the end, this is about mindset, and it is more important than anything else that the mindset changes to "It can be done, and it does matter." We must see investment in broadband as an investment for growth; for greater productivity, which benefits the country as a whole; for better education; for a higher-skilled workforce; and, most importantly, for better health outcomes. A change in direction on the Government's part is the right thing to do. It is not an optional extra: life chances literally depend on it.

3.6 pm

Chris Elmore (Ogmore) (Lab): It is a pleasure to serve under your chairmanship, Ms Rees, and to see the Welsh so well represented in a debate on Somerset and Devon. I will start by paying tribute to the hon. Member for North Devon (Selaine Saxby): I can sense her frustration, and that of many other colleagues on the Government Benches, with the scale of the challenge that is faced across rural communities in Devon and Somerset and beyond. We could talk to many Members from rural parts of the United Kingdom—whether the north of Scotland, the south coast, or the beautiful counties of Somerset and Devon—who would express the frustration of their constituents with the delays in rural broadband roll-out.

As I said to the Minister just last week, I want to be clear that as the newly appointed shadow Minister for media, data and digital infrastructure, I will do all I can to bring together Members from all parties in this place to help deliver the digital revolution our communities are crying out for. Simply put, we cannot sit idly by while other nations outflank and out-manoeuvre us in the cyberspace race. As Members may know—I will come back to the question that my hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) raised about the ambitious manifesto that we have put forward—I have long campaigned on digital safety and

connectivity. Indeed, speaking as a Welsh MP with a semi-rural seat, the constituency of Ogmore, the digital disparity in Britain could not be more stark from my own casework and lived experience of living in my constituency. In Ogmore, download speeds lag behind the rest of the UK, with gigabit availability paltry at 13.3%; downloadability is further behind in my constituency than in that of the hon. Member for North Devon and many other MPs who have spoken today. I say to the hon. Lady that in a very genuine sense, I get it, and really want to make sure that when Labour forms the next Government, we improve connectivity and broadband roll-out across the United Kingdom.

As has been mentioned, the pandemic has accelerated our economy's digital evolution in ways that we could not have foreseen, especially in rural communities such as those in Devon and Somerset. Businesses, families, schools, and a plethora of previously in-person clubs and gatherings have had to embrace the virtual realm—some to thrive, others to survive—and amid that mass migration online, all Members taking part in this debate will have first-hand experience of constituents contacting us about poor broadband connectivity. Poor rural broadband is no longer a mere frustration—a first-world problem, as such things are often badged on social media. Poor connectivity does not just impact the ability to stream entertainment or to game online: it is now a barrier to learning, healthcare or running a household. In many cases, the internet is people's sole means of engaging with friends and loved ones, so the anger of those who have shoddy connections comes from a place of deep disappointment, now transformed into a source of real anger. After years of being promised ultrafast broadband, swathes of the country are still without. It is imperative that those promises are delivered across all nations and regions of the UK. Only when that happens can the Government talk meaningfully about having levelled up our infrastructure.

The Labour party has long embraced the white heat of technology. We know that harnessing the power of the perpetual digital revolution can unlock people's aspirations and transform our nation's economy for the better. Labour knows that because in Government we did not just talk a good game, we delivered on it. The last UK Labour Government established the Communications Act 2003, charting a path for the UK's emergence into the digital world for the decade. By 2009, Labour had overseen the roll-out of first-generation broadband to around 13 million UK households at a pace that few believed possible. We did that with an unapologetic focus on growing connectivity and a clear story about why we were doing it: to create wealth and prosperity for all parts of the UK, including communities in Somerset and Devon.

Since March 2020, we have lived through a period of extraordinary change in how we interact with each other, and how we work and do business. Digital networks have enabled us to see loved ones, access school resources and book our weekly shop virtually. Words such as "Zoom" and "Teams" now act as shorthand for meetings, whether or not we enjoy them. Had this pandemic struck 30 years ago, none of this would have been achievable. In truth, if it had struck 20 years ago, we would have been similarly hamstrung. It is therefore unconscionable that some communities are still living in the 1990s when it comes to their internet connections.

[Chris Elmore]

A Government failure to harness the power to direct rapid roll-out of superfast broadband continues to blight our country and many rural communities. When the Conservative party came to power in 2010, it inherited a world-leading position from the UK Labour Government. What followed was a decade of shambolic mismanagement, writ large for all to see, with false promises, missed targets and shifting goalposts—goodness me, there have been many! There were dial-up solutions when high-speed decisions were sorely needed.

The much-heralded reset that was pledged in 2019 by the then incoming Prime Minister turned to dust in record time. We were promised full-fibre broadband by 2025, and the previous target of 2033 was branded “laughably unambitious” by the Prime Minister. As has become the norm with this Prime Minister and his Government, however, their target was subsequently downgraded to full gigabit broadband by 2025. Although Ministers assured the Digital, Culture, Media and Sport Committee that the commitment was still there, within weeks that target was again downgraded to 85% gigabit broadband by 2025. That decision would be laughable if its impact did not seriously affect so many communities.

Rural broadband roll-out is yet another example of incompetent management by the Government. Not too long ago, the Government waxed lyrical about their fabled rural broadband scheme and gigabit voucher scheme, but as the hon. Member for North Devon mentioned, those schemes have more relaunches than users. Things that looked good on paper, such as grants of up to £3,500 for small and medium-sized enterprises and £1,500 for residents, were in reality more akin to pyramid schemes, as they were dependent on onerous administration and were available only to support group schemes where residents came together.

Isolated households in more rural communities are still being excluded from the scheme. Whether in my rural constituency or in those of other Members who have spoken, I can tell the Minister that the voucher scheme is not working for many communities—not just for isolated stand-alone properties, but for small hamlets and villages. There are just too many examples of the scheme not working, or of constituents thinking that they can be part of the scheme but being told that they cannot or that it does not work in that particular area. I say sincerely that the Government need to resolve this issue, because it is one of the biggest obstacles to communities coming together to improve the broadband roll-out.

Even more concerning are the National Audit Office reports, which suggest that when the superfast roll-out programme was launched in the UK, it enabled suppliers to prioritise easier-to-reach premises, leaving rural areas—the hardest and most expensive places to reach—as de facto second-class locations. We have heard during the debate, particularly from the hon. Member for North Devon, that we should perhaps be looking at roll-out from the outside in. In Devon, broadband is better in the two cities, Exeter and Plymouth, but outside those places, the rate drops off. Is there any correlation between the idea that rural communities are simply left behind by this Government and the idea that they are not focused on for improving broadband output?

Such an approach will only continue to increase and widen the town and city divide. Members should note that in January 2021, the Public Accounts Committee published its “Improving Broadband” report, which highlighted that more than 1.6 million households—mostly in rural communities—cannot yet access superfast speeds. There is now a genuine concern not only that rural areas will have access to gigabit broadband speeds later, but that they will have to pay more as well.

As we heard from my hon. Friend the Member for Plymouth, Sutton and Devonport, it cannot be right to install the pipework if residents are unable even to purchase the box to have the broadband, let alone the equipment to use the services. The Government must acknowledge that if we are to improve the superfast roll-out, there must be the availability and resources for constituents who are living in poverty in rural parts of the United Kingdom such as Somerset and Devon. The resources must be made available to them to ensure they can access the improvement, if it is there.

How can it be right that small villages and towns have to pay the price for the Government’s failure? Some £5 billion was promised by the UK Government to deliver gigabit-capable broadband to the 20% of premises in the UK that are hardest to reach. We would welcome that ambition with open arms, if it was real, but, as with everything from this Government, it simply is not. It is an unholy mess of snake oil mixed with smoke and mirrors. A fraction of the promised cash—£1.2 billion—is now slated for use. Were I feeling unkind, that could be described, using the Prime Minister’s own words, as “laughably unambitious”.

Meanwhile, it grows ever clearer that legislative changes made in 2017 are holding back 5G connectivity in many communities across the country. Those who perpetuate the myth that superfast broadband can rest solely on the laying of fibre-optic cabling are as misguided as they are wrong; 5G is a crucial pillar to support any decent broadband infrastructure. I join the calls of the hon. Member for Newton Abbot (Anne Marie Morris) and my hon. Friend the Member for Plymouth, Sutton and Devonport for the Minister to take back to the Department for Transport the idea of improving connectivity along the railway line that leads into the south-west. That sounds like a very good scheme to me, and it would be good to support it on a cross-party basis.

The Government have set their own target for the majority of the population being covered by 5G by 2027. Stop me if you have heard this before, Ms Rees: the Digital, Culture, Media and Sport Committee has warned that parts of the country may be left behind, with poorer mobile connectivity exacerbating the digital divide. How can we believe that the UK Government will get to grips with this issue when cross-party Committee after Committee points out missed targets and overhyped rhetoric? Indeed, shockingly, 8% of the UK still has no 4G coverage. The Department does not have the ambition to bring about the change that is so desperately needed. We talk about superfast broadband, with some communities having connectivity issues that go back some 20 years. When it comes to improving mobile technology, many communities do not even have 4G. It is simply unacceptable.

Digital inequality is stark not just between areas and regions, but within them. Research from Citizens Advice last summer found that 2.5 million people were behind on their broadband bills, with young people and those

with children under 18 three times more likely to be behind. That statistic is particularly worrying given the central role, mentioned by nearly every Member today, that digital connectivity has played in children's education since the onset of the pandemic. The fundamental unseriousness with which the Government approach the issue is shown by the fact that their last digital inclusion strategy was published in 2014, which was a totally different era given the speed and complexity of technological change.

Given the utter lack of ambition shown by the Conservative Government, it falls to the Labour Party to deliver the new and fresh ideas on how to fix this problem, and we stand ready. As part of the "Our Digital Future" report, we consulted with industry groups, experts and a broad range of stakeholders to ensure that our country is at the forefront of digital accessibility and the cyber-space race. Our report set out how we can reduce digital inequalities by placing greater emphasis on data research and analysis in the curriculum, and treating broadband not as a luxury, but as a right, as we do water and electricity. It is about time that broadband became part of the statutory requirement for buildings, as important as electricity, water and gas.

The tectonic shift that the world economy has faced due to the pandemic should act as the wake-up call needed for this Government. Business has changed and new opportunities have arisen. According to the annual TechNation report, our tech sector contributes £149 billion, which underlines its importance. If we truly want an innovation-led economy in a world that continues to shift online, having reliable and accessible broadband is paramount. Labour is embracing this new future and is committed to reducing digital exclusion.

Without digital literacy, our security is threatened by cyber-criminals who exploit the transition to online payments and banking. In a connected world, our prosperity is at risk when thousands of businesses and millions of consumers do not have access to the internet at ultrafast speeds.

Finally, when the Government plan to deliver less than a quarter of the money promised to roll out gigabit-capable broadband to rural areas, they do not treat those areas with sufficient respect. We also call on the Government to review the electronic communications code 2017 to assess its impact on 4G and 5G roll-out and on the sports clubs, volunteer groups and churches that host phone masts to ensure that any new legislation introduces a level playing field to speed up—not hinder—the roll-out of new telecoms infrastructure.

Ultimately, my party and I place security, prosperity and respect at the heart of everything we do, but the UK Government's shortcomings risk our country falling short of those guiding principles. We do not need any further bluster. We do not need any more eye-popping promises that wither away by the end of the day's news cycle. We certainly do not need any further denial of the scope and scale of the problems we face.

We hear the frustration from the Minister's own party at the inactivity of 11 years of a tired Conservative Government, who have simply not delivered on what was inherited from the last Labour Government. They could do so much better at delivering on broadband, for not just these two counties but rural communities across the United Kingdom. It must be a national mission to fix Britain's endemic connectivity problem and finally

to harness the transformative power of superfast broadband to bring us together, secure our individual aspirations and deliver greater prosperity for every part of every nation and region of the United Kingdom.

