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HOUSE OF COMMONS
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PARLIAMENTARY
DEBATES

(HANSARD)

Thursday 24 March 2022

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DIGITAL, CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Gigabit Broadband

1. **Richard Fuller** (North East Bedfordshire) (Con): What recent progress her Department has made on the rollout of gigabit broadband. [906265]

The Secretary of State for Digital, Culture, Media and Sport (Ms Nadine Dorries): We are delivering the biggest broadband upgrade in UK history. National gigabit broadband coverage has rocketed from 6% to 66% in the past three years. Over 80 different companies are extending coverage further, investing more than £30 billion between them. Through Project Gigabit, we are investing £5 billion to ensure coverage in hard-to-reach areas across the UK.

Richard Fuller: My right hon. Friend is absolutely right about the Government's commitment, but as my constituency neighbour she will know that in parts of North East Bedfordshire gigabit coverage is already well below the national average. There are plans to increase it, but may I request a meeting with her or the Minister directly responsible to discuss those rural areas just outside major urban areas or towns but not in the most remote districts, which seem to be being missed by current plans?

Ms Dorries: I declare an interest. My hon. Friend is not only my constituency neighbour, but due to various boundary changes over the years we have swapped various parts of our constituency and I feel like we are joint Members for some parts of our constituencies. I would like to reassure him that premises in his constituency that are not included in the commercial providers plan will be eligible for gigabit-capable subsidy through Project Gigabit. The Project Gigabit procurement covering North East Bedfordshire is due to start by October this year, with a contract in place by September 2023. Eligible premises in North East Bedfordshire can also receive gigabit-capable connections through the broadband voucher scheme. I would very much like to meet him to talk about this matter, along with the Minister for Media, Data and Digital Infrastructure, my hon. Friend the Member for Hornchurch and Upminster (Julia Lopez).

Dr Rupa Huq (Ealing Central and Acton) (Lab): Digital exclusion is not just a rural phenomenon. In parts of Ealing Broadway, despite the road being dug up and cable laid, businesses report crippling slow times to send an email or download attachments—basic stuff that is like running water or electricity in this day and age—and don't get me started on people working from home north of the A40. Can the Secretary of State please give us a date for when all my constituents will be levelled up internet-wise? If not, will she come with me and speak to those businesses and homes, so we can hurry it along?

Ms Dorries: We were never going to go from 0% to 100% overnight. It has always been a roll-out programme. It is a huge infrastructure investment project, and it is not possible for network builders and telecoms providers to deliver everything at once. Priority is given to where the need is greatest—that includes the businesses she mentions and hard-to-reach communities—but I will take the hon. Lady's constituency concerns away with me and raise them with Building Digital UK. I will get back to her as soon as I can with a response.

Broadband and Mobile Coverage: Rural Areas

2. **Selaine Saxby** (North Devon) (Con): What steps her Department is taking to improve broadband and mobile phone coverage in rural areas. [906266]

4. **Fay Jones** (Brecon and Radnorshire) (Con): What steps her Department is taking to improve broadband and mobile phone coverage in rural areas. [906268]

The Minister for Media, Data and Digital Infrastructure (Julia Lopez): The Government are working hard to give people great connectivity whether they live in a rural, suburban or urban area. We are doing this by: making it easier for operators to roll out infrastructure; focusing public subsidy on connecting the hardest-to-reach areas through Project Gigabit; connecting schools and public buildings through our GigaHubs programme; and working with commercial partners on the shared rural network to tackle mobile notspots.

Selaine Saxby: I am sure my hon. Friend will be delighted that I am asking not about broadband but about mobile connectivity instead. I live in the beautiful village of Instow in North Devon, but my mobile signal is so poor that if I move my head when making a call I am instantly disconnected. To have 5G is a dream, yet we have more anti-5G campaigners in North Devon than in almost any other part of the country. What is my hon. Friend doing to improve mobile connectivity in villages such as mine, alongside dealing with the false information perpetuated by anti-5G campaigners?

Julia Lopez: My hon. Friend is absolutely right: I am absolutely thrilled and delighted that she is asking me about mobile rather than broadband. She raises a really important point about misinformation and how it can stifle the roll-out of fast, reliable networks, which can substitute for poor broadband in areas like hers. I spoke recently at a conference with local councils on how to support the 5G roll-out. My Department shared with them public health guidance to bust and counter some of the myths about 5G. On mobile connectivity more

generally, as I mentioned, we have the shared rural network that will see us jointly invest with industry more than £1 billion to increase 4G coverage in rural areas. In her region, that will see all four operators cover 87% of her constituency by the end of the programme.

Fay Jones: I am asking about broadband, once again. My constituents are extremely concerned that the universal service obligation, which aims to provide decent broadband coverage, is inconsistent in rural areas. Constituents in Knighton have expressed their concern about some of the contribution costs, which can be in the tens of thousands of pounds, despite some properties being only a few hundred metres away from the cabinet. What steps is the Department taking to ensure that decent and, above all, affordable broadband is being rolled out to rural areas? Will the Minister meet me to discuss some of the thornier elements of my constituency?

Julia Lopez: I would be happy to meet my hon. Friend. I appreciate her concern about the costs that have been quoted to her constituents, and it is an issue to which the regulator Ofcom is very alive. Ofcom holds responsibility for setting the universal service conditions, and it recently carried out an investigation into BT's approach to calculating excess cost. BT has since provided assurances on what it will do to mitigate the consumer harm identified in the Ofcom report. Compliance with that report will be monitored, but as I say, I am happy to meet my hon. Friend to discuss the issue in greater detail.

Jim Shannon (Strangford) (DUP): There have been giant steps forward, which we welcome, but people in some areas of my rural constituency still have difficulty getting a connection, and they cannot use their mobile phones either. What discussions has the Minister had with the Northern Ireland Assembly on working together to address those small pockets that are easy to overlook but whose residents deserve the same level of service as those in the cities?

Julia Lopez: I thank the hon. Gentleman for championing his constituency, as always. Just this week I spoke to one of his DUP colleagues about some of the great work going on with Fibrus, which is making Northern Ireland one of the best connected areas of our country and with the fastest speeds. Of course there is still more work to do. I was going to meet one of the hon. Gentleman's counterparts in the Northern Ireland Assembly to discuss the issue, but unfortunately he came down with covid. I shall follow up and arrange that meeting again.

Channel 5

3. **Rob Butler (Aylesbury) (Con):** What recent assessment her Department has made of the contribution of Channel 5 to public service broadcasting. [906267]

The Secretary of State for Digital, Culture, Media and Sport (Ms Nadine Dorries): I congratulate Channel 5 on its 25th anniversary, and I was delighted to attend the parliamentary reception this week to celebrate that significant milestone. Channel 5 has played an important and award-winning role in our public service broadcasting system, through its provision of new programming, and its unique focus on children's television. Thanks to its

significant investment in the regions, it is the levelling-up broadcaster, and I look forward to another successful 25 years.

Rob Butler: As my right hon. Friend says, Channel 5 is 25 years old this month. I was a news presenter on the channel at the beginning and for the next eight years, and our aim was to make the news more accessible to a wider audience, ensuring that everybody in the country could understand what was going on. Will my right hon. Friend join me in celebrating Channel 5's team who had the imagination and confidence to do that then, and the current team who continue to bring understandable, relevant, and relatable news to people in all parts of the UK today?

Ms Dorries: I will—I congratulate and applaud them. My hon. Friend was there on Channel 5's opening night, and so were the Spice Girls. Some of us in this House are old enough to remember that evening. Channel 5 does a huge amount for independent production companies, and one fifth of all its commissioning spending goes to those smaller companies. That is a larger spend than the BBC, Channel 4 and ITV. It also does a huge amount in the regions, and it far exceeds its Ofcom quota every year. As I said in my first reply, it is the levelling-up broadcaster, and I think those statistics alone bear that out. I wish it another 25 years, and I congratulate everybody working there.

Mr Speaker: I call the shadow Minister, Chris Elmore.

Chris Elmore (Ogmore) (Lab): I warmly congratulate Channel 5 on turning 25, along with Channel 4 on turning 40 and, of course, one of our greatest institutions, the BBC, which is celebrating its centenary in 2022. This is becoming, without doubt, a milestone year for public sector broadcasting in the United Kingdom. While the Government have been playing games with the future of the BBC and Channel 4—and we welcome the extra funding for the World Service—their journalists have risked their lives to report the facts on the front line in Ukraine. Will the Secretary of State give an assurance that any future ownership decisions that she makes on Channel 4 will ensure that its in-depth, independent journalism will be protected beyond 2022?

Ms Dorries: As I have said a number of times at the Dispatch Box, a decision has not yet been reached on the future of Channel 4. This week I met its chief executive, Alex Mahon, and its chair, Dawn Airey, and discussions are still taking place. I have yet to reach a decision, but when I do, all will be considered, including news broadcasting, the future, and the public service broadcasting remit to the nation. I have not made a decision, but when I do I will be here at the Dispatch Box and the hon. Gentleman will know the details.

Music Tours: Special Event Hauliers

5. **Kerry McCarthy (Bristol East) (Lab):** What discussions she has had with the Secretary of State for Transport on helping to ensure adequate availability of specialist event hauliers to support domestic music tours in summer 2022. [906269]

The Minister for Media, Data and Digital Infrastructure (Julia Lopez): I wrote to Baroness Vere of Norbiton, my counterpart at the Department for Transport, in February to discuss plans for supporting domestic tours through the implementation of the dual registration proposals. I am pleased to say that those are being taken forward and should come into force later this year. My Department and the Department for Transport continue to work closely with industry to understand the needs of the specialist events haulage sector.

Kerry McCarthy: I thank the Minister for that response; I am glad that the Government are finally talking about this issue, which has been flagged up as a problem for a very long time, but “later this year” will not be good enough for bands wanting to tour the UK this summer. Harvey Goldsmith has said that there are not enough trucks and not enough drivers, and that we need a solution now. What is the Minister’s answer?

Julia Lopez: That is not the message that I have heard, but I will be meeting UK Music representatives on Monday; if they share the concerns that the hon. Lady has just expressed, I will be happy to discuss those with them. The Secretary of State and I continue to do a lot of work with ministerial counterparts in other countries and across the Government on this issue. We are alive to the sector’s concerns.

Barbara Keeley (Worsley and Eccles South) (Lab): In an astonishing admission, Lord Frost, the Government’s former Brexit negotiator, recently said of musicians touring to the EU:

“There is a whole set of problems here that is making life difficult on both sides”.

Big problems include the road haulage limits, which mean that UK-based vehicles cannot make more than two laden stops in the EU, which adds a £30,000 cost to each tour. Cabotage limits can add up to £16,000 a day. Those are substantial burdens, and most tours of UK orchestras are to Europe: such tours represent 12% of their earned income. Lord Frost now believes that the Government should change and move to a more pragmatic position to ease touring. Does the Minister agree?

Julia Lopez: I thank the hon. Lady for her interest in this issue. The Department for Digital, Culture, Media and Sport is not responsible for the overall negotiating position, but as I say we have been in close discussions with other Departments. We have made progress on some of the specific issues raised with us, such as splitter vans, and we have also provided a lot of support to the wider events sector. We have made sure that carnets will not be required and we have been doing a whole bunch of other stuff.

As I said, I am meeting UK Music representatives on Monday to discuss the remaining outstanding issues, but we have also had a number of conversations with EU member states. In the vast majority of those, people no longer require permits or visas to carry out this kind of work.

Local Libraries and Regional Museums

6. **Jack Lopresti (Filton and Bradley Stoke) (Con):** What steps her Department is taking to support local libraries and regional museums. [906270]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Nigel Huddleston): The Department for Digital, Culture, Media and Sport works very closely with its public sector bodies to support the libraries and museums sector. Through the libraries improvement fund, for example, we are investing £5 million in 25 library services to upgrade buildings and technology and equip them to meet the changing needs of local communities. DCMS will directly support regional museums with £18.8 million of investment through the museum estate and development fund this year and through the DCMS Wolfson museums and galleries improvement fund, which opens in May.

Jack Lopresti: I thank my hon. Friend for the significant financial support from the cultural recovery fund that his Department has already given the Aerospace Bristol museum and STEM learning centre in Filton in my constituency. Will he give serious consideration to its application to become an Arts Council national portfolio organisation for 2023 to 2026?

Nigel Huddleston: To date, the cultural recovery fund has given out £1.5 billion in grants and loans to around 5,000 organisations. I am pleased that our investment has helped support fantastic cultural organisations such as Aerospace Bristol, which I have had the pleasure of visiting with my hon. Friend. Arts Council England decides independently which organisations to fund; the national portfolio programme is a competitive process, in which the Arts Council makes decisions on funding based on the applications it receives and, obviously, the criteria. I therefore cannot comment on this particular case, but I wish Aerospace Bristol all the best in its application. It is a great institution.

Kevin Brennan (Cardiff West) (Lab): Libraries are cultural institutions that are perhaps most accessible to a lot of the people we talk about wanting to help, who will often go into a library more easily than they might to a museum or theatre. Local authorities have a statutory obligation to provide a comprehensive service. What steps will the Minister take to ensure that local authorities are meeting that obligation and that our libraries continue to be able to offer access to all parts of our communities?

Nigel Huddleston: The hon. Gentleman is right: libraries fulfil a vital role in our local communities. The partnership between central Government, DCMS through various funds and, of course, the huge amount of money—about £600 million—that local authorities put into library services, is really important. If there are particular issues and councils are closing down libraries inappropriately, the Secretary of State could possibly get involved. If the hon. Gentleman faces that situation, he should please let us know.

James Daly (Bury North) (Con): Bury Transport Museum, which is part of the east Lancashire heritage railway in my constituency, not only preserves our regional automotive and steam engine heritage, but is a centre for education and skills training. I thank my hon. Friend for the hundreds of thousands of pounds that have been invested in the institution from the culture recovery fund. Will he agree to visit that brilliant museum and view its proposed £10 million project at Buckley Wells to preserve the world’s oldest continuously in-use steam engine locomotive shed?

Mr Speaker: There we are—the Minister can't say no.

Nigel Huddleston: How can I turn down an offer like that, Mr Speaker? As my hon. Friend says, our heritage, including our industrial heritage, is really important to this country. Support through various funding schemes—obviously, the culture recovery fund really helped—and on an ongoing basis, including through the National Lottery Heritage Fund, is really important in sustaining those entities. I would be delighted to visit.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I declare an interest, as chair of the John Clare Trust, in the English poet's house in Helpston near Peterborough and Stamford. Will the Minister do something for me and give the National Trust a good shaking? So often, the small literary houses and smaller places get neglected. The National Trust, with all its vast reserves, is obsessed with the great mansions of the rich and the powerful from the past. When will these little museums get the extra help that they need?

Nigel Huddleston: The hon. Member is making a powerful point. He will be aware that the National Trust is an independent institution, but I meet with it regularly. It fulfils a vital function in this country and I would be happy to raise with it his valid points.

Peter Gibson (Darlington) (Con): Darlington Hall is a very special place in our national railway story, so I welcome Tees Valley Combined Authority's £20 million investment in our rail heritage quarter and the expansion of the Head of Steam museum. Will the Minister outline what further steps his Department can take to support such local heritage sites?

Nigel Huddleston: Railways are the theme of this morning, and for good reason. My hon. Friend is right that they fulfil a vital role. The culture recovery fund helps to sustain many of them. Many heritage institutions, including railways, have received further support through various other Government initiatives, and many heritage institutions benefited from the levelling-up fund. Again, I would be happy to talk to him about how the National Lottery Heritage Fund could further support their goals.

Andrew Gwynne (Denton and Reddish) (Lab): Regional museums are great, but let us not forget about local museums. From Tameside's Portland Basin Museum to Stockport's Hat Works Museum, they tell the story of who we are. However, research from the Museums Association shows that there has been a 27% decline in spending on local museums by local government since 2010. What is the Minister's Department doing to ensure that councils invest in local museums so that we can continue to tell the story of our local communities?

Nigel Huddleston: The hon. Member partly answered his own question, in that this is a partnership between local authorities and the museums. It is also about reaching out to the private sector, which contributes to our museums, as well as Government support. We are trying to help when and where we can, for example, with the £18.8 million investment through the museum estate and development fund this year and through the DCMS Wolfson museums and galleries improvement

fund, which opened in May. However, this is a partnership between central Government and local authorities, as he articulated.

Casinos

7. **Scott Benton** (Blackpool South) (Con): What steps her Department is taking to review legislation governing casinos. [906271]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Chris Philp): As my hon. Friend knows, the review of the Gambling Act 2005 is under way and will conclude imminently. Part of that is about the legislation governing casinos. We have received detailed evidence from the casinos sector—I have made a few visits to the sector—and we will publish our White Paper in the near future.

Scott Benton: I refer the House to my entry in the Register of Members' Financial Interests. The Gambling Act review provides a golden opportunity to review the legislation governing casinos and to bring that into the modern age. Allowing for sports betting and electronic payments and reviewing the current machine-to-table ratio will all help to create new jobs, investment and additional tax receipts for the Exchequer. Will the Minister commit to examining the case for the changes, as well as for allowing additional large casinos in locations such as Blackpool as part of the review?

Chris Philp: The matters that my hon. Friend has raised are being considered in the review. We need to balance the ability of casinos to be economically viable with the need to keep players safe, and we are looking into how the current rules can be improved for those purposes. I know that there are seven unused Gambling Act 2005 casino licences, and I have heard my hon. Friend's powerful representations on behalf of Blackpool, particularly with the levelling-up agenda in mind.

Mr Speaker: I call the shadow Minister.

Alex Davies-Jones (Pontypridd) (Lab): The Minister is well aware of the costs of delaying action to tackle problem gambling. When the Government's long-awaited White Paper is finally published, it must go further to tackle issues with gambling licences, including those relating to the national lottery. In recent weeks, concerns have been raised about the Gambling Commission's decision to award the new licence to a company with reported links to Gazprom. Given the extremely concerning situation in Ukraine, can the Minister confirm that he is confident that the new provider has no links to the Russian regime, and if so, why?

Chris Philp: As part of its licence awarding process, the Gambling Commission has a statutory obligation to ensure that anyone to whom it gives a licence meets the fit and proper person test. I have asked the commission to assure me that it has conducted thorough inquiries to establish that the provisional licence awardee meets the test, and it has given me that assurance. There are also arrangements for the proposed licence holder to undergo the UK secure vetting process, and that work will begin shortly.

Jacob Young (Redcar) (Con): Bingo halls and adult gaming centres are important to seaside towns and high streets, and particularly important to tackling isolation among the elderly. Sadly, Redcar lost Beacon Bingo during the pandemic, but we still have some fantastic adult gaming centres, such as Playland Amusements. May I invite the Minister to come to Redcar and Cleveland and see our amusement centres in action, which might help to inform his decisions in the forthcoming gambling review?

Chris Philp: I entirely recognise the importance of bingo halls and adult gaming as elements of vibrant communities up and down the country, often providing places where people can socialise. We are certainly trying to find ways in the review of ensuring that they are able to prosper and thrive, especially given that the risks posed to game players in those settings are at the lower end of the spectrum. I know that Redcar is famous not just for its bingo and gaming centres but for its lemon top ice cream, and I look forward greatly to enjoying that.

Clive Efford (Eltham) (Lab): Despite its glaring omission of fixed odds betting terminals, the Gambling Act was largely successful, but it predates online gambling by a very long way, and it is therefore essential that we update gambling legislation to deal with that issue. When will we be able to see the White Paper so that we can start the discussion?

Chris Philp: The hon. Gentleman is right to point out that online gambling exploded some time after the 2005 Act, and it does pose a number of serious risks. On Monday, in an Adjournment debate initiated by the hon. Member for Sheffield Central (Paul Blomfield), we discussed the tragic suicide of Jack Ritchie as a result of gambling addiction, and Jack's parents, Liz and Charles, were in the Gallery listening to the debate. That case underlines the importance of taking action, particularly in relation to the online element. We are thinking about this very carefully and we do not want to rush it, but the publication of the White Paper is imminent.

Platinum Jubilee

9. **Suzanne Webb** (Stourbridge) (Con): What steps her Department is taking to mark Her Majesty the Queen's platinum jubilee. [906273]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Chris Philp): The Department is delighted to be supporting Buckingham Palace's delivery of celebrations to commemorate the exceptional service of Her Majesty the Queen over seven decades. She has a special place in the heart of the nation. Lottery distributors are providing £22 million to help communities become involved, and there will be a series of events between 2 and 6 June, including a special Trooping the Colour event and a service of thanksgiving at St Paul's cathedral.

Suzanne Webb: The summer of 1977 was truly magical for me, as a young girl—a very young girl, I should add—because it was the year of the silver jubilee, celebrating 25 glorious years of the Queen's reign. I remember the street parties, and designing a card fit for a queen, and I still have the pencil. Will my hon. Friend join me in

launching my very own card for the Queen, some 45 years later, and will he encourage young children in my constituency to enter my competition to design a card so that we can send it to the Queen from Stourbridge to mark her long and glorious reign?

Chris Philp: I was only one year old in 1977, so my memory of that is somewhat hazy, but I am delighted to strongly endorse my hon. Friend's card for the Queen campaign. I am sure that her constituents will embrace it with enthusiasm and that cards for the Queen will come flooding in from Stourbridge.

Bingo Clubs

9. **Alex Norris** (Nottingham North) (Lab/Co-op): What recent assessment she has made of the future prospects of bingo clubs. [906274]

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Chris Philp): As I said a moment ago, bingo clubs are very important. They are part of the social fabric of our country, and we acknowledge that the risks from gambling are very low in the bingo club environment. We will be looking at what we can do to help and support bingo clubs through the very imminent Gambling Act 2005 review.

Alex Norris: I am glad to hear the Minister talk about the brilliant benefits of bingo clubs to communities such as mine and about the low risk. Will he give an assurance to bingo players that in review of the Gambling Act, bingo will be assessed on its own merits based on the evidence and not just chucked in with the rest as an afterthought?

Chris Philp: I can categorically give that assurance. I have met members of the relevant industry association, and we recognise that the risks posed by bingo hall gaming are at the very low end of the spectrum. We are distinguishing between forms of gambling that are very high risk, of which there are many, and those that are low risk such as bingo.

Topical Questions

T1. [906283] **Felicity Buchan** (Kensington) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Digital, Culture, Media and Sport (Ms Nadine Dorries): As Putin continues his brutal assault on Ukraine, we have led the way in making the Russian regime a sporting and cultural pariah, convening Ministers from across the world to form a united response against the Russian dictator. We have helped to protect a historic football club while pursuing severe sanctions against Chelsea FC owner Roman Abramovich. I have also met the Ukrainian Culture Minister. In fact, we talk every day to discuss what other support we can give. I am also pleased to announce that the Government are providing the BBC with an additional £4.1 million in emergency funding to help the World Service continue broadcasting directly into Ukraine and Russia. This will ensure that audiences in the region can continue to access independent news reporting in the face of systemic Russian propaganda.

Felicity Buchan: Chelsea football club is supported by many Kensington residents. I welcome the new ticketing arrangements announced last night. Can my right hon. Friend update the House on the sale process? What the fans and the community are looking for is certainty, and of course victory over Real Madrid.

Ms Dorries: And we wish them well with that. There are certain principles that apply to Chelsea within the Department and with myself. We applied the sanctions to Roman Abramovich, and obviously he cannot benefit in any way from the club, but it was important to maintain the integrity in the club and enable the club to continue to play and the fans to continue to enjoy football. With regard to the sale, I believe that there has been a huge amount of interest. All I will say here is that anyone who is interested in buying Chelsea football club should please go straight to the club. The Government are not handling that side of—

Mr Speaker: Order. We only have seven minutes, and we are on topical questions. We need to be short and punchy, just to get some more Members in.

Jeff Smith (Manchester, Withington) (Lab): Perhaps I ought first to declare an interest as a Manchester City fan who plans to attend the FA cup semi-final against Liverpool, but is it not wrong to hold that match between two north-west teams at Wembley on a weekend when there are no trains running from the north-west to London? What influence will the Government use to get the FA to sort this problem out, ideally by moving the semi-final to another venue? Is this not just further evidence that we need the voice of fans in football decision making, and that the fan-led review needs to be urgently implemented in full?

Ms Dorries: There were a number of questions there. We are working with the Department for Transport and trying to ameliorate that situation. It is an FA decision, so we are also discussing it with the FA. It is important that we get the fan-led review in place. We have agreed in principle to a regulator, and we hope to bring that forward as soon as possible.

T7. [906290] **Anna Firth** (Southend West) (Con): The 2025 UK city of culture shortlist has just been announced, so this is a perfect moment to review and improve the bidding for the next cycle, which is currently time-consuming, burdensome and very resource-intensive. On behalf of Southend West and the new city of Southend, which will bid to be the 2029 UK city of culture, will the Department consider having a dedicated city of culture team to guide and support applicants through the process?

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Nigel Huddleston): I pay tribute to Sir David Amess for his work championing Southend, which now continues. I thank my hon. Friend the Member for Southend West (Anna Firth), who is keen to support the bid for 2029. We have just announced the final four for 2025. She makes some good suggestions, and we want the application process to be as open as possible. We will provide whatever help we can, and I am happy to talk to her further.

Mr Speaker: I call the SNP spokesperson, John Nicolson.

John Nicolson (Ochil and South Perthshire) (SNP): The Online Safety Bill was published last week. MPs on both sides of the House wanted Zach's law to be included, to protect children with epilepsy from cruel thugs who send flashing images online to trigger epileptic attacks. How many children would this measure save, and why was it not included in the Bill?

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Chris Philp): The epilepsy measures are being considered by the Ministry of Justice, but the new communications offence in clause 150 will capture epilepsy trolling because it is engaged where a communication is sent with the intention of causing serious distress.

Mr Speaker: I call the Chair of the Digital, Culture, Media and Sport Committee, Julian Knight.

Julian Knight (Solihull) (Con): I have been told by several credible sources that DCMS is briefing that the Secretary of State still wants to introduce a new Joint Committee, by a motion of this House, to monitor the regulation of online harms—even the name of its Chair and for how long it will sit have been briefed. Given there is no collective agreement and that paragraph 104 of the Government's response to the Select Committee's report expressly rules out such a new Joint Committee to scrutinise digital regulation, what is the Secretary of State's actual position on this?

Ms Dorries: We ruled out wider legislation in statute, but a Joint Committee to undertake post-legislative scrutiny of the Online Safety Bill would be established by a Standing Order and is under consideration. This is a groundbreaking, globally leading Bill, and there is expertise in both Houses. There cannot be too much ongoing scrutiny of this Bill.

T2. [906284] **Ronnie Cowan** (Inverclyde) (SNP): The gambling industry currently makes a voluntary contribution to the cost of the education, health support and research required to address gambling-related harm. The then Secretary of State, the right hon. and learned Member for Kenilworth and Southam (Jeremy Wright), said in 2019 that

"the Government reserve the right to pursue a mandatory route...if a voluntary route does not prove effective."—[*Official Report*, 2 July 2019; Vol. 662, c. 1072.]

In other words, the 2019 voluntary agreement is conditional on its being effective. With the gambling review imminent, how do we know whether the current voluntary contribution is effective?

Chris Philp: I pay tribute to the hon. Gentleman for his tireless campaigning on this issue. We are very conscious of the debate on the voluntary levy and the effectiveness of treatment. I have met and discussed this with clinicians such as Dr Matt Gaskell from the Leeds gambling centre and, of course, Dr Henrietta Bowden-Jones from the London clinic. I assure the hon. Gentleman that his question is under active consideration.

Mr Philip Hollobone (Kettering) (Con): This would have been my follow-up to Question 10. Which organisations need to do what to improve further the roll-out of gigabit-capable broadband?

The Minister for Media, Data and Digital Infrastructure

(Julia Lopez): I am delighted to report that 88% of premises in my hon. Friend's constituency can access gigabit-capable broadband, which is above the national average. Across the UK, it is two thirds. We are on track to deliver more, and we will begin procurement in 2023 to mop up the bits of his constituency that are not covered by the commercial roll-out.

T3. [906285] **Tony Lloyd** (Rochdale) (Lab): The enhanced communications offences are welcomed on both sides of the House, but does the Minister recognise that one problem the police encounter is that they cannot always identify the perpetrators? How will that be addressed?