3.21 pm

The Minister for Media, Data and Digital Infrastructure (Julia Lopez): It is a pleasure to serve under your chairmanship, Ms Rees. I thank my hon. Friend the Member for North Devon (Selaine Saxby) for securing this debate, and for her proactive engagement with my Department on behalf of her constituents and in her role as the chair of the all-party parliamentary group on broadband and digital communication. She does tremendous work and I commend her for that. I am always grateful for these opportunities to speak to hon. Members because we have a shared goal of delivering fast and reliable internet to everybody in the UK. I genuinely welcome problems and challenges being highlighted along the way so that I can seek to address them with officials.

As many hon. Members have said, the pandemic has really highlighted the importance of digital connectivity in how we live and work, which, as technology advances, will only become more profound. Several hon. Members have highlighted that there is a risk of a digital divide emerging, and I agree. The hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) talked about the movement of people into the region and, therefore, the additional importance of productivity gains coming from digital connectivity. My hon. Friend the Member for Somerton and Frome (David Warburton) highlighted the issue of economic competitiveness for the region, which I am very alive to. I enjoyed his beautiful analogy of the beacons on the mounds—I hope that we have moved some way beyond that in the last few hundred years, but I am happy to look into any concerns that that is not the case. Other hon. Members highlighted the importance of levelling up and the work that they are doing as a group of MPs to highlight connectivity issues.

My hon. Friend the Member for Newton Abbot (Anne Marie Morris) made some interesting comments about needing to prioritise those who are hardest to reach, and I wish to assure her that that is what the Government are doing. I will come to some of the issues relating to her region, but one of the first procurements we are looking into, which has already launched, is for Cumbria—which, as I hope hon. Members will appreciate, is one of the hardest-to-reach areas. Learning lessons from the Cumbria procurement will help us to manage the roll-out in other similarly difficult-to-reach regions.

I wish to assure all hon. Members that the Government are not leaving the knobbly bits until last, but trying to deal with them early in the process. As my hon. Friend the Member for Newton Abbot says, these people really matter. We want to make sure that everybody is connected, not least because this matter now affects people's life chances in terms of education, the economy and so on.

I want to address some of the other interesting points raised by my hon. Friend the Member for Newton Abbot about innovation and how we need to look at all kinds of technologies, not just fixed fibre. It might interest hon. Members to know that I conducted the UK's first ever call on Open RAN technology earlier today. Hon. Members will be aware of some of the

[*Julia Lopez*]

challenges we have had in removing some of the kit from higher-risk vendors following the Telecommunications (Security) Act 2021, which has left us with questions on the resilience of the technology we use. We are trying to increase the range of supplies in our network, and we see Open RAN as one of the solutions.

I am keen to work closely with partners such as Vodafone and small and medium-sized enterprises to roll out that technology so that our networks are not only wide reaching but resilient. That ties in with some of the work that we are doing on the shared rural network. We hope those things will tally, because the Open RAN technology is being tested in some of those rural areas first. I hope that reassures my hon. Friend.

The roll-out of gigabit broadband and the work we are doing on 5G is for me, as Minister for Digital Infrastructure, as much about future-proofing our economy and society as it is about delivering faster internet speeds, as important as that is. We will achieve that primarily through Project Gigabit, with several billion pounds of investment to support nationwide gigabit-capable broadband. The commercial aspect to that gigabit roll-out is the key part of the programme. We want to support commercial activity to go as far as it possibly can, and only then use taxpayers' money to intervene where it is necessary.

We want to use as much capacity from the market as possible, and maximise that pace of delivery. Our interventions include local, regional and cross-regional procurement. We are looking at Cumbria as one of the first of those. We are looking at gigabit vouchers, which have been pretty successful, and giga-hubs, where we invest in public buildings, such as schools, and gigabit delivery via the remaining projects under the superfast broadband programme.

All suppliers have the opportunity to bid for procurements at all levels, and to get involved, working with communities to use gigabit vouchers in areas where no other delivery is currently planned. In the spirit of the cross-party working in which we all wish to engage, and the fact that this is a collective endeavour, I encourage all hon. Members to highlight the voucher programme to constituents who might not be aware of it, and to encourage suppliers to get involved in those critical procurements.

At a local level, communities from across the UK have seen massive increases in gigabit broadband coverage, spurred by commercial investment. Through listening to industry and working closely with Ofcom, we have made a number of policy and regulatory changes to stimulate the market, including Ofcom creating a new pro-investment, pro-competition regulatory system for telecoms in the UK that was introduced early last year. Our 130% super-deduction on qualifying plant and machinery investment means that we expect more homes to receive coverage by 2025 without a Government subsidy, which is critical if we are going to make best use of taxpayer cash.

We have also changed the law to make it easier to connect premises in blocks of flats. We are piloting innovative approaches to street works, which we think can speed up build by between 10% and 40%. We are also working with industry to set up a gigabit take-up advisory group to review how to increase consumer

demand for gigabit, and incentivise further investment from the private sector in gigabit roll-out. Although many homes are able to get connected to gigabit, they do not always do so. We need to make households aware of the importance of gigabit connectivity.

Luke Pollard: On connecting buildings, does the Minister have a view on the progress made on allowing new operators—such as CityFibre, which is rolling out the fibre network in Plymouth—to use historic wayleaves, so that they do not have to negotiate afresh with landowners where there is an historic wayleave that would allow access and speed up the roll-out, especially in buildings where there is a lower speed but an established connection?

Julia Lopez: I assure the hon. Member that we have just introduced legislation that we hope will deal with some of those issues. We are in close contact with some of the operators, asking what they need to speed up the roll-out. Factors such as wayleaves, as he highlighted, are among them. I encourage him to support the legislation on Second Reading.

There has been an unfair amount of gloom about the progress we are making in this area. Although I welcome the Opposition's commitment to cross-party work on this, I push away some of the more partisan points made by the hon. Member for Ogmire (Chris Elmore). As a result of the measures we have taken, the UK has seen more than £30 billion of private sector investment committed, and one of the fastest gigabit broadband roll-outs on the continent. Today, more than 65% of premises can now access gigabit-capable networks, which is up from one in 10 in November 2019. I hope the hon. Member will acknowledge the good progress we are making.

On concerns raised by my hon. Friend the Member for North Devon about rural areas missing out again, I emphasise that it is not just towns and cities that have seen increases in coverage. Since 2018, we have provided gigabit coverage to more than 600,000 rural premises, which has made a huge difference to the work and home lives of local people. In Devon and Somerset, 66,000 further premises now have gigabit-capable coverage being delivered, as part of our superfast broadband programme, which is managed by Connecting Devon and Somerset. On the broader picture, some of the tricky areas are among our first procurements.

My hon. Friend the Member for North Devon stated that the south-west had 92% superfast capability and that her constituency had 87%. I am pleased to report increases in both, with the latest thinkbroadband statistics estimating a figure of 94% in both Devon and Somerset and nearly 92% in my hon. Friend's constituency. That regional statistic will also increase to more than 96% once the current contracted delivery is completed. Even though those improvements are coming, I recognise it can be a long wait for many and that is a frustration for all of us, and some premises will still not be included in those plans.

BDUK is working in partnership with local bodies on the ground. We are working to make sure those relationships are functioning well, and we have a good amount of shared data on where coverage is happening. Nevertheless, most hon. Members are aware that delivery in Devon and Somerset has been slower than we would have liked because of the challenges faced by Connecting

Devon and Somerset, which is the joint team resourced by a number of hon. Members' councils. I do not think those challenges are typical, notwithstanding that other rural areas also share issues regarding the complexity of some builds.

I do not wish to go over old ground, but the previous contracts collapsed and that followed procurement by CDS in 2015, which failed to complete owing to an inability to agree terms with the supplier, which in that case was BT. Subsequent to the previous contracts being terminated in 2019, CDS will have had to undertake a new open market review and public review with suppliers to confirm which premises are not within any commercial plans and therefore require subsidy. That has been a lengthy process and it is important to minimise that risk of overbuild of other commercial networks, which has also been regularly highlighted by my hon. Friend and which was also a requirement under previous EU state aid rules. CDS then had to follow that with a compliant public sector procurement process, meaning that the new delivery contracts were agreed only at the end of 2020.

The same processes will also be required for contracts taken forward under our new gigabit programme, but rather than local authorities, BDUK will be in the lead for that process. BDUK brings together central resources and expertise and we hope that will mean we get a more consistent national approach to delivery while still working with councils to deal with local implementation issues. BDUK is currently part of the Department, but it will be spun out as a separate executive agency this year. That will give it greater autonomy and greater scrutiny from a new board. That is going to be an important step in focusing and giving greater priority to ensure a good gigabit roll-out from now on.

My hon. Friend talked to BDUK officials just yesterday. Other hon. Members have spoken about making the west country a priority area for connectivity and that connectivity-related issues are not just nice-to-have things to address. I assure them that I have had my own discussions with BDUK to see what more we can do for the region, because I appreciate that hon. Members have particular frustrations that need to be addressed. I want to work together to do that. We have officials in the room, so I wonder whether we can look at the GigaHubs programme as well to see if there is anything more we can do.

I also wish to address the point made by the hon. Member for Ogmore about Wales and his constituency. It is going to be important that we work closely with the devolved Administrations. I am meeting Kate Forbes MSP this week, and I will be holding similar meetings with counterparts in the Welsh Administration and will be happy to look into his constituency. The hon. Gentleman raised points about the Product Security and Telecommunications Infrastructure Bill, which includes measures on the electronic communications code that regulates agreements between landowners and telecoms operators. We are looking to try and deal with some of the problems that came after the 2017 changes, trying to move to a position where we can have more arbitration rather than litigation and getting better relationships between landowners and mobile network operators so roll-outs can happen much faster. I hope the hon. Gentleman will support that legislation.

Returning to Project Gigabit, we only want to intervene when it is necessary. The same applies to delivery under the superfast broadband programme by CDS. That is why the open market review and the public review process I referred to earlier has to be followed, even though it can take a significant amount of time. As I say, I appreciate the frustrations. CDS has followed that process and is now only intervening in premises confirmed as eligible for public subsidy. However, we recognise that commercial plans will be changing and to maximise that value for local bodies, we should take reasonable steps to make way for new commercial investments.

That is easier said than done and CDS will be mindful of the risks to some premises of descopeing to make way for a commercial build if that then leaves other neighbouring premises without viable coverage. Those are tricky issues that I know my hon. Friend the Member for North Devon will appreciate. I simply encourage all local bodies to be open and transparent in their dealings with commercial suppliers and to make way for new commercial builds if they can, and BDUK will continue to reinforce that point to local bodies.

Conversely, although I welcome new commercial build plans, I urge commercial providers to target investment at areas that are currently not in scope for any other coverage. BDUK is also making this point with suppliers. That will help increase the number of premises that have gigabit access from at least one operator, rather than having fewer premises with multiple providers.

Several hon. Members talked about the voucher scheme, which is one of the mechanisms that we have to incentivise and encourage suppliers to provide coverage to areas not covered by any other plans. I encourage all commercial suppliers to use that scheme as much as possible, and I encourage everybody in this Chamber to highlight the scheme to their constituents. The voucher scheme can be hard work for communities, and it runs the risk of delivering a patchwork of coverage. However, it is a relatively quick means of supporting delivery in particular communities and has been used successfully by many suppliers, including some of the largest, to provide gigabit coverage in communities across the country.

Many areas of Devon and Somerset are making good use of the voucher scheme. I am pleased to say that 5,466 premises in Devon and Somerset have gained a gigabit connection because of it, and a further 2,645 premises are awaiting connection. That is a combined total of over £12 million of investment. In the North Devon constituency, 299 premises have gained their gigabit connection as a result of that scheme, and another 208 premises are awaiting connection. That is nearly £1 million of investment by the voucher scheme in the constituency of my hon. Friend the Member for North Devon.

We have deliberately designed Project Gigabit to ensure that coverage is delivered in every area of the country, and not to leave those harder areas until last. We think that that will add to the gigabit coverage currently being delivered through superfast contracts. We want to reach as far as possible beyond 85% gigabit coverage by 2025, and every area of the country will be under contract by that stage. However, it is not the case that rural areas will be left with no coverage once that has been completed. The latest stats from thinkbroadband show that North Devon currently has 32% full-fibre coverage. That is

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ahead of the UK average of 30%, so when it comes to gigabit there is a good story to tell, and a good start has already been made.

Selaine Saxby: I thank the Minister for her clarifications this afternoon. We have already talked about the low take-up of gigabit in some areas. Is she able to clarify whether that is because some of my constituency is served by small providers who are not wholesalers, which is not the same as having Openreach or CityFibre and is therefore further reducing take-up?

Julia Lopez: I am afraid that I do not know enough about the commercial relationships and situations in my hon. Friend's constituency to be able to provide a detailed answer; I will have to go to BDUK and get further details.

Many people are satisfied with their superfast speeds, and question why we need gigabit. Gigabit is actually about future-proofing homes and businesses across the country. Constituents across the country should understand that, although technology is advancing quickly, it is going to be taking even greater strides in future. We may see the delivery of more healthcare requiring fast speeds and new types of factories requiring really great connectivity. We need to ensure that we are thinking not just about speed, but about capacity, resilience and connectivity. We need to ensure that, when more applications and technologies require this kind of digital infrastructure, it is there, ready and waiting to be used.

In March 2020, the Government announced that they had agreed a £1 billion deal with mobile network operators to deliver the shared rural network—this relates to my hon. Friend's concerns about notspots. The deal will see operators collectively increase mobile phone coverage across the UK to 95% by the end of that programme. That is underpinned by legally binding coverage commitments. In the south-west, 4G coverage from all four operators will increase to 87% from the current 75%, and from one operator from 97% to 99%, thanks to the shared rural network.

I was interested in the comments of the hon. Member for Plymouth, Sutton and Devonport on the trainline piece of work. I believe that that may be happening in other parts of the country, but I am happy to look into this particular project for him and see whether there are any conversations that the Department for Digital, Culture, Media and Sport needs to have with the Department for Transport. I recognise that the current roll-out will still leave some premises in the region with sub-superfast speeds, and in any case we now want to increase access from superfast to gigabit.

In our quarterly Project Gigabit delivery updates, which I hope hon. Members have received, we set out a target timetable for our regional supply procurements. For Devon and Somerset, we are targeting a procurement start in February to April 2023, with contract commencement early in 2024. This procurement is currently set up to include 159,600 premises, but the number could change depending on the market's build plans.

The timetable for procurement was drawn up after extensive consultation with industry and local bodies and reflects the need for coverage from current contracts

to be clear. Unfortunately, that is where hon. Members are seeing some of the challenges that their region had previously under superfast have an impact on how quickly we can get going with the gigabit stuff, which I regret.

It also increases the chances that the suppliers in the current programme will be able to bid for projects and continue building once their current deployment ends. We must be cognisant of the fact that only a certain number of people have the expertise to deliver some of this work. If those companies are engaged in superfast work, they may not have the capacity to bid for some of those gigabit contracts, which is regrettable.

All the procurements will, of course, be open to every interested supplier and I hope for good levels of competition. Our approach keeps open the potential for using smaller local supply procurements and the larger regional and cross-regional procurements that I think we want the likes of Openreach to be bidding for. We will seek to use each of those options as effectively as possible.

While we all welcome a large single supplier volunteering to complete coverage in Devon and Somerset commercially, we will need to see what results from the competitive procurement process. We should all welcome competition. It is positive that many more broadband network providers are now able to deliver significant levels of coverage, compared with the position in the past when only one national operator was undertaking a new roll-out. That is where our efforts to get a really good commercial market going are reaping dividends.

I am confident we will be successful in ensuring coverage through these procurements. I very much look forward to working with my hon. Friend and others in this Chamber, all Members from Devon and Somerset and all other interested parties, so that we can get the connectivity that is not only important to speed and life chances now, but ever more so into the future.

3.42 pm

Selaine Saxby: I thank the Minister for listening to the chair of the APPG on broadband and digital communications. I thank colleagues from both sides of the House from Devon and Somerset for joining us this afternoon. I think we have all raised the same concerns. We have heard them before and it is always a pleasure to hear that so much work is going on at BDUK and CDS behind the scenes. I look forward to hearing from the Cumbrian project, which will mean significant changes for us down in the south-west. Perhaps some of those dates can be sped up before the next technology is upon us, which I think is what we all fear. If we never catch up now, everyone else will be on 6G and 7G before we are even able to use our mobile phones in the south-west.

Question put and agreed to.

Resolved,

That this House has considered the rollout of ultrafast broadband in Devon and Somerset.

3.43 pm

Sitting suspended.

Beam Park Station

4 pm

Christina Rees (in the Chair): I will not read the preamble, because we have already been through it.

Jon Cruddas (Dagenham and Rainham) (Lab): I beg to move,

That this House has considered plans for Beam Park Station.

This afternoon, I will make a series of points relating to the failure to proceed with the proposed station at Beam Park in my constituency. The station is essential for a number of reasons. First, it will successfully complete the Beam Park housing development and wider regeneration across South Havering, and Barking and Dagenham. It remains key to unlocking other housing schemes along the A1306 eastwards towards Rainham and westwards towards Dagenham, an area forming part of London's largest opportunity area. The station is central to making a success of those possibilities.

Secondly, the station is essential to making good on countless promises made over many years to local residents who have bought homes there, the value of which they fear is fast depreciating. They feel that they have been deceived. Thirdly, the station is essential to following through with commitments made to people in the wider community, who have accepted new housing on the basis of promised new infrastructure. They, too, feel let down and angry.

There is also a wider national issue regarding the so-called levelling-up agenda. If the Government are serious about imposing housing targets on local authorities, they must accept and support the infrastructure and services to go with them, especially when for years they have been promised to residents in order to secure their consent for the plans. In that sense, Beam Park station is an example of how not to regenerate local communities, and how to maximise cynicism and anger in them. People feel manipulated and exploited by the planning system. It is a story of promises made and subsequently withdrawn once consent has been secured. Unless the situation is resolved, I fear that there will be long-lasting effects that will inhibit future economic development and undermine community support for future regeneration, so the stakes are pretty high locally.

By way of background, the Conservative London Borough of Havering has historically been the prime mover behind the planned Beam Park station; it then secured wider support. The detailed project came via the housing zone programme, which was devised by the Prime Minister when he served as Mayor of London. Under Mayor Johnson's programme, London boroughs could seek housing zone status, and funding based on bids that would commit to increasing housing outputs. The funding was primarily for infrastructure projects or land remediation that would facilitate large-scale housing development. That was always the purpose of the station: to secure more housing units.

As far back as 2013, Havering worked up a bid for the Greater London Authority to bring about the development of Beam Park station. The bid was approved by Havering Council's cabinet in August 2014, and was driven through by the then housing cabinet member Damian White, the present council leader. In June 2015,

Havering secured housing zone status and funding for the Beam Park development programme—one of only four agreed at the time. It was a flagship policy for the then Mayor Johnson, who said:

"Housing Zones will provide the swift delivery of new homes for Londoners that is so desperately needed and create entirely new, highly-connected urban districts".

In December 2015, Havering and the GLA entered into an agreement for £9.6 million of housing zone funding to cover the station design and initial construction of the site. Havering then funded the governance for railway investment projects process through a contract with Network Rail. Standard documents from Network Rail were then reviewed by the GLA's internal and external legal advisers. In 2020, the GLA agreed to invest some £32.75 million to construct Beam Park station, stating that the GLA and Countryside Properties, the developer, "have been working closely with Network Rail...to progress plans for the station."

It was a done deal, or at least appeared to be. It was signed off by the Conservative Mayor, the Conservative council and developers, and had secured the backing of the Conservative Government, or so we were all led to believe—for example, by the way that Network Rail was involved in progressing the project throughout the process. Network Rail was a willing partner. The Network Rail route utilisation plan from July 2020 describes Beam Park as a "committed scheme". Once operational, the station was to be transferred to the franchise operator c2c, who would have ongoing responsibility for the station. Once again, c2c was a willing partner. Everyone realises that without additional infrastructure, existing c2c stations will crack under the pressure of an expanding population. Over the years I have worked with c2c to alleviate congestion at Rainham station, and it literally cannot cope with thousands more commuters, and could well become unsafe at peak times.

Andrew Rosindell (Romford) (Con): I commend the hon. Gentleman for raising this issue. As a fellow Havering MP, I endorse everything he said about the benefits of having the new Beam Park railway station, and about the commitment that was given. There would be benefits for our economy and the environment, and there would be more jobs and lower crime—all things that areas such as ours, an Essex area that is part of Greater London, need. Surely we should get these benefits. To take them away would be a betrayal of the people of Rainham, South Hornchurch and the London Borough of Havering.

Jon Cruddas: I completely agree. I am glad the hon. Gentleman has agreed with what I have said. I am not sure that he will agree with all the comments I will make, but I take on board the importance of cross-party support for this project. Hopefully, the problems we have been experiencing since the back end of last year can be rectified. I hope that the Government will support the GLA and the boroughs of Havering, and Barking and Dagenham, in getting this station back on the railway. I welcome the support for the commitment to my constituents and everyone across the London Borough of Havering.

Everyone realises that the pressure on the c2c line could be immense without the three stations at Beam Park, Dagenham Dock and Rainham to remove the congestion.

[Jon Cruddas]

The original c2c franchise agreement from before the pandemic, which is actually published on the Department for Transport website, states:

“The Franchisee shall provide all reasonable assistance and co-operation...to the Secretary of State and any other parties responsible for or involved with the development...of a new station at Beam Park.”

So far, so good. On the basis of these commitments, local residents accepted extraordinary amounts of housing development across south Havering and the London Borough of Barking and Dagenham. We are talking about tens of thousands of new units, against a backdrop of austerity and service cuts, because of the promised infrastructure.

Andrew Rosindell: The hon. Gentleman’s point is right. People have invested a lot of money in purchasing new properties. They are buying homes in this area because they believed that there would be transport links to central London so that they could travel to their jobs and for other purposes. Taking this link away after they have committed to living there and have bought a home will really disrupt people’s lives. It simply is not fair. People thought there would be a station, but it has been taken away.

Jon Cruddas: I totally agree with the hon. Member. I am glad that so far we are in agreement on the state of affairs and the need for the issue to be rectified.

The Beam Park development alone consists of 3,200 housing units for 13,000 new residents through a partnership agreement with Countryside Properties and London & Quadrant. However, the scheme was always conditional on a new station being provided. A Grampian condition means that development cannot progress past phase 3 unless the station is delivered. Under phases 1 and 2, to date 1,150 homes are under construction, have been completed or have been sold. Other local housing developments are also dependent on the station. On billboards on the A13, developers are continuing—even this afternoon—to market the properties on the back of a new station. They promise a 20 minute journey time to Fenchurch Street.

Late last year, however, everything changed. The Department for Transport issued letters to the GLA and c2c in August 2021 stating that the Department is not supportive of the development of a new station at Beam Park. In a letter to me, the Minister of State, the hon. Member for Daventry (Chris Heaton-Harris) said:

“It is not that the Department withdrew support or funding for the development of the station, but that support was never given in the first place.”