Chris Philp: The hon. Gentleman raises a good question. Matters concerning identifying potential suspects are, generally speaking, dealt with under the Investigatory Powers Act 2016, which I know the Home Office is considering taking a look at. He is right to say that it is important for the police to be able to identify perpetrators where allegations are made, and the Government, particularly the Home Office and the Security Minister, are looking into that question carefully.

David Simmonds (Ruislip, Northwood and Pinner) (Con): On Saturday, on a visit to Northwood football club in my constituency, Ian Barry and the directors showed me a site where there is bowls, football, cricket, tennis and a number of other activities. What opportunities does the Minister see to join up the grant funding streams across different sports so that we can create enhanced, multi-sport facilities at community level?

Nigel Huddleston: That is a very important point. Through the Football Foundation in particular, we work closely with local authorities and clubs to help them work collaboratively. That includes working with multiple clubs to share facilities, because that makes sense. We are also investing £205 million to build or transform up to 8,000 multi-use sports facilities and £21 million to refurbish park tennis courts.

T4. [906286] **Mr Virendra Sharma** (Ealing, Southall) (Lab): The Secretary of State's colleague the Chancellor is intending to increase VAT on live music tickets by 7.5 percentage points, which is 50% extra. What steps is she taking to promote live music and save it from this Government's crippling tax rises?

Julia Lopez: As I said, I will be meeting UK Music and I am happy to discuss this matter with it. We have provided a huge amount of support to the live music industry throughout the pandemic, including a really successful reinsurance scheme, but I am happy to take the hon. Gentleman's points away.

Andrew Jones (Harrogate and Knaresborough) (Con): People are turning to the internet for advice on the cost of living, and we are also seeing how fake ads claiming to be from people such as Martin Lewis are used by fraudsters. So will the Secretary of State look at compelling online platforms to verify advertisements that exploit the trust and expertise that high-profile people have built?

Chris Philp: I am delighted to report to my hon. Friend that the measures he is calling for are in the Online Safety Bill, which was introduced to Parliament just last Thursday. I believe it will have its Second Reading shortly after the Easter recess, and I look forward to debating those matters with him then, but they are in the Bill.

T5. [906288] **Christian Matheson** (City of Chester) (Lab): I refer to my entry in the Register of Members' Financial Interests. It is one year since the Prime Minister told the Liaison Committee that he wanted to fix the barriers stopping music tours of Europe. What are the Government going to do to make that promise come true? [R]

Julia Lopez: I have addressed this in a number of ways earlier today. As I say, I am meeting UK Music. We have done a number of things with Departments and with counterparts in other countries to reduce the barriers for touring musicians, and we will continue to carry out that work.

Mr Speaker: The final question will be from Pauline Latham.

Mrs Pauline Latham (Mid Derbyshire) (Con): Thank you, Mr Speaker. Last month, I took the Minister to see Belper Town football club, which is a true grassroots football club. However, Derby County is in danger, and this could have a huge knock-on effect on grassroots football in the region. Please will he confirm when the full recommendations from the fan-led review of football governance, which could have helped Derby County avoid administration and all the pains of the past six months, will be brought into force?

Nigel Huddleston: It was a pleasure to visit Belper Town football club. My hon. Friend is making valid points, and she knows that I have met the English Football League and the administrators about the situation at Derby County. We will be bringing more information forward about the response to the fan-led review very shortly.

Julian Knight: On a point of order, Mr Speaker. I need some guidance from you about the answer I have just been given. Paragraph 104 of the report we have just published today and laid before the House states that

"we see real risks of duplication in creating a Joint Committee focused on digital regulation more broadly. Such a committee would cut across the work of existing parliamentary committees that are already well placed to scrutinise digital regulation and for this reason we do not support the recommendations on this from the Joint Committee on the Draft Online Safety Bill".

Should such commitments given in writing to a Select Committee be adhered to, perhaps not forever, but for more than 24 hours? What is your view on those who are briefing at the same time as a Committee Chair receives certain commitments in writing? Will you make it clear to the House that the establishment of such a Committee would need Opposition parties to agree to fill it?

Mr Speaker: I do not want to carry on the debate. The hon. Gentleman asks how Ministers can clarify their policy on establishing a Joint Committee on digital regulation. It is open to the Minister to make a written or oral statement to the House on the matter. Alternatively, the hon. Gentleman can table further questions to the

Department. He may wish to contact the Table Office for advice. Also, as Chair of the Digital, Culture, Media and Sport Committee he has a lot more powers than other people in this House, and a decision on establishing a Joint Committee of both Houses would be a matter for both Houses. So he may pursue this in other ways, but I certainly do not want to extend the debate any further.

ATTORNEY GENERAL

The Attorney General was asked—

Unduly Lenient Sentence Scheme

1. **Selaine Saxby** (North Devon) (Con): What assessment she has made of the effectiveness of the unduly lenient sentence scheme. [906253]

2. **Scott Benton** (Blackpool South) (Con): What assessment she has made of the effectiveness of the unduly lenient sentence scheme. [906254]

The Attorney General (Suella Braverman): Since the beginning of 2021, thanks to the referrals made by the Solicitor General and by me, sentences have been increased in more than 100 cases. Recently, I personally argued the case of Stephen Gibbs in the Court of Appeal sitting in Cardiff. I welcomed the decision to increase his sentence for attempted murder from 13 years to 20 years and seven months.

Selaine Saxby: Under the unduly lenient sentence scheme, it is currently only possible to submit a request to increase a sentence for causing death by dangerous driving, but the majority of pedestrian and cyclist fatalities are cases of causing death by careless driving. What is my right hon. and learned Friend doing to protect victims of crime who are not covered by the unduly lenient sentence scheme?

The Attorney General: I acknowledge the argument that my hon. Friend makes very energetically. She knows that the unduly lenient sentence scheme is reserved for specific offences in which the offender's culpability is particularly high. There are no immediate plans to extend the coverage of the scheme, but I am pleased that the Police, Crime, Sentencing and Courts Bill, which is currently going through Parliament, will allow us to take extensive action on road traffic offences, including by increasing the maximum penalty for causing death by careless driving while under the influence of drink or drugs to life imprisonment.

Scott Benton: The Attorney General will be aware of the horrendous case of my constituent Debbie Leitch, who died at the hands of her mother Elaine Clarke, who has since been sentenced to nine years and seven months in prison for her appalling actions. Will my right hon. and learned Friend meet me and my hon. Friend the Member for Hastings and Rye (Sally-Ann Hart), following our recent letter, to discuss the case with a view to considering whether the sentence is unduly lenient?

The Attorney General: It is indeed a tragic case and I extend my sympathies to all those who knew and loved Debbie. I thank my hon. Friend and my hon. Friend the

Member for Hastings and Rye (Sally-Ann Hart) for bringing the case to the attention of the Law Officers. My hon. and learned Friend the Solicitor General has reviewed the sentence imposed with the utmost care and decided to refer it to the Court of Appeal. It is now a matter for the Court to decide whether to increase the sentence.

Jim Shannon (Strangford) (DUP): Does the Attorney General agree that steps need to be taken to give the judiciary the freedom to apply greater sentences without the victim or the family having to present the case again, as is currently required?

The Attorney General: The unduly lenient sentence scheme affords the Law Officers an important power. The judiciary generally gets it right in the vast majority of sentencing decisions. In the few instances in which Law Officers, after careful consideration, consider a sentence to be unduly lenient—when there has been an error—the case is referred to senior judges in the Court of Appeal to look at the sentencing exercise and reach their own conclusion.

Violence Against Women and Girls

3. **Mr Virendra Sharma** (Ealing, Southall) (Lab): What steps she is taking to increase the number of prosecutions relating to violence against women and girls. [906255]

The Solicitor General (Alex Chalk): Tackling violence against women and girls is a central mission of this Government and, indeed, of independent prosecutors. More than 10,400 suspects were charged with domestic abuse offences in the most recent quarter for which data is available, with a conviction rate of more than 75%. Following a successful spending review, the Crown Prosecution Service is recruiting prosecutors and other staff to ensure that even more victims see justice done.

Mr Sharma: One of my constituents has provided multiple pieces of video evidence and repeatedly reported indecent exposure by a neighbour, aimed at his young daughters. The police repeatedly changed the staff who were handling the case, and then the CPS declined to prosecute for lack of evidence and because the flasher had moved. Will the Attorney General empower the CPS to prosecute more such crimes so that women and girls can have faith in the justice system to help them?

The Solicitor General: I am grateful to the hon. Gentleman for raising that important case. Under the victims code that we introduced in April last year, victims have the opportunity to seek a right to review—in other words, a right to ask the CPS to reconsider a decision—and I know many individuals will take up that opportunity. We have outlawed several offences, such as upskirting, coercive control and non-fatal strangulation, to ensure that more victims get the justice they deserve.

Russia

4. **Rachael Maskell** (York Central) (Lab/Co-op): What steps she is taking to ensure (a) UK and (b) international law is enforced against (i) the Russian Government and (ii) associated individuals. [906257]

5. **Clive Efford** (Eltham) (Lab): What steps she is taking to ensure (a) UK and (b) international law is enforced against (i) the Russian Government and (ii) associated individuals. [906258]

6. **Kerry McCarthy** (Bristol East) (Lab): What steps she is taking to ensure (a) UK and (b) international law is enforced against (i) the Russian Government and (ii) associated individuals. [906260]

The Attorney General (Suella Braverman): The UK is playing a leading role in supporting the Ukrainians in their fight against Russian aggression. Over recent weeks, I have had the privilege of speaking to Ukraine's Prosecutor General, Iryna Venediktova, for whom I have the greatest respect, as she fights tirelessly for justice and accountability for the people of Ukraine. She and I have signed a memorandum on co-operation, which underlines the UK's support for accountability and reinforces our joint efforts to gather and preserve evidence for use in future criminal trials.

Rachael Maskell: A month ago today, this aggressive war of Putin's was unleashed on Ukraine. We continue to stand with the people of Ukraine as they fight for peace. However, I question why the UK's sanctions, which continue to be slow, have also failed to be robust. Mr Usmanov is clearly laughing at this Government; he has moved hundreds of millions of pounds into irrevocable trusts. Why did the Attorney General not insist that the sanctions regime be made watertight?

The Attorney General: I reject that characterisation of our sanctions regime. The UK is leading the world and our allies in terms of the extent and the unprecedented nature of our sanctions package. We have sanctioned more than 1,000 individuals and entities; there were 65 more announcements today. We are seeing the impact, and that is what counts—the impact of the sanctions is having a huge effect on the Russian economy. The rouble has plummeted in value. The stock market has crashed. Inflation has risen. That, not political point scoring, is what is going to beat Putin in this war.

Clive Efford: The Government are very quick on announcements, but very slow on action. The Attorney General will be aware of the SLAPP—strategic litigation against public participation—litigation being used by Russian oligarchs to wear down investigative journalists and campaigners. The purpose is not to take them to court, but to bury them under a whole load of requests to produce documents and answer questions; it is to wear down their resources. We need urgent action. Can she say what she is doing to shut down, urgently, the use of SLAPP litigation?

The Attorney General: Absolutely. The Deputy Prime Minister and Lord Chancellor recently announced urgent action he will be taking to target exactly the SLAPP litigation to which the hon. Gentleman refers. He will be introducing measures, in the public interest, so that we stop the abuse of our legal process and ensure that legal tools are not abused and misused in this way.

Kerry McCarthy: We have allowed the system to be misused for a very long time and that is why we are running to catch up now.

What are we doing to gather evidence of war crimes? It was good to see the US Secretary of State Antony Blinken formally accuse Russia of war crimes in Ukraine. Will the Attorney General say what role the UK's sexual violence in conflict experts could play? It seems clear that rape is being used, once again, as a weapon of war, in Ukraine.

The Attorney General: The hon. Lady raises an incredibly worrying point. It does look as if there is very strong evidence to support claims of sexual violence being used in this conflict, which is completely abhorrent and horrifying. We have a strong track record. A few years ago, the Foreign and Commonwealth Office led the way, alongside Angelina Jolie, in raising the profile of this weapon in conflict and in taking concrete action against it. The Foreign Secretary will make an announcement on the issue very soon. On evidence gathering, as I mentioned, I have reached an agreement with the Ukrainian Prosecutor General. My hon. Friend the Deputy Prime Minister is working to lead an international coalition with the International Criminal Court, focusing on evidence gathering and on building resources to assist an independent prosecution, so that we bring war criminals to justice and secure accountability.

Mr Speaker: I call the Chair of the Select Committee, Sir Robert Neill.

Sir Robert Neill (Bromley and Chislehurst) (Con): Thank you, Mr Speaker. I welcome very much the establishment of a war crimes taskforce, on which my right hon. and learned Friend serves, and the additional funding that the Ministry of Justice has given to the International Criminal Court.

The war crimes that are undoubtedly being committed in Ukraine are being committed on the territory of a country that adheres to the conventions of the ICC, which therefore has jurisdiction. Will the Attorney General take on board the very important point made by the chair of the Bar in a speech last night, that even though Putin and his cronies may be beyond our reach at the moment, the bringing of an indictment is itself an important signal that we stand up for the rule of international law? Will she take up the suggestion of working with the legal professions and seconding British lawyers to the ICC to strengthen its investigations team?

The Attorney General: My hon. Friend makes a very important point. He has almost taken the words out of my mouth. I am very pleased in my capacity as leader of the Bar to be working with the Bar Council. There is a huge opportunity to build on the wealth of expertise in the English legal system. We have renowned experts in public international law, and I echo the call made by the chairman of the Bar for all of those in private practice who wish to serve, whether through working with the ICC or to support the Ukrainian Prosecutor General, to get in touch with the Bar Council and the Law Society so that we can channel their efforts to the best possible use.

Andy Slaughter (Hammersmith) (Lab): The Levelling Up Secretary has been boasting for weeks that the Government will seize oligarchs' mansions, but they have no idea how to do so legally, and by the time they work it out the culprits will be clean away. The Justice

Secretary is a sudden convert to anti-SLAPP legislation, biting the hands that used to feed the Tory party, but shows no urgency to legislate. The Attorney General is investigating her own Serious Fraud Office for failures to prosecute, yet the SFO is so starved of money that its yearly budget would not buy one of Abramovich's yachts. It is pathetic. Do the Government lack the means to bring international criminals to justice, or do they just lack the will?

The Attorney General: I am very disappointed by the hon. Gentleman's charge, which is completely unfounded. The reality is that the actions that we have taken are world leading. We introduced emergency legislation not so long ago. We are considering the confiscation of assets, of course at all times within the legal remits and according to due process. What we are doing, and the effect of our actions, is clear: we are starving the oligarchs and those who are funding Putin's murderous activities of access to their finance. We are going after his corrupt cronies and key businesses directly. We are paralysing the military-industrial complex, and that will be how we strangle the economic funding for this brutal activity.

Angela Crawley (Lanark and Hamilton East) (SNP): Given that Russia is not a member of the ICC and will almost certainly refuse to recognise its jurisdiction, what discussions has the Attorney General had with her international partners on alternative forums for prosecution? Does she agree with former Prime Ministers John Major and Gordon Brown that a court could be set up for that purpose, as was the case in Nuremberg?

The Attorney General: Of course, all options are on the table, and I will always defer to my counterpart in Ukraine, the Prosecutor General, in my efforts to support her and her choice of route for redress. While we welcome the focus on accountability, we believe that the International Criminal Court is the right place for those responsible for committing these atrocious crimes in Ukraine to be held accountable for their actions. That is why, led by the Deputy Prime Minister, we are focusing all our energy, all our assistance and all our resources on the ICC prosecutor's independent investigation.

Economic Crime

7. **Suzanne Webb (Stourbridge) (Con):** What steps she is taking to ensure effective prosecution of economic crime. [906261]

9. **Felicity Buchan (Kensington) (Con):** What steps is she taking to ensure effective prosecution of economic crime. [906263]

The Solicitor General (Alex Chalk): The Government's plans on tackling financial crime are outlined in the economic crime plan, which recognises the important roles played by both the Crown Prosecution Service and the Serious Fraud Office. In the year ending September 2021, the CPS prosecuted over 7,600 defendants where fraud and forgery were the principal offence, and the conviction rate was 84.9%. Over the last five years, the SFO has secured reparations for criminal behaviour from organisations that it has investigated, totalling over £1.3 billion.

Suzanne Webb: I thank the Solicitor General for that answer. It is important that the Crown Prosecution Service and the Serious Fraud Office adapt to the ever more sophisticated techniques that criminals are using to commit fraud and evade prosecution. Can my hon. Friend share any examples where either the CPS or the SFO has sought to change its working practice to evolve with the changing nature of economic fraud?

The Solicitor General: My hon. Friend is absolutely right: the threat is evolving, which is why the Crown Prosecution Service has decided to merge its specialist fraud, organised crime, and international headquarter divisions into one new directorate—the serious economic, organised crime and international directorate. This will increase flexibility, enhance capacity, build resilience and ensure that learning is shared to improve expertise in tackling economic crime.

Felicity Buchan: I appreciate that answer. Can my hon. and learned Friend update the House on the process of replacing the services currently provided by Action Fraud and the National Fraud Intelligence Bureau?

The Solicitor General: The programme to replace the Action Fraud service is being funded as part of the £400 million investment in economic crime, so no additional money, as I heard sotto voce from the Opposition Bench. As well as continuing improvements to the reporting process, including the call centre and website, the new programme will also deliver vastly improved data and intelligence capabilities, and 350 new investigators and intelligence officers.

Tony Lloyd (Rochdale) (Lab): Economic crime and fraud are not simply at the very top level; they are volume crime. They are the most likely crimes to affect ordinary people, and neither the police nor the authorities are equipped to deal with them. Is it not about time that we got serious on economic crime and made sure that we invested in the investigating process that can make a real difference, as that is not happening?

The Solicitor General: The hon. Gentleman is absolutely right: fraud is a cruel crime. It is not a victimless crime and it can destroy lives. That is why it is so important that the proper resources are allocated, as I indicated. A total of 7,600 individuals have been prosecuted for fraud, with an 85% conviction rate. We also have £400 million more going in. Moreover, over the past five years, £500 million has been secured by the CPS in confiscation orders, returning more than £120 million to victims of fraud.

Mr Speaker: I call the shadow Attorney General.

Emily Thornberry (Islington South and Finsbury) (Lab): At the heart of any legislation on economic crime is the basic principle that anybody who wants to make money in the UK needs to obey the UK's laws. Yesterday, the Prime Minister said that P&O had "broken the law", that we will be "taking action" against it, and that we will take it to court

"under section 194 of the Trade Union and Labour Relations (Consolidation) Act 1992".—[*Official Report*, 23 March 2022; Vol. 711, c. 325.]

Can the Solicitor General tell us, as part of the team of Government lawyers, whether he agrees with the Prime Minister's statement? Does the statement reflect the team's own legal advice to the Prime Minister, and, assuming that it does, what are the next steps in the legal proceedings that the Government intend to take against P&O for breach of the 1992 Act?

The Solicitor General: The Government absolutely deprecate and abhor the actions that have been taken by P&O, and the Prime Minister was very clear about that. What we will not do is indulge in point-scoring, but we will take every possible step within the law. The right hon. Lady will understand that that requires an important liaison with the Insolvency Service to ensure that we know what the position is. If the law allows for a prosecution, I can tell her that this Government will not hesitate to take every action necessary.

Online Fraud

8. **Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): What steps she is taking to (a) ensure prosecution of people who commit online fraud and (b) recover stolen funds for victims of online fraud. [906262]

The Solicitor General (Alex Chalk): I am grateful to the hon. Gentleman for his question. Economic crime is highly complex, often cyber-enabled and spans multiple jurisdictions. In recognition of that and to keep pace with the changing nature of crime, the CPS published its first ever economic crime strategy last year, which affirms its commitment to improving criminal justice outcomes and supporting victims. The conviction rate for fraud and forgery over the past period was 84.9%, and, as I indicated, in the past five years £568 million was enforced in respect of CPS-obtained confiscation orders.

Mr Sheerman: Has the Minister seen the Age UK report and the way that organised crime, which includes highly sophisticated big players, is targeting elderly people? A total of 800,000 elderly people were defrauded last year. Somebody is defrauded every few seconds in this country. These players are homing in on our most vulnerable people, and what we are doing as a Government—no, what he and his colleagues are doing as a Government—seems to be amateur when compared with these professionals.

The Solicitor General: That is why I am so delighted that at the spending review the Government allocated a full £400 million to boost efforts in the fight against crime—money that goes to the National Economic Crime Centre, the National Crime Agency and the police—together with 20,000 additional police officers. Those fraudsters need to understand that there is nowhere for them to hide.

Fraud and Economic Crime

10. **Kate Osamor** (Edmonton) (Lab/Co-op): What steps she is taking to increase the effectiveness and efficiency of the (a) Serious Fraud Office and (b) Crown Prosecution Service in tackling fraud and economic crime. [906264]

The Attorney General (Suella Braverman): Economic crime is highly complex. In the year ending September 2021, the CPS prosecuted 7,609 defendants where fraud and forgery were the principal offence, with a conviction rate of 84.9%. As for the SFO, it performed strongly last year: in 2021, it secured three deferred prosecution agreements, including one with Amec Foster Wheeler Energy Limited involving a financial settlement of £103 million. Furthermore, it successfully prosecuted GPT Special Project Management and Petrofac, resulting in just over £100 million in financial penalties.

Kate Osamor: Between 2013 and 2019, the Serious Fraud Office secured convictions against five corporations out of 43 investigations. We can literally count the number of successful prosecutions on one hand. Does the Attorney General regard that as an acceptable recent track record for the Serious Fraud Office? If not, how does she plan to change it?

The Attorney General: The hon. Lady makes an interesting point. Just yesterday I met the director of the Serious Fraud Office; I am glad that this year looks like a very active year. The SFO is taking seven trials involving 20 defendants to court in 2022, and will be pursuing those convicted to ensure that funds from criminal conduct are confiscated and victims are rightly compensated. The estimated value of fraud across all seven trials this year is more than £540 million in a number of jurisdictions. That is a great amount of work, and something we should all be getting behind.

Business of the House

Mr Speaker: I wish the best of health to the shadow Leader of the House, and welcome her replacement today, Jessica Morden.

10.36 am

Jessica Morden (Newport East) (Lab): Thank you very much, Mr Speaker. Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Mark Spencer): It would be a pleasure. I join you, Mr Speaker, in wishing the shadow Leader of the House all the best for a speedy recovery, and welcoming the hon. Member for Newport East (Jessica Morden) to her place.

The business for the week commencing 28 March will include:

MONDAY 28 MARCH—Consideration of Lords amendments to the Skills and Post-16 Education Bill [*Lords*]; followed by consideration of Lords amendments to the Police, Crime, Sentencing and Courts Bill; followed by debate on a motion on war pensions and armed forces compensation scheme payments. The subject for that debate was determined by the Backbench Business Committee.

TUESDAY 29 MARCH—Debate on a motion to approve the Coronavirus Act 2020 (Delay in Expiry: Inquests, Courts and Tribunals, and Statutory Sick Pay) (England And Wales and Northern Ireland) Regulations 2022 and a motion under the Coronavirus Act 2020 relating to the renewal of temporary provisions; followed by Opposition day (18th allotted day, first part). There will be a debate on a motion in the name of the official Opposition, subject to be announced.

WEDNESDAY 30 MARCH—Consideration of Lords amendments to the Health and Care Bill, followed by, if necessary, consideration of Lords amendments.

THURSDAY 31 MARCH—If necessary, consideration of Lords amendments; followed by a general debate on the impact of long covid on the UK workforce; followed by a debate on matters to be raised before the forthcoming Adjournment. The subjects for these debates were determined by the Backbench Business Committee.

At the conclusion of business on Thursday 31 March, the House will rise for the Easter recess and return on Tuesday 19 April.

The provisional business for the week commencing 18 April will include:

TUESDAY 19 APRIL—Second Reading of the Online Safety Bill.

I can also confirm to the House that the state opening of Parliament will take place on Tuesday 10 May and the current Session of Parliament will be prorogued ahead of the Queen's Speech. The date of Prorogation will be confirmed in due course.

Mr Speaker: I call the acting shadow Leader of the House, Jessica Morden.

Jessica Morden: I thank the Leader of the House for the forthcoming business. You beat me to it, Mr Speaker, but eagle-eyed fans of business questions will, I am sure, notice that I am not my hon. Friend the Member for Bristol West (Thangam Debonaie), the shadow

Leader of the House. Like so many up and down the country, she is suffering from covid, so I wish her and others a very speedy recovery.

Tuesday marked five years since the Westminster terror attack, and we remembered those who tragically lost their lives, including PC Keith Palmer. We are forever indebted to him and to his family for their sacrifice. Today I would also like to take the opportunity to thank all those who are continuing to keep us safe.

Today marks one month since Russia's illegal invasion of Ukraine, with more and more war crimes being committed each day. The Labour party stands with our allies, including NATO and our other partners, in complete solidarity with the Ukrainian people. However, this devastating situation is also having implications for our own security situation. In yesterday's spring statement there was no mention of stopping cuts to our armed forces. Other European Governments have already acted to reboot their plans and review defence spending, but the Chancellor has not announced any halt to Army cuts. There was no review of defence spending, no reform of military procurement, and no change to the real cut in day-to-day Ministry of Defence spending. This means less money for forces recruitment, training, pay and families. Can we have a statement from the Defence Secretary on how he plans to keep Britain safe if these cuts go ahead?

The Chancellor has been responsible for 15 tax rises in the past two years, and even though he proclaims that he believes in low tax, the Office for Budget Responsibility has confirmed that he has reversed only about a sixth of the tax rises he has announced since he took the job. The national insurance threshold rise is nothing more than a cynical attempt to distract from the fact that for every £6 this Chancellor takes away from people he has given them back just £1. Can we have a statement from the Chancellor on when it became Government policy to turn Britain into a country of high tax and low growth?

Families are facing the biggest fall in living standards since records began in the 1950s. The majority of households will see, on average, a £1,300 increase in year-on-year bills by October. Some 6.5 million households across the country will be facing fuel poverty next week. Our proposal for a one-off windfall tax on oil and gas producers would cut household energy bills by £600, helping those who need it most. As a Member for a Welsh constituency, I am proud that the Welsh Labour Government have again put in a more generous package of support for those who need it. Why are this Government not doing the same? Can the Leader of the House explain why this Government are happy to raise taxes on hard-working people but will not do the same for oil and gas companies?

Yesterday the Prime Minister said that he was taking legal action against P&O Ferries, but his officials are now saying that he overstepped the mark. Can the Leader of the House explain whether the Business Secretary has issued proceedings against P&O, and if not, why, a week on from these shameful sackings, the Government have done absolutely nothing to help these British workers? In fact, this Government have consistently voted to continue to allow bullying tactics from a few bad employers, and on Monday Conservative Members were whipped to abstain on our motion to outlaw fire and rehire. Can we have a statement on why this Government have let British businesses be undercut and let British workers down for the past decade?

Mark Spencer: I welcome the hon. Lady to her place. She is as enthusiastic as the shadow Leader of the House in the number of questions that she asks.

First, I join the hon. Lady in paying tribute to Keith Palmer and recognising the enormous sacrifice that many in our security services make in keeping us safe and defending us. There were a number of services to recognise the fifth anniversary, but it is important that we never forget the sacrifices that those individuals have made. I thank her for drawing the House's attention to that.

The hon. Lady went on to talk about the Russian invasion. Again, I thank her. The House's unity on this matter is exemplary. It is vital that we stick together and continue to send strong messages. Working with our international colleagues, this House will continue to send a robust message to the Putin regime.

The hon. Lady went on to pivot to funding of our armed services and a request for a debate. She will be aware that next week we have Defence questions, so she will have the opportunity to question the Secretary of State for Defence himself as he stands at the Dispatch Box. I am sure that when she does so, she will hear, once again, that we are the largest spenders on defence in the EU. We are already funding one of the best armed services in the world, and we continue to do that. That funding and that professionalism in our armed services is one reason why the people of Ukraine can defend themselves against Russian aggression with the weapons and technical support that we are supplying. We should be enormously proud of that. We have great armed services and we will continue to fund them properly.