This announcement blindsided developers and the wider private sector, along with the GLA and the local authority. The station is an advanced and fully costed project. GLA officers had been working with Havering, Network Rail, c2c and Transport for London for years. There is a collective desire to see the station brought into service as soon as possible. Detailed designs are in place and construction was due to commence last autumn. The construction of the station will be funded by the GLA. All required funding has been secured. The GLA has also agreed to provide the DFT with an indemnity for the first 10 years to protect against any operational deficit.

In a general sense, I think we can all agree that it is critical that infrastructure is provided that allows land to be developed to its full potential. Beam Park is an excellent example of that. As well as unlocking homes for over 13,000 residents, the station will form a civic heart for Beam Park, acting as a catalyst for the regeneration of the surrounding area, which has high levels of deprivation. The new station will also bring environmental benefits by encouraging a shift away from car use and supporting reduction in parking. The housing projects unlocked by the station will invest over £1 billion in the local area, delivering two new primary schools, a 3 hectare park, community and health centres, and over 60,000 square feet of commercial space, directly creating hundreds of new jobs.

Unfortunately, all that and more is now threatened. Let me spell this out quite simply: since the DFT announcement, private sector enthusiasm for local regeneration has spun into reverse. Already, local compulsory purchase orders have been withdrawn. They were dependent on the infrastructure. The business model for the whole area has been thrown into question. Community anger is intense. New residents feel their property values are in freefall, as the hon. Member for Romford (Andrew Rosindell) mentioned.

In the long term, residents feel manipulated by the local authority, with false promises of an infrastructural uplift. Local anger is palpable and totally understandable. Within a few weeks, thousands have signed local petitions seeking to get the Government to change their mind. For the Government’s own housing and levelling-up agenda, the decision is a disaster; it is draining support for new housing in a key national priority area for regeneration.

I have met Countryside, which is very supportive of efforts to restore the station project. It has commissioned Grant Thornton to assess the social and economic impact and wider benefits of the project. I have written to Ministers and spoken to the GLA’s deputy Mayor for housing, Tom Copley, who shared his correspondence with Ministers calling for the station to be allowed to go ahead.

The basis of the Government’s withdrawal of support appears to centre on the indemnity that the GLA has offered to the DFT, as the DFT is not actually contributing any funding to the capital cost of the station. The GLA has offered £10 million to cover a 10-year period, whereas the DFT appears to want an unlimited figure for an unlimited period.

To be honest, my real concerns are for the local residents. New residents of Beam Park are angry and feel that they have been sold homes on a false prospectus. Many are now seeking legal redress. The Government’s decision undermines the role of the strategic authority in Havering, which at best has been shown to be negligent and poorly managed. It is an appalling state of affairs when the then Mayor and council can agree a project—

Andrew Rosindell: I have agreed with most of what the hon. Gentleman has said until now, and I have a good working relationship with him as a neighbouring constituency MP. I gently say to him that everyone would benefit from the station, and that what it needs is not to be politicised, but co-operation and collaboration between the Government, the Mayor of London, Transport for London and Havering Council. People’s lives are

going to be disrupted if the station is not built, so I urge the hon. Gentleman to work collaboratively on a non-political basis to find a solution so that it can be built and people can live in that community and have the transport links that they need.

Jon Cruddas: I generally agree on the need for cross-party collaboration. I hope that we can work with the Department for Transport to resolve this matter, in collaboration with the local authorities in Havering and in Barking and Dagenham, and the GLA. However, we also have to understand why we got to the present situation. How could the then Mayor and council agree the project and assume that their own Government and Network Rail backed them, only for us to discover years later, due to a lack of due diligence, that they do not and they claim not to have done so, with terrible collateral consequences for local residents?

I do not want to twist the knife and make party political points—I agree with the hon. Member for Romford—but the reality is that this dreadful situation has consequences for thousands of my constituents and will likely derail hundreds of millions of pounds of investment in my area. I am angry and frustrated at the reckless decision making at the heart of this project. It is an appalling state of affairs, yet it is not too late to resolve the situation.

I am sure that there are inter-Government tensions around the decision, not least given the Government's stated housing objectives. Should the Government not change their mind and allow the station to proceed, the future phases of Beam Park and other housing schemes in the area will be in doubt, as planning consents are dependent on there being a station. There will probably be a need for new planning applications to both Havering and Barking and Dagenham Councils. There will be escalating anger and opposition to new housing development. Both new and long-term residents feel that they have been played and betrayed.

Meanwhile, Government policy appears slightly out of sync. We see the Government mounting pressure on local authorities to increase housing targets, yet simultaneously pulling the plug on the infrastructure needed to support both new and existing communities in their priority areas. I am told that Havering Council has instructed lawyers to consider a judicial review against the Department for Transport decision, legally challenging its own Government, which is quite a state of affairs. Meanwhile, it is trying to blame everyone apart from itself for the debacle.

I urge the Government to sit down with the GLA to resolve the indemnity issue and fast-track the station; it is not too late. The Tory levelling-up agenda is all well and good as a soundbite, but actions speak louder than words. Through either negligence or indifference, those in power have reneged on promises of meaningful investment. Their failure to deliver Beam Park risks growth grinding to a halt across the south of my constituency. Therefore, I urge the Government urgently to rethink their plans for Beam Park station.

4.17 pm

The Parliamentary Under-Secretary of State for Transport (Wendy Morton): I congratulate the hon. Member for Dagenham and Rainham (Jon Cruddas) on securing the debate, and I thank my hon. Friend the Member for Romford (Andrew Rosindell) for his contribution.

The provision of a station at Beam Park is a project that has been developed by the Greater London Authority. I understand that the provision of the station is a planning condition set by the local planning authority, and the delivery of additional housing in excess of 3,000 homes is dependent on the station. We do, of course, support the development of housing near the railway in the borough and more widely across the country. In past years, we have released public railway land that is no longer needed for operational use, thereby enabling the delivery of thousands of new homes.

We are working closely with local authorities and the Department for Levelling Up, Housing and Communities to deliver new stations and railway improvements, enabling new homes to come forward that are served by excellent and sustainable public transport connections. Through the Williams-Shapps plan for rail, we have set out how we will use the establishment of Great British Railways to further support development near stations and deliver local economic growth.

However, we must not lose sight of the need to appropriately scrutinise proposals for works on the railway, ensuring that we deliver schemes with the greatest benefits that protect taxpayers now and in future. The value for money of schemes should be evaluated on a case-by-case basis. Developers cannot assume to look to the rail operating budget to subsidise housing development.

Where a new station is required to support development, Network Rail's guidance "Investment in Stations" makes clear to promoters of new stations the importance of the Department's authorisation for a new station if a train operator is anticipated to serve it, which is the case with Beam Park. That need for the Department's authorisation and the value of getting it at an early stage, before proceeding to the more detailed and costly business case stage, was underlined to the GLA in a meeting in December 2017, when the GLA first consulted the Department, as proposals to develop a new station at Beam Park had been in place since 2014. At that meeting, early on, the Department's officials voiced concerns about the business case in a number of rail areas, which I will address.

The full operational costs of incorporating an additional station in the network, which in this case would involve the provision of an additional train and associated crew, had not been considered in the business case. That significantly adds to the cost of providing the station. In addition, the proposals had not acknowledged that the station would be abstracting from the two stations either side of it on the same line—Rainham and Dagenham Dock, which are both approximately a mile away from the proposed new station. Those concerns were raised and identified not only by the Department but by the train operator, Trenitalia c2c Ltd, and were explained to the GLA in writing in March 2018 before it committed to fund Beam Park station.

Adding the extra call at Beam Park would lengthen the journey time for Essex commuters and reduce the attractiveness of the railway to help stimulate new housing developments in Essex. Those housing developments serve and stimulate London's economy but are outside the GLA's area of housing responsibility. The Department's concern is to understand how the GLA takes account of that loss of potential when considering new stations

[Wendy Morton]

in the GLA area to stimulate housing growth. The analysis of the proposed station at Beam Park that we have seen to date does not seem to consider that strategic issue.

The GLA's response to our March 2018 letter made it clear that it had no intention of reviewing the business case, despite the concerns I have listed, but that it intended instead to progress with the scope and programme for opening. The next time the Department for Transport was contacted by the GLA on this matter was in mid-2020, by which point the GLA had, in March 2020, approved the expenditure to deliver a new station at Beam Park. Fundamentally, there was no further consultation with the Department and no response to the concerns raised.

In a further letter to the GLA in September 2020, following the contact made by the GLA in mid-2020, the Department restated its concerns about the development of the station in the light of the significant funding risks related to the station's operational costs, and the performance impact that would have on the network. The letter made it clear to the GLA that the Department could take no financial risks associated with the station.

The Department's concern throughout the process has been to ensure that we are held immune from all financial risk caused by a new station at Beam Park. The GLA's offer of a £10 million capped amount limited to a 10-year period is not acceptable to the Department. The GLA's offer does not cover the full cost risk we believe Beam Park station imports; it would need to be unlimited in both time and cost. In addition, the GLA business case was prepared and approved prior to the covid pandemic; passenger volumes are now significantly lower than previously forecast. Ticket revenue from Beam Park is unlikely to cover the additional costs in the short term, and it may not do so even in the long term.

Let me take the opportunity to clarify that the Department has not withdrawn support for the development of the station; support was never given in the first instance. If the GLA is satisfied that the new station presents value for money and is an acceptable use of public funds, the Department's position is to look for a commitment to hold the Department immune from any financial risk we believe the new station presents. The Department fully supports the housing development in Beam Park and the wider Dagenham and Rainham area, and continues to work alongside the Department for Levelling Up, Housing and Communities to assist with strategy and planning. We will provide support to develop and enhance the existing stations, and we encourage local stakeholders and the GLA to focus their attention on opportunities to improve access to those stations by improving street access where the former industrial land use made station access difficult from parts of the surrounding area.

I thank the hon. Member for Dagenham and Rainham for securing this debate and shining a spotlight on issues related to Beam Park station.

Andrew Rosindell: I thank the Minister for all her comments. I fully understand the arguments—the viability of the station has to be paramount; it has to be part of the discussion—but will she please at least pledge to the hon. Member for Dagenham and Rainham, to me and

to all the people of the London Borough of Havering and the London Borough of Barking and Dagenham who could benefit from the station that she will go back and look at it afresh, and look at ways we can progress it? Will she also commit—I know it is sometimes difficult—to work with the Mayor of London to see if he and TfL will co-operate with us?

Havering is a forgotten borough. We get very little from the GLA. We pay a lot of money in, but we get very little back. We are Essex; we are not really London, but we get lumped in with London. This is one thing that would actually benefit our borough. If it is taken away from us, there will be huge disillusionment not just down in Rainham, South Hornchurch and Beam Park but across our borough. We feel neglected. We do not feel we are getting our fair slice of the cake in the Greater London area, and I hope that the Government will take the chance to level up areas such as ours. I gently ask the Minister to take this issue back and see what she can do. This is a cross-party thing. We want the station to go ahead and succeed, and I ask her to do her utmost to ensure that it does.

Wendy Morton: I am grateful to my hon. Friend. He speaks with such passion for his constituents, which I absolutely understand and would expect him to do. What I can say is that the Department has not withdrawn any funding. This is a scheme led entirely by the GLA. We are committed to providing better connectivity, while demonstrating that investments provide appropriate value for money. The Department remains absolutely open to engagement with stakeholders. I hope that gives some reassurance to hon. Members.

Andrew Rosindell: On one quick final point, will the Minister give way?

Wendy Morton: If my hon. Friend is very brief.