The only way that we can do that, however, is through sound economic management and the hon. Lady went on to talk about the spring statement. Yesterday, the Chancellor of the Exchequer set out his tax plan. He certainly has a plan to deliver for the United Kingdom, to continue to keep us on the straight and narrow and to plot a path through the enormous economic challenge that the world is facing. Putin's invasion of Ukraine has sent ripples around the world through the energy and food markets—it will have an impact on the whole world.

In the UK, we have a plan to deal with that. Inflation is actually lower than in the US. Yesterday, the Chancellor cut fuel duty to help people who are struggling to fill up their car, which is a £5-billion tax cut for motorists in the UK, and cut national insurance now, which is a £6-billion tax cut for people. Instead of the Labour party's policy of a windfall tax on energy companies, which is a broadbrush approach, the Chancellor is targeting the hard-working families who need support so that the people with the broadest shoulders bear the burden of taxation. That is the fair and right way to approach our taxation system.

The hon. Lady concluded by mentioning P&O Ferries. I join her in condemning its action. The way in which it treated its staff is abhorrent and it should be held to account. She will have heard the Prime Minister's comments yesterday that it will be held to account in terms of the employment laws of the United Kingdom. I hope that P&O will reflect on the way it conducted itself and will find a way to reinstate and support its staff.

Dean Russell (Watford) (Con): Will my right hon. Friend join me in congratulating Nik Allen and his team at *My Local News* on the 2,000th edition of their magazine, which reaches households across most of my constituency, including Abbots Langley and Garston; provides important local news and community information; and promotes local businesses? Will he advise me on how I can best help to promote the important role of vital local journalism in the House and celebrate such magazines in Watford and across the UK?

Mark Spencer: In asking the question, my hon. Friend has achieved that. I join him in congratulating the team at *My Local News*. Local newspapers and magazines play an important role in our communities and I encourage him to apply for an Adjournment debate or a Westminster Hall debate to highlight that.

Mr Speaker: Deputising as the SNP spokesperson, I call Owen Thompson.

Owen Thompson (Midlothian) (SNP): I echo the comments of the hon. Member for Newport East (Jessica Morden) in sending my best wishes to the shadow Leader of the House, the hon. Member for Bristol West (Thangam Debbonaire), and in remembering Keith Palmer and all those who keep us safe. The Facebook memories from five years ago that I saw a few days ago were quite something. I also echo the comments about the ongoing tragedies in Ukraine.

The cost of living crisis is fast becoming a catastrophe for millions of families. The Resolution Foundation has found that the number of people in absolute poverty in the UK is expected to rise by 1.3 million next year. Having heard the Chancellor's leadership pitch yesterday, can we now have a statement that actually details a financial package to offer meaningful support to pensioners, the disabled, people on benefits and those struggling on lower incomes who currently have to choose between heating and eating?

It is nine months since the Parliamentary and Health Service Ombudsman confirmed the WASPI women's claim that the Department for Work and Pensions was guilty of maladministration, yet nothing has happened. Can we have a debate in Government time to detail a timetable to properly compensate the women affected? We have also heard reports that there are plans for further aid cuts through the international development strategy, so I would be grateful if the Leader of the House arranged for a statement to be made to clarify that position.

My right hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) has been heavily involved in securing the safe passage of the Dnipro kids, who have gratefully made their way here, but many others have not been as helpfully supported. When can we have a statement from the Home Office to outline a change of direction that shows a generosity of spirit similar to that it managed to find with the Dnipro kids, so we can finally end the requirement for visas and make it far, far easier for others fleeing Ukraine, as has happened in other European countries?

Finally, with the change to Monday's business, I am very grateful personally to the Leader of the House and to the Backbench Business Committee for the rescheduled debate on the armed forces compensation scheme

[Owen Thompson]

war pension. It is indeed my own debate and I take this opportunity to encourage all Members to take part in it.

Mark Spencer: I welcome the hon. Gentleman to his place. It is a pleasure to be able to accommodate him on Monday. He is twice the man of the usual SNP spokesman, I think the House will agree. I am grateful to him for his comments about Keith Palmer and for once again expressing the unity across the House in our response to Russia.

The hon. Gentleman talks about the Government's approach to tackling poverty and he is right to do that. I hope he recognises that the best way out of poverty is through work and for that work to pay, and for those people who are in employment to pay as little tax as possible. That is what the Chancellor set out yesterday when he reduced the amount of tax for those in the lowest paid employment. In previous Budgets, he set out a reduction in the taper levels for universal credit, so people retain more of their income. That is the right approach to fiscal responsibility and to ensuring the economy continues to grow, so that we can afford to pay people who are in employment more money and they can retain more of their wages. That is the right way to approach people working their way out of poverty and we are making great progress in that direction.

The hon. Gentleman went on to talk about refugees and made reference to the airplane with the children on, which I hope has now landed. I congratulate him on his role in securing that safe flight for those individuals. Of course, there is more we can do and we continue to do more. We in the United Kingdom are actually one of the most generous nations in the world when it comes to supporting refugees. We have an excellent programme, which is available to support as many people as possible coming here. We are opening up to nearly 100,000 school-children, who will receive support through the education system. At the same time, we also have a great package of humanitarian support, as well as military support, going to Ukraine, and I think that is the right balance. We are playing our part and we are leading the international community in doing that.

The hon. Gentleman made reference to a debate on the armed forces on Monday, which I think we have granted. I thank him for his questions.

Sir Geoffrey Clifton-Brown (The Cotswolds) (Con): The Leader of the House will be aware that the joint Commissions—the House of Lords Commission and the House of Commons Commission—in their meeting on 17 March on restoration and renewal, decided yet again to employ more consultants. Surely, whether one wants to decant or not, what we ought to do in this House is make up our mind what we want to do. It is costing us £100 million every year we delay and it is costing us £130 million every year in maintenance. Will the Leader of the House please provide for a debate in Government time, so that we can debate the whole matter of this huge project and try to find a sensible way forward?

Mark Spencer: I thank my hon. Friend for his question. Restoration and renewal has always been a parliamentary programme and it remains so. It is for Parliament to

decide how the programme evolves. We have stressed throughout that there can be no blank cheque for this work. That is why the Commission was concerned when in January it considered estimates ranging from £7 billion to £13 billion and decanting for between 12 years and 20 years. Both Commissions have therefore taken an initial decision to change the sponsor function. This is, of course, a House matter and the Government will seek to facilitate bringing that and other related decisions to the House for consideration once the Commission has completed further work on the proposed approach.

Ian Mearns (Gateshead) (Lab): I thank the Leader of the House for announcing the business for next week. Given that we have had this afternoon's business so cruelly snatched from us at the eleventh hour, I appreciate him announcing the Backbench Business debates for Monday and Thursday next week. Will the Leader of the House confirm whether there will be some measure of protected time for the Backbench Business Committee debate on war pensions and armed forces compensation scheme payments on Monday? That may not be a problem, but one never knows what can arise in the parliamentary agenda on the day. I thank him for announcing the date of the state opening on 10 May. Given that there is no general election or change to the membership of the House, could some preparatory work be done prior to prorogation so that the Backbench Business Committee can be re-established as soon as possible after the Queen's Speech? That should not be beyond the wit of man.

Mark Spencer: I thank the hon. Gentleman for his question, and I confirm that he will get two hours of protected time on Monday. Subject to progress in the House, he may of course get more time if other business progresses more quickly. I hope that will satisfy him, and I hear his plea about the re-establishment of the Backbench Business Committee after the Queen's Speech. I am sure the Chief Whip, who is in his place, has also heard it.

Claire Coutinho (East Surrey) (Con): The University of Nottingham recently decided to withdraw the honorary degree of Dr Tony Sewell, who spent decades of his career combating racial inequality in this country, because it found his recent report on race, which was thoughtful, detailed and rooted in evidence and data, too controversial. Does my right hon. Friend agree that free speech and the free exchange of ideas is the foundation of social progress in this country, and that rather than penalise contributors to that important debate, universities should be encouraging them? Will he make time for a debate on that important topic?

Mark Spencer: I join my hon. Friend in thanking Tony Sewell for his dedication to public service. She is right to raise this issue, and I was disappointed to see Nottingham University endorsing cancel culture. Those sorts of actions prevent ethnic minorities from participating in public life.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): As we know, asbestos in school buildings is still a real problem, and something that we ought to be much more concerned about. Asbestos more generally is an issue, and if we could have a debate on that in Government time, we might also have the opportunity

to discuss the asbestos leak that took place in this building but was not notified to most people, except through HuffPost's good journalism, with about 170 people now on 40-year health watches as a result. Will the Leader of the House consider a debate in Government time on the vital issue of asbestos and health?

Mark Spencer: The hon. Lady is right to say that this is an important issue. She will be aware that the case to which she refers within the House of Commons is currently subject to a Health and Safety Executive investigation, and I expect the result of that to be made public once it has concluded. I assure her that House of Commons teams working in those areas take such matters seriously, and a number of procedures are in place to try to prevent such a leak again. Once that investigation has concluded, I am sure that any recommendations will be fully implemented, and we can be assured that those working and operating as contractors in this building are safe.

Ben Bradley (Mansfield) (Con): Yesterday, I was pleased to hear the Chancellor commit to reforming and reducing tax, and to sharing the proceeds of growth more fairly around the country. One of the least fair taxes has to be council tax, which is based on the wrong criteria and out-of-date figures. Many of the lowest paying areas for council tax are in central London, where very often people pay less than half of what those in two-tier county or shire areas might pay. Some of that might be to do with Nottinghamshire having had wasteful Labour administrations for 32 out of 40 years, but it is also due to structures and the way such things are set up. May we have a debate in the House to seek to inform the Chancellor's review of local government fair funding and council tax, to help him to simplify and reform that system?

Mark Spencer: My hon. Friend is a keen advocate and champion for local council tax in Nottinghamshire, and his leadership of Nottinghamshire County Council is exemplary. I know that he will bring fairness to those people in Nottinghamshire through his office, as well as his leadership of that council, and I am sure he will continue to hold the Government to account. There will be opportunities for him to debate such matters either via a Backbench Business Committee debate, or an Adjournment debate.

Wendy Chamberlain (North East Fife) (LD): The Government have chosen not to waive visas, and a constituent of mine has said:

"My mother is still in Poland waiting for the decision on her visa application. I submitted it on her behalf on 15th March, and only today I got a confirmation from UKVI that her documents have been received. Depending on the priority of application, the time for decision is between 24 hours and 5 working days, and there is no way find out either the priority category, or to track the application."

May we have a statement to give some clarity on the processes so that our constituents can plan for family members coming to the UK?

Mark Spencer: If the hon. Lady sends me the details of the constituency case that she is talking about, I will ensure that Foreign Office or other Ministers respond to her in a timely way.

Mr Peter Bone (Wellingborough) (Con): I am sure that my right hon. Friend will agree that the Prime Minister has shown exceptional leadership during the war in Europe and that the extra missiles being provided by the United Kingdom are an example of help to the beleaguered country of Ukraine. I am also sure that he will welcome the unity of the House in the fight on Ukraine's side. I hope he will be able to announce today that the Prime Minister will give a statement to the House on Monday to update us on what happened at NATO. I look forward to my right hon. Friend's response.

Mark Spencer: I am grateful for my hon. Friend's question. I am not one who often understands subtlety, and yesterday I may have inadvertently referred to my hon. Friend as "the hon. Gentleman" rather than "my hon. Friend". I hope I did not cause him any offence. He should be assured that nobody believed that he was an hon. Gentleman when I made that inadvertent error yesterday.

My hon. Friend is a huge champion of parliamentary democracy. He is right to continue to ask for the House to be updated on a regular basis. I know he will continue to do that and I hope he will recognise that the Government have been responding from the Dispatch Box to keep this House informed.

Janet Daby (Lewisham East) (Lab): All partially sighted people and people with sight loss should have the confidence to use trains safely, but that was not the situation for my blind constituent who, two years ago, tragically died by walking in front of a train. The station lacked audio announcements and tactile paving. Will the Leader of the House join me in paying tribute to my late constituent's partner, Mr Hall? Next week, we will hear whether he has won the Royal National Institute of Blind People "See Differently" award for his campaigning on behalf of people with sight loss. Will the right hon. Gentleman also press his Cabinet colleagues to ensure that all stations have tactile paving? Many still do not, and tactile paving saves lives.

Mark Spencer: I am truly sorry to hear about the hon. Lady's constituent's plight. That truly is a terrible story. The Secretary of State for Transport is committed to trying to improve disability access to all our stations and public transport. The hon. Lady will understand that an enormous amount of capital investment is going into those services, but I will make sure that the Secretary of State for Transport is aware of her question and that we do all we can to prevent such a tragedy from happening again.

Sir Robert Neill (Bromley and Chislehurst) (Con): This week, the Royal Gibraltar Regiment has been mounting guard at the royal palaces and the Tower of London; I refer Members to my declaration in the Register of Members' Financial Interests. Will my right hon. Friend join me in congratulating the regiment on that honour and in paying tribute to its work as an integrated part of the British armed forces? Will he find time for a debate on the value of Gibraltar to the United Kingdom and the British family, and on the links that bind us together?

Mark Spencer: My hon. Friend is right to draw the House's attention to not just Gibraltar but many nations around the world that co-operate with our armed services.

[Mark Spencer]

The regiment has received an honour. I thank him for putting it on the public record and congratulate all those involved.

Mr Speaker: The regiment will be coming to visit Parliament as well, as part of the British Army.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I was grateful that the Leader of the House seemed to suggest last week that there would be regular updates on the tragic situation in Ukraine, and I hope that we will have an update soon. Last week, I asked about a Huddersfield resident, Richard Dass, who is ferrying people to the border and ferrying supplies in his camper van. He wants to know which medical devices we can get over to him from this country, and I would appreciate some help on that.

Perhaps I can ask one more question. Did the Leader of the House see the pictures of the young girls in Afghanistan who were turned away from their education when they turned up for the first day of term? That is a disgrace. May we have a debate soon on what is happening to women and girls worldwide who are being deprived of education?

Mark Spencer: The hon. Gentleman will have an opportunity to raise that matter at Women and Equalities questions next Thursday, and he would be right to do so. We have a proud record on women's education around the world and the Prime Minister is a huge champion of that. We in the UK are leading on it and will continue to do so.

The hon. Gentleman also referred to Ukraine and the situation with Russia, and I will try to assist him with that. His other point was that it is important to recognise that there are other challenges around the world. A lot of our focus at the moment appears to be on Ukraine, but we must not forget other parts of the world that have challenges with which we can help and assist.

Michael Fabricant (Lichfield) (Con): Two and a half weeks ago, the Independent Expert Panel produced a report on the activities of John Bercow in which more than 21 incidents of bullying of staff members of this House were proven. For eight years that cast a dark shadow over this place, and when whistleblowers, including myself, tried to raise it in the Chamber, we were shouted down. Indeed, on one occasion, a former Labour Leader of the House came up to me and told me that it was inappropriate even to mention the subject in this Chamber.

I am slightly disappointed that since the report came out we have not had a statement on it from the Leader of the House and, in particular, about what future safeguards we can put in for after you have left, Mr Speaker. I hope you stay for a long time—[*Interruption.*] I do! However, if another unscrupulous Speaker—a serial liar, a serial bully—were to replace you, something must be put in place to stop what happened last time. When will we hear about some initiatives from our Leader of the House?

Mark Spencer: The answer is: right now. To be clear, there is no place for bullying or harassment in Parliament and MPs should be held to the highest standards. That

is why the Independent Complaints and Grievance Scheme was set up to improve the working culture in Parliament. I hope that the decision of the ICGS gives all people in Westminster the confidence that if they come forward their cases will be heard fairly and that those who commit such actions will be held to account.

Ms Anum Qaisar (Airdrie and Shotts) (SNP): The Chancellor's spring statement yesterday had little in the way of support for those struggling with rising food costs and other essentials. In a recent survey in my constituency, 90% of households said that they have experienced an increase in the cost of groceries. We have had a number of Opposition day debates from the Scottish National party on the cost of living, but will the Leader of the House provide Government time for a debate on the damaging effects of the cost of living crisis?

Mark Spencer: I thank the hon. Lady for her question. She will recognise that the Chancellor was here answering questions for two and a half hours yesterday. To say that he did nothing to help with the cost of living crisis is slightly misleading. A £5 billion tax cut to the cost of fuel is a huge contribution to people who are struggling to fill up their cars to get to work. We recognise the challenge that the rising cost of food also brings, which is why he introduced the tax cut. As for energy costs, he is cutting VAT on energy-saving materials, such as solar panels. He has also doubled the household support fund to £1 billion so that councils in her local area and others can support the most vulnerable.

Robert Halfon (Harlow) (Con): Yesterday the Chancellor made a historic cut in fuel duty which will be welcomed by millions of motorists and businesses throughout the country, and which will reduce prices across the board because it will reduce the cost of transportation. However, greedy and racketeering oil companies put up prices at some petrol stations yesterday. Furthermore, when the international oil price rises, the pump prices go up immediately, but when it is falling, as it is at present, there is a "feather approach" before it reaches the motorist. Will my right hon. Friend make a statement on this, and will he work with me and with FairFuelUK to persuade the Government to create a "PumpWatch" consumer watchdog to ensure that motorists pay fair prices at the pumps?

Mark Spencer: I pay tribute to my right hon. Friend, who is a long-term campaigner on this issue. I know that a series of Chancellors of the Exchequer have done battle with him on it, and I think he should take some credit for yesterday's 5p cut. The Chancellor has written to fuel companies to ensure that they pass on the cut, but my right hon. Friend will have an opportunity to raise the matter with the Secretary of State for Business, Energy and Industrial Strategy at Question Time next week.

Judith Cummins (Bradford South) (Lab): As the House will know, illegal and unlicensed quad bikes are an increasing menace on our streets. My recent ten-minute rule Bill made provision for the police to seize and destroy quad bikes through a registration scheme, to make the wearing of helmets on public land compulsory and to compel manufacturers of these vehicles to fit

immobilisers to prevent theft. Does the Leader of the House agree that this growing problem needs to be tackled, and may we have a debate on it in Government time?

Mark Spencer: These motorbikes can be a huge menace to communities. They race up and down pathways and through gitties, they injure pedestrians, and they are a huge source of antisocial behaviour. I know that the police have powers to seize them and have them crushed if they are not properly insured or licensed, and I urge the hon. Lady to raise the matter with the Home Secretary when she is next at the Dispatch Box to ensure that the police have the full powers they need in order to continue to clamp down on such antisocial behaviour.

Marco Longhi (Dudley North) (Con): Whether we are talking about universities, jobcentres, local authorities, the national health service, the Driver and Vehicle Licensing Agency or passport offices—and the list goes on—students, consumers and taxpayers are still getting a raw deal from the continued “working from home” malaise. Will the Leader of the House agree to a debate or a statement on what role the Government might play in getting people back into their offices?

Mark Spencer: As my hon. Friend will know, the Cabinet Office is leading the way on this. There is an enthusiastic move to get people back to work and back into the office, led by the Minister for Brexit Opportunities, my right hon. Friend the Member for North East Somerset (Mr Rees-Mogg). My hon. Friend is right to draw the House’s attention to this issue: getting people back into the office and working to deliver the services that our constituents deserve is the right thing to do.

Mrs Emma Lewell-Buck (South Shields) (Lab): Yesterday, as Conservative Members callously cheered on the Chancellor, millions of people felt that they had been punched in the gut. The Chancellor’s plans to plunge a further 1.3 million people into poverty is causing untold distress and worry throughout the country. Will the Leader of the House allocate time in the Chamber, as a matter of urgency, for the Chancellor to do better, come back and deliver a statement that works for everyone?

Mark Spencer: The hon. Lady alludes to the Chancellor’s presence in the Chamber for two and a half hours yesterday, when he announced a tax cut for 70% of workers in the United Kingdom that means that those with the broadest shoulders can bear the burden of taxation, while a huge chunk of the wages of the hardest working on the lowest pay is taken completely out of tax. That is the right approach, as opposed to the scattergun approach that the hon. Lady seems to advocate from the Labour Benches.

Jason McCartney (Colne Valley) (Con): Six West Yorkshire fire appliances, supported by six pumps from the Greater Manchester fire service, were tackling a raging moorland fire last night at Cupwith reservoir near Marsden in Scammonden in my constituency. Fires, barbecues and fireworks are already banned on the moors, but these devastating fires keep happening. I know that the Leader of the House is a farmer and that he will understand the devastation that these moorland

fires cause not only to the environment but to wildlife. Can we have an urgent debate on what more can be done to prevent these devastating fires, particularly as we head towards the summer?

Mark Spencer: I am sorry to hear about that fire, and I pay tribute to those who are working hard to put it out. We have a fantastic fire service whose members put themselves in danger to put such fires out. My hon. Friend has contributed, via his question today, to drawing attention to the fact that people should be careful with barbecues, cigarettes and other things that can start what might seem to be insignificant fires that can soon take hold and cause huge devastation.

Chris Stephens (Glasgow South West) (SNP): The Leader of the House has been waxing lyrical about the spring statement, so I refer him to page 31 of the book on it, which shows that the Government intend to spend 3.5 times less on chasing tax avoidance and evasion than they intend to spend on so-called social security fraud and error, and that they are projected to bring in less income through tackling tax avoidance and evasion than through tackling so-called social security fraud and error. Can we have a statement from the Treasury and/or a debate on the tax gap, which is estimated at £78 billion, or is this just another case of the Government punishing the poor at the expense of the super-rich?

Mark Spencer: The hon. Gentleman will have an opportunity to debate taxation today as we discuss the Bill that will deliver a tax cut to 70% of workers in the UK. What the Chancellor announced yesterday was a system of taxation that allows those people with the broadest shoulders to bear the burden, which means that work will pay. That is the best way to tackle poverty and the best way to enable people to work their way and keep their wages so that they can aspire to a great career. That is the approach that we will continue to take.

Siobhan Bailie (Stroud) (Con): Thank you, Mr Speaker —[*Interruption.*] Oh—I think I felt a kick there!

The damage to children from sustained parental conflict can be devastating. Last night I spoke at an event for the Family Solutions Group alongside the president of the family division and leading lights in the family law world. We all know that we in this place need to do more on family breakdown. The Ministry of Justice is working really hard on this and we need other Government Departments to row in behind it. Will my right hon. Friend grant time for a debate about separating families and the Divorce, Dissolution and Separation Act 2020, which comes into force in April?

Mark Spencer: My hon. Friend is probably not the first person to get a kicking in this place, but probably the first to get one internally. She brings an enormous amount of expertise to this place from her former career. I know that a lot of MPs have cases in which divorce is causing challenges for their constituents, and she is right to draw attention to that. The Ministry of Justice is bringing forward legislation, but 280,000 children are caught in the middle of family breakdowns and I commend her for her work on this matter. I am sure that she will continue to draw it to the House’s attention.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Could the Leader of the House arrange for a debate in Government time on ensuring that there are sufficient staff to cover the UK Visas and Immigration MPs' hotline? Earlier this week, my team spent at least three hours trying to contact a member of staff on an urgent passport issue, and that was not a one-off occurrence. I know there is high demand, but I am keen to hear what additional support the Home Office is providing to ensure that Members can raise urgent queries on behalf of their constituents in a timely manner. If this is the service that MPs are receiving, I dread to think what individual constituents are facing.

Mark Spencer: If the hon. Gentleman wants to supply me with details of the specific case he is talking about, I will of course take it up with the Immigration Minister on his behalf and ensure that he gets a rapid response to assist his constituents.

Tom Randall (Gedling) (Con): Gedling borough residents are opening their council tax bills to find enclosed a letter signed by the council's leader and deputy leader criticising the Government, including a statement that the borough had not received levelling-up funding. However, at a meeting I had with officials in the Department for Levelling Up, Housing and Communities this week, I learned that Gedling's levelling-up fund bid had been described by them as disparate and insufficiently compelling. The council would have had that feedback when it prepared that letter. Can my right hon. Friend advise me on how best to raise this issue in the House, and does he agree that Gedling Borough Council's leaders' time would be better spent working on better bids than on churning out taxpayer-funded propaganda?

Mark Spencer: I share my hon. Friend's pain, because Gedling Borough Council covers part of my constituency, too. He is right to draw the House's attention to this. The good news is that the second round opens to bids soon and will close on, I think, 6 July. I know he will continue to press Gedling Borough Council to improve its bid so that his constituents can feel the benefit of Government support.

Wera Hobhouse (Bath) (LD): Will the Government make time to debate the national planning policy framework, focusing especially on decisions that directly contravene our binding net zero targets such as the decisions on the expansion of Bristol airport or new fossil fuel extraction at Horse Hill and in Cumbria?

Mark Spencer: I hope the hon. Lady recognises that we need a balanced approach to our energy sources. The Government are committed to moving in the direction of renewable energy, and this important matter is worthy of debate in the House. We have to go at the speed our constituents and taxpayers can afford, and we need a balanced approach to our energy sources.

Miriam Cates (Penistone and Stocksbridge) (Con): Energy-intensive industries such as steel and ceramics are struggling with the soaring cost of energy, and we cannot afford to lose critical producers such as Stocksbridge Speciality Steel or Naylor Industries in my constituency. I was delighted that, yesterday, my right hon. Friend the Prime Minister recommitted to bringing forward a British

energy security strategy to provide relief to these industries. Will the Leader of the House commit to a debate or a statement in Government time when this strategy is announced so that hon. Members can scrutinise it on behalf of the industries we represent?

Mark Spencer: My hon. Friend will have an opportunity to raise this again at Business, Energy and Industrial Strategy questions next week. We will shortly set out the British energy security strategy to bolster our energy security. Ministers have been making every effort to keep the House updated on the Government's response to the war in Ukraine, and I am sure the House will be kept updated on this important issue, too.

Christian Matheson (City of Chester) (Lab): The House is united in its condemnation of P&O's actions in sacking 800 British workers, but this is only the latest in a long line of such incidents, and it will not be the last unless the Government introduce legislation to ban fire and rehire. What are the Government's plans to introduce legislation to make sure this is the last scandal and to give British workers the support they deserve?

Mark Spencer: The House will recognise the irony of a Labour Member talking about banning fire and rehire, a practice that the Labour party used as recently as last year. Fire and rehire should be an absolutely last-case scenario when a company is in difficulty and wants to secure as many jobs as possible in order to survive. What P&O did last week was, frankly, a complete abhorrence. Its actions cannot be defended by anyone and should be condemned. We have employment laws to protect people, and we will make sure P&O follows the law.

Damien Moore (Southport) (Con): Will my right hon. Friend commend the work of my constituent Chris Truett to clear sand from the seawall path and to plant thousands of flowers at his own expense? And will my right hon. Friend therefore condemn Labour-controlled Sefton Council, which reportedly dumped the sand back on to the seawall and mowed down all of Chris's flowers? Volunteers in our communities should be celebrated, so can we have a debate in Government time to do so?

Mark Spencer: I pay tribute to Chris and the work of volunteers in my hon. Friend's constituency. Sefton Council should be supporting their valuable work. Volunteers and community groups work incredibly hard to improve parks and green spaces, including the botanic gardens, Lord Street, Bedford park and Ainsdale village. Volunteers deserve to be celebrated for their work in the community, so I encourage my hon. Friend to apply for an Adjournment debate or a Backbench Business debate.

Andrew Gwynne (Denton and Reddish) (Lab): I think that the Leader of the House meant to say to my hon. Friend the Member for South Shields (Mrs Lewell-Buck) that we now have the highest tax burden in modern history, even after the Chancellor's plan yesterday. People are really struggling. They are engulfed in a cost of living crisis, yet the Chancellor has written off £4.3 billion of covid loans to fraudsters and wasted £8.7 billion on duff personal protective equipment that was so useless it had to be burnt. So may we have a debate on fraud and waste in the public finances?

Mark Spencer: As I recall it, when the Government were securing PPE the Labour party was screaming like mad for the Government to take PPE from anywhere and anybody. It is all well and good to sit in judgment in hindsight and to criticise those decisions, but the Government were trying to secure PPE to protect frontline workers in the middle of a global pandemic. I am fairly confident that I was right in what I said in answering the hon. Member for South Shields (Mrs Lewell-Buck), as opposed to how the hon. Gentleman framed it. What the Chancellor set out yesterday with his tax plan delivers the biggest net cut in personal taxes in more than a quarter of a century.

Paul Bristow (Peterborough) (Con): A newspaper report today suggests that 45 streets and statues in London could be cancelled. In Peterborough, the Labour opposition has already toyed with renaming streets, including the iconic Gladstone Street in the heart of my city—not for anything that great Liberal Prime Minister did, but for the sins of his father decades earlier. Now these student union historians want to take control of the city council. May we have an appropriate Gladstonian statement from the Government opposing taxpayers' money being spent on this woke nonsense and letting my constituents know what they can do?

Mark Spencer: I thank my hon. Friend for raising this matter, although it is unsurprising to hear that the Labour party in Peterborough is focusing on revising history rather than supporting residents. I know from my own experience that most residents are concerned about the provision of high-quality services and good value for their council tax, and I have no doubt that his constituents understand that they will get that only from a Conservative administration and will reject Labour's student politics at the elections in May.

Virginia Crosbie (Ynys Môn) (Con): I am proud to support the five steps put forward by the all-party group on nuclear energy to supercharge nuclear delivery in the UK. It is fantastic to see the Wylfa site in my constituency getting the recognition it deserves; the Prime Minister recently visited and there is continued interest from multiple developers. Now is the time to turn plans into action, guarantee our energy security and meet our climate change commitments. Will the Leader of the House agree to set aside Government time to debate the all-party group's five-point plan?

Mark Spencer: My hon. Friend will be aware that Department for Business, Energy and Industrial Strategy questions will take place next week, but we will shortly be setting out our British energy security strategy and the Prime Minister has been clear that nuclear is crucial to boosting UK energy security and independence. That is why we have been revising 30 years of inaction on nuclear energy. We will invest £210 million to develop small modular reactors, and we are investing £100 million on the progress and development of Sizewell C, and bringing forward a nuclear Bill to unlock the financial obstacles. My hon. Friend displays considerable knowledge and determination in her campaign for the nuclear plant at Wylfa. I am sure that nuclear has a significant role to play in the future of our energy security and I commend her for her work.

Liz Twist (Blaydon) (Lab): Organisations across my constituency, such as St NicNac's in Dunston, Feeding Families, the Gateshead food bank at Birtley and Blaydon, the Blaydon Community Larder, the Pickle Palace, the Winlaton Centre and the Birtley Hub, are all doing an incredible job supporting so many in our communities in an increasingly difficult financial, cost of living crisis. Yesterday's statement from the Chancellor barely scratched the surface of tackling those inequalities and the unfairness. May we have a debate in Government time on how we can take these families out of poverty?

Mark Spencer: I join the hon. Lady in paying tribute to those volunteers and charities that are assisting in that way. She will not be the only Member who has such charities in their constituency doing great work to support people. The Government recognise the challenge, which is why we have put £500 million into the household support fund, which is doubling to £1 billion in April and benefits 4 million low-income households. We have expanded free school meals for five to seven-year-olds, boosted the value of Healthy Start vouchers by more than a third and introduced and retained the £200 million holiday activities and food programme.

Mark Fletcher (Bolsover) (Con): This weekend, Bolsover Drama Group will host a celebration and performance to celebrate its 40th anniversary. The group gives a huge amount to the community and in particular provides opportunities for young people. In congratulating Mick Whitehouse, Chris Peck and all the members of the group on their landmark celebration, may I ask the Leader of the House for a debate in Government time on the important role that the arts play in local communities? Will he also apologise to my husband, because I am here on our wedding anniversary?

Mr Speaker: I call the Leader of the House—you're in trouble!

Mark Spencer: I congratulate Bolsover Drama Group on its 40th anniversary. It really is a fantastic landmark to have reached, and I am sure it would not have been possible without the hard work of so many people, including Mick Whitehouse and Chris Peck. The arts play a vital role in bring local communities together, especially since the pandemic. I encourage my hon. Friend to apply for a Westminster Hall debate, and hope that today's business concludes early enough for him to get home to Bolsover to be with his husband.

Kirsten Oswald (East Renfrewshire) (SNP): I heard yesterday from the Bank of Scotland that it plans shortly to close its Clarkston branch, among a number of others. It will be the last bank branch in town—a situation faced by so many other East Renfrewshire communities. Our communities, and particularly those who are elderly or more vulnerable, need bank branches. May we have a debate in Government time about what the Government can do to support that need, support our local high streets and make sure that banking and access to cash are at the heart of our communities?

Mark Spencer: The Government recognise the importance of our high streets, which is why we have the levelling-up fund for colleagues to bid into. I recognise the challenge that people in rural communities face if

[Mark Spencer]

their local banks disappear, and I encourage the hon. Lady to apply for either a Backbench Business debate or an Adjournment debate to continue to highlight that challenge.

Rachael Maskell (York Central) (Lab/Co-op): The Government published their response to the Building Better, Building Beautiful Commission 14 months ago—a year after the commission reported. Although the House united against those proposals, nothing else has come forward. My constituency is now experiencing a housing crisis that is completely off the scale and we are in a desperate situation. May we have an urgent debate about the state of housing poverty in our country and how the Government are going to address it?

Mark Spencer: The hon. Lady is of course right to highlight the challenges that face some communities. It is a Government priority to increase the housing supply. Since 2010, more than 2 million additional homes have been delivered. We have put an extra £10 billion of investment into housing supply and will unlock more than 1 million homes. Our £12 billion of investment in affordable housing will deliver up to 180,000 homes. The Government continue to be committed to supporting people to get on to the housing ladder and to aspire to own their own home.

Tom Hunt (Ipswich) (Con): The Leader of the House will be aware that England is a frontrunner to host the Euros, with Ireland, in 2028. I was horrified yesterday to find out that the Russian Football Union has put in a bid—which has been accepted and is currently being looked at—to compete with us to host Euro 2028. I find that completely appalling. Also, it is shocking that there is still a Russian representative on the UEFA committee. Will the Leader of the House find Government time for the House to debate how we can continue to ensure that, for as long as Putin reigns in Russia, it is a pariah in everything to do with sport?

Mark Spencer: My hon. Friend is right to highlight this matter. Frankly, it is almost laughable that Russia even thinks it would have the remotest chance of hosting an event of that nature while it is committing such actions in Ukraine. I know that FA representatives will be making the strongest representations to UEFA to make sure that that does not happen, but I am sure that my hon. Friend will find other opportunities to continue to raise the matter in the House.

Patrick Grady (Glasgow North) (SNP): Can we have an urgent debate or statement on the future of the aid budget? Yesterday, the Chancellor could not confirm whether humanitarian aid for Ukraine would be counted towards the official development assistance total, which would squeeze spending plans elsewhere in the Foreign, Commonwealth and Development Office. Our responsibility to people in need should not be an either/or choice. The resources desperately needed in Ukraine should not be at the expense of existing FCDO aid plans. Can an FCDO Minister come to the House as a matter of urgency and explain exactly what is happening to the international aid budget?

Mark Spencer: The Government remain committed to 0.7% of GNI for foreign aid, but we continue to do a lot more than that. We are sending humanitarian aid to Ukraine, and the UK also contributed £548 million to the COVAX vaccination programme. The Government are delivering on overseas development aid. We are one of the world leaders in this area.

Ruth Edwards (Rushcliffe) (Con): I have been working with Nottinghamshire County Council and other agencies to address causes of flooding in Rushcliffe. In some cases, we have been met by a lack of action and a complex web of responsibilities. For example, in the village of Cropwell Butler, in a flood event, water flows from the A46 into the village and into people's homes, but National Highways says that its only responsibility is to get the water off the road. Will my right hon. Friend allow us a debate in Government time on how we can improve responses to flooding and how the powers of lead flood authorities can be strengthened to properly hold other agencies to account on behalf of our residents?

Mark Spencer: I understand the devastation that flood damage can cause. The Flood and Water Management Act 2010 gave local flood authorities lead responsibility to manage surface water run-off, groundwater and flooding from ordinary watercourses, and provided them with additional funding to undertake those duties. At local level, lead local flood authorities work in partnership with other relevant organisations, such as highways authorities and water companies, to effectively manage and, where possible, mitigate the impacts of local flooding through the development of a local flood risk management strategy. We have Department for Environment, Food and Rural Affairs questions on 28 April. I encourage my hon. Friend to be present and to make sure that the Secretary of State hears her concerns for the people of Cropwell Bishop.

Matt Western (Warwick and Leamington) (Lab): For the third time in the last nine months, the trams operated by West Midlands Metro have been suspended, this time indefinitely. Tens of thousands of people across the region depend on those trams, including my constituents who commute to Birmingham and beyond. It seems there have been issues with the quality of the trams purchased, and there is also a colossal cost. Can we have a debate about the situation, including the role of the West Midlands Combined Authority?

Mark Spencer: I am aware of the challenges that the tram system in the west midlands has faced. I will draw the issue to the attention of the Secretary of State for Transport on the hon. Gentleman's behalf and will make sure he gets an answer in due course.

Shaun Bailey (West Bromwich West) (Con): It was great to welcome my right hon. Friend to West Bromwich a few weeks ago, in his first outing in his new role. In a written ministerial statement on Tuesday it was announced that, after years of campaigning by residents and community groups, commissioners would be sent in to Labour-led Sandwell council to root out the corruption that has been at the heart of that local authority for some 50 years. Can I ask my right hon. Friend to use his good office to ensure that we have a debate on the Floor of this House about that corruption and its impact on

residents? Will he also reaffirm the commitment made by his predecessor that, if the Labour administration frustrates the process in any way, it will be held to account?

Mark Spencer: I thank my hon. Friend for his question and also for his hospitality in Sandwell when I visited. He is a huge advocate and champion for his area. I know he will continue to hold the people on Sandwell council to account in this House. He is a very effective advocate for his constituents, and I know they are better off for having his representation in this place.

Patricia Gibson (North Ayrshire and Arran) (SNP): The UK Government shamefully withdrew from Scotland the publicly announced Barnett consequential of £290 million, in order to fund the £150 council tax rebate for property bands A to D, after the funds had been incorporated into the Scottish Parliament's fixed budget. The Scottish Government now have to find that £290 million from elsewhere. Will the Leader of the House make a statement on why the funding was withdrawn from Scotland and why his Government are playing daft political games and selling Scotland short?

Mark Spencer: The hon. Lady will be aware that there is a system of Barnett consequential, which will be delivered upon, but I also encourage her to speak to her colleagues in the SNP Government to make sure that they use taxpayers' money efficiently. There are a number of areas that they need to get right. The challenge of CalMac ferries is a very good example of where the SNP Government have wasted taxpayers' money and not delivered for their constituents. I think she needs to look closer to home. Of course, the Scottish Government also have tax responsibilities. They could raise taxes if they wanted to, but they choose not to use those powers that are available to them.

Mrs Pauline Latham (Mid Derbyshire) (Con): My right hon. Friend the Leader of the House will be aware that my Marriage and Civil Partnership (Minimum Age) Bill will have its Second Reading in the other place next Friday, 1 April. As I said on Third Reading in this House last month, one of the crucial times for children at risk of child marriage is the summer holidays, when they are taken abroad and married. Please may we have a debate about informing children of their rights before the summer holidays and raising awareness of the dangers of child marriage?

Mark Spencer: I congratulate my hon. Friend on her tireless campaigning. It is vital that the Bill becomes law very soon. As so often with hidden crimes, raising awareness will be a key part of the implementation activities for her Bill. I encourage her to apply for a Westminster Hall or Backbench Business debate to highlight that.

Jim Shannon (Strangford) (DUP): May I thank the Leader of the House for all the help he gives right hon. and hon. Members to secure helpful debates and statements?

Last month church leaders in Sudan were detained and their church building closed and locked by Islamic extremists. Will the Leader of the House provide a statement of solidarity with Christian churches in Sudan

and oppose the land grabs and arbitrary arrests enacted against the Christian community? I believe that they need help, and this House can do that.

Mark Spencer: I am more than happy to pledge from this Dispatch Box my solidarity with those people who are fighting the closure of their churches. The hon. Gentleman is a huge champion in this House of religious freedom around the world, and I know that he will continue to be. He should be commended for the work he does not only in this place but around the world on the promotion of religious freedom.

Nick Fletcher (Don Valley) (Con): Does my right hon. Friend agree that it may be helpful to provide specific guidance for the good people of Don Valley and the UK who want to house Ukrainian refugees in dealing with and supporting people who have fled a war zone, may struggle with the English language and are adjusting to a new way of life separated from loved ones?

Mark Spencer: My hon. Friend is right to highlight the fact that the UK is welcoming many refugees from Ukraine who will, of course, come with their own challenges. There will be support from the Government on how to respond to that, but I will make sure that my noble Friend Lord Harrington is aware of his concerns and give him some guidance.

Anna Firth (Southend West) (Con): Will my right hon. Friend find time for a statement, debate or more guidance on the Homes for Ukraine scheme? I have a constituent in Southend West who has already brought back Ukrainian family members from the terrible conflict in Ukraine and is housing them in his own home. He has applied under the Homes for Ukraine scheme for the £350 support, but he and we have been told that he is not eligible because he has already brought the family members back. It is an excellent scheme, but surely people who have acted swiftly and already brought family back should not be treated any differently from those applying to the scheme now.

Mark Spencer: I thank my hon. Friend for her question, but also her constituents for their support. Home Office and Department for Levelling Up, Housing and Communities officials are providing a service for Members and their caseworkers on these very matters at the Portcullis House customer service hub. I encourage my hon. Friend to take this matter up with them.

Peter Gibson (Darlington) (Con): Darlington is the birthplace of the modern railway, and I am of the view that Darlington is the best place for the new headquarters of Great British Railways. It just makes sense—it is where it all began. Given that there is huge interest across the House, from 42 locations across the United Kingdom, to be the home of Great British Railways, and given that many MPs representing those constituencies have already held Adjournment debates and Westminster Hall debates, may I ask my right hon. Friend to find Government time for a debate on all those amazing locations, so that we can extol the virtues of our respective bids?

Mr Speaker: I have been told that it is going to Preston.

Mark Spencer: I thank my hon. Friend for his question. He is a strong champion for Darlington and I commend him for his campaigning, which is building up quite a head of steam. [HON. MEMBERS: "Groan!"] Oh, there is more to come! Indeed, I have been told that he has mentioned Darlington's bid for the HQ to be sited in his constituency more than any other Member has referenced theirs. I am sure that his efforts are going a long way to keeping the bid on track, and that such a debate would be heavily subscribed by Members from across the House.

Mr Speaker: We did not get stuck on the points, so I call James Daly.

James Daly (Bury North) (Con): Many hon. Members have constituents who have travelled to the Polish-Ukraine border as part of the humanitarian efforts to support refugees fleeing Putin's brutal illegal war. Those with whom I have had the opportunity to speak identified real concerns regarding the safeguarding processes in place to protect vulnerable refugees. I have been told of reports of women in particular being brutalised and attacked by criminals and, horrifyingly, being the victims of sex trafficking. Will my right hon. Friend make time for a debate to allow Members the opportunity to discuss how the international community can work together to find solutions to this horrifying problem?

Mark Spencer: I had not heard those reports myself, but what my hon. Friend has raised is extremely disturbing. I thank him for his question and I will bring this to the attention of the Home Secretary and raise it with her on his behalf.

Mr Speaker: That brings us to the end of business questions.

Points of Order

11.47 am

Rachael Maskell (York Central) (Lab/Co-op): On a point of order, Mr Speaker. I wonder whether you can advise me. Tomorrow marks six months since the Secretary of State for Levelling Up, Housing and Communities made a commitment to me in this Chamber that he would meet me to discuss the very difficult issues that we are facing with planning and housing in York. The crisis has only grown since then, and, despite exhaustive efforts from my office, we have yet even to receive a date for such a meeting. Can you, Mr Speaker, please advise on how I can secure the commitments made in this House?

Mr Speaker: I thank the hon. Member for her point of order and for giving me advance notice of it. It is disappointing that the Secretary of State has not confirmed his promised meeting with her. I am sure that he will want to correct that as he is a right hon. Gentleman. The hon. Member has put her frustration about this on record and I hope that Members on the Treasury Bench will have noted her comments and that a meeting can now be arranged promptly.

Jonathan Ashworth (Leicester South) (Lab/Co-op): On a point of order, Mr Speaker. I am sure that you will have seen overnight the analysis that, thanks to the Chancellor's cuts to universal credit, his real-terms cuts to disability benefits, and his real-terms cuts to the state pension and other measures, an extra 1.3 million people, including pensioners and 500,000 children, will be pushed into absolute poverty. Can you advise me, Mr Speaker, whether the Secretary of State for Work and Pensions has given you any indication that she will come to this House and provide an analysis of constituency data for Members, of the increased number of pensioners and children who will go into poverty, or should we assume that rising child and pensioner poverty for this Government is considered a price worth paying?

Mr Speaker: I can assure the right hon. Gentleman that I have not been notified of a statement coming forward, but I notice that the Leader of the House is in his place and he could well be the messenger to convey the hon. Member's point to Government.

ROYAL ASSENT

Mr Speaker: I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Dissolution and Calling of Parliament Act 2022
Commercial Rent (Coronavirus) Act 2022
Highgate Cemetery Act 2022.

BILL PRESENTED

NATIONAL INSURANCE CONTRIBUTIONS (INCREASE OF THRESHOLDS) BILL

Presentation and First Reading (Standing Order No. 57)

The Chancellor of the Exchequer, supported by the Prime Minister, Mr Simon Clarke, Lucy Frazer, John Glen and Helen Whately presented a Bill to make

provision for and in connection with increasing the thresholds at which primary Class 1 contributions, Class 2 contributions and Class 4 contributions become payable.

Bill read the First time; to be read a Second time today, and to be printed (Bill 292).

Ordered, that the Explanatory Notes relating to the Bill be printed (Bill 292—EN).

NATIONAL INSURANCE CONTRIBUTIONS (INCREASE OF THRESHOLDS) BILL: BUSINESS OF THE HOUSE

Ordered,

That the following provisions shall apply to the proceedings on the National Insurance Contributions (Increase of Thresholds) Bill:

Timetable

(1) (a) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall be taken at today's sitting in accordance with this Order.

(b) Notices of Amendments, new Clauses or new Schedules to be moved in Committee of the whole House may be accepted by the Clerks at the Table before the Bill has been read a second time.

(c) Proceedings on Second Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on the Motion for this Order.

(d) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion five hours after the commencement of proceedings on the Motion for this Order.

Timing of proceedings and Questions to be put

(2) As soon as the proceedings on the Motion for this Order have been concluded, the Order for the Second Reading of the Bill shall be read.

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

(a) it shall, despite 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) proceedings on the Bill shall stand postponed while the Question is put, in accordance with Standing Order No. 52(1) (Money resolutions and ways and means resolutions in connection with bills), on any financial resolution relating to the Bill;

(c) on the conclusion of proceedings on any financial resolution relating to the Bill, proceedings on the Bill shall be resumed and the Speaker shall leave the chair whether or not notice of an Instruction has been given.

(4) (a) On the conclusion of proceedings in Committee of the whole House, the Chair 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.

(5) For the purpose of bringing any proceedings to a conclusion in accordance with paragraph (1), the Chair 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 Chair or Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(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)(a) of this Order.

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

(7) If two or more Questions would fall to be put under paragraph (5)(d) on successive amendments moved or Motions made by a Minister of the Crown, the Chair or Speaker shall instead put a single Question in relation to those amendments or Motions.

(8) If two or more Questions would fall to be put under paragraph (5)(e) in relation to successive provisions of the Bill, the Chair shall instead put a single Question in relation to those provisions, except that the Question shall be put separately on any Clause of or Schedule to the Bill which a Minister of the Crown has signified an intention to leave out.

Consideration of Lords Amendments

(9) (a) Any Lords Amendments to 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 shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement; and any proceedings suspended under sub-paragraph (a) shall thereupon be resumed.

(10) 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 to a conclusion in accordance with paragraph (9) of this Order.

Subsequent stages

(11) (a) 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 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 sub-paragraph (a) shall thereupon be resumed.

(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 to a conclusion in accordance with paragraph (11) of this Order.

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.

Miscellaneous

(14) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on the Bill.

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

(16) (a) No Motion shall be made, except by a Minister of the Crown, 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.

(b) No notice shall be required of such a Motion.

(c) Such a Motion may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly.

(d) The Question on such a Motion shall be put forthwith; and any proceedings suspended under sub-paragraph (c) shall thereupon be resumed.

(e) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on such a Motion.

(17) (a) No dilatory Motion shall be made in relation to proceedings to which this Order applies except by a Minister of the Crown.

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

(18) (a) The start of any debate under Standing Order No. 24 (Emergency debates) to be held on a day on which the Bill has been set down to be taken as an Order of the Day shall be postponed until the conclusion of any proceedings on that day to which this Order applies.

(b) Standing Order No. 15(1) (Exempted business) shall apply in respect of any such debate.

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

(20) (a) Any private business which has been set down for consideration at a time falling after the commencement of proceedings on this Order or on the Bill on a day on which the Bill has been set down to be taken as an Order of the Day shall, instead of being considered as provided by Standing Orders or by any Order of the House, be considered at the conclusion of the proceedings on the Bill on that day.

(b) Standing Order No. 15(1) (Exempted business) shall apply to the private business so far as necessary for the purpose of securing that the business may be considered for a period of three hours.—(*Michael Tomlinson.*)

Madam Deputy Speaker (Dame Rosie Winterton): Amendments and new clauses for Committee of the whole House may now be tabled by Members at the Opposition side of the Table of the House. In order to be considered by the Chairman of Ways and Means for selection they should be tabled within the next 15 minutes. An amendment paper for Committee of the whole House will be circulated as soon as possible.

National Insurance Contributions (Increase of Thresholds) Bill

Second Reading

11.51 am

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

Yesterday, the Chancellor announced in his spring statement a series of extraordinary measures that will harness the tax system's power to build a stronger and more secure economy for the United Kingdom. At an incredibly difficult time, when the whole world is reeling from the twin blows of a terrible coronavirus pandemic and Putin's appalling attack on Ukraine, our three-part plan will help hard-working people with the cost of living by putting billions of pounds back in their pockets, most immediately through the changes to the national insurance contributions system that we will debate today, the detail of which I will set out shortly.

Our plan will create the higher growth that will drive the economy in the coming decades by creating a new culture of enterprise, including tax-cutting options on business investment and innovation. It will also allow workers to keep more of the proceeds of their hard work, by cutting the basic rate of income tax from 20p in the pound to 19p before the end of this Parliament—the first such cut in 16 years. In short, our tax plan is sensible, affordable and well targeted. People and businesses will benefit, the economy will be strengthened and, in turn, our country's place as a safe haven for freedom, democracy, peace and prosperity will be cemented.

While our tax plan will unleash real and immediate benefits, in drawing it up we have recognised that it must be underpinned by fiscal responsibility. This Government are determined to protect our nation's finances, so we have ensured that we have maintained space against our fiscal rules, we have continued to be disciplined and we have carefully considered the macroeconomic outlook. Let me remind the House that in the next financial year we will spend £83 billion on debt interest, the highest amount on record and almost four times what we spent last year.

Andrew Jones (Harrogate and Knaresborough) (Con): My right hon. Friend makes an important point. One of the most telling stats revealed yesterday was that £83 billion figure. Can he perhaps help by putting it into context and comparing it with other budgets the Government must meet, such as the schools budget or the Defence budget? We have had two supposedly once-in-a-century events just 12 years apart—the '08 financial crash with all its deferred implications and the coronavirus pandemic with its implications—and now we have a war in Europe. Does he agree that we are dealing with the most adverse set of circumstances any Chancellor has faced for a considerable period?

Mr Clarke: My hon. Friend is absolutely right. The sum of £83 billion dwarfs most Departments: it is the equivalent of adding Education, Transport and Justice together. We need to take this incredibly seriously. It is the context in which all our decisions in this statement had to be considered, and in which our actions in future years will be possible. We should be clear: it is the most vulnerable and the poorest who lose out the most if the

Government lose control of the public finances. That is the central message that the Chancellor would want to emphasise.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): The Minister said that the poorest and most vulnerable lose out, but under the Government's proposals it is precisely the people on benefits who are not being uprated to keep in line with inflation who are going to lose out the most. What has he got to say to that?

Mr Clarke: I would say two things. First, there is a raft of measures in place in the package announced yesterday precisely determined to help people on the lowest incomes, including, notably, the doubling of the household support fund to £1 billion, the action that we have already taken in cutting the universal credit taper rate, and the biggest cut that we have ever made to fuel duty. These are all things we have done, on top of the energy price package announced in February, that are designed to help people on the lowest incomes. Secondly, I hold the office of Chief Secretary, and I remember the Labour predecessor who left the note saying that there is no money left. I do not want to be in a position where I hand over a note to any successor of mine saying that there is an equivalent situation.

Stephen Timms (East Ham) (Lab) *rose*—

Mr Clarke: I give way to another predecessor.

Stephen Timms: It has been reported overnight that people on universal credit will see only about half of the gain from the measure that the Minister is bringing forward compared with those who are not on universal credit because the portion of people's income that will not now be subject to 12% national insurance will instead be subject to the universal credit taper at 55%. Is that assessment correct?

Mr Clarke: We are determined to help people on universal credit to keep more of what they earn. I have not seen the assessment to which the right hon. Gentleman alludes, but I will look at it. It is certainly our ambition to keep bringing down the taper rate so that people get to keep more of what they earn. In that regard, I will certainly look at the analysis to which he directs me.

Ruth Edwards (Rushcliffe) (Con): Can the Minister confirm what the Institute for Fiscal Studies has said—that, contrary to claims from Opposition Members, the poorest 10% of households have benefited most from this Government's tax and spend decisions since 2019?

Mr Clarke: I thank my hon. Friend for her question. There is no doubt at all that we have targeted the action that we have taken at the people who need it the most. That is why this Bill is so important, as I will explain, but it is also why we have taken the action on fuel duty, universal credit, the household support fund and TV licences—all things that are designed to help people whose incomes are most stretched at what is a difficult time for families up and down the country.

Jim Shannon (Strangford) (DUP): I thank the Minister for the answers that he is giving. While I absolutely welcome the increase in the threshold for national insurance

contributions to help those on the periphery, I say to him gently: does he not see that this should equally apply to child benefit and universal credit, and since it makes perfect sense for one, it must make perfect sense for all working families so as to take them away from the absolute poverty I have spoken about in the Chamber before that is so close to so many hard-working families?

Mr Clarke: The hon. Gentleman is a fantastic contributor to this place and he takes a keen interest in looking after people, including the most vulnerable people, in his constituency. I absolutely recognise that we want to make sure that families right across the income spectrum are supported. That is why, as I say, we have put in place a package of measures that has at its heart a desire to make sure that we have a strong safety net in place. We have to consider all the decisions we take in the round. To put it in some context, the United Kingdom spends £243 billion a year on our wider welfare spend, including pensions. This is a country where we do a huge amount to make sure that everyone is supported. We have to consider all our decisions in the context of both wider affordability and how the system operates. The welfare system always operates on the basis of an uprating in September for changes in the ensuing April. If there is high inflation during the course of 2022, as is forecast, that will be reflected in the uprating figures for April 2023, and the triple lock will be in place to protect families.

Mr Clive Betts (Sheffield South East) (Lab): The Minister has talked about one side of the budget. The other side of the budget is spending. Local authorities provide incredibly important services that are of particular benefit to the poorest in society. Local authorities have suffered more than any other part of the public sector from the austerity period. The Government claimed that local authorities would get an increase in their spending power this year, but will he now confirm that, with the predicted level of inflation, they face a significant real-terms cut to their spending that will affect all the services that they provide?

Mr Clarke: As a former local government Minister, I hope the hon. Gentleman knows that I do value the impact that good local government can have on people's lives, which is why we apportioned £4.8 billion extra at last autumn's spending review to support local authorities in delivering vital services. It is of course the case that all the budgets that we announced at the spending review are affected by inflation, but the Chancellor is rightly clear that we cannot keep on simply mechanically adjusting the spending review decisions in the light of inflation, because that option would not be affordable within our headroom and would obviously not be open to family budgets either.

All Departments—national and local—will have to play their full part in managing the impact of inflation. There is much that can be done in this space through improved innovation and driving down costs. That is why a new Cabinet committee has been established in the last week that will squarely address how we can drive efficiency, including, for example, by doubling NHS efficiency targets so that we can deliver better value for money for the taxpayer. These are difficult times, but we have to ensure that we live within our means.