Andrew Rosindell: Will the Minister commit to a meeting with me and the hon. Member for Dagenham and Rainham, together with Darren Rodwell, the leader of Barking and Dagenham Council, and Damian White, the leader of Havering Council, to see if we can iron out some of these issues and work together to make the project succeed?

Wendy Morton: As I said, the Department remains absolutely open to engagement with stakeholders. Let me take that point away and see. I can certainly meet my hon. Friend and the hon. Member for Dagenham and Rainham.

In conclusion—I have my eye on the clock—it is important that all parties recognise that much of the work on the current business case was based on the railway pre-covid, and early indications are that the post-covid situation worsens the case for Beam Park, as commuter demand has declined. Despite that, the costs associated with a new station have not reduced. While we will work with the GLA should it be able to provide funding to cover all the costs of Beam Park, we recognise that it may not be able to do so.

Question put and agreed to.

4.27 pm

Sitting suspended.

Careers Guidance in Schools

4.30 pm

Christina Rees (in the Chair): Before we begin, I remind Members that they are expected to wear face coverings when they are not speaking in the debate. This is in line with current Government guidance and that of the House of Commons Commission. I remind Members that they are asked by the House to have a covid lateral flow test before coming on to the estate. Please also give each other and members of staff space when seated and when entering and leaving the room. We are expecting a vote and I will suspend the sitting for 15 minutes when that occurs. I call Esther McVey to move the motion.

Esther McVey (Tatton) (Con): I beg to move,

That this House has considered careers guidance in schools.

It is a pleasure to serve under your chairmanship, Ms Rees. I thank the Speaker for granting the debate. I should start by saying that my right hon. Friend the Member for Harlow (Robert Halfon), the Chair of the Education Committee, wanted to be here today, but unfortunately he has tested positive for covid and cannot join us. I know that careers guidance is a matter close to his heart, and I thank him for all the work that he has done on it.

One of my very first speeches in this House was on career guidance and extending opportunities to all. That was over a decade ago. It included reaching out to young girls and supporting them to climb the career ladder. It was about smashing glass ceilings, stopping stereotyping people, and knocking down the barriers that prevent people from achieving, succeeding and fulfilling their potential. I have written academic papers on this issue, worked on reports such as the “Genda Agenda” report and the Ideopolis report, and worked on the Merseyside Entrepreneurship Commission, which looked at the reasons why pupils from deprived areas were often half as likely to set up in business and twice as likely to claim benefit as people from more advantaged areas.

We looked at how to go about breaking those cycles, and the answer kept coming back to good-quality, consistent, regular careers advice and meeting inspirational role models—people young girls could learn from and, where possible, people from similar backgrounds who had managed to succeed, often against the odds, as well as people who young girls could really relate to and who would have an influence on what they were going to do as they got older.

Most advice, for most people, comes from people they know—from parents and friends. How big that pool is will determine how much those people come into a huge and different array of careers, so that pool needs to be widened if we want to widen opportunities for as many people as possible. How can children know what they want to do when they leave school if they are not told about the career opportunities available to them, the qualifications they will need and the different educational paths they can take to get there?

I hope Members can tell that I am as fired up by these issues today as I was more than a decade ago. I will declare an interest because, caught by the bug of supporting young people, I set up my own charity to do just that in

2013. It is called If Chloe Can and it provides careers advice to pupils up and down the country, particularly in years 8 and 9, and predominantly to disadvantaged pupils. It is supported by 200 role models who are successful individuals: Debbie Moore, the first woman to run a public limited company; Jo Salter, the first woman in the UK to fly a fighter plane; Professor Sarah Gilbert, who developed the AstraZeneca vaccine; and people such as Nick Knowles and James Dyson. The list goes on.

The charity provides careers advice, role models and confidence. It is about goal-setting, planning, communication, resilience and assertiveness. The charity used to go into schools and hold performances and plays, but all of that changed because of covid and lockdown, and so too must careers guidance.

Sir John Hayes (South Holland and The Deepings) (Con): My right hon. Friend is absolutely right about familiar networks providing advice and about the way that that disadvantages those who do not have good access to such support. That is why, when I was the Minister responsible for these things, I introduced a statutory obligation on schools to provide independent advice and guidance. The problem is that that needs to be face to face—it needs to be direct. It is not enough for it to be via a website, or a remote connection. Does my right hon. Friend agree that the key thing for the Minister to assure us of—I know that the Minister is very keen on this matter—is that that degree of face-to-face guidance will be available to all children in sufficient quantity and quality to make up the difference for those who suffer from disadvantages?

Esther McVey: I thank my right hon. Friend for the work he has done. To go back to covid and lockdown, many of us wanted to make sure that schools were not locked down, and he is right that pupils need face-to-face connections, inspiration and support. But when that was not possible, the work that I did with Zoom to engage directly with pupils, play videos and allow pupils to meet inspirational role models online was important too. As my right hon. Friend says, it is the number of times that a pupil connects with people that is important; it cannot just be once, and then they forget it in the years to come. If the pupil can do that consistently, week on week in the summer holidays or in the school term, wherever they are—in school or not; with covid or not—then they can engage. That is the programme I have been working with Zoom on.

We have done some great initiatives, and lots of good things have been done over the last 10 years. I congratulate all the groups, businesses, local enterprise partnerships and charities that are doing so much. Before Christmas in my area of Cheshire, AstraZeneca showed 480 pupils how artificial intelligence, virtual reality, robotics, 3D printing and drones could be used remotely to diagnose problems in the manufacturing process. There are companies doing it, and across Cheshire and Warrington, the local enterprise partnership has been co-ordinating online work experiences too. In two months last year, 1,750 young pupils were given a workplace challenge with 43 local employers; those employers worked with the pupils to open their eyes to what was right on their doorstep. Equally, that allowed the businesses to influence what subjects the pupils might like to—and could—do.

[*Esther McVey*]

I welcome all that is going on, but it is a bit piecemeal; it depends on where someone lives and what school they go to. We need to broaden that. That is why I welcome the Government's Skills and Post-16 Education Bill, because it will allow local school skills improvement plans to be created by employer representative bodies, to make sure that schools are working locally with businesses in their area to develop programmes for pupils. Embedding employers in the heart of the education system is key. The Bill also looks to transform the current student loan system, which many of us have called for quite some time. It will give every adult access to a flexible loan for higher-level education and training at university and college, and it will be usable at any point in their lives.

All of these great things are happening, but more still needs to be done in schools to provide better guidance. The latest report from the Centre for Social Justice says that there is a growing need for tailored, innovative and inspiring career guidance with links to role models and employers. Some good work has been done, but lots more needs to be done.

Why is that so important? A young person who has four or more interactions with an employer is 86% less likely to not be in education, employment or training—to not be a NEET—and they can earn 22% more during their career compared with a young person who has had no interaction with an employer. Sadly, the Centre for Social Justice points out that there seems to be no single place where a young person can go to get comprehensive Government-backed careers information. It has also found that schools are not consistently delivering good-quality careers advice. About one in five schools does not meet any of the eight Gatsby benchmarks—a series of internationally respected benchmarks that help Government to quality-assure careers advice in schools.

The Centre for Social Justice also drew attention to the fact that careers advice in school often leads strongly towards academic routes. According to one study, only 41% of 11 to 16-year-olds said that a teacher had discussed the idea of an apprenticeship with them at school, and just 21% of teachers always or usually advised high-performing students to opt for an apprenticeship over university. We are not really looking at the pupil's needs and what would be best for the pupil; we are still focusing on the institution. We need to ensure that it is pupil-centric advice and support.

I want to acknowledge the work done in this area by Lord Baker. He secured the amendment to the Technical and Further Education Act 2017 that allowed further education colleges, university technical colleges and apprenticeship providers into secondary schools to explain to students the various alternative pathways for their education and training. That will be strengthened by the Skills and Post-16 Education Bill, and that is key. Knowing the options, knowing the benefit of an option, having sample days in colleges and workplaces and meeting people who actually do the job is really important, because it is usually when a young person meets the person doing the job that the job is brought to life.

Also important is starting careers guidance at a very young age. Teach First is really pushing for it to go into primary schools, and I agree with that too. Sometimes I meet pupils and they do not necessarily really know

what school is for; they do not realise that it is a journey to get them into work. They feel that it is for killing time for a number of years and perhaps getting exams. In fact, this is a journey to help them to do whatever they want to do for the rest of their life, so I would agree with going into primary schools.

I again congratulate my hon. Friend the Member for Workington (Mark Jenkinson) on his private Member's Bill, the Education (Careers Guidance in Schools) Bill, to give careers guidance to those in year 7. It should complete its passage through the House on Friday. I welcome the advice going to younger pupils. I know that the Government will be supporting that but, again, can the advice go to even younger pupils? We know that we have the National Careers Service and the Careers & Enterprise Company, but this feels a bit piecemeal. I am wondering whether they can merge, so that we can really get value for money with those two organisations.

I appreciate that the Minister who will answer this debate is standing in for one of her colleagues, who also has covid, so if she cannot answer today all the points that I am about to ask, it would be most appreciated if she could perhaps arrange a meeting with the Under-Secretary of State for Education, my hon. Friend the Member for Brentwood and Ongar (Alex Burghart), who is the Minister for skills. The questions I am asking are these. How do the Government plan to ensure that careers guidance is of a high quality for all pupils, irrespective of where they come from? How do they plan to link pupils to the local businesses in their area? How do they aim to support schools to bring in role models, whether that is in person or in the new, innovative way I am doing this—with Zoom, online? How do we stop piecemeal careers guidance? Pupils need to know, in this fast-paced, ever-changing world, what works for them—where they can get the education and the support that they need.

4.43 pm

Sitting suspended for a Division in the House.

4.54 pm

On resuming—

Christina Rees (in the Chair): We will start again. Ms McVey, have you finished?

Esther McVey (Tatton) (Con): The timing was perfect, thank you.

Christina Rees (in the Chair): Good timing, superb. We now move on to Back-Bench speakers. If you can confine yourselves to five minutes or less, we should get everyone in.

4.54 pm

Mike Kane (Wythenshawe and Sale East) (Lab): I am delighted to serve under your chairmanship today, Ms Rees, and to follow my parliamentary neighbour, the right hon. Member for Tatton (Esther McVey). We share the second runway of Manchester airport; I could run from my end of it to her end of it, crossing the River Bollin quite smoothly, if they would let me through the security barrier. We should attempt it one day.

I do not want to make too much of a party political point, but I want to say, particularly with my hon. Friend the Member for Portsmouth South (Stephen Morgan) in his place, how much Labour Members are beginning to take careers really seriously. At our party conference this year, my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) pledged to reintroduce two weeks' worth of compulsory work experience and give every child access to quality careers advice in school. When was the last time a leader of a political party of any colour used their flagship conference speech to talk about the importance of careers education? Indeed, I cannot remember a time when careers education was at the forefront of any keynote speech. It is clearly not a regular occurrence—perhaps once in a blue moon, but I would say that as a Manchester City fan.

Careers education is important to us, particularly for the Opposition, because it is vital for the future of this country, and vital for securing a socially just society. Social justice can be achieved only when we do everything in our power to ensure that our young people can find where their best talents lie and to empower them with the knowledge, skills and understanding to find the route that will help them to realise their potential and aspirations. Evidence shows that high-quality careers education is linked to improved academic attainment, both in academic motivation and in exam results; increased wages; and, after entering the workplace, reduced chances of dropping out and becoming NEET—not in education, employment or training. It creates a better alignment of careers aspirations with the jobs market.

A step change in delivering the best possible careers education for our young people would be ensuring that we do more to inform all our young people about apprenticeships and technical education, which is something about which I am passionate in my constituency. That is why I am encouraged to see the latest report from the Careers & Enterprise Company on trends in careers education, which says that progress is being made in the area. However, clearly, as the report points out, there is more work to be done.