Ian Mearns (Gateshead) (Lab): I am wondering how the Minister would suggest that a local authority such as mine in Gateshead innovates on that conundrum. When I ceased to be the deputy leader of the council in 2010, its net revenue budget was just over £300 million. This year, that budget is just over £200 million. It will take some innovating to balance that conundrum.

Mr Clarke: I am grateful to the hon. Gentleman for alluding to his experience in local government. I would simply say that there is a lot that good local authorities can do and have done already to ensure that they focus on value for money, but of course there is more that can be done. We need only look at the enormous potential for digitisation, property disposals and addressing back-office costs and sharing them with other local authorities. There is lots of innovation that can and should be done and there are good local authorities up and down the country that are doing that.

I will resume where I left off by addressing the fact that the Government cannot and must not shy away from difficult decisions, which is why the health and social care levy that we announced last year will remain in place, because it is only right to safeguard a dedicated source of funding for our NHS and for those who need care throughout their lives. As the Chancellor pointed out yesterday, a long-term funding solution for the NHS and social care is not incompatible with reducing the tax burden on working families, which brings me to the specifics of the Bill—an integral part of the Chancellor's tax plan.

Alberto Costa (South Leicestershire) (Con): We are here to discuss the national insurance contributions increase. The national insurance personal threshold will rise from £9,500 to £12,570 from July. Can my right hon. Friend confirm that that is the largest increase in a starting personal tax threshold in British history? As the largest single personal tax cut in a decade, is that not the evidence that the Opposition need that the Government really want to help workers across the whole United Kingdom?

Mr Clarke: I can give my hon. Friend that confirmation. I will expand on that later, because it is a major signal of intent at a time when our fiscal headroom is limited that we are determined that, where it is possible to help people, we will do so as effectively and dramatically as possible. The Bill is certainly a major step on that journey.

The Bill legislates for the two employee and self-employed NIC measures that the Chancellor set out yesterday. I will begin by giving some context behind those changes. It has long been the Government's ambition to promote tax cuts for working people and to simplify the overarching system, which is why, since 2010, a series of Conservative Governments have taken millions of people out of income tax by raising the personal allowance from £6,500 to its new level of £12,570.

As the Chancellor explained yesterday, however, the equivalent NI threshold remained about £3,000 lower. As a result, at the last general election, the Prime Minister pledged to increase the national insurance threshold, and that is why, in 2020, we took a major step forward by increasing it to £9,500. This is a Conservative Government who are cutting taxes and delivering on our pledges to the British people.

Ruth Edwards: Can the Minister confirm that, as a result of the changes we are making today, 70% of workers will have their taxes cut by more than they will pay through the levy?

Mr Clarke: My hon. Friend is absolutely right, and we cannot emphasise that enough. We are determined to address the underlying challenges we face not only with the public finances, but crucially with the backlog of care. Let us not forget that 6 million people are on NHS waiting lists as a direct result of the covid pandemic. While we do that, we will always focus on supporting families and, crucially, on making sure that, when we do have to increase taxes, the burden is borne by those with the broadest shoulders. That is what the combination of this measure with the levy will deliver.

The Bill's first measure will increase the NIC primary threshold and the NIC lower profits limit to £12,570 from 6 July. By way of explanation, these are the thresholds at which the employed and the self-employed, respectively, start to pay NICs. The increases in these thresholds of about £3,000 will equalise the NIC and income tax thresholds, and in so doing create a fairer and simpler tax system, something to which we ought all to aspire. That means that people will be able to earn £12,570 without paying a single penny of income tax or national insurance.

As we heard a moment ago, that is the largest increase in a starting threshold ever, it is the largest single personal tax cut in a decade, and it reduces the tax burden by £6 billion for 30 million people across the United Kingdom. On an individual level, a typical employee will see their tax bill reduced by £330 in the year from July, while the equivalent saving for a self-employed worker will be worth over £250.

Jacob Young (Redcar) (Con): Does my right hon. Friend recognise the calculation by the Institute for Fiscal Studies that it is people who earn £35,000 or less who will benefit from this tax cut, and does that not show that our measures are targeted at those who need our support most?

Mr Clarke: Indeed, I absolutely do recognise what my hon. Friend says. The IFS has described raising the NICs threshold as

“the best way to help low and middle earners through the tax system”,

so he is absolutely right in what he says.

Stephen Timms: Mike Brewer, who used to be with the Institute for Fiscal Studies, has said this morning about the value of the £330 figure to the average employee:

“If you are getting UC, then you lose 55% of that to a reduced UC award.”

I think that is a major issue for the House in evaluating the measure that the Chief Secretary is bringing forward. Could he please urgently clarify for us whether that is indeed the case?

Mr Clarke: As I said in response to the right hon. Gentleman's earlier remark, I will of course look at what he is saying. I recognise fully that we want to make sure that we allow people to keep as much as possible of what they earn, and it is our ambition to keep reducing the tax burden on the lowest earners, including through action on the taper rate.

Sir David Evennett (Bexleyheath and Crayford) (Con): My right hon. Friend is making a powerful and informative speech. I welcome this Bill, as will my constituents in Bexleyheath and Crayford, because it is helping those on lower incomes. Increasing the national insurance threshold to be the same as the personal allowance is sensible and logical, and it will help the simplification and understanding of the system. I very much hope that he and the Government will in future look at more simplification of the system.

Mr Clarke: My right hon. Friend is absolutely right in saying that we want a simpler tax system, and we want to make sure that the burden of tax is lower. In the end, the tax system should be an incentive that rewards work, and that is what our measures today continue to support. On the point raised by my hon. Friend the Member for Rushcliffe (Ruth Edwards), 70% of all workers will have their NICs cut by more than the amount they will pay through the new health and social care levy.

Sally-Ann Hart (Hastings and Rye) (Con): My right hon. Friend will know that my beautiful constituency of Hastings and Rye has residents with some of the worst levels of deprivation in the country, and I obviously welcome this Bill on their behalf. Will he confirm for the residents of Hastings and Rye that this Government's interventions have helped the poorest households the most through measures such as cutting the universal credit taper rate last year, increasing the national insurance thresholds, permanently increasing the local housing allowance for housing benefit and increasing the national living wage? Can he confirm that this will benefit my residents in Hastings and Rye?

Mr Clarke: I thank my hon. Friend for her question. She is a fantastic champion for Hastings and Rye, which I recognise is a part of the south-east that perfectly demonstrates that communities face very significant challenges in all parts of the United Kingdom. Sometimes the levelling up question is seen as the north and the midlands against the south, but her constituency is a very good demonstration of why communities in the south-east also need support. She is absolutely right in what she says. This is a Government with a strong track record of delivering for people who need the most help. It is worth noting in that regard that, as a result of the Bill, over 2 million people will be taken out of paying class 1 and class 4 NICs and the health and social care levy altogether, including, of course, in Hastings and Rye.

Stephen Timms: Will the right hon. Gentleman give way?

Mr Clarke: I should make some further progress, I think.

The Government recognise that implementing the Bill is a big change for many employers and payroll software providers, so I want to add a few words about the timeline for when we are implementing the changes. We believe that the date in early July strikes the appropriate balance between ensuring—this speaks to the point made by my hon. Friend the Member for Hastings and Rye (Sally-Ann Hart)—that people benefit from the increase as soon as possible, while giving employers and

payroll software providers time to update and test their systems so that the change can be delivered safely. That will avoid millions of taxpayers having to make manual claims for refunds at the end of the tax year and employers from having to make major payroll corrections. Clearly, that is a situation we want to avoid.

The Government are also acutely aware of the huge pressures faced by those working for themselves but earning low amounts as a result of the rising cost of living. To support that group, the Bill gives the Treasury a power to lay an affirmative statutory instrument. It will mean that from April those with profits between £6,725 and £11,908 will not pay class 2 NICs. That will rise to £12,570 from April 2023. The measure will benefit half a million self-employed people, saving them up to £165 a year. As I just mentioned, that group will still be able to receive NIC credits, just as they have done in the past.

Shaun Bailey (West Bromwich West) (Con): I am grateful to my right hon. Friend; he is being incredibly generous with his time. May I just make a plea to him on operational delivery? This measure is really welcome news, but will he, through his good offices, work with Her Majesty's Revenue and Customs in particular to ensure that there is clear guidance? Operational delivery will be key to ensuring that the measures he is announcing are as successful as they should be. I know that if he could provide that reassurance my constituents would appreciate it.

Mr Clarke: My hon. Friend is absolutely right to raise this issue. The Financial Secretary to the Treasury will be replying to the later stages of the Bill's passage and will be able to provide direct confirmation that HMRC is focused on that issue. It is critical that HMRC plays its full role in delivering the measures as seamlessly as possible, and I know that it will.

Stephen Timms: Will the Chief Secretary to the Treasury give way?

Mr Clarke: I will, I will, I will.

Stephen Timms: I am grateful to the right hon. Gentleman and I apologise for intervening once again. He has made it clear that he is not able to answer the question about the effect of this measure on people claiming universal credit. Can he commit the Financial Secretary to the Treasury to giving us an answer on that point before the end of the debate? It is an important issue for the House to take into account when determining its decision on this measure.

Mr Clarke: I thank the right hon. Gentleman for that point. My right hon. and learned Friend the Financial Secretary will do her best to provide an answer based on the information that our officials can provide. It is important, obviously, that we answer questions correctly. It is worth noting that the universal credit taper rate has been reduced from 63% to 55% and the universal credit work allowance has been increased by £500 a year to help make work pay. That is a tax cut for the lowest paid in society worth around £1.9 billion in the financial year that is just about to begin. It means that 1.7 million households will on average keep around an extra £1,000. We will do our best to respond to the specific question that the right hon. Gentleman raises.

[Mr Simon Clarke]

The effect on an individual's ability to access contributory benefits and to build up state pension entitlement will be unaffected as a result of the changes to class 2 NICs. Taken together with the increase in the primary threshold and the lower profits limit, we will meet in full our commitment to ensure that the first £12,500 an individual earns is free of tax, clearly illustrating that this is a Government who make good on their promises to the people of this country.

Matt Rodda (Reading East) (Lab): I thank the Chief Secretary to the Treasury for giving way and for his reassurance to people contributing towards the state pension. The Chancellor did not actually mention the word "pensioners" yesterday. Does he recognise the enormous pressure on many pensioners who are struggling to get by on very modest incomes at a time of significant inflation? Is it not time that the Government looked again at their support for pensioners, in particular on heating bills?

Mr Clarke: I thank the hon. Gentleman for his question and I recognise the sincere spirit in which he asks it. We are, of course, determined to deliver for our pensioners. That is why the Government have done so much to help to make sure that pensioners' standard of living was not affected during the very difficult years we have just gone through, including spending £111 billion a year on the state pension, which is more generous than it has ever been. Many of the measures we are undertaking, for example our energy package, will benefit pensioners hugely. People will be getting £150 off their energy bill next month as a rebate on council tax if they live in bands A to D, with councils having a further £144 million available for discretionary payments to people who live in higher council tax bands who need further support. As I set out earlier, if the forecasts of very high inflation for this year do indeed come to pass, that will be captured in the uprating figures that will be delivered this autumn for the 2023 benefit uprating.

I want to draw to a conclusion on some broader points that this issue alerts us to. Every day in my role as an MP representing one of the poorest towns in this country, I hear from families and individuals who are struggling with the rising cost of living. I am fully respectful of the fact that this is a genuinely difficult time for the people of this country. I want to issue the reassurance that just as the Government stood by people during the covid crisis by providing a £400 billion package of support, so we will stand behind the people of this country as they face these new challenges, too. It is important to do so in a spirit of total candour. No Government anywhere in the world directly has the ability to offset the impact of first the pandemic and then a reckless and illegal war on our continent, but we will do our utmost with the tools we have, within our overarching aim of making sure that the public finances are protected.

This financial year and next, we will provide over £20 billion to help people with the cost of living. That includes over £9 billion of direct support with high energy costs for around 28 million households. That is why yesterday we announced our wider package, including this Bill along with a range of other measures, to ease the pressure on hard-working families and secure long-term economic growth.

James Sunderland (Bracknell) (Con): The Minister will know that Bracknell is blessed with one of the lowest rates of unemployment in the country. Does he agree that the increased thresholds will absolutely reward hard work and be of benefit to working families right across the Bracknell constituency and beyond?

Mr Clarke: I thank my hon. Friend for his question. It is a fantastic success that Bracknell enjoys very low unemployment. It is actually the case that every region of our country now has lower unemployment than it did before the coronavirus pandemic hit, which is a huge Conservative policy success and a tribute to the hard work and enterprise of the British people.

As the Chancellor said yesterday—I will conclude with this—cutting taxes is not easy. It requires hard work, prioritisation and the willingness to take often unpopular decisions elsewhere, but it is precisely because we have made those tough decisions in the past that we have been able to reduce taxes in a responsible and sustainable way today. Our Government will always act swiftly and decisively to safeguard the best interests of our people. The Bill includes the largest cut to personal tax in a decade. It rewards hard work and supports the lowest earners. Its measures, while sweeping in scope and ambition, will make a real tangible difference to the lives of millions of people. That is why I commend it to the House.

12.18 pm

James Murray (Ealing North) (Lab/Co-op): As we debate the Bill, I cannot help but notice it is becoming a bad habit of this Chancellor to rush national insurance legislation through Parliament in a day. A little over six months ago, I stood here setting out the view of the Opposition on the Government's Health and Social Care Levy Bill, which was similarly rushed through all its stages in just one day. As we know well, that Bill introduced a new levy that would be preceded by an equivalent increase in national insurance contributions for employees and employers of 1.25%. Since that national insurance increase was agreed, it has become ever clearer that it will be the worst possible tax rise at the worst possible time.

The Opposition will support today's Bill, as any help for people facing the Chancellor's national insurance tax hike in April is something we welcome. There are benefits to raising the threshold at which people begin to pay national insurance, but we should be conscious that the Bill has more to do with the Chancellor's increasingly desperate desire to paint himself as a tax cutter than it does with a well-thought-through package of measures to help people with the struggles they face. Even after the Bill passes, the tax burden in our country will still be at its highest in 70 years, and we are still the only G7 country to be raising taxes on working people this year. The Chancellor is making sleights of hand his speciality. As the Office for Budget Responsibility has pointed out, for every £6 he has taken in tax since he took on that role, yesterday he gave back just £1.

The Chancellor has realised that his national insurance hike in April is wrong. Labour could have told him that six months ago. In fact, that is exactly what I told the Minister in September last year when we debated the Health and Social Care Levy Bill. We set out clearly our decision to vote against that Bill on Second Reading.

We set out how it broke the Government's promise not to increase national insurance, and instead raised taxes on employment that would disproportionately hit working families, young people, those on lower and middle incomes, and businesses trying to create more jobs in the wider economy, while leaving income from other sources untouched. We were not alone in criticising that tax rise. The British Chamber of Commerce warned:

"A rise in National Insurance Contributions would represent a hammer blow to jobs growth at this crucial point in the UK's economic recovery."

At the same time the TUC general secretary, Frances O'Grady, criticised the Prime Minister for

"raiding the pockets of low-paid workers, while leaving the wealthy barely touched."

Gareth Davies (Grantham and Stamford) (Con): Does the hon. Gentleman acknowledge that 14% of the highest earners in this country will pay 50% of the levy?

James Murray: As the hon. Gentleman knows, we have debated the increase in national insurance at length, and today we are debating the package of measures that the Chancellor brought forward. Overnight analysis by the Resolution Foundation, which he would do well to consult, recognises that seven in eight workers will pay more in tax and national insurance in 2024-25, as a result of decisions taken by this Chancellor and this Government.

Alberto Costa: At the outset of his speech, the hon. Gentleman criticised the Chancellor for being a tax cutter, yet he is now critical because the tax burden has increased. He has not yet answered the question from my hon. Friend the Member for Grantham and Stamford (Gareth Davies), so perhaps he can have a second go.

James Murray: As the hon. Gentleman knows, we are critical of the Chancellor for his desperate attempts to appear to be a tax cutter, despite the fact that the tax burden in this country is now at its highest in 70 years. *[Interruption.]* Let me make some progress. It is clear that the increase in national insurance proposed by the Health and Social Care Levy Bill last year was wrong, not only because we said it was, but because the Government's own analysis concluded it was wrong. I am sure that at the time Ministers read their own tax information and impact note, which was signed off personally by the Financial Secretary to the Treasury. That note applied the so-called family test to this levy, and concluded:

"There may be an impact on family formation, stability or breakdown as individuals, who are currently just about managing financially, will see their disposable income reduce."

As the current Financial Secretary to the Treasury will know, I have tabled several written questions, asking the Government to publish the complete family test assessment prepared for the levy. Her most recent response stated:

"Family Test assessments are not routinely published. Decisions on whether and how to publish complete Family Test assessments fall within the responsibility of each Government Department. HMRC have no further plans to publish a Family Test assessment on the Health and Social Care Levy."

When she responds, I would be grateful if the Minister confirmed that she will now instruct HMRC to publish that family test assessment. If she refuses to do so, I would be grateful if she explained why she is blocking its publication.

Matt Rodda: I am grateful for the work that my hon. Friend is carrying out on this important matter, because it seems fundamental to look at the impact on families. In my constituency of Reading East there is enormous pressure on families, many of whom are in work and on modest incomes, but are struggling to get by because of increased prices, so I thank my hon. Friend for his work.

James Murray: I know that my hon. Friend is a champion for his constituents, and in challenging the Government about the harm that their decisions will do to the people he represents.

Jacob Young: Let me take the hon. Gentleman back a few moments. He said that he was not debating the national insurance levy, and then he continued to debate the national insurance levy. On the subject of the national insurance levy, what would Labour do instead to fund the national health service? I have yet to see any sort of plan from the Opposition.

James Murray: I do not recall whether the hon. Gentleman was present in the debate on the health and social care levy, but if he was, he would have heard us set out that any increase in taxation should fall on those with the broadest shoulders, not directly on working people. This Government are laying the worst possible tax rise at the worst possible time on the shoulders of working people. In the long run, the way to fund public services sustainably is through growth, but this Government have become a low-growth Government, and therefore a high-tax Government. That is the truth of their economic model, and that is what we would seek to change.

Since September, when the Health and Social Care Levy Bill was pushed through Parliament, our arguments against April's national insurance hike have only got stronger. The difficulties that people face in making ends meet have been mounting by the day. Inflation jumped again yesterday from 5.5% to 6.2%, with the OBR now forecasting it to hit 7.4% this year—the highest rate in 30 years. Energy bills that have been rising rapidly are set to soar next month, and the crisis in Ukraine will put even greater pressure on the cost of energy, petrol, and food. The pressure on the Chancellor to change course has been rapidly growing, yet he has backed himself into a corner. He has nailed his colours to the mast, stubbornly refusing to reconsider his deeply unfair national insurance hike, and that seems to be how we have ended up where we are today.

We have a Chancellor who has found himself politically unable to cancel his national insurance hike, yet also unable to ignore the fact that this is the worst possible tax rise at the worst possible time. That is why he has tried to respond by making these changes to national insurance thresholds, with promises of further tax cuts at some point in the future. Whatever the merits of the individual measures, that approach is driven not by what may be the right thing to help people now, but by the Chancellor's desperate ambition to portray himself as a tax cutter, despite all evidence to the contrary.

James Daly (Bury North) (Con): In light of the hon. Gentleman's commitment to reducing the tax burden on hard-working people, will he join me in calling for

[James Daly]

the scrapping of Andy Burnham's clean air zone tax in Greater Manchester. That is a tax on business and jobs, so does he agree that it needs to be scrapped now?

James Murray: We have had a number of comments about what is within the scope of this debate, and I suspect that issue is rather out of scope. I will focus on national insurance and the Chancellor's spring statement yesterday, and matters related directly to that.

Following the spring statement and the package announced by the Chancellor yesterday, Torsten Bell, chief executive of the Resolution Foundation, stated:

"This package only makes sense if:

- your only test for policy choices was can you prove you're a tax cutter

- you've already announced a rise in National Insurance."

Overnight analysis by the Resolution Foundation has set out the stark truth that considering all income tax changes to thresholds and rates announced by the Chancellor, seven in eight workers will pay more in income tax and national insurance in 2024-25.

Sally-Ann Hart: If the Opposition had to plan for a spring statement, would they rule out raising income tax?

James Murray: We have made it very clear that we believe in a fair taxation system. The key point for us in the Chancellor's package is that he is raising taxes for working people, while ruling out measures such as our one-off windfall tax on the profits of North sea oil and gas producers. That is not a fair taxation system.

The inescapable truth is that whatever the Chancellor puts on his Instagram account, he has left Britain facing the highest tax burden in 70 years. As Paul Johnson, director of the Institute for Fiscal Studies said yesterday: "almost all workers will be paying more tax on their earnings in 2025 than they would have been paying without this Parliament's reforms to income tax and NICs, despite the tax cutting measures announced today."

The Institute for Fiscal Studies has calculated that median earners on around £27,500 can expect, even after the increase in national insurance thresholds, to be £400 worse off in the coming financial year. The Office for Budget Responsibility has confirmed that this year will see the biggest hit to incomes on record. That will be the true legacy of this Chancellor, not the phoney tax-cutting image that he has been so desperate to cultivate.

Although today we are debating national insurance thresholds, and the impact that will have on people's lives, there is much more that the Chancellor simply failed to address in his spring statement. We have been repeatedly pushing the Chancellor to levy a one-off windfall tax on North sea oil and gas producers' profits, to help fund a one-off cut to people's energy bills. Our plans would cut everyone's bill by £200 and would do so by £600 for the 9 million households facing the toughest squeeze.

Matt Western (Warwick and Leamington) (Lab): My hon. Friend is making a powerful speech. It is worth putting that last point in context. The chief executive

of BP made it clear that there absolutely was a windfall: the company had become a "cash machine" because of the massive rise in revenues resulting from the significant increase in the price of a barrel of oil. There is a huge opportunity to take a windfall tax now. Does my hon. Friend agree that the Government should also have looked at the supermarkets during the pandemic?

James Murray: My hon. Friend is absolutely right that there is a huge opportunity to levy a one-off windfall tax on North sea oil and gas producers' profits. Yet there was no mention of such a tax in yesterday's statement.

Jacob Young *rose—*

Gareth Davies *rose—*

James Murray: I am going to make some progress. The record shows that the Chancellor likes putting up taxes. He has been busily defending his tax rise on working people, but when it comes to oil and gas profits he is suddenly nowhere to be seen.

Jacob Young *rose—*

Sarah Atherton (Wrexham) (Con) *rose—*

James Murray: I give way to the hon. Lady; the hon. Gentleman has already made several comments.

Sarah Atherton: I thank the hon. Gentleman. I am interested in what the Opposition are saying about not raising taxes. Will he explain why the Welsh Labour Government have not ruled out tax rises? It is in their discretion to do so, but they are not considering doing that until after the May elections.

James Murray: I repeat a principle I mentioned earlier to the hon. Member for Bury North (James Daly): the remit of the Bill is national insurance and related matters, such as the spring statement yesterday. I will continue to focus my remarks on those.

The windfall tax that we have been pushing the Chancellor to adopt would fund support for people who need help with their energy bills now. As we have long said, alongside that immediate help we urgently need more investment in alternative sources of energy and insulation for our homes. That investment would help to cut energy bills in the longer run, as well as improving our energy independence and security. Yet on that front, the Chancellor has been all but silent, too.

Yesterday, the Chancellor announced a cut in VAT for energy-saving materials, but I do not think anyone believes that that is anywhere near enough to help the majority of families upgrade their homes. Our pledge, by contrast, is to invest £6 billion each year for 10 years to upgrade 19 million homes. That would cut energy bills by up to £400 a year while cutting gas imports by 15% too. That is the kind of transformational programme that our country needs.

Alberto Costa: Would it not have been better for the Labour Administration to have approved new nuclear power stations? We would not be in this mess today had it not been for Labour's failures in the past.

James Murray: As the hon. Gentleman knows, his party has been in power for the past 12 years. We have set out clearly that we would end the delay in new nuclear power alongside introducing greater onshore and offshore wind power and solar energy.

Matt Western: On that point, the Labour Government were the first to put in place the Climate Change Act 2008—that is, the first globally to introduce legislation that would address the need to switch to a more renewable energy sector. I remind Government Members that the Labour Government put in place the zero carbon homes legislation, which was torn up by the coalition Government. If that had still been in place in 2016 to 2021, 1 million new zero carbon new homes would have been built, which would have reduced our energy need.

James Murray: I thank my hon. Friend for making an important point about the last Labour Government and drawing attention to the lack of action from this Government in pursuing investment in renewable energy sources, which would cut energy bills and give us greater energy security and independence.

We need a Chancellor who is prepared to levy a one-off windfall tax to help cut people's energy bills now and invest what is needed to cut bills in the long run. Instead, yesterday, we saw neither.

Shaun Bailey (West Bromwich West) (Con) *rose*—

James Murray: I am going to make some progress.

Perhaps the most desperate part of the Chancellor's pitch yesterday was his claim that “the work starts today”. The Conservatives have been in power for 12 years: 12 years of incomes being squeezed under Conservative Governments, 12 years of failure on energy efficiency and 12 years of low growth. The truth is that, even now, when he is apparently “starting work”, the man who lost £11.8 billion of public money to fraud has once again proved that he is not up to the task.

This week, the Chancellor failed to scrap the tax rise on working people. He failed to introduce a windfall tax, and he failed to set out a plan to support British businesses. People deserve better. People need a Government who are on their side.

Madam Deputy Speaker (Dame Rosie Winterton): I call Richard Drax.

12.35 pm

Richard Drax (South Dorset) (Con): Madam Deputy Speaker, I am not used to being called first—this must be the first time. I am grateful to you, and it is a pleasure to take part in the debate. First, I refer hon. Members to my entry in the Register of Members' Financial Interests.

I now have a chance to expand on the question that I raised with those on the Treasury Benches yesterday. When some years ago my right hon. Friend the Member for Wokingham (John Redwood) was asked at a meeting what conservatism stood for, he paused for about one second and said, “Freedom”. That is freedom for the individual, freedom from the state, freedom to spend one's own money—or more of it—and freedom from high taxes.

As I said yesterday, I applaud the Chancellor for going as far as he did. But many of my constituents in South Dorset are impoverished already; we have deep pockets of deprivation and poverty. I fear that the generous moves by the Chancellor and the tinkering that he has done have not gone far enough.

I sympathise with the Chancellor and the Government: we have had a pandemic and now there is a war in Europe. Both have been out of the Government's control and have clearly had devastating consequences on how we run our economy.

Jacob Young: Obviously, my hon. Friend will recognise that the inflation statistics paint a stark economic picture for this country, but does he also recognise that in the US inflation is double what it looks to be here? The eurozone's inflation statistics are similar to ours. That demonstrates that this is a global problem, not one that only we are facing in the UK.

Richard Drax: I entirely concur. Yes, inflation is now spiralling to 7%, I think, and more across the rest of the world. Inflation has a very negative effect on the economy, on what we can afford to buy and on the value of our money. It has to be countered.

Given that the cost of living is spiralling and that taxes are the highest for 70 years, I urge the Government to go further. As they know full well, lower taxes generate more cash. That point is proven, and we Conservatives have fervently followed it for as long as I recall. Why? Again, as Treasury Benchers know, low taxes are a force for good—both for the individual, who is far better placed to decide where to spend their money, and for the private sector, which can better invest in their businesses, employ more staff and sustain a profit—an ugly word for Labour Members. Let us not forget that it is the tax from those profits that pays for the public sector.

Sally-Ann Hart: Will my hon. Friend confirm that every single Labour Government have raised taxes rather than lowered them and have left this country in such a situation that every single Conservative Government have had to get the economy back on track?

Richard Drax: I totally concur with that comment. Regrettably, Labour will do it again and again and again—that is what socialism is all about.

Matt Western: That is not entirely true. As far as I can recall, back in 2010, VAT was 15%. It was increased by 33% by the Conservative Government to 20%. That is the most regressive tax of all, hitting everyone, particularly those on very low incomes.

Richard Drax: I agree to the extent that I do not like any tax. However, if there is a note saying that “there is no money” left, that puts a Government in a slightly difficult position, because they need some money to run the country and the public sector, which we all hold so dear.