I was shadow Schools Minister for over three years. I had the privilege of visiting many schools all over the country, but I am sure that hon. Members will agree that there is no feeling quite like going back to the school that you attended as a child. I was particularly pleased to visit Saint Paul's Catholic High School, in my constituency, where I went to school, to see how it was using careers education to drive whole-school improvement. The school comes out as the poorest in England year on year, as it did when I attended it in the 1980s. I was inspired by how the school had embraced and embedded the role of a careers leader to drive forward its careers programme, and by how its career strategy was being supported by a senior volunteer from the world of business—at that time it was Jaguar Land Rover. It was making a real difference. This year, the school has also joined its local careers hub, which has been accelerating the quality of careers education across Greater Manchester, which includes my constituency.

During the visit, I had a chance to talk to year 8 pupils about my career, which ranges from digging roads as a labourer to selling tickets on a zero-hours contract at Maine Road—as a Manchester City fan, it was the lowest-paid, highest-status job I have ever had. I now have a quite well-paid job, but I will let Members in the room decide what they think its status is. The point that

I wanted to drive home, however, was the number of options they have available right on their doorstep. As the right hon. Member for Tatton knows, we are fortunate that we have Manchester airport in our constituencies. I was able to unpack all the types of roles one could do at the airport alone. I was also able to name-check opportunities at local employers such as Chiesi, a pharmaceutical group; The Hut Group; Cardinal Maritime, a logistics company; and Broderick's, a huge vending business, with lads I went to school with. The point is that there are many options.

It is vital that we link local employers to schools and colleges, and ensure that young people have the best chance of finding the best route possible for them. Every year, I host an International Women's Day event where I invite young women to meet female business professionals in Wythenshawe and Sale East, so that they can meet people just like them, and find out how to get a foot on the ladder. They also make valuable links to those businesses, so when work experience or apprenticeship time arrives, they are confident in applying. It is one of the most rewarding parts of my role as a constituency MP.

I want kids in Wythenshawe and Sale East to know that behind the warehouse doors on the industrial estates in my constituency we have tech jobs, marketing jobs, legal and financial roles, research and development, engineering—the list is endless. I want those kids to have aspirations to take on those roles, and not just become a Member of Parliament. Owing to the work that has been done in my constituency in recent years, we are in a better position to deliver those aspirations for our young people than we have been for a long time. There is a long way to go, but I am pleased that my party, particularly, is stepping up locally and nationally at the moment on this vital agenda.

5 pm

Robbie Moore (Keighley) (Con): It is a pleasure to serve under your chairmanship, Ms Rees, and I thank my right hon. Friend the Member for Tatton (Esther McVey) for securing this important debate. I know that this topic is particularly important to her, as we welcomed her to my constituency, to Carlton Keighley, where she gave a fantastic presentation to many of the children going to school there and really instilled in them her energy and enthusiasm about the careers service. It was great to have my right hon. Friend there, because her charity, If Chloe Can, is a fantastic, dedicated careers programme charity. The work goes on to empower many young people to follow their dreams: talent is spread across our country, but opportunity is not. It is vital that through providing a great careers service, we make accessible the journey towards fulfilling that opportunity in life, and instil knowledge of how to get there in our young people. That is why careers guidance matters.

It is crucial to ensure that no type of education is prioritised over another, which in turn will help to fill the skills gap that exists across this country. In my opinion, the education system is slightly unbalanced in how different institutions are viewed, whether they are schools, colleges or universities. We still need to get over the stigma that is attached to going to a further education college, because going to university is not for everyone, and—as has been picked up in this debate—too often

[Robbie Moore]

careers guidance, particularly in the school environment, is focused on providing guidance specifically on the academic route. Representing a fantastic constituency such as Keighley, where we have many manufacturing, engineering and tech-based businesses, I know we must ensure that those skills opportunities can be filled by the many young people who are growing up there and further afield by making sure that those young people know how to secure those opportunities. There is nothing wrong with people choosing any route in life.

As I have said, that feeling that everyone must go down an academic route is helping to fuel the skills shortage in this country, where certain industries are not getting the talent they need. I have some fantastic businesses in my constituency such as Byworth Boilers, which has its own agenda on getting people into the apprenticeship route. It openly goes out to schools to provide direct communication to students who are going through their educational journey, to let them know about the range of opportunities that exist, because too many people are still not grasping the opportunities that are available to them, particularly with regards to the technical courses at further education institutions.

Career guidance can help with that: it is how young people can find out about not just the opportunities that are made available through universities, but the great opportunities that are made available through Keighley College, which is a fantastic further education institution in Keighley. It is pleasing to hear that the Education (Careers Guidance in Schools) Bill, introduced by my hon. Friend the Member for Workington (Mark Jenkinson), is slowly working its way through the House and becoming law. That Bill will help to achieve exactly that aim, and it was a pleasure to be able to speak on Second Reading and support its passage through Parliament, because there is so much to support in it. The measure will help to establish greater consistency across the education system by bringing schools and academies in line with one another when it comes to providing careers guidance. The Bill will also help to fulfil the commitments laid out in the Government's "Skills for Jobs" White Paper by extending the duty of careers guidance to all students throughout their time at secondary school. Of course, it is absolutely vital that we provide that opportunity through secondary schools and, earlier on, through primary schools—instilling that enthusiasm, and giving young people the chance, opportunities and willpower they need at an early age to explore and achieve anything in life if they wish. It will also achieve greater parity between different types of education institutions.

By extending career guidance to those in year 7, young people will be able to make much more informed decisions about what to do post-16, whether that is attending a further education college or going to university, or anything else, such as exploring the fantastic manufacturing, engineering and tech-based businesses in my constituency. I am delighted that the Government are supporting the Bill and I wholeheartedly hope that it passes through the House in good time.

Several hon. Members *rose—*

Christina Rees (in the Chair): Before I call the hon. Member for Strangford (Jim Shannon), we have worked the intricate maths. The debate will finish at 5.41 pm.

I will call the Opposition spokesperson at 5.23 pm, allowing the right hon. Member for Tatton (Esther McVey) a couple of minutes to wind up the debate. Is everyone happy? Great.

5.5 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate and to serve under your chairmanship once again, Ms Rees, renewing the relationship with you in charge and myself making a small contribution, as often happens in this Chamber. I thank the right hon. Member for Tatton (Esther McVey) for setting the scene so well for each and every one of us. I know that the Minister has no responsibility for Northern Ireland; however, I will give a Northern Irish perspective, as I often do, to replicate and support what the right hon. Member for Tatton has said on the importance of careers choice and guidance in schools, and where we want to be on that matter.

It is a pleasure to be here and to participate in this debate. I have stated all too often that children are the future, and I believe that it is our responsibility to ensure that they have the platform and the opportunities to make the most of their lives in terms of employment. I think I recall intervening on the right hon. Lady when she spoke in a Friday debate—while I was in Parliament for my Automated External Defibrillators (Public Access) Bill—to support her as she once again pursued careers guidance for young people.

It is a great reassurance to know that the correct strategies are in place for schools. As the right hon. Lady and other hon. Members have said, it is very important for where we are with our schools and the guidance that they give. The preparing for success strategy, set out by the Department of Education in Northern Ireland, aims to develop more effective career decision makers, leading to increased and appropriate participation in education, training and employment. Schoolchildren in Northern Ireland choose their GCSEs in year 10, when they are 14 or 15 years old. It is fair to say that children are forced—albeit gently—to think about their futures at a young age, so it is essential that the support is in place to enable them to start doing that.

I have served on the board of governors of Glastry College, one of the schools in my constituency for—my goodness; I am just trying to think—more than 30 years. Although I did not attend that school, my boys did. What I have learned from being on the board of governors was that there is a chance to guide young people to where they want to be. Not everybody will be educationally inclined; some are more physically focused and want to work on farms or in factories, and there is plenty of choice for that in my constituency. The main thing is that young people understand the opportunities they have.

There are many schools in my constituency of Strangford that offer sixth-form education. In particular, I would like to mention the South Eastern Regional College in Newtownards, which has countless specialities for teens to take an interest in, whether in mechanics, beauty treatment, working in shops or managing a business—those courses are all there.

Recent statistics have shown that a massive 65% of those studying for a degree admit to having regrets about their academic choice. Further statistics show that two out of five schoolchildren in their final year of

school would feel like a failure if they did not progress to university. Not everybody can, should or needs to go to university, but it is good to know that they will have that opportunity if they have the ability to do so. I must say that better careers guidance in schools has the potential to reduce those figures, which I find quite shocking. I have spoken to younger constituents who have said that their schools allocate each of them a careers adviser, with whom they have one-to-one chats throughout the years they are at school. I strongly encourage that not only in schools but in universities and colleges. Some children have little or no idea what they want to do in life, and that is just the way it is, but they do focus. I certainly ended up doing something that I never expected—I always had an interest in politics, but I never thought I would be here—and it is the same for many people.

The lack of careers guidance and support can factor into this. The JobReaders Academy has revealed that the second biggest factor in why six in every 100 pupils drop out of university is poor secondary school preparation. If that is where it starts, that is where things need to start improving. We must remember it is not solely down to secondary schools to teach our young people; the correct careers advice must be readily available in universities, too.

We must ensure that our schoolchildren are encouraged to start thinking about their futures. Yes, it is scary, and I cannot stand here today and say that when I was a wee boy, I was 100% sure what I wanted to be—apart from wanting to be a Royal Marines soldier, a train driver, a shopkeeper, a salesman and ultimately to have my own business. All those sorts of things go through someone's mind when they are aged nought to 10, or nought to 16, and they may end up somewhere they did not expect to be.

Ofsted has revealed that schoolchildren want to see more information on the full range of courses run by FE colleges and other providers, since not everyone wants to do A-levels and go to university. It is essential that there is the opportunity to do that through careers guidance. We want all young people to have the same opportunities, if possible, but they will go their own ways.

I urge the Minister and the Department to work with their education counterparts in the devolved nations to ensure that children have access to all sorts of careers advice, and so that we can exchange ideas. I am sure that she does so regularly with her counterparts in the other regional Administrations. I believe that careers guidance should start in schools and not stop at university. Many young people from Northern Ireland end up at universities here in the mainland. Guidance should be available inside and outside education settings, and we must not let our youngest be hindered from reaching their full potential because they did not have the means to get there in the first place.

Christina Rees (in the Chair): I am sorry, but we will have to go down to three and a half minutes.

5.11 pm

Jo Gideon (Stoke-on-Trent Central) (Con): It is a pleasure to serve under your chairmanship, Ms Rees. I congratulate my right hon. Friend the Member for

Tatton (Esther McVey) on securing this important debate. Evidence shows that the best careers education in schools has the potential to promote social equity and enable greater social mobility. That is why preparing all students for the world of work must be a key element of the Government's levelling-up agenda.

I am pleased that Stoke-on-Trent is leading the way as one of the 20 areas taking part in the Government's careers hubs programme. It is fantastic to see the cluster of 20 secondary schools and colleges working together with partners in the business, public, education and voluntary sectors to deliver and implement the Gatsby benchmarks and improve careers outcomes for young people.

St Joseph's College in my constituency is one of the schools taking part in the programme. The school provides a shining example of a rounded careers education programme, including lessons on skills and aspirations, financial decision making and goal setting from year 7 onwards. We must ensure that every student in this country has the tools to achieve their full potential.

The world of work is ever changing, and the options for careers today do not resemble those of even a decade ago. We also need to recognise that the values of this generation are different from those of their parents and grandparents. For many young people, the social value of work is more important than earning the highest salary, for example. Indeed, careers advice as a term is rather dated. The knowledge and skills that young people acquire during their education are often transferrable, and the range of work available in a digital age is incredibly broad.