Wera Hobhouse (Bath) (LD): If the hon. Member does not like any tax, and given that we have heard that VAT has been raised to high levels, does he support the Liberal Democrats' call to cut VAT by 2.5% to 17.5%?

[Wera Hobhouse]

That would make a big difference to people's disposable income. They would spend it in the high streets and it would do exactly what he proposes.

Richard Drax: In an ideal world, I would like to scrap VAT—[*Interruption.*] I would love to scrap it altogether. It is extraordinary that we ask someone to do something, creating all this work and getting the economy going, and people are taxed to do it. But there again, as I have explained, the Government are in a predicament because of the pandemic and a war—situations that are way out of their control—and I know that they are trying to do their best with the very difficult cards in their hand.

In the Chancellor's statement yesterday, I did not hear the good Conservative word "savings"—that is what I call it, but the Opposition call it "cuts". We appear to acquiesce to every demand for more money. This is taxpayers' money and it is surely time to review the big spenders, such as the NHS and welfare. They are, of course, both needed, but it is time to review both to make sure that we are getting value for money.

The national insurance rise, which I disagree with, will see billions of pounds disappearing into a black hole, followed soon afterwards by demands for more. For the sake of the public finances, I do not believe that this can go on. I welcome the Chancellor's talk of more tax cuts to come, but in my humble opinion, and certainly for my constituents, for the reasons that I have stated, those cuts will come too late.

The Opposition are already drooling with pleasure as they watch us behave like the big spender that they would so love to be. That puts our *raison d'être* at risk. Capitalism is always challenged by socialism, which, as far as I know, has never succeeded wherever it has been adopted, but that does not stop them from trying it on. Today, in tough times, we need to fight for and explain far better our economic philosophy, for if we do not, there is a real risk of a high-spending, high-taxing Conservative Government handing over the country to those who would bring it to its knees, ruthlessly raiding the accounts of those who aspire, work hard and already pay their fair share.

I would be neglectful if I did not mention money for our armed forces. I know that that is not directly linked to national insurance, but it was raised in the statement yesterday. As a former soldier, I urge those on the Front Bench to spend more of our money on our armed forces. If the awful behaviour by Russia has not alerted us to that, I do not know what will. This is all about priorities; that is what we as a Government have to decide. As I hinted, I think there should be far more study and review to ensure that the money is better spent in various areas. Let us face it: the defence of our country and all those who depend on her is the Government's top priority.

Let me end where I started, with freedom. High taxes are not the accepted norm for the Conservative party. For us, it is all about freedom—freedom from the state, freedom from high taxes and freedom for the people to choose how their money is best spent.

Madam Deputy Speaker (Dame Rosie Winterton): I call the Scottish National party spokesperson, Richard Thomson.

12.44 pm

Richard Thomson (Gordon) (SNP): May I say what a pleasure it is to follow the hon. Member for South Dorset (Richard Drax), whose speech I very much enjoyed? I hear the paeans to the Conservatives being the party of freedom and low taxes, so it will no doubt come as a shock to him that the Office for Budget Responsibility wrote yesterday that taxes will rise to their highest level as a share of national income

"since the late 1940s under Clement Attlee's post-war Government."

I know that the Conservatives love to compare themselves with previous Labour Governments, but I was not aware that they intended to compare themselves with that one. The big difference is that under Clement Attlee's post-war Government, nobody could be in any doubt about the intention to raise living standards for all and to share the burden equitably. [*Interruption.*] I hear the comment, "The big difference was a pandemic", but there was a big difference because of world war two as well, hence the "post-war" bit. However, I will gladly take an intervention once I have made a bit of progress.

The Scottish National party welcomes the Bill insofar as it goes. We are clearly in the midst of the worst cost of living crisis in living memory. Inflation is spiralling and is set to hit 8.7% later this year. Some of that is common to industrialised economies around the world, but let us be perfectly frank that other elements of it are entirely self-inflicted because of the Government's choices. That resonates through people's pocket books, with the OBR forecasting the sharpest fall in real earnings since the 1970s and the biggest hit to real household disposable income since records began in the 1950s. That is certainly not a record to be proud of.

The Chancellor had a golden opportunity yesterday to do something to ease the pressure on hard-working individuals and families, to help those on benefits and to give much-needed respite to businesses trying to trade their way back to health and prosperity. The circumstances were as auspicious as they ever could be. The Chancellor had headroom of approximately £30 billion that he could have worked within, as a consequence of increased tax revenues through fiscal drag and because of borrowing undershooting the forecast levels. There was the potential to make a significant difference for those who were feeling the pinch the greatest.

And what did we get? In the face of a 30p-a-litre rise in costs at the petrol and diesel pumps, there was a 5p cut in fuel duty, which barely takes the cost at the forecourts back to where the prices were last week. That offers no respite to the motorist or consumer or, indeed, to all of us, given that we are all affected by the price of goods that are transported on lorries or vans to the shops. Despite an admission that research and development funding was not having the effect that it ought to in driving growth, we had a promise just to spread that ever more thinly rather than focusing on where it could have the greatest effect.

On energy costs, we had a VAT cut on energy efficiency products, although, frankly, the mind boggles at how someone who is struggling to pay their existing utility bills will somehow find the money—VAT or not—to install solar panels, heat pumps or anything else that might be covered. We had the frankly paltry increase in the household support fund from £500 million to £1 billion. That is just one fifth of the impact of the 5p cut in fuel duty.

The blunt reality is that anyone who woke up yesterday morning worrying about how they would pay their energy bills will have woken up this morning confronted by exactly the same set of worries.

Alberto Costa: The SNP has been in uninterrupted governance of Scotland since 2007. During those 15 very long years, that nationalist Government have had many levers at their disposal relating to taxation regime relief and grants and other funds. Why have they not used those levers to assist people in Scotland, and why are SNP Members such as him instead complaining in this House about the UK Government's moves?

Richard Thomson: I presume that the hon. Member is a supporter of the present constitutional set-up. I know that he sought election in Scotland before finding his present constituency, and in view of that he ought to be aware that only some powers are devolved, and the Scottish Government have limited fiscal powers. Those powers that they do have, however, they have used effectively. They have reduced taxes for about 54% of workers, and have also introduced benefits such as the Scottish child payment, which is doubling. They have used the limited powers at their disposal judiciously. If the hon. Member is patient, I may accept a further intervention from him when I come to other aspects of the deficiencies in that fiscal settlement.

James Daly: The hon. Gentleman has made some points about the record of the Scottish National party Government. I hope he will correct me if I am wrong, but according to the Scottish Parliament Information Centre, over the three years up to 2021 Scots paid £900 million more in taxes than those in the rest of the UK, and would have paid exactly the same as those in the rest of the UK had their rates mirrored those of the UK. As a result of decisions by the Scottish Government over the last three years, Scots have been clobbered with £900 million worth of extra taxes. Is that correct?

Richard Thomson: As I have said, 54% of Scots are paying lower rates of tax than they would be paying if they lived elsewhere in the UK. Overall, the tax system has been reshaped to make it more progressive and, I would argue, more equitable. According to the Resolution Foundation, about 1.3 million people across the UK will be pushed into absolute poverty as a result of tax decisions made by this Government. I have to say that it is a bit rich to argue, as some Conservative Members wish to do, that the Scottish Government, on a budget that is determined in great part by political decisions taken in this place, should be dipping into the revenues that it has earmarked for essential public services in order to mitigate the impacts of poor choices made here.

The Scottish National party has been sharply critical of the national insurance rise since it was first announced, for straightforward reasons. We believed that it was a regressive tax. It hit the lowest earners the hardest. It was a tax on jobs, and therefore a tax on growth. It was rebranded as a “health and social care levy”, although the Government had no clear idea of how the money was to be spent within the NHS, and could not clarify the question of how any of it would be passported through to social care services in England. Moreover, as a result of its impact on people's incomes, it would bake

in inequality—both generational and geographical—for decades, mitigating social care costs for some but not for all.

The Bill removes some lower earners from the liability that the Chancellor has created, and we welcome that partial retreat. Realigning national insurance and income tax thresholds is broadly sensible, but I believe—I am happy to be corrected on this point—that it only takes us back to the status quo ante of 2010, when the Conservative Government first came to office. Paul Johnson, the director of the Institute for Fiscal Studies, posed an important question in *The Times* this morning:

“Why promise to spend billions cutting the basic rate of income tax whilst going ahead with an increase in NI rates? That will make the tax system both less equitable and less efficient. It will increase the wedge between higher taxes on earnings and lower taxes on pensions and unearned incomes. And wouldn't that money have been better spent sooner helping those most in need?”

I certainly cannot quibble with that.

Let us not be fooled: even though the thresholds are moving, this is still a tax increase. There has been no shortage of informed opinion telling the Chancellor that this was the wrong thing to do, but from a political point of view I am bound to say that he has made mugs of his Conservative colleagues—not just those who had to swallow the indignity of betraying a manifesto pledge at the last election, but those who have gone all out to stoutly defend the policy over the last few months.

The manner in which the Bill has come before us exposes the nonsense that this tax rise was ever in any way “hypothecated”. If the right way to fund the health and social care levy was through a hike in national insurance—and I do not believe it was—it cannot also be right to backtrack on the extent of that rise. It is also impossible to argue that it is hypothecated when we see no corresponding increase in the health budget in England.

Anthony Browne (South Cambridgeshire) (Con): The hon. Member has described this as a tax increase, and obviously it will raise revenue, but does he accept that raising both the threshold and the rate of national insurance means that it is actually a tax cut for people earning less than about £40,000 a year and that only people earning more than that amount will be paying more tax? Overall, is that not the sort of outcome that we would want?

Richard Thomson: Raising the threshold will certainly take some people out of the scope of the measure that was previously announced, but overall, for those who are not in that category, this still represents a higher level of tax that they are paying to the state than would have been the case had it not gone ahead.

As with yesterday's other announcements, notwithstanding the Chancellor's conceit about being an instinctive tax-cutter, these measures are being paid for largely through fiscal drag. The other invidious element is the fact that state benefits are failing to keep pace with inflation. As the hon. Member for Ealing North (James Murray) said earlier, only one in eight workers will see their tax bills fall by 2025 as a result of these measures, and as I said in my opening remarks, this will be the highest tax burden since Clement Attlee was Prime Minister.

[Richard Thomson]

Let me now turn to the Barnett formula. I think that the Bill exposes the fragilities and frailties of that funding settlement. The Scottish Parliament has limited tax and benefit powers, but much of its funding is contingent on policy decisions being taken first of all in this place, for England, before any corresponding resources are released for devolved Governments. We see the foibles and the fragility of that in the Bill, but we also saw it during the pandemic, when decisions had to be taken here before those corresponding resources were released. That, in my view, is not a good way of trying to run the country. We should be trying as far as possible to align policy with resources so that there is clear accountability in terms of decisions made and outcomes delivered, and the funding structures of the devolution settlement are not conducive to that.

In his statement, the Chancellor seemed to me to cut the figure of the pickpocket who expects some credit for returning half an hour later to hand back someone's wallet after abstracting the cash and cards that were inside it. It is amazing that he should expect any gratitude for what he is doing. I do not believe that any responsible Government seeking to tackle some of the crises facing public services post pandemic would reach for national insurance as the best way to do it. If, as I fervently hope, a Scottish Government will one day have full powers over their finances, I do not believe that they will reach for that lever either.

We support this Bill, but it is very much an indictment of the Government's priorities that we are here to discuss it at all.

12.58 pm

Jacob Young (Redcar) (Con): It is a pleasure to follow the hon. Member for Gordon (Richard Thomson).

The increasingly unstable world in which we live brings many challenges to people at home, not least the many concerns of people across the country about the cost of living and the potential impact that rises in that cost can have on family living standards. Yesterday marked two years since the start of the first lockdown, the reckoning point of the first pandemic of its kind in over 100 years. Flash forward two years and we already face a new crisis, the war in Ukraine—the first full-scale war on European soil since world war two. As we heard from the hon. Member for Gordon, the fact that the tax burden is at its highest since that point shows the scale of the economic hit that we took from the coronavirus. It is in that context that we must view the Chancellor's statement yesterday. There are no easy choices—the outlook right now is bleak, and our focus has to be on steadying the ship, on supporting the most vulnerable and on rebuilding. We are able to do this only because of the tough decisions we took preceding this crisis, and it is not worth thinking about the situation this country would be in had the Opposition won in 2019.

This Bill is an example of how we rebuild, by setting the course for lower taxes, starting with a tax cut in July for everyone earning less than £35,000—a tax cut for 70% of workers. By raising the threshold at which we all start paying national insurance from £9,500 to £12,500 in July, we are supporting over 30 million working people with a tax cut amounting to an increase in income of about £330 for the average family. That means that no

individual will pay any tax at all until they earn at least £12,500—the largest increase in the starting tax threshold in British history. It means that workers up and down the country can earn £1,000 a month without having to give a single penny to the Government. This is the first step on our journey to lower taxes, in stark contrast to the Labour Opposition, who have absolutely no tax cutting plan, or any plan at all, for that matter. The shadow Chancellor recently proposed over £170 billion in uncoded spending increases as she pandered to the hard left of her party, with absolutely no plan to pay for it and absolutely no plan for how to get more money back into the pockets of hard-working people.

As my hon. Friend the Member for South Dorset (Richard Drax) pointed out, we on the Government side of the House believe that cutting taxes is in everyone's interest, but it is only sound fiscal management that enables us to cut taxes this year, next year and beyond. This strong economy meant that last year the UK was the fastest growing nation in the G7, and unemployment levels are now back to their pre-pandemic lows, which is a remarkable achievement considering that we have just emerged from a once-in-a-century global pandemic.

Turning briefly to some of the throwaway suggestions from the Opposition, they ask why we do not just cancel the health and care levy, but they have no alternative proposals for how to fund the NHS and social care as we begin to see longer and longer waiting lists caused by the pandemic. They talk about an oil and gas windfall tax, but with no acknowledgement that it is the oil and gas sector that is delivering the future energy security we need through investment in carbon capture and storage and in hydrogen production in places such as Teesside. They talk about increasing defence spending, but with no recognition of the fact that most of them spent the period from 2015 to 2019 propping up a hard left leadership who wanted to scrap the nuclear deterrent while last year we delivered the largest ever cash increase to the defence budget since the cold war. Labour has no plans for the NHS, no plans for energy independence and no plans for defence. It has no plan at all. We on this side of the House will keep on delivering on the people's priorities and taking the tough decisions to ensure that our economy does not just recover but becomes more resilient to the challenges we face in an uncertain world.

1.3 pm

Ms Marie Rimmer (St Helens South and Whiston) (Lab): It has been interesting to listen to the speech from the hon. Member for Redcar (Jacob Young), but I do not think we read the same books or share the same philosophy. This country is set to have the biggest fall in living standards since records began. Households up and down the country are struggling to pay their energy bills. This is a crisis that requires big solutions. At the start of the pandemic, the Chancellor looked at big solutions to big problems, but I am afraid he did not do that yesterday. The energy crisis was already here before Russia invaded Ukraine, and it is now set to get worse. We do not know how long the war will last. The British people understand that we must have some hardship here to help the heroes in Ukraine, and they understand that the war is about standing up for freedom and democracy. What people do not understand is why the Government are not doing everything in their power to help us get through this energy crisis.

People at home are struggling, business are struggling and the Chancellor must do more to ease this struggle. Raising the national insurance cap is welcome, but it is a drop in an ocean compared with the measures that are needed. Critical manufacturing industries such as glass are on their knees. Yesterday, I, along with the CBI, British Glass, Glass Futures and manufacturers and sellers of glass celebrated the International Year of Glass, but the businesses are on their knees. One told of a rise in energy costs this year of £250 million; another of a £48 million rise. This has had no acknowledgement from the Government. Once these businesses go, they are gone for good. They provide good, high-paying jobs that we cannot afford to lose. Other Governments are stepping up to support their industries and ours must do the same.

The energy companies have made huge profits and will continue to do so. They are massive corporations, and energy is always going to be in demand. The Chancellor needs to be on the side of the British people and put a one-off windfall tax on the energy companies. They are not investing; their profits are going into shareholders' dividends. The energy companies will still be around when this crisis is over. The Government need to ensure that the livelihoods of the British people are still here as well. We cannot afford to have thousands of people in crippling debt, going to moneylenders, as millions are.

Anthony Browne: The hon. Member makes the case against the rise in national insurance and for a one-off windfall tax on the energy industry, but that would obviously be just a one-off for one year. The costs of Government spending will continue year after year. Which taxes would she raise to pay for public spending in the years following the windfall tax?

Ms Rimmer: I do not accept what the Member says.

The tax burden is at its highest in 70 years, and it is estimated that the Government have an additional £50 billion to operate with because of taxes that have come through. This begs the question of why the Chancellor is not using that £50 billion to help British people. We are already in a time of crisis. First it was covid, then it was energy and now it is Ukraine. The Chancellor must adopt big solutions to the big problems our country faces.

1.7 pm

Paul Bristow (Peterborough) (Con): When it comes to challenging rising costs and what measures the Government can put in place to address them, I always turn to what I consider to be some of the wisest people in this country—the people of Peterborough.

Alexander Stafford (Rother Valley) (Con): Like my mother-in-law.

Paul Bristow: Like my hon. Friend's mother-in-law. I went to a "politics and a pint" pub surgery in the Oxcart pub in Bretton in my constituency to talk to my residents. I wrote to a large number of people living around the area and told them that I would be there between 6 and 8 o'clock and that I wanted to listen to what they felt about the spring statement, and any other issues that they wanted to talk to their MP about. The single most popular measure in the spring statement that came up was the rise in the national insurance threshold.

Peterborough is a city of hard-working people and hard-working families and they want to see work rewarded. That is what this measure does. It will mean that if they work those extra hours and have the dignity of a job, they will keep more of their own money, pay less tax to the Government and be able to spend it on what they perceive to be best for them and their family. That is the Conservative way, and that is why I welcome these measures. I think they will go a significant way towards relieving pressure on families in my constituency. One lady I spoke to told me exactly what this extra money might mean for her. For her and her family, it would mean help with school uniform costs and help with the weekly food shopping bill, and of course it would also mean help with rising energy prices.

That was not the only thing raised with me last night, and it would seem partisan if I did not mention that constituents raised elements of concern. One constituent told me that, although the spring statement will go some way towards addressing energy prices, people need the heating on during the winter, and they asked whether there will be more measures later down the line. I also spoke to pensioners, who raised a concern about what this might mean for people on a fixed income.

The landlord of the pub pulled me aside to explain that, typically, he was paying about £1,200 a month for energy but, due to the rising costs, some of the deals on offer are almost £4,000 a month, which is an eye-watering amount for a local community pub like the Oxcart. However, he told me how pleased he is with the continued cut in business rates.

Far be it from me, as a new MP elected in 2019, to say this to longer-serving colleagues, but a "politics and a pint" pub surgery is an excellent thing to do because it supports local businesses. If we do not use pubs, unfortunately we will lose them. A "politics and a pint" surgery is a fantastic way to meet our constituents.

Returning to my central point, the rise in the national insurance threshold will reward work. As my hon. Friend the Member for Redcar (Jacob Young) outlined, people who earn less than £12,500 a year will not pay any tax at all, which means more money in their back pocket to support themselves and their family.

A large number of people in my constituency are on universal credit while in work. One of the most popular things this Government have done in recent times is to alter the universal credit taper rate from 63p in the pound to 55p in the pound. That is an extra £1,000 in the back pocket of hard-working families in my constituency, which makes an incredible difference.

I praise the raising of the national insurance threshold because it simplifies the tax system. It was an anomaly that people did not pay income tax until they earned £12,500 but they were still paying national insurance. This measure creates a simpler and clearer tax system, which is in everyone's best interest. We do not want tax to be confusing, lacking sense or difficult to understand. People pay their tax, so it should be as easy as possible for them to understand, which is what this measure does.

Finally, I want to talk about what the rise in the national insurance threshold will mean for particular people in my constituency. As I said earlier, work is plentiful in my constituency. We have lots of vacancies in Peterborough—in fact, there are more vacancies than people on universal credit—and this rise sends a message

[Paul Bristow]

that the Government are putting their arm around everyone in this country, and particularly hard-working families. If people want to go out and find a job, work hard and make a contribution, they should be rewarded. There are plenty of those people in Peterborough and across the country.

Gareth Davies: My hon. Friend and constituency neighbour is a great champion of everyone in Peterborough, and I pay tribute to him for all the work he has done since his election in 2019. How do his hard-working constituents feel about the 6.6% increase in the national living wage, which makes sure that having a job is a way out of poverty?

Paul Bristow: My hon. Friend and constituency neighbour makes an important point, and it is another example of how this Government are rewarding those in employment who work hard and make a contribution. That is what this Government are all about, and it is what any Government should be all about. This Bill is another example of rewarding people who make the right decisions.

1.14 pm

Wendy Chamberlain (North East Fife) (LD): No one opposes this Bill, but it gives us an opportunity to reflect on yesterday's spring statement, as a package of support to help families who are being pushed into poverty.

The hon. Member for Peterborough (Paul Bristow) talks about engaging with his constituents. It is not as easy for me to go up to North East Fife for politics and a pint on a Wednesday night, but my constituents want to know whether this is it. The spring statement has, frankly, let down the country as it faces a cost of living crisis, and the House does not have to take my word for it—after all, it is my job as an Opposition Member to oppose the Government. Other Members mentioned the Institute for Fiscal Studies, which says the Chancellor's measures

“will make the tax system both less equitable and less efficient.” That does not make for a stronger or more secure economy. Instead, the belief is that the Chancellor is setting us up for a return of absolute poverty where people have to choose between heating and eating or, even more devastating, neither. That is not strong or secure.

Conservative Members need to look at today's front pages and YouGov's snap poll, which says that 69% of those polled believe the Government have not gone far enough to support them, and that 66% do not feel the spring statement helps people like them. The Chancellor told us yesterday that his changes are significant, but saying that does not make it so. We have heard statistics from both sides of the House showing people's reflections on the Bill, and I tabled an amendment with my hon. Friend the Member for Bath (Wera Hobhouse), which she will address in Committee, that would require the Government to report on the effect on disposable incomes.

Cutting fuel duty by 5p a litre only helps people who drive and, even then, it brings down fuel prices only to the level at which they were last week. I represent a rural Scottish constituency that has much higher fuel prices than in other parts of the UK.

Jacob Young: Does the hon. Lady accept this measure helps not only people who drive but hauliers, who move important products across the country, which obviously has an impact on food prices? This measure will help not only our constituents but the wider economy.

Wendy Chamberlain: I accept the measure helps other people, but the reality is that we have seen an increase, on average, of 40p a litre. As other hon. Members have said, there has been a 5p a litre increase in the last week. A 5p reduction is helpful, but it does not go far enough to support those who really need it.

Frankly, lowering the basic rate of income tax is the biggest wheeze of all. Paul Johnson of the IFS said in *The Times* this morning that we are experiencing “fiscal drag.” The freezing of income tax, which the Chancellor previously announced, means that, even as people's wages increase, they will pay more tax, and the reduction is not happening yet. All the Chancellor has said is that he will do it at an unspecified time before the next election.

The reduction will help those on low incomes the least. It is a tiny reduction and, overall, the tax cuts announced yesterday are worth only a quarter of what is being increased. Arguably, it is not workers who benefit from the cut but people, such as landlords, with unearned income from investments. People who are wealthy enough to get their income from savings and property will pay less tax, while the least well off continue to pay more and more. This is driving another wedge between unearned and earned incomes. I tabled a further amendment with my hon. Friend the Member for Bath to require reporting on the impact.

The Chancellor repeatedly spoke about hard-working families—that was his catchphrase of choice—but those hard-working families are not being helped. They are seeing their energy bills go up and the price of food to feed their children skyrocket, and working parents are being pushed into higher tax brackets by the choice to freeze the thresholds. They pay ever more tax. My final amendment addresses unearned income.

This spring statement is a huge missed opportunity. I would have liked to see a packed Chamber debating legislation that actually makes a difference to people, but I think we would all accept that this is not that Chamber and not that Bill. There are so many steps the Government could have taken today but did not. We had an Opposition day debate at the start of this week on pensioner poverty, which we know is increasing year on year. The Minister in that debate said he was sure the Chancellor would have been listening to Opposition Members calling for more support for pensioners and suggesting some of the ways in which that could be done—you were in the Chair at the time, Madam Deputy Speaker. Clearly, the Chancellor was not listening, because pensioners were not mentioned at all yesterday. There was very little for pensioners who do not drive or own their house—or for those who do own their house but are not planning any energy-efficient home improvements.

Gareth Davies: I point out to the hon. Lady that 200,000 fewer pensioners are in absolute poverty now than were in 2010. I just put that on the record.

Wendy Chamberlain: I thank the hon. Gentleman for putting that on the record, but we are looking at 1.3 million additional people, some of whom I am sure will be

pensioners, going into absolute poverty in the next year. Our state pension is set to have a real-terms cut. Inflation is at 6.2% and is expected to go up to 8% in April, yet pensions are going up by only 3.1%. That was what the triple lock was designed to deal with; it was there to keep pensions in line with and up to the cost of living. As I have said many times in this Chamber, the state pension is not just about pensioners now; it is about ensuring that people in the longer term know that they have a state pension that they can look forward to, and that matters for younger generations, too.

This Government say that they oppose loneliness, but, as always, actions speak louder than words and the measures are leaving older people on their own, in the dark and the cold. There are very good reasons why some people cannot work. There is nothing at all for those receiving social security, who are also suffering the real-terms cut to incomes and are also struggling to pay their rent, because of the freeze to housing allowance—even the National Residential Landlords Association has called that out as being catastrophic. Frankly, it is more expensive to be poor. People on benefits are being unfairly punished by a system that is set up to make them fail. They are worrying about money, making ends meet and debts, and living in unsuitable housing that costs more to heat. These are not the conditions that set someone up to apply for jobs, to succeed in interviews or to move on to a better place in their lives. We know, as we have heard the evidence, that the benefits system can cause serious harm, damaging people's mental health, sometimes to the extent that they take their own lives. This is not a system that helps people—often it harms them. We know that our economy is stronger when those who are able to work do so, but our system does not help people do that and it must be more compassionate. It must also receive sufficient funding so that those receiving benefits are not pushed further and further towards the edge.

Do the Government want this country to be one where destitution becomes normal? As I have said, the estimate is that 1.3 million people will move into absolute poverty as a result of the current cost of living crisis. The only support offered yesterday for those on the lowest incomes was the boost to the household support fund, via local authorities. That is no substitution for having a proper support system that stops people falling into poverty in the first place. As happens with pension credit, people do not always come forward for the support they need, so I echo the suggestion that anyone facing hardship contacts their local authority so that they can get support that may be available to them.

The Government could have cut VAT to 17.25%, which is what my party would propose to do. That measure would help everyone. Cutting VAT will shield our constituents from the worst of the increased costs, put money back in their pocket, and help those on middle and low incomes the most. With an economy that is struggling, because of a variety of factors, we need people to be out in our economy; we need people on our high streets, buying things that are made in our factories and marketed on our streets. A cut to VAT would give an immediate boost to every household, but it also helps us in the long term. That is what a meaningful policy would look like.

Jacob Young: I am very interested in the hon. Lady's arguments on a VAT cut, which is something I would consider, as it is sensible. However, how would the Liberal Democrats propose paying for such a cut?

Wendy Chamberlain: The purpose of the VAT cut is to increase the economy and increase productivity, and therefore see increased tax receipts, which would cover it.

Instead of raising taxes on working people, the Government could implement a windfall tax on the super-profits of oil and gas companies. I say "super-profits" because this is about the additional profits that those companies are making as a result of the increase in energy prices, and it is not the same as the policy proposed by Labour. However, this Government are allowing those companies to make and keep those massive gains. That is true to form; we have seen them give banks a £7 billion tax cut and we know about the high levels of wastage that we have seen, for example, in relation to personal protective equipment. A measure such as this would help support our most vulnerable families.

Helen Morgan (North Shropshire) (LD): Does my hon. Friend agree that the proposed changes to the national insurance thresholds are disappointing, because they just do not go far enough to help people cope with the shocking scale of this cost of living crisis? A disabled family in my constituency do not pay national insurance so they do not get any benefit from the proposed cut; one member is too ill to work and his wife has to stay at home to care for him, so they get nothing from this, but they are struggling to heat their house and pay their food bills. This does not do anything for them. For those who are in work, the NI rate is still increasing by 10% and so they will not benefit enough to be able to heat their homes. Does she also agree that those who live off-grid and heat their homes with heating oil are not protected by anything that happened yesterday?