We should not underestimate the longer-term impact of the global pandemic on career choices for the next generation either, because jobs that were considered secure a few years ago may not look so risk-free now. The travel and leisure industries, retail and hospitality all faced enormous challenges during the pandemic. I have been told by several engineering companies that the status of jobs in their sector is poor, and that young people are not encouraged to consider work in an industrial setting as a good career option. The attitude that it is a career of last resort is typified by one managing director's comment that parents and teachers are still likely to say, "You'd better work hard at school or you will end up in a factory."

I recently visited the LiDR contract furniture company in my constituency and saw the state-of-the-art design systems and complex high-tech equipment that bespoke contract furniture manufacturers need. The director said that he preferred to train up an apprentice with the right attitude than to employ a graduate with all the technical skills but not the wider understanding of the whole operation, which relied more on knowledge of the whole than simply on a knowledge of computer-aided design systems. Attitude and aptitude are the key qualities employers look for. Time and again, I hear the comment that too many young people do not stay the course or simply do not show up after a few days or weeks in the job.

In summary, it is essential that careers guidance is integrated into the personal development journey of all young people to instil aspiration, self-belief and an understanding of the opportunities available to them. It is a core function of education to prepare young people for the best possible future.

5.15 pm

Anthony Mangnall (Totnes) (Con): I congratulate my right hon. Friend the Member for Tatton (Esther McVey), who has been an extraordinary champion in this area; the fact that so many of us are here today pays testament to that. I also wish to put on the record my support for the private Member's Bill introduced by my hon. Friend the Member for Workington (Mark Jenkinson) on education and careers guidance, which will be debated on Friday. I am particularly pleased that the Government's "Skills for Jobs: Lifelong Learning for Opportunity and Growth" White Paper has seen a commitment to a national rolling-out of careers hubs, digital support, careers leader training and the enterprise adviser network, all of which complement the Gatsby benchmarks. I understand that Sir John Holman has been tasked with delivery. Can the Minister tell us where we are with progress on that?

As ever, there is much to be done and there is great regional disparity, not least within the south-west, and I am working to close that gap in south Devon. On my patch, a post-18 career fair will be held to invite year 12 and 13 students to meet local employers, working with Kingsbridge Academy, King Edward VI Community College, or KEVICC, Brixham College, Churston Ferrers and South Devon College, to name but a few. Those career hub events seek to promote the opportunities available in south Devon and to highlight the extraordinary variety of businesses, but most importantly to provide our students with an understanding of what is available to them. All too often, there is a perception that we have to move away from home to find the work we want to do. I want to be able to try and disprove that perception.

I want to make three quick points—I will sit down at three minutes. First, we need to start early, as my right hon. Friend said. Secondly, we need hands-on experience; people need to try and test different jobs. I started off my life as a waiter in Royal Hospital, as well as in The Queen's Gallery, and then I went on to be a shepherd on the Isle of Mull. I went on to be a ship broker and then to work behind a bar. Now I have sadly failed and become a Member of Parliament. Such hands-on experience allows people to see what can be achieved. I am hoping to get money for the fisheries and seafood scheme to build such a school in Dartmouth at Noss on Dart to make sure people can get into the fishing sector.

Thirdly, we need to promote the local opportunities across the country, and part of the levelling-up agenda has to be about providing those jobs and those interests for people.

Claire Coutinho (East Surrey) (Con): I want to make a quick point about parents and their importance in influencing their children's career choices. What does my hon. Friend say about that?

Anthony Mangnall: That is very timely; I know how much of a champion my hon. Friend is for local schools, working with educators, parents and employers alike to make sure we can find the right opportunities. We have to engage all our communities together to make sure that those opportunities can be found.

In summary, we have to ensure that our children's horizons are broadened, that the opportunities are made available and that they are made aware that we can provide the support and insight for them.

5.18 pm

Jane Hunt (Loughborough) (Con): It is a pleasure to serve under your chairmanship, Ms Rees, and also to point out to the hon. Member for Wythenshawe and Sale East (Mike Kane) that I was born on the council estate in Wythenshawe and made it to be an MP. So there we are: there is one already—more to follow.

We have a difficulty in Leicestershire in that all too often people get their first job, which is low paid and low skilled, and then remain in it. That is fine when people are living at home with their parents and single, but when they move on to have a family or want to move to another place, then it is more difficult. I have been working on a life skills project for a couple of years, alongside Barclays, Communities that Work and East Midlands Housing, to try and promote ways of being able to pay rent and move on in life by getting additional skills. Really, I am just following on from my predecessor, the wonderful Baroness Morgan of Cotes, who worked on a project with Loughborough College called Bridge to Work and is now on the board of the Careers & Enterprise Company, working along the same lines as Bridge to Work when it started out.

Since setting up the Careers & Enterprise Company and the careers hubs in the area, we have retrieved all sorts of good statistics that meet the Gatsby model. For example, more than six in 10 schools nationally are taught maths and English in a way that links lessons to jobs and careers—a 44% increase on 2019. Nine in 10 colleges also taught the curriculum in a way that highlighted the relevance of a subject to future career paths, and 84% of schools provided information about apprenticeships to their students. Those are some of the achievements that the Careers and Enterprise Company has highlighted.

I want to highlight three excellent examples in Loughborough. Limehurst Academy's work is spearheaded by the proactivity of its wonderful head, Jonathan Mellor. It has embedded careers education across the academy's curriculum, from subject areas right through to personal development, citizenship and targeted interventions, as has Rawlins Academy, which is also leading the way. It has rewritten its careers education programme from start to finish to build careers conversations into every subject area. Finally, there is the Careers and Enterprise Hub that is funded by the town deal fund in Loughborough. It is central to the town, providing careers advice and a way to access jobs and to meet with employers; there are interviews and seminars within the building, and it really works.

One of the points I want to raise with the Minister is access to careers advice from a younger age. I believe that the Careers and Enterprise Company focuses on years 8 to 13, but we should look at year 7 or even younger. After I passed my 11-plus, I went to a state grammar school in Congleton in Cheshire, and I had only been there a matter of weeks, when, at 11 years old, Mrs Hall said to me, "Which university have you thought about going to?" I had never even thought about going to university—I was the first in my family to do so—but these points need to be considered.

Christina Rees (in the Chair): I call Mark Fletcher. Unfortunately, you have a very short time, but go for it.

5.21 pm

Mark Fletcher (Bolsover) (Con): Thank you, Ms Rees. It is a pleasure to serve under your chairmanship. My right hon. Friend the Member for Tatton (Esther McVey) gave a storming speech. The quickest way to summarise my speech would be to say I agree with everything she said—I thought it was marvellous. I declare my interest as a governor at two schools in my constituency.

When it comes to the challenge of levelling up, careers guidance is absolutely central to what we are trying to do. Effectively, levelling up is correcting market failure in one of four areas—housing, infrastructure, skilled jobs or having a skilled and educated workforce. As an MP who represents an ex-mining area as I do in Bolsover, the problem is very specifically about looking at having a skilled workforce and skilled jobs in the area. We do not have a history of that.

We have a history of mining, and that creates a cultural challenge, and a gap in aspirations that needs to be corrected. Whether that comes from parents, schools, the community, or—even better—from all three together, we need to be able to change the culture of an area over time, and careers guidance is absolutely central to that. I am not going to look the Chair in the eye because it is very off-putting—I do not know when I have to sit down—so I will carry on regardless.

There are three incredibly important points to make. The first is about pathways. My right hon. Friend outlined quite beautifully that young people need to be able to understand what careers are available to them, which can be incredibly difficult unless they come into contact with those careers. We need clear role models—identifiable, local role models—and to work with employers in the local area to be able to say, “This is what you can do.”

The second point is about aspiration, and the mindset—encouraging young people, wherever they are from, that they can achieve things and making that clear. The third point is reinforcement—saying over and over again that someone can achieve what they need to achieve.

I could not agree more with the need to start young, and to continue with careers guidance. That is such a crucial point—I ruined my notes by scribbling it down. It is unbelievably important. The point on supporting not just academic pathways, but technical ones, and the importance of having provision—

Christina Rees (in the Chair): Order. I call Opposition spokesperson, Stephen Morgan.

5.24 pm

Stephen Morgan (Portsmouth South) (Lab): It is a pleasure to serve under your chairship, Ms Rees. I pay tribute to the right hon. Member for Tatton (Esther McVey) for bringing forward this timely and helpful debate, on an issue that is vital to the future of young people and to our country. I know all Members will watch the progress of the private Member’s Bill tabled by the hon. Member for Workington (Mark Jenkinson) with interest. It has Labour’s support.

We have heard from a number of speakers on a range of important issues, including access, quality, frequency, variety, consistency, and how fruitful partnerships are between businesses and schools. They make a real difference

to the outcomes for young people. My hon. Friend the Member for Wythenshawe and Sale East (Mike Kane) reminded us how seriously our party takes the issue; my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) made it a centrepiece of his speech at party conference. The hon. Member for Strangford (Jim Shannon) spoke about how early young people can make decisions that affect their lives, and how those should be backed up by good advice. A number of Members raised how good-quality careers advice helps social mobility, the impact of the pandemic on the jobs market, and the importance of getting advice early.

At the heart of the debate is a desire to ensure that young people are ready for work and for life. There has been a noticeable surge in that sentiment since the pandemic. While parents will always want to see their children succeed academically, with high attainment in subject-based learning, many are increasingly concerned that their children should leave school as well rounded individuals with the skills to succeed in the wider world; yet the availability and quality of careers advice remains patchy, and the Government must move further and faster to outfit children with the skills that they need.

Teachers, parents, children and business communities agree. According to Parentkind’s 2021 “Parent Voice” report, just half of parents say that their school offers good careers advice. The Centre for Education and Youth’s “Enriching Education Recovery” report makes it clear that the vast majority of teachers, parents and children agree that there should be improvements to access. That is echoed by the business community. In 2019, a CBI survey said that 44% of employers felt that young people leaving education were not work ready. It also highlighted the geographic variation in engagement with employers in education settings. I visited St Edmund’s Catholic School in my constituency last week, which has a very good offer, but more broadly students in rural and coastal communities face a postcode lottery in access to joined-up support.

The Sutton Trust has concluded:

“All pupils should receive a guaranteed level of careers advice”;

yet a recent Careers England survey tells us that three quarters of schools have insufficient, limited or no funding with which to deliver what is needed. About a third of secondary schools say that they receive the equivalent of £5 per student, with 5% receiving just £2. The inclusion of the Gatsby benchmarks as part of the DFE’s statutory guidance on careers education represents welcome and modest progress, but ultimately, despite a northern powerhouse strategy in 2016, a careers strategy in 2017, the “Skills for Jobs” White Paper in January 2021 and the Skills and Post-16 Education Bill, little action has been taken to address the postcode lottery that our children face in accessing the skills and opportunities that they need in school to navigate the world of work.

Labour is backing pupils, parents, businesses and educators with its pledge to give every child access to quality careers advice in their school. Our plan would allow children to access a professional careers adviser one day a week. That would be achieved by increasing the Careers and Enterprise Company’s grant funding, allowing it to employ more advisers in every school. That would enhance the ability to strengthen links

[Stephen Morgan]

between schools and local employers across the board, guaranteeing standards and eliminating the current postcode lottery.

Practical careers advice is closely linked to the invaluable hands-on experience that children get during periods of work experience. Here again, we find a record of failure from successive Conservative-led Governments. The next Labour Government would introduce six weeks' worth of compulsory work experience, reversing its removal from the curriculum by the coalition Government and equipping young people with the skills that they need. In addition to support for schools, we will work with businesses, communities and others to ensure that they offer the placements needed. Once again, Labour is restoring a skills-led agenda for our children, while successive Conservative Governments have mortgaged their future.