Madam Deputy Speaker (Dame Rosie Winterton): Order. Interventions have to be quite short.

Wendy Chamberlain: Thank you, Madam Deputy Speaker. I also thank my hon. Friend for her intervention. We know that the price cap does not support those who are off-grid. That was a point Members made in Monday's Opposition day debate in relation to pensioners, and in other places. I hope that the Government will consider that and if they do not do something about it now, I hope they will do so in future.

Yesterday's statement was all smoke and mirrors. It increases the disparities between unearned and earned income.

Anthony Browne: I was intrigued by the hon. Lady's comments that a VAT cut would increase economic activity, leading to more tax receipts and therefore it would pay for itself. I very much welcome the idea that tax cuts help to promote economic activity, but if she believes that VAT cuts pay for themselves, does she believe we should always have VAT cuts? How low would she bring VAT? I have to say that that analysis is not shared by Treasury economists.

Wendy Chamberlain: I find it interesting, given the criticism always given to those on this side in relation to the European Union and VAT, and what we could not and could not do, that I am experiencing criticism from Conservative Members about proposing cutting VAT. I am proposing a temporary measure to help boost the economy in the short term, and I am happy to have a further discussion with the hon. Gentleman about what levels of VAT might look like.

[Wendy Chamberlain]

We are seeing an increase in the disparity between unearned and earned income. We are ignoring those who are being pushed into poverty, and we are not addressing the cost of living, which the Chancellor's statement was supposed to deal with yesterday. Today's Bill does too little, too late. The measures announced in it will come into effect only in July this year. Payments at the higher rates will remain in place for the next three months. The NI hike will cost employees £2.1 billion in that time. The cost of living crisis is biting right now, today, and the Chancellor must look to implement the changes earlier than outlined. I am not fooled by this Government, and neither is the country. If this is the best the Chancellor can do, they know, as I do, that they deserve another Chancellor.

1.27 pm

Alexander Stafford (Rother Valley) (Con): It is an honour to follow the hon. Member for North East Fife (Wendy Chamberlain). Watching today's debate, I am struck by a sort of parallel universe; on the Opposition side, people are arguing for more and more tax cuts. As a good, red-blooded Conservative, I am always in favour of good tax cuts, but they are arguing this without any recognition of the macroeconomic situation—the £400 billion this Government have spent propping up the economy, saving jobs and lives during the pandemic; and the war in Ukraine, where Putin's tanks are crushing my ancestral homeland and murdering thousands. Opposition Members do not seem to recognise that.

When I looked at the amendment paper, which was passed to me during this debate, I became very concerned, because it contains no amendment tabled by Opposition Front Benches. It is almost as though they do not want to engage with the Bill and make any improvements, so they stand here with their rhetoric about how they are against the Bill and what it is doing, but without seeking to improve it, make any changes or add anything to the debate. Even the Liberal Democrats added a certain *je ne sais quoi* to this debate, but the Opposition do not and that concerns me. We have a debate where they talk about how awful this is but without any recommendations for improvements.

Anthony Browne: I very much welcome the fact that my hon. Friend mentioned the fiscal background, which is that we have just spent £400 billion on the pandemic and we now have national debt that is the same size as the GDP. One thing concerns me when I listen to the contributions from those on the Opposition Benches; does he agree that Governments always have to live within their means and, like individuals, they cannot carry on living on the never-never and ultimately will have to try to balance the books?

Alexander Stafford: Of course, we all have to live within our means: we cannot just keep on spending money. It was right for us to spend £400 billion to save jobs, save lives, prop up our economy and make sure that people have jobs, but we need to pay that back, so unfortunately we cannot have huge, sweeping tax cuts, however much we might like to. The Government need to make and are making the tough but responsible choices.

I also feel we are in a parallel universe when I hear Opposition Members talking about being on the side of working people and saying that they would do more if they were in our shoes. My local council, Labour-run Rotherham Metropolitan Borough Council, is not only increasing council tax for hard-working people but doing so with the ninth-largest increase, in cash terms, in the entire country. That is despite the council having £58 million in reserve for rainy days. If this is not a rainy day, I do not know what is. Instead of increasing council tax by so much, the council should spend the money it has in reserves and lower council tax for hard-working people.

Let me turn to an even more ridiculous example. Last year, the Labour police and crime commissioner for South Yorkshire underspent his budget by £2 million. That is a big saving. What would a fiscally prudent person do? They could spend it on reopening the police stations on Maltby High Street or in Dinnington, as I advocate, or perhaps freeze or even cut the precept. But no: the precept for the South Yorkshire police and crime commissioner is increasing, despite that budget underspend. It is a parallel universe.

The Government are introducing tax cuts for hard-working people. We should emphasise that it is about the working people, because we want to put more money into people's pockets. The Bill is a good, strong and stable measure, because it will look after people and put pounds in their pockets, where they matter. It is my fundamental belief, shared by my colleagues on the Conservative Benches, that if someone works hard, they will get the fruits of their labour—they will get out what they put in. Under this Bill, the more someone works, the more money they will get in their pocket, and more money in their pocket is better for them and their family, community and society. That is what the Bill does: it looks after people by putting more money in their pockets, because the individual knows best. That has been what goes on since time immemorial.

Richard Thomson: According to the IFS, median earners on around £27,500 can expect to be around £400 worse off in 2022-23 than in this financial year, even after the increase to the national insurance floor. Are they getting back all that they put in? How do the hon. Gentleman's comments square with the lived experience that people on median earnings will have in the forthcoming financial year?

Alexander Stafford: I thank the hon. Gentleman for that interesting point, but it is clear that 70% of working people are going to have a tax cut. In fact, not only is there a tax cut in the Bill, but we know that there will be an income tax cut in 2023-24. I hope the Scottish Government also reduce income tax, so that they too are on the side of hard-working people.

Jacob Young: Does my hon. Friend recognise, as the Chief Secretary to the Treasury did earlier, that the IFS figures show that, taking into account the health and social care levy, people who earn £35,000 or less will still see a tax cut because of the measures in the Bill?

Alexander Stafford: I completely agree with my hon. Friend's point. This is a Bill that really helps people because it will reduce the amount of taxation and put more money in people's pockets.

We need to make sure that work pays. That is vital. I mentioned the £400 billion that the Government have spent; they have kept jobs going throughout the pandemic. That is vital. It is why unemployment in Rother Valley is only 3.6%, which is below the national average. Of course, that still means that 2,000 people in my seat are actively looking for jobs, which is why last Friday I held the first ever Rother Valley jobs fair. It was a great success: there were more than 30 employers and hundreds of people turned up, and I am told that dozens of people have already got jobs out of it. That is the Conservative view on the ground in a constituency, helping with jobs, and the Government are doing that nationally.

Gareth Davies: My hon. Friend is making a fantastic and eloquent speech. Is he aware that last year unemployment fell every single month, thanks to the Chancellor's plan for jobs?

Alexander Stafford: I was not aware of that exact point, but it does not surprise me because that is generally what happens under Conservative Governments: we try to promote people and work.

The measures on national insurance that we are discussing will encourage more people into work, but we must also look at the wider context. It is not just about working people; the Government recently changed the universal credit tax taper, thereby helping people on universal credit. The simplification of that system will not only make a huge difference to everyday lives but, hopefully, reduce some of the accounting costs and make it easier for business. That will be a double help for business.

Fundamentally, I believe this is a great measure, in the sense that it will put more money into people's pockets but also pay for the important health and social care levy. We all need that great NHS that protected us throughout the pandemic. This will fund the NHS, put more tax in people's pockets and clearly shows the way for us to lower taxes in the years to come.

1.35 pm

Rachel Hopkins (Luton South) (Lab): The Chancellor's spring statement left households and businesses across Luton South to fend for themselves in the middle of a cost of living crisis, as we are set to see this year the biggest drop in incomes on record. The Office for Budget Responsibility confirmed that real household disposable income will fall over the next two years, leading to "the biggest fall in living standards in any single financial year since ONS records began in 1956-57".

Britain is facing the highest tax burden in 70 years, with the Chancellor confirming £24 billion in tax rises this year. For every £6 the Chancellor has taken in tax since he became Chancellor, he is giving back just £1 today. This situation cuts to the heart of the Conservatives' mismanagement of the economy, structured on low investment, low pay and low growth. It also shows their total disregard for the hardship that my constituents in Luton South are facing. Whether it is that people cannot afford the soaring heating bills, the petrol at the pump or the rising food prices, it is our communities that are suffering right now.

The Bill represents just one aspect of the Chancellor's sleight-of-hand approach to the management of public finances, which is based more on feathering the nest of

his own popularity—or, dare I say, his Instagram account—than it is on building an economy based on high growth, high productivity and higher redistribution. Although increasing the national insurance contributions threshold will provide some respite, it will deliver twice as much benefit to the top 50%—the top half of earners—as it will to those in the lower half. And it cannot be considered in isolation. The Chancellor announced in the 2021 autumn Budget that national insurance contributions rates would rise from 12% to 13.25%. Overall, that tax increase is regressive: those earning more than £100,000 a year could end up paying proportionately less. Notwithstanding the threshold change, the rate will be around 13.25% on most earnings up to £50,000 but just 3.25% on any income above that threshold. For all the references earlier in the debate about everyone paying their fair share, I am not sure that is the case.

Jacob Young: The hon. Lady mentioned the health and social care levy; does she recognise the point made earlier by my hon. Friend the Member for Grantham and Stamford (Gareth Davies)? The top 14% of earners will pay 50% of the levy. Surely that demonstrates that the levy is more progressive.

Rachel Hopkins: There are many ways to cut a cake. The people in my constituency know what fairness is and they know that they are paying disproportionately more in their everyday lives.

Could the Chancellor point to any other major economy that is putting up taxes on working people this April? The policies in the spring statement are poorly targeted and not grounded in fairness. According to the response from the Institute for Public Policy Research, they will help the wealthiest households four times more than they will help the poorest. Alongside the lack of support in the spring statement, wages are forecast to fall in value by 2% this year, which is equivalent to a real-terms cut of £552.

We have heard much about a parallel universe, but it is clear whose side the Conservative Government are on. They are certainly not on the side of the pensioners, families on universal credit and children living in poverty in Luton South, who face the choice of heating or eating. I wish the hon. Member for South Dorset (Richard Drax) was still in the Chamber. I listened intently to his comments about freedom; if someone cannot afford to heat their home or feed their kids, they do not have much freedom. For those on the very lowest incomes, there is nothing. There is nothing for those unable to work or those who are unemployed.

The reform places a greater level of tax on almost all workers. The Government's negligence will lead to increased fuel poverty. Government Members may try to point, again, to the household support fund. A colleague told me earlier that for those under the income threshold, the increase would be equivalent to 6p a day.

Jacob Young: Will the hon. Lady give way?

Rachel Hopkins: One more time.

Jacob Young: We are talking about the second tranche of the household support fund. The first tranche of £500 million was announced last year. Luton got £1.83 million from that fund, which I am sure was

[Jacob Young]

helpful to her constituents. They will get a further share from the second tranche. Does the hon. Lady welcome that?

Rachel Hopkins: I am really pleased that the hon. Member is able to remember that figure; I hope he is also able to remind the House of the more than £100 million that has been taken away from Luton council over a decade of Tory austerity, which is why so many of the families in my constituency are living in poverty and are in fuel poverty.

Gareth Davies: Will the hon. Lady give way?

James Daly: Will the hon. Lady give way?

Rachel Hopkins: I am going to make some progress.

The household support fund is simply a short-term solution. I declare an interest as a vice president of the Local Government Association, which warns that we need an “effective long-term solution” to support the most vulnerable. The Chair of the Select Committee on Levelling Up, Housing and Communities, my hon. Friend the Member for Sheffield South East (Mr Betts), raised a number of points on that issue earlier; I add that 60p in every £1 has been taken away from local authorities over 10 years of Tory austerity. We need to see much more stability and certainty for local authorities before we will see an impact.

Ultimately, Luton South deserves a Government that will help them through the cost of living crisis, with a plan to drive growth and living standards. That is not what the Conservative party’s spring statement offers, but it is what a Labour Government will.

2.41 pm

James Daly (Bury North) (Con): It is a pleasure to follow the hon. Member for Luton South (Rachel Hopkins), who made a passionate speech. This has been an incredibly important debate, but the framing of the debate by the Opposition Front Bench was somewhat curious. The hon. Member for Ealing North (James Murray) did not want to answer any questions from Members, including myself, on taxation issues that impact the cost of living for my constituents. Thankfully, the debate has been wide-ranging. If we are to discuss the impact of tax, we must look at it in every part of the country.

I listened to the hon. Member for Gordon (Richard Thomson). I often have to restrain myself from intervening on Members of the SNP, but today, I had to listen to the spokesperson for a party who has actually found a way of taxing the people of Scotland, their own citizens, to the sum of £900 million in extra taxes over the last three years for a net benefit of £170 million.

Richard Thomson: I think the hon. Gentleman is confusing cause and effect with the complicated system for forecasting tax revenues and then balancing payments between the Treasury and the Scottish Government. Would he like to add that clarification to his remarks?

James Daly: Absolutely not. The SNP has found a way of raising taxes that penalises their own citizens and raises less income.

I come back to Greater Manchester. I am proud to be the MP for Bury North. My constituents face a wide range of taxation issues. They will support the Government position and the policy announced yesterday on the increase in the national insurance threshold. Every single person in this debate has supported it. Indeed, the hon. Member for Gordon said, very curiously, that it was an indictment but he was going to support it. It is a good policy that will put more money in people’s pockets. It is a tax cut, especially for those on the lowest incomes, which is to be welcomed.

I want to consider this policy in the context of the largest self-employed sector in my constituency—taxi drivers. Taxi drivers will be hit completely by the taxes proposed for Andy Burnham’s clean air charging zone—at 493 square miles, it will be the world’s largest such zone. That tax—£10 for small vans and £60 for lorries—will hit all those who rely on certain types of motor transport to earn their living. How can that be right? I stand up here on a regular basis and ask Opposition Members to support me in asking for that charge—a cost that hard-working taxi drivers and others in my constituency face—to be removed, but there is silence. We have to look at the whole of the country, and at the policies put in place by politicians at different levels.

My hon. Friend the Member for Rother Valley (Alexander Stafford) talked about his experience of a local Labour authority. In Greater Manchester, we have council tax rises linked to incompetence. We have precepts that the Greater Manchester Mayor is levying on taxpayers in my area, even though he, as police and crime commissioner for Greater Manchester, has wasted millions on millions of pounds on a failed computer system. The decisions of politicians impact my constituents every day. I hope at some point Opposition politicians will join Conservatives in Greater Manchester in calling for the reduction of taxes on our constituents, for the benefit of those constituents.

We see a contrast. The Government are investing in my constituents and in hard-working people.

Alexander Stafford: I completely agree with my hon. Friend’s point about clean air. Does he agree that there will be the same impact in the nearest big city to my constituency, Sheffield, where at the end of this year heavy goods vehicle drivers will be charged up to £50 a day? With the huge increases in petrol costs, there is a double whammy for hauliers; the charges should be scrapped.

James Daly: I completely agree. We should be looking at ways to support our hauliers and others who are reliant on motor transport for their businesses and livelihoods.

The contrast is with a high-tax Labour and the SNP policies I have touched on. We have a Conservative Government who, through the pandemic, have invested £400 billion in supporting people and businesses. In my area, more than £100 million has supported businesses through the pandemic. As a result, in the last quarter of last year, as has already been mentioned, employment levels were back to pre-pandemic levels and there is a record number of vacancies—1.25 million—in the market. That is what we must also consider when looking at how the Government are performing. We have a Government who are creating well-paid, highly skilled jobs in all parts of the country as part of the levelling-up agenda. That is to be welcomed. The policy we are

debating today is that of a tax-cutting Government; the national insurance policy is a tax cut of £6 billion. Such policies must be welcomed.

We have a Government who invest in their people, in training, in supporting the most vulnerable, and in supporting hard-working, self-employed people in my constituency, and who look at every possible way to link policy to economic growth and employment growth. We have a Government who see that the best way to address the many challenges our constituents face is to make sure that the financial and other support is in place while ensuring that they have the tools and the training to get a well-paid and well-supported job in their local area. That is what this Government are about—the creation of jobs, tax cuts and actions for the many and not the few.

The debate is not just about this place and one policy. In the real world, people are creating wealth. The debate is about how people can use the tools that the Government are giving them to create jobs and opportunities. That is what is happening. I welcome the measure, which clearly has support across the House.

Pensioners were mentioned and they face challenges with the rising cost of living, as do many others. Since 2011, when the triple lock was put in place, the state pension has increased by 35% or £2,050 and is now at the highest level relative to earnings in 34 years.

I am absolutely certain—knowing my right hon. Friends the Chancellor and the Financial Secretary to the Treasury—that this measure is not the end of our fiscal policies and our tools to ensure that people will continue to have job opportunities and to be able to take advantage of the economic conditions that have been created.

This is the right policy at the right time, and I congratulate the Government for it. The Government know that all our citizens face challenges, but the route out of the difficulty is good, skilled, high-wage, high-quality employment in all parts of the country and I welcome the Government's commitment to that.

Rachel Hopkins *rose*—

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): I call John McDonnell.

1.49 pm

John McDonnell (Hayes and Harlington) (Lab): Thank you, Madam Deputy Speaker. I remind my hon. Friend the Member for Luton South (Rachel Hopkins) that she has just made a brilliant speech, but if she wants to repeat it she is perfectly welcome to do so!

The hon. Member for Rother Valley (Alexander Stafford), who has just left the Chamber, made a valid point about the nature of today's debate. We as a House need to look again at how we deal with financial statements. It is all well and good having a statement followed by questions, but these statements are becoming increasingly significant—they are, in effect, mini-Budgets—and we need to look again at how we try to cram a debate about the whole statement into just one piece of the legislative proposals stemming from it. In future it would be better, just as we do with the Budget, to timetable specific debates on the statement and then we would have the legislative flow from that.

I put on the record my apologies to the Pendle constituency Labour party. I was meant to be doing the Sydney Silverman annual lecture this evening, but I have postponed it. I apologise to the CLP for any inconvenience caused. The annual lecture is a significant event, because Sydney Silverman was the man who abolished capital punishment and he had a fantastic record as a Labour MP up there. They have been very good about it and we will choose another date. I have postponed it because, as I raised with the Chancellor yesterday, there is nothing in this spring statement—and for me this is the most significant thing about it—for the poorest in our society, including those forced to live on benefits and pensioners, and I am really worried about what will happen to them over the next six months. My reason for being here is to say that we need to have a proper debate in these coming weeks and months about the nature of poverty in our society, the nature of low incomes, and the options available to us to tackle those issues. I have tabled an amendment, but it looks as though the whole debate is going to run into one.

Last Friday I met a group of unpaid carers who are looking after family relatives. I remind Members that the carers allowance is £67.60. I just do not know how people can live off that. In fact, they cannot live off it. They now face the energy price increases that we have discussed today, and they are being hit by the inflation rate going up. The fact is that, although both benefits and pensions are to increase by 3.1%, the predictions for the increase in the rate of inflation are anything between 7% and 10%. That is a startling cut in people's living standards, and I do not know how they are going to cope.

I want to wage a cross-party campaign to get the Chancellor to come back sooner, with more measures to assist the poorest in our society. As I said yesterday, I predict that when we get to November there will be large numbers of pensioners and others sitting in their homes freezing. We have gone through a period where, year after year, we have highlighted the number of excess deaths in this country, particularly of older people during winter, and I think that that number will increase again.

Much has been said about the Government's record on pensions, but I have to remind them that the reason the triple lock had to be introduced is that Mrs Thatcher broke the link between pensions and earnings, and the pension became undermined. When the Government proposed the triple lock, I wholeheartedly supported it. That is why all our manifestos at the last election committed to supporting and abiding by the triple lock, so I found it truly shocking when the Government tore that up and suspended it last year. I thought that we had embedded it into the political thinking of this country that, whatever happens, pensioners should share in the wealth growth of this country, including wage growth, or at least be protected against an inflation hit, but we seem to be going backwards. I know that the Government have said that it has been suspended possibly for only a year, but I fear that it might become the norm. That is why Members from across the House should try to secure from the Chancellor a commitment that something should be done to inflation-proof at least the benefits and pensions of the poorest in our society.

Another issue that I think is going to come at us rapidly in these coming months—I think it will become an important part of the political debate and we should

[John McDonnell]

wake up to it now—is that of wages. Unless we inflation-proof wages, I predict that we will see a flaring up of industrial strife in our country. I will give the example of what has happened to council workers in the latest pay settlement. With inflation possibly between 8% and 10% by the end of the year, their wage settlement is 1.75%. That means, in effect, a wage cut of up to 8%. I invite the Government to consider the issue of wages in the public sector, because they obviously set the terms of those in the private sector as well. Unless we inflation-proof wage settlements, our lowest-paid workers will be hit hard by the erosion of their wages as a result of inflation. I think that the Government should be saying to the pay review bodies that, in negotiations, they should start with inflation-proofing settlements.

We also have to recognise that we have to play a role with regard to prices overall. The Government have accepted that there needs to be a continuation of some form of cap on energy prices. I think there should be a cap on profits. The Common Wealth think-tank published its analysis of the energy company profit rates, which were between 42% and 45%. That is absolutely staggering. If that is not profiteering, I do not know what is. We have to come back to this House within the next couple of months. We cannot leave it beyond the recess. Before the recess, we need to know the assessment of the Government, the OBR and others of what the energy price situation is going to be like in three months' time, and we need measures in place to protect people. We know that the price of oil and so on will fluctuate, but we have to make predictions on the best information we have, before the recess at the end of July, so that we can start to protect people.

We also need to consider other measures on prices. Last week the Mayor of London Sadiq Khan proposed a 12-month rent freeze in London. I proposed a rent freeze last October because it was clear from talking to ACORN, the London Renters Union and others just what rent increases were coming through post covid. Unless we start protecting people with rent controls, particularly in high-rent city areas, a rush of evictions will start again, leading to an increase in homelessness and to those homeless families unfortunately having to rely on cash-strapped councils to support them.

Finally, in addition to the need to provide more support for the hardest hit, including those living in poverty and pensioners, and the need to control the implications of increased prices in both energy and rents, we need—and I hope this is coming next week—clear plans from the Government on where we go from here in tackling the energy crisis. I welcome the lifting yesterday of VAT on solar panels and so on, but, to be honest, that was a fairly small step in terms of what is needed. One of the most effective ways in which we can help people in this coming period is through investment in home insulation. A few years ago, we put forward a plan to insulate 27 million homes, the independent assessment of which was that it would create about 450,000 jobs and reduce energy bills significantly. What we can do now is make sure not only that we insulate people's homes and bring down their energy bills, but that we create good jobs. We need the Government to come forward immediately with a programme that prioritises that action. Of course we need to go for green growth and investment in wave, wind and solar

power, but the quickest gains can be made through home insulation. In that way, we might give some hope to people who, at the moment, are viewing the coming winter as a pretty bleak period.

I have listened to this debate from the start, and I have listened to all those who are quoting the IFS, the Resolution Foundation and so on, but what sticks in my mind is the fact that there are 2 million pensioners and 4 million children living in poverty. We can argue about the Government's record over the past 10 years, but that is the stark reality of it. The Resolution Foundation analysis that 1.3 million more people will be forced into poverty is shocking and it should shock us all. We should treat it as an emergency that we need to address very quickly. That is why I say that this cannot be the last debate on it between now and the summer recess. We need to have the chance to consider clear proposals about how we deal with the plight of the poorest in our society, how we tackle the way that they are being hit by prices rises and rent increases, and how we can insulate their homes for the future.

I will finish on the point that I made yesterday. A 3.1% increase for those forced to live on benefits and for pensioners, with inflation at anything between 8% and 10%, will push so many people over the edge into real poverty, real stress and mental health problems, and unfortunately for some it will further existing distress. That is what we should be talking about today. We need to be considering measures to address the whole issue, otherwise we will be failing in our duty.

One final point. We are all on good wages and salaries and we do not suffer anything like the hardship of many of our constituents, so it behoves us to try to take into far greater account the most deprived people in our society. So far in these discussions, with all the point scoring and so on, I do not think that we have properly done so. In the coming months, how we tackle this matter must be the nature of our debate.

James Daly: The right hon. Gentleman is making a very thoughtful speech. Among his proposals is a cap on profits. I wonder whether he could expand on that. In my constituency, for example, we have many small businesses; we do not have multinationals or anything such as that. Does he advocate that all private sector businesses, whatever their size, should have a cap on profit?

John McDonnell: I do not think the hon. Gentleman heard me properly. I was referring to the energy companies, specifically in regard to the profits that they have made. If he looks at the report of Common Wealth, the think-tank, he will see that it was looking at 42% to 45% rises for a number of those energy companies. That is where we need to cap profits. That would then give us the opportunity to redistribute some of that into supporting families and so on. It is about trying to be as targeted as possible so that we get the maximum benefit for the maximum number of people in our country. In his speech the hon. Gentleman used the slogan, "For the many, not the few". It just shows what a good slogan it is when the opposing side starts stealing it.

2.4 pm

Shaun Bailey (West Bromwich West) (Con): It is, actually, a pleasure to follow the considered and well thought out speech of the right hon. Member for Hayes

and Harlington (John McDonnell). I agreed with some of the principal points that he made, particularly the need for this to be an ongoing discussion. We cannot allow what has been suggested today to be the full stop at the end of the sentence; we must allow the debate to carry on so that we can have those broad discussions. I share his concerns, which are also articulated in my own communities, about the plight and the difficulties that pensioners face. People on limited incomes make up a large proportion of my constituents, and also of the communities that I live in and have been brought up in.

Coming in at this point of a debate means that we have already had intensive discussion of the facts and the figures and what the OBR and the IFS have said, and I do not wish to regurgitate all the things that hon. and right hon. Members have said. None the less, we are facing an unprecedented situation. Broadly speaking, the interventions made by my right hon. Friend the Chancellor yesterday were welcome. As we have discussed, the balancing of the national insurance personal thresholds will enable, to a degree, a tax cut for hard-working people in this country. The levelling up—for want of a better expression—of those rates forms part of a broader package.

The hon. Member for Ealing North (James Murray), who is back in his place, talked about a one-off windfall tax. He strikes me as someone who will go very far on the Labour Front Bench, so I do not want to stunt his political career by agreeing with what he said. None the less, he does make an interesting point about a windfall tax. I have listened intently to the debate about this. My concern about a windfall tax, which might perhaps improve or be slightly better than what is being proposed today, is the broader unintended consequences that it might bring, such as that tax being passed on to consumers. Many many hon. and right hon. Members throughout the Chamber have picked up on that point today. We are dealing with multinational corporations, many of which have complex tax structures and people who are paid very well to avoid and to dodge tax, often using international laws. The one-off nature of what is being proposed, therefore, makes it very difficult to build a legislative framework that would operate in a way that would enable us to derive the benefit.

I do not disagree with Opposition Members about energy companies making exorbitant profits, because we see the figures. The point I come back to, though, is allowing any measure actually to be deliverable. That was a point I made when I intervened on my right hon. Friend the Chief Secretary to the Treasury at the start of the debate. It is about operational delivery—it is not just a slogan; it is about reality. It is about ensuring that people on the ground, who either derive the benefit or face the impact of what we decide in this place, can actually see that. My concern with what Labour is proposing is that, while on paper there are some interesting proposals, in reality, I question whether some of it can be delivered. My concern is the unintended consequence of my constituents bearing the brunt of increased prices as a result of those proposals.

Jacob Young: One of the oil and gas companies whose name is batted around the Chamber is BP. BP is investing millions of pounds in Teesside in its new carbon, capture and storage facility, Net Zero Teesside, alongside Hydrogen Teesside, which is a hydrogen production facility. Does my hon. Friend acknowledge

that these are energy sources of the future, and that the investment we are seeing right now is important in building our future energy security? If we were to go down the route that Labour is proposing, it is feasible that many energy companies would pull out of their investment in green technologies of the future, which we are so desperate to see.

Shaun Bailey: My hon. Friend has been endowed with some form of clairvoyance today; it is almost as if has seen the second part of the point that I was about to make. He is absolutely right. We have to take a two-pronged approach. The fact is that these companies are investing, particularly in areas such as his. They are vital stakeholders in the future sustainability of energy in this country, so we cannot just take a pull-the-rug approach, or treat them completely as the bad guys. Yes, of course, exorbitant profits are being made. I acknowledged that in the first part of my speech; I am not denying that. The focus of what the Government and my right hon. Friend the Chancellor has done is to try to put the burden on those the broader shoulders, and that is the point that I am trying to drive home. My hon. Friend is right, though, that we must ensure that we encourage these organisations to continue to invest not only in the sustainability of our energy market, but in ensuring that we get the jobs and skills we need for people to realise the ambitions that we put forward in the spring statement yesterday. He is, of course, absolutely right in his intervention, and I thank him for it.

I was very pleased yesterday to see the letter sent by my right hon. Friends the Chancellor and the Business Secretary to the petroleum companies, saying that the cost benefits as a result of the fuel duty reduction—I am sure there will be chunterings and arguments that it was not enough—should be reflected on the forecourt. That was the right thing to do.

As my right hon. and learned Friend the Financial Secretary is on the Front Bench, may I also say that I welcome the Chancellor's commitment to a value for money committee, which is being set up? I know she will respond more broadly on HMRC's implementation of some of these NI measures, but it is vital that we ensure value for money and delivery on the ground for constituents—never more so than with the Bill we are debating today.

I should say that I am a member of the Public Accounts Committee, and value for money is our *raison d'être*. I am concerned that we often put things in place without thinking about how they are reflected on the ground and what value for money actually means there. For my constituents, particularly the most vulnerable, this is about ensuring, as right hon. and hon. Members have said, that they can buy their school uniform and meet the additional costs they will face as a result of where we are now.

When we talk about the changes in the NI threshold rates, I think particularly of the many sole traders and small businesspeople in my constituency who will have to navigate this change, building systems and putting them in place. It is therefore right that the Government have sought, rather than bringing in this change straight away, to delay it to July to allow that process to be embedded. I make a plea to my right hon. and learned Friend the Financial Secretary to ensure that HMRC has the systems to do that, because there have been times when I have not been impressed with HMRC and

[Shaun Bailey]

the way it has implemented such things. It is vital that the Treasury get a grip on that, to ensure that we can unleash the full benefit of what this measure is intended to do. In my very short time here, compared with many others in this place, I have learned that, whatever our political objectives and political will on particular measures, delivery on the ground can be very different and can sometimes mar them. The plea I hope she takes away from my comments is to ensure that this measure can be realised and benefit our constituents more broadly.

As I said at the start of my contribution, this is about a broader range of packages. Touching on what the right hon. Member for Hayes and Harlington said, this Bill cannot be the end of the conversation; it must be the beginning.

Jacob Young: Yesterday, the Chancellor published his tax plan, which sets a course for the first income tax cut in many, many years—I am not sure how many—for working people across the country. Does my hon. Friend welcome those steps, which give tax certainty to both constituents and employers?

Shaun Bailey: My hon. Friend is absolutely right; it is the certainty in that plan that allows us to move forward. That is the point I want to drill down on, and he has articulated it much more eruditely than me—it is obviously the fantastic focus he has, being a Teessider. Publishing a plan that sets a clear roadmap, as our right hon. Friend the Chancellor did yesterday, is vital so that we know where we are going and the fiscal interventions we will have to make to help people. That is what people are looking for.

James Daly: One of the measures our right hon. Friend the Chancellor announced yesterday was an increase in the household support fund to £1 billion. How does my hon. Friend feel that councils such as his in Sandwell—I note his previous comments on that—will be able to deal with the bespoke needs of his constituents?

Shaun Bailey: My hon. Friend makes a strong point. It goes without saying that the funding is vital for my constituents in Sandwell. I know, from the interactions I have, how much impact that has on people on the ground. I cannot even articulate how important what our right hon. Friend the Chancellor did yesterday will be and how it will improve people's lives. My hon. Friend refers to my contribution in the House earlier today, which brings me back to the running theme of my speech: delivery on the ground. Unfortunately, we now have commissioners in Sandwell because the Labour administration could not run the authority for 50 years.

We must ensure that that funding gets through to the people who really need it. That is key. Once again, it is absolutely right that we have put the funding in place, but we must ensure that there are robust systems in place to ensure that it gets through. We have learned throughout the past two years that, whether it is what we are doing today on national insurance or the unprecedented package of support this Government provided to keep businesses and the economy going, keep wages paid and keep people in employment and support, we must have the on-the-ground delivery.

I know, from my own experiences in my local area, that at times that delivery failed, and that meant businesses closing down and people not able to get the support they needed. My hon. Friend is absolutely right that that funding will change lives in my constituency—but, if it is to do so, those people who are delivering it must be able to deliver, and it is incumbent on central Government to step in where they need to and provide the guidance necessary to support delivery of those vital funds.

We are in unprecedented times, as we have heard today. We have just gone through a period of unprecedented spending—£400 billion to keep our economy afloat—and we did that to protect jobs and keep people employed. From my constituency and the communities I live in with my friends, neighbours and family, I know the impact that has had, by keeping people earning, and keeping small businesses and people's dreams and aspirations going.

People will say that this is not the perfect solution. The difficulty with fiscal interventions is that there is never a panacea; there will never be one magic bullet that sorts the whole problem out. This Bill is part of a broader package, and the intervention from my hon. Friend the Member for Redcar (Jacob Young) helped to draw that point out. The Bill we are discussing forms an important part of a broader package, enabling us to address an anomaly that we have had for so long and leading to a tax cut for people, but it must come with additional measures and packages such as those announced by my right hon. Friend the Chancellor yesterday.

The one thing it is incumbent on those on the Treasury Benches to do is ensure that this money gets to real people. That means ensuring that we have processes in place that work. As I said at the start, I know my right hon. Friend the Chancellor is committed to doing that. He has set up his committee on value for money—my right hon. and learned Friend the Financial Secretary has heard me bang on about that four times in this speech now—to ensure that that delivery happens. However, we must ensure that the money gets through, because that is how we will benefit normal people such as those in the communities I represent, in Wednesbury, Oldbury and the heart of the Black Country, the great town of Tipton.

2.17 pm

Matt Western (Warwick and Leamington) (Lab): It is a pleasure to speak today, having been unable to get in yesterday.

Clearly, as we have heard from across the Chamber, a lot of people are hurting right now. Some might suggest that Warwick and Leamington would be deemed a relatively prosperous community, but there is real deprivation in all our communities. It is those who are on the lowest incomes, the pensioners and those on welfare, who will be—who are being—hit hardest.

While I can see the Chancellor is an ambitious individual, what was most disappointing about his statement yesterday was that, with the exception of the removal of VAT on solar panels and renewable heat systems and the 5p reduction in fuel duty, there was very little in it. That is particularly disappointing because we are in the middle of a cost of living crisis, and he could have been seen to be more obviously looking to support others. It must be difficult, being a relatively wealthy individual, to be able

to see what is going on in the households of ordinary working people and the hardship that they are currently facing.

I was really surprised about the windfall tax because, to me, it seems like an open goal—an obvious thing to do. I have heard the comments of Conservative Members about the windfall tax and the need for large oil and gas companies to reinvest profits—of course, and those businesses will be doing that. Their profit forecasts were looking fairly good this past 12 months anyway, but they have risen significantly because of the dramatic rise in the international price of a barrel of oil. That is terrific for the businesses in that sector. It is fortunate for them to be there at this time, but it has significant consequences for the households of our constituents—our hard-working families who are trying to make ends meet.

We have heard the comments about those businesses having to reinvest profits, and of course they would be doing that. I sincerely want them to look at new hydrogen facilities and electric vehicle charging infrastructure, and they are, but we need to rapidly upgrade those plans, and I am sure the Government will be looking at that and talking about it in the coming days. That needs to be done, and I hope the companies and the Government will be much more ambitious than they have been to date. The upsurge in profits from the increase in the price of oil has essentially equated, as the chief exec of BP said, to a cash machine for those businesses that they have then used to increase dividends, understandably, but also to go on to a very aggressive plan of share buy-backs. That is what a lot of corporates do—I get that—but, as my Front Benchers and I have been saying, that money could have been put back in and used to alleviate the very real, very immediate pressures on households up and down the country.

The IFS says that yesterday's announcements were really like the Chancellor giving with one hand yet taking away with the other. Paul Johnson said that the decision to raise national insurance contributions and cut income tax drives a

“further wedge between taxation of unearned income and earned income.”

That relates to my point about the dividend increases that we have seen in other parts of the economy.

Jacob Young: I assume that the hon. Gentleman is supporting the Bill; I think his Front Benchers have indicated that they are. He talked about lowering income tax driving a wedge and so on. Does that mean that when it comes to lowering income tax, which my right hon. Friend the Chancellor has said he wants to do in a couple of years' time, Labour will oppose that?

Matt Western: Of course Chancellors want to do all sorts of things. The prospect of this Chancellor actually being able to do anything in six months, 12 months or two years is entirely down to the economic winds of that period. Let us recall that the Chancellor said just a year ago that he would allow an increase in nurses' pay of 1%. At that time he would have been getting very regular briefings from the Bank of England forecasters, with its economists looking at what was going to happen to the economy and the rate of inflation. It was pretty clear then that inflation was already ticking up way beyond 1%, so even at the time of the announcement

nurses would be getting a real-terms cut, and he then increased it to 3% in the autumn. I understand the hon. Gentleman's point, but who knows what the economic situation will be like in two years' time, given that the UK had the biggest hit of all G20 countries in the pandemic? These things would not have been forecasted at the end of 2019, so quite where the Chancellor will be in two years' time, goodness only knows.

The Resolution Foundation has said that one third of the cost of living crisis has come from the increase in taxes. That is a really telling statistic. Torsten Bell said that “it makes no sense to raise National Insurance while cutting Income Tax”.

He is quite right. There seems to be no logic to doing that. As has been said elsewhere, the increase in national insurance contributions is viewed by businesses as a tax on jobs. The Government's determination to pursue this increase in national insurance contributions will hit hard those businesses that are already hurting as a result of the pandemic and now the war in Ukraine, as well as the consequences of the Brexit changes in certain sectors.

We have a Chancellor who has, to use the analogy of a supermarket, put up prices by six quid one month and then offered a promotion of £1 off this month—for now. I am afraid the public will see through that, particularly the poorest and most deprived in our society, including pensioners. My right hon. Friend the Member for Hayes and Harlington (John McDonnell) mentioned the removal of the triple lock, regardless of whether that will be permanent. There was nothing for the poorest and the pensioners in our society. When I went to a food bank in north Leamington a couple of weeks ago, I came across two women in their 60s—WASPI women who were queuing up, for the first time ever in their lives, to get food from a food bank. That is the reality of what is happening out there in our society.

I am afraid that there was a paucity of ambition in the measures that the Chancellor announced yesterday. He could have gone much further and done so much more for those who are hurting in our society. Sadly, I fear that that is the measure of this Chancellor.

Mr Deputy Speaker (Mr Nigel Evans): That leaves, by my reckoning, just under 12 minutes each for the Front Benchers, starting with Abena Oppong-Asare.

2.27 pm

Abena Oppong-Asare (Erith and Thamesmead) (Lab): It is a pleasure to respond to this Second Reading debate on behalf of the official Opposition. I thank all hon. Members for their contributions to the debate.

My hon. Friend the Member for St Helens South and Whiston (Ms Rimmer) spoke passionately about the impact of energy price increases on energy-intensive businesses in her area, making clear the very real risk to jobs. A windfall tax on energy producers could be used to fund support for these businesses. My hon. Friend the Member for Luton South (Rachel Hopkins) was exactly right to say that the Government's approach is low investment, low pay and low growth. The Government are putting up tax because they have failed to grow the economy. My right hon. Friend the Member for Hayes and Harlington (John McDonnell) spoke of his concerns about the impact that this will have on pensioners,

[Abena Oppong-Asare]

reminding us that we must never forget the most vulnerable in society. The Government must do more on this. My hon. Friend the Member for Warwick and Leamington (Matt Western) spoke about how families are trying to make ends meet.

I also listened closely to the speeches of the hon. Members for South Dorset (Richard Drax), for Redcar (Jacob Young), for Peterborough (Paul Bristow), for Rother Valley (Alexander Stafford), for Bury North (James Daly) and for West Bromwich West (Shaun Bailey), as well as those of the hon. Members for Gordon (Richard Thomson) and for North East Fife (Wendy Chamberlain). The hon. Member for Peterborough spoke about the concerns of his constituents about the cost of energy. I would just say to him: does he really think the Government are doing enough, or does he think the Chancellor will have to come back to this House with more support?

This Bill, as we have heard, increases the annual national insurance thresholds for employees and for the self-employed from July 2022. As my hon. Friend the Member for Ealing North (James Murray) said, we will not oppose the Bill, as any help for people facing the national insurance rise in just a few weeks is welcome. It is rare that we debate tax legislation so soon after a Budget or spring statement, but the Bill stems directly from the spring statement that the Chancellor made yesterday.

I am sorry to say that the spring statement failed to match the scale of the challenge that our country and our economy face. Yesterday, the Office for Budget Responsibility said that we are facing “the biggest fall in living standards”

since records began in the 1950s. It forecast that living wages will fall by 2.1% this year and 1.2% the year after. It also confirmed that living standards will not return to pre-pandemic levels until 2024-25. Millions of families around the country are feeling that already with high food, energy and fuel bills. They are looking at the bills that they must pay in the coming weeks and at their wages, which are failing to keep up with inflation, and they are simply wondering how they will make ends meet.

Yesterday, we hoped for a statement from the Chancellor that recognised the scale of the challenge and took real action to reduce energy bills, such as by leveraging a windfall tax on the record profits of the oil and gas producers, as the Opposition have proposed, or by finally scrapping his tax on jobs and on workers—his national insurance increase. We were disappointed on both fronts. He did not take the opportunity to tax the oil and gas giants for whom the crisis has been, in their own words, a “cash machine”, nor did he have the courage to drop his national insurance increase in full.

Instead, in the Bill, we are left with a half measure from a Chancellor who gives with one hand and takes with the other. Let us be clear: he is no tax-cutting Chancellor; he is a tax-raising Chancellor who is increasing the tax burden to the highest level since 1949. The burden is higher after yesterday’s spring statement than it was before. The OBR confirmed yesterday that £24 billion of additional tax rises are about to hit this year. As it made clear, the Chancellor has reversed only about a sixth of the tax rises that he has announced since he took the job, which means that he will still take £6 in tax for every £1 he is giving back.

As the IFS said, even after the changes announced yesterday, almost all workers will be paying more tax on their earnings in 2025 than they would have been without the Chancellor’s increases. Let us be clear: the national insurance increase is a tax on people who work. He is raising taxes on millions in the middle, but where is the increased tax contribution from the wealthiest in society? A landlord with a large number of properties will not be paying more in taxes, but their tenants will; someone with significant income from buying and selling stocks and shares will not pay any more tax; and the national insurance rise is also going ahead in full for more than 1 million employers who do not benefit from the employment allowance. It is a tax hike on jobs, which will ultimately be passed on to workers through lower wages and higher prices.

When the Chancellor first announced the national insurance increase, he said that it would pay for social care. As is typical of him, however, all was not what it seemed, because the Government then said that the money would go to tackling the NHS backlog instead. Six months later, there is still no plan to fix the social care system or tackle growing NHS waiting lists. After a decade of Tory mismanagement, the NHS went into the pandemic with record waiting lists and staff shortages of 100,000. After yesterday, however, we can be less confident than ever that the tax rise will ever make it into our health and care system. If the tax was really for the NHS, yesterday’s announcement would mean that it now faces a £6 billion cut; I assume that that is what the Government plan. Perhaps it would have been spent on making up the £11.8 billion of hard-working people’s money that has been lost to fraud and error under the Chancellor, which is close to the amount that he originally hoped to raise with the national insurance rise.

As I said in September, this is tax rise without a plan. Politics is about choices and Labour would not have made that choice. Yesterday was the Chancellor’s last chance to stop the national insurance increase before it comes into effect in two weeks. He did not take that chance. He is pressing ahead with a tax rise on workers and businesses, even as the cost of living crisis spirals out of control, prices increase and real wages fall, and the Government still refuse to take proper action to help people with soaring energy bills. This Bill cannot face that reality.

The Chancellor wants the British people not to notice that he is putting up their taxes at the worst possible moment, but they are smarter than that. They will see through the smoke and mirrors—his cynical attempt to give the impression of a tax cut just before the next election. He is still increasing their taxes and leaving families and businesses to fend for themselves in the middle of a cost of living crisis. That is the reality of the spring statement and the reality of the Bill.

2.35 pm

The Financial Secretary to the Treasury (Lucy Frazer):

It is a privilege to close this debate on behalf of the Government. We have heard many excellent speeches from both sides of the House today and I thank all hon. Members for their contributions. Before I address their points, I will remind the House of the Bill’s purpose.

The Bill does three things: it cuts taxes to ensure that people have immediate help with the cost of living; it creates better conditions to enable businesses to invest

and grow; and it ensures that people keep more of what they earn for years to come. The Bill makes changes to the national insurance contributions system, which will make it easier for households to manage their finances at this difficult time by putting billions of pounds back into their pockets.

As we have heard, the Bill has two main measures. First, it will increase the NICs primary threshold and the NICs lower profits limit to £12,750 from July. As my hon. Friend the Member for South Leicestershire (Alberto Costa) said, it is the largest single personal tax cut in a decade. It represents a £6 billion personal tax cut for 30 million people across the UK. In addition, almost 2 million people will be taken out of paying class 1 NICs, class 4 NICs, and the health and social care levy entirely.

Some hon. Members might be asking why we cannot introduce these measures sooner. The simple answer is that we feel that the July implementation date strikes the right balance and allows employers and payroll software firms to adapt to significant changes. My hon. Friend the Member for West Bromwich West (Shaun Bailey) highlighted the importance of updating HMRC's guidance.

Secondly, the Bill seeks to alleviate some of the pressures caused by the rising cost of living on those who earn low amounts and who work for themselves. This measure will benefit half a million self-employed people by saving them up to £165 a year. As the Chief Secretary to the Treasury has already outlined, removing class 2 NICs from this group of low-earning self-employed workers will not prevent them from building their eligibility to the state pension and other contributory benefits.

I will now turn to some of the points raised during the debate by right hon. and hon. Members. The hon. Member for Ealing North (James Murray) made a few points and highlighted the tax burden. It is important to remember, however, the context in which the legislation is being brought forward and the context in which previous choices were made. He will remember that the Chancellor saved many livelihoods with the £400 billion of support that he provided during the covid pandemic. He also asked how we compare with other countries and what other countries are doing at this time. I inform him that the new tax to GDP ratio will still mean that we are in the middle of the pack internationally and lower than Germany, France and Italy.

The hon. Gentleman and the hon. Member for Warwick and Leamington (Matt Western) asked why we have not brought in a windfall tax on oil and gas companies. Many Conservative Members pointed out the answers to that. First, it is a short-term measure and we are bringing in long-term measures that will withstand the future. Secondly, we need those companies to invest in the future to ensure that we have energy security and that we transition to more renewable energy sources. They also pay more taxes already—40p in the pound not 19p in the pound as other companies do—and they have already invested, by way of taxation, £375 billion in production taxes.

Matt Western: I understand the point, and none of us really wants to see short-term measures, but in difficult times such as those we are in they are sometimes needed. The windfall tax is short term, of course, but is not the 5p fuel duty cut also short term?

Lucy Frazer: As we know, there is energy price volatility in that the price of oil and gas will be going up and down, which is why the Chancellor has put in the measure for a 12-month period, but I should point out that that builds on the 12th consecutive year of fuel duty freezes.

Gareth Davies: Will the Minister give way?

Lucy Frazer: I am going to carry on, because there are a lot of points to which I would like to respond and I have limited time.

My hon. Friend the Member for South Dorset (Richard Drax) made a very powerful speech about freedom, recognising the impact of global challenges. He mentioned the armed forces, and I would like to reassure him that last year's integrated review was accompanied by the largest cash increase in the defence budget since the cold war, with an additional £24 billion.

The hon. Member for Gordon (Richard Thomson) asked why the Chancellor is not using his £30 billion headroom. I would like to point out that the OBR has said that there is "unusually high uncertainty" in relation to the outlook, and the OBR has also said that the headroom the Chancellor has kept is the same as, or indeed less, than that of previous Chancellors. That is important because, if there is a 1.3% increase in interest rates, that will totally wipe out the headroom the Chancellor has given himself. We are already looking at £83 billion being paid in interest next year. Those of us on the Government Benches think we need to be fiscally responsible in the way we deal with our taxpayers' money.

The hon. Member also said that to increase the national insurance contributions threshold as we are doing was not the right way to go. I would like to point out that Martin Lewis has said on Twitter:

"This is the big one. Increasing the National Insurance threshold so it now matches Income tax from July."

He said various other things, and then he said, "Good call".

My hon. Friend the Member for Redcar (Jacob Young) recognised that there are no easy choices. He reminded us of Labour's record on the economy, which reminded me that the shadow Chancellor had put forward a total of £170 billion of uncoded spending proposals just by September last year, and she has refused to rule out hiking up income taxes.

Stephen Timms: The Minister mentioned Martin Lewis, and I wonder if she could provide the information that the Chief Secretary said she might be able to give in winding up this debate about the effect of this national insurance measure on people claiming universal credit. Martin Lewis has made the point that they will lose 55% of the £330 a year benefit. Will she confirm if that is correct?

Lucy Frazer: I was going to come back to that point, but I am very happy to deal with it now. The right hon. Gentleman is right that an individual may be affected by the taper, but they will be better off overall as a result of the change. If they are earning below the work allowance, they will get the full benefit.¹ It is important to point out the changes we have already made for those on universal credit. As a result of those

1. [Official Report, 19 April 2022, Vol. 712, c. 1MC.]

[Lucy Frazer]

changes, 1.7 million households will benefit from the taper rate change, which is £1,000 of additional income for them.

The hon. Member for St Helens South and Whiston (Ms Rimmer) talked about the energy crisis. She will know the measures we have already put in, including the £9 billion of further support, with the £350 that people will get over the course of this year. She mentioned businesses in her constituency, and I hope they will welcome the increase to the employment allowance that we have announced.

I am very pleased to hear how my hon. Friend the Member for Peterborough (Paul Bristow), my almost constituency neighbour, is engaging with his constituents, and that the Oxcart pub welcomes our business rate cuts.

The hon. Member for North East Fife (Wendy Chamberlain) talked about poverty. I am very proud that, if we look at the past 10 years of this Government, there have been about 1.3 million fewer people in poverty. She also talked about pensioners, and this the Conservative Government have consistently supported pensioners. Through the triple lock, we have seen an increase in state pension of 25%—that would be £2,050—since 2011.

My hon. Friend the Member for Rother Valley (Alexander Stafford) made a very passionate speech, rightly recognising the global macroeconomic position. He is absolutely right to talk about the importance of getting people into work, a point that was also made by other hon. Members. I am very pleased that he has held his first Rother Valley jobs fair, and we are getting people into work through the plan for jobs that the Chancellor has set out—whether through restart and kickstart or with the benefit of work coaches.

The hon. Member for Luton South (Rachel Hopkins) talked about low growth and low pay, but I wonder if she is aware that ours was the fastest growing economy in the G7 last year, according to the IMF. I wonder whether she heard the Chancellor's statement in which he set out a tax plan that focuses on growth. It focuses on what we will do to support businesses in the way of capital, people and ideas. He has already highlighted that he is looking forward to cutting tax rates on businesses, so that they can further invest, in his autumn Budget.

A number of Members talked about how the OBR has said that the package only reverses

“around a sixth of the net tax rises”

that the Chancellor has announced overall. I just want to inform them that the tax plan comes on top of the almost £46 billion in tax cuts that the Government have introduced for this year and next. That includes the super deduction worth £25 billion across two years, business rates and VAT support worth £14.5 billion across two years, and fuel and alcohol duty freezes worth £4.5 billion across two years. These important tax cuts were not included in the OBR's analysis, which just focuses on the final year of the forecast period.

My hon. Friend the Member for Bury North (James Daly) was right to say that this is not the end of the journey for the Chancellor, a point also made by my hon. Friend the Member for West Bromwich West (Shaun Bailey), who mentioned that this is part of a broader package. The Chancellor has a plan to help

families with the cost of living, creating the conditions for private sector-led growth and sharing the proceeds of growth fairly.

The right hon. Member for Hayes and Harlington (John McDonnell) talked about the importance of helping those on low incomes. I absolutely agree with him that that is important, but we are doing it—whether through the universal credit taper rate, raising the national living wage, the 70% cut in taxes that we announced yesterday and are legislating for today, the £9 billion of energy support or increasing the generosity of the local housing allowance. All those measures will support people on low incomes. He made an interesting point about public sector pay, which I noted conflicted with a point the shadow Chancellor, the hon. Member for Leeds West (Rachel Reeves), made on the radio this morning when she recognised that negotiations for public sector pay were independent decisions made by pay review boards.

The measures in the Bill will ensure that our national insurance system plays its part in relieving some of the challenges facing families right now as a result of the cost of living crisis. Of course, we have not introduced them lightly. We are conscious that in the next financial year we are forecast to spend £83 billion in debt interest, the highest figure on record. In addition, while the Bill represents an important part of the Chancellor's tax plan, it is just one element of it.

Yesterday, the Chancellor also announced steps to create the right conditions to enable our businesses to grow, highlighting some potential tax-cutting options for businesses, investment and innovation. He announced action to help to ensure workers see more of their hard-earned cash and a pledge to reduce the basic rate of income from 20p in the pound to 19p in the pound before the end of the Parliament, representing the first such cut in 16 years. Furthermore, the Chancellor announced help for motorists through the biggest cut to fuel duty rates ever, while for the next five years homeowners in Great Britain who have materials such as solar panels, heat pumps or insulation installed will pay zero VAT. He doubled the household support fund, which allows local authorities to distribute financial help to the vulnerable, so it stands at £1 billion.

Help with the cost of living, extra support for the vulnerable, delivering on our pledge to reform the tax system and measures to make sure work really pays all comes on top of the £400 billion of support we provided to individuals and businesses during the pandemic and the £20 billion we have already pledged to help with the cost of living. Let no one say that this Government do not stand by the people of this country. The Bill is yet more clear evidence of how we are making good on our promise to support our citizens through challenging times. That is why I commend it to the House.

2.50 pm

Three hours having elapsed since the commencement of proceedings on the allocation of time motion, the Deputy Speaker put the Question (Order, this day).

Question agreed to.

Bill accordingly read a Second time; to stand committed to a Committee of the whole House (Order, this day).

Further proceedings on the Bill stood postponed (Order, this day).

**NATIONAL INSURANCE CONTRIBUTIONS
(INCREASE OF THRESHOLDS) BILL: MONEY***Queen's recommendation signified.**Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the National Insurance Contributions (Increase of Thresholds) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase in the sums payable under any other Act out of money so provided that is attributable to increasing the thresholds at which primary Class 1 contributions, Class 2 contributions and Class 4 contributions become payable to an amount not exceeding £12,570 for a tax year (or its weekly or monthly equivalent).—(*Miss Dines.*)

*Question agreed to.***National Insurance Contributions (Increase
of Thresholds) Bill***Proceedings resumed (Order, this day).**Considered in Committee*[MR NIGEL EVANS *in the Chair*]**Clause 1****INCREASE OF PRIMARY THRESHOLD FOR PRIMARY
CLASS 1 CONTRIBUTIONS**

2.51 pm

Wera Hobhouse: I beg to move amendment 1, page 1, line 8, leave out “July” and insert “April”.

This amendment would bring forward the date of implementation of the increase in thresholds from 6th July 2022 to 6th April 2022.

The Second Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss the following:

Clause stand part.

Clauses 2 to 6 stand part.

New clause 1—*Impact of Act on low pay and poverty*—

“(1) The provisions of this Act may come into force only if the Government has first laid before the House of Commons and published a report in accordance with this section.

(2) The report must assess the expected impact of the provisions of this Act on—

- (a) low pay, and
- (b) poverty.

(3) The report must also assess the merits of the provisions