Ben Bradley (Mansfield) (Con): The hon. Member makes an interesting point about the need for careers advice. We would all love for young people to spend more time with business, engaging with different kinds of work and getting to grips with what they want to do in life. He says that the Labour party is committed to a statutory six weeks of work experience per child. How does he envisage that he will find all those placements in his communities, and where will the capacity come from to deliver that level of experience?

Stephen Morgan: I thank the hon. Gentleman for his remarks. We have already heard a number of examples of how businesses are working closely with schools across the country, and we want to amplify that message even further.

Improved careers advice in schools must be a key building block in our children's lives, and I therefore have a number of questions to ask the Minister. Alongside academic attainment, enhanced vocational and technical qualifications, and university, does the Minister agree that careers advice must play a much larger role in getting young people ready for work? Will she adopt Labour's pledges to ensure that schools have the funding and structures in place that are needed to deliver this? I would also be keen to hear her reflections on the availability and quality of careers guidance in schools, and particularly on the disparity in access that exists for students at maintained schools.

We owe it to the next generation to get this right. From an economic perspective, we cannot afford not to.

5.30 pm

The Minister for Higher and Further Education (Michelle Donelan): I want to start by congratulating my right hon. Friend the Member for Tatton (Esther McVey) on securing this really important debate, and on building on her years of pioneering work in this space by setting up the charity If Chloe Can, which is empowering thousands of young girls and women in Cheshire and beyond. Like her, I know from personal experience that role models can inspire and change lives. I am sure that many of us would not be sitting in this room had it not been for role models in our lives, but not everybody has that luxury. The value of having people whom we look up to and turn to for guidance and support at a young

age is something that I see every day in the Department for Education, so I am delighted that If Chloe Can is helping to connect schools to leaders and mentors from many different industries and sectors.

Having spoken in Westminster Hall and the main Chamber a number of times over the last two years about the exciting skills and careers revolution that is taking place in education, I must say that I am pleased to be here today to talk specifically about what we are doing to improve careers guidance across all our schools and colleges. As my right hon. Friend the Member for Tatton and my hon. Friend the Member for Bolsover (Mark Fletcher) highlighted, all the evidence shows that improving careers guidance fuels ambition, lifts aspiration and encourages young people to reflect on their strengths and interests, to find careers that they are interested in pursuing, and to develop the skills and attributes that they need to succeed in those careers. The foundation of making that a reality is careers guidance in our secondary schools.

As I am sure right hon. and hon. Members agree, every secondary school pupil, regardless of background or geography, should have inspiring careers resources available to them, just as the hon. Member for Portsmouth South (Stephen Morgan) outlined. Clear, universal careers guidance from an early age not only ensures that everyone has a fair opportunity to get on in life; it also levels up the playing field. That is why we are strengthening the legal framework so that every secondary pupil is guaranteed access to high-quality, independent careers guidance. Careers guidance, in itself, is not the panacea; the quality is absolutely crucial.

Ben Bradley: My hon. Friend is right to say that high-quality careers advice should be available to everybody throughout their time at secondary school. I once asked a former Secretary of State for Education what happens if the Baker clause is not enacted by the school and it is not delivering such education or allowing outside bodies to come in and deliver careers advice. He replied that the Department would write a strongly worded letter to the school in order to insist that they should, but that did not really have a great deal of leverage. Can the Minister confirm that the Skills and Post-16 Education Bill strengthens the ability of the Government to direct that and ensures that it is much more likely that children will have access to external education providers?

Michelle Donelan: I can confirm that. Ofsted is now playing a much more active role in looking at the careers support and guidance that is available to schools, including their utilisation of the Baker clause, so that we do not have the postcode lottery to which the hon. Member for Portsmouth South referred. My right hon. Friend the Member for Tatton spoke in support of the Education (Careers Guidance in Schools) Bill, which is sponsored by my hon. Friend the Member for Workington (Mark Jenkinson). The Government wholeheartedly support that important Bill, which will, as my hon. Friend the Member for Keighley (Robbie Moore) outlined, extend careers provision to all pupils in state education, bringing year 7 and upwards into scope for the first time—something that my hon. Friend the Member for Loughborough (Jane Hunt) called for in the debate. The Bill will also place a duty on all academy schools and alternative provision academies.

Through the Skills and Post-16 Education Bill, we are also improving access to colleges and opportunities so that young people can hear directly from providers of approved technical education qualifications and apprenticeships about the wide range of opportunities that are open to them beyond school. A recent report by The Careers & Enterprise Company shows why that is so important. Uptake of apprenticeships was 16% higher in the schools that provided information on apprenticeships to most or all of their students, compared with the schools that provided information to a small minority.

It is for that very reason that we have taken such committed action in this area. First, we have put in place support to help schools to develop their careers offer so that pupils have much more comprehensive support, something that was stressed by my right hon. Friend the Member for South Holland and The Deepings (Sir John Hayes). That support helps them to plan for the next stages in their lives.

The Gatsby benchmarks, for example, are eight clear benchmarks recommended in the “Good Career Guidance” report produced by Gatsby, a leading education charity. Data from schools in England has shown that when all eight Gatsby benchmarks are met, the proportion of students in sustained post-16 education, employment or training rises by nearly 10%. In disadvantaged areas, that same figure rises by a staggering 20%. We have adopted the Gatsby benchmarks as our career framework for secondary schools and colleges. They are based on robust international evidence and they provide a clear definition of what world-class careers guidance really looks like.

In fact, we are investing £28 million this year for the CEC to support schools and colleges to implement the Gatsby benchmarks. That is part of a total £100 million investment in careers guidance for the financial year 2021-22. New careers hubs allow schools and colleges to form strong local partnerships with businesses, providers and the voluntary sector so that they can collaborate and improve careers guidance. By September 2021, two thirds of schools and colleges in England were already part of the careers hub. Additionally, careers leaders are a brand-new workforce of specially trained staff who will drive forward careers programmes in schools and colleges. Since the launch of the training in September 2018, more than 2,200 careers leaders have engaged in the funded training. In addition, around 4,000 senior business volunteers are now working as enterprise advisers to schools and colleges.

Already 21 secondary schools and colleges in the Cheshire and Warrington LEP are in a careers hub, and enterprise advisers are already matched with 90% of schools and colleges across the area. Of those enterprise advisers, 64% are sourced from small and medium enterprises, and I am pleased to say that 52% are female.

To return to the importance of role models, our funding is helping to increase young people’s exposure to employers and the world of work. That includes schools and colleges linking up with providers and employers that offer mentoring opportunities.

My right hon. Friend the Member for Tatton also raised important points about the work of the CEC in relation to the National Careers Service. Sir John Holman has been tasked with making recommendations to drive greater alignment and collaboration between the CEC

and the service. I am pleased to inform my hon. Friend the Member for Totnes (Anthony Mangnall) that those findings will be published in the summer. I am sure that hon. Members will be updated as and when those responses are forthcoming. It is a brilliant achievement that, through the CEC, we are now working with 300 cornerstone employers to challenge those negative stereotypes identified by Members to—as the hon. Member for Stoke-on-Trent Central (Jo Gideon) put it—instil aspiration and understanding of the opportunities available. Those employers are working closely with local partnerships at schools and colleges to support employer encounters and ensure that young people are exposed to the world of work and the broad possibilities of potential career paths lying ahead.

Employers such as the Nuclear Decommissioning Authority, Gatwick airport and Hilton hotels have seen benefits from their roles as cornerstone employers in developing their pipeline of skilled employees. As a cornerstone employer, Pinewood Studios has recently co-designed immersive maths lessons for pupils at 21 different secondary schools. Thanks to that partnership, 14,000 young people are now learning about careers in new ways, and the ambition is to showcase those lessons to hundreds more schools in the coming years.

With those achievements in mind, I want to conclude with a look ahead to the future. Our skills revolution, combined with an innovative new careers guidance system, will help to lead millions of young people into the careers that suit them. Initiatives like If Chloe Can are helping to drive us forward. I am delighted that my right hon. Friend the Member for Tatton is due to meet the Secretary of State for Education to explore how we can collaborate and build on that excellent work. I am sure that the skills Minister will be only too happy to join that meeting.

Christina Rees (in the Chair): Esther McVey, you have one minute.

5.39 pm

Esther McVey: In one minute, I want to thank everyone who has spoken today. It has been a positive, uniting and uplifting debate, showing that we all understand the importance of good-quality and consistent career advice, work placements and educational pathways. I am confident that the Government also understand the importance of those, and are taking steps to make them better.

This is not to put extra work on teachers’ shoulders; they have a lot to be getting on with. This should be making life easier for them and their pupils. If any pupils or teachers have been watching today, I want them to know that we are not all fusty old Members of Parliament. We actually have their best interests at heart and are fighting to bring opportunities to the next generation.

Question put and agreed to.

Resolved,

That this House has considered the matter of careers guidance in schools.

5.41 pm

Sitting adjourned.

Written Statements

Tuesday 11 January 2022

EDUCATION

School Improvement

The Minister for School Standards (Mr Robin Walker):

The Department for Education will today publish a Government response to the public consultation on reforming how local authorities' school improvement functions are funded.

The Government response summarises responses and notes that Government will proceed to implementing the proposals consulted on. These are (i) that the local authority school improvement monitoring and brokering grant, forecast to be worth c.£42 million in 2022-23—based on October 2021 funding levels—will be reduced by 50% to c.£21 million for financial year 2022-23, prior to full removal in financial year 2023-24; and (ii) that provision will be included in the School and Early Years Finance (England) Regulations 2022 to instead allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets.

These changes should be viewed in the context of Government continuing to deliver year-on-year, real-terms per-pupil increases to school funding, as the recent spending review invests an additional £4.7 billion in the core schools budget by 2024-25, including significant additional funding for high needs. Taking DSG allocations together with the £1.2 billion new schools supplementary grant announced in December 2021, mainstream school budgets are due to see an average 5.8% year-on-year per-pupil cash increase in 2022-23, with every local authority forecast to see at least a 4.7% increase per pupil.

I will place a copy of the Government response in the Libraries of both Houses.

[HCWS527]

HOME DEPARTMENT

Protect Duty Consultation: Government Response

The Secretary of State for the Home Department (Priti Patel): Between 26 February and 2 July 2021, the Government consulted on proposals for the protect duty, whereby certain venues and organisations would be required to consider terrorist threats and reasonable mitigations to these. Yesterday, the Government published a document outlining the responses to the public consultation.

The consultation sought the views of those organisations and venues potentially within the scope of the protect duty, as to how we can work together to develop appropriate security measures to improve public security. It put forward criteria and thresholds for inclusion, and considered how responsible parties for public places could consider threats, and appropriate proportionate mitigating action. It also considered what support would be required to fulfil the requirements of the duty, and what oversight and sanctions would be appropriate were there to be non-compliance.

There was an excellent response to the consultation with 2,755 responses being received via an online survey or e-mail. There were also over 80 virtual engagement events undertaken with representatives from a wide range of organisations responsible for public places.

There was broad support in the consultation responses that those responsible for public places should take appropriate and proportionate measures to protect the public from attacks, and to prepare their staff to respond appropriately. There were a wide range of views as to who a potential legislative requirement should apply to, and what they should be required to do.

The Government are carefully considering policy proposals in the light of the views raised in the consultation, in particular, how a legislative requirement could further improve public security, while not placing an undue burden on organisations which are smaller in size or staffed by volunteers, such as places of worship. Legislative proposals will be taken forward when parliamentary time allows.

A copy of the consultation response document will be placed in the Libraries of both Houses.

[HCWS526]

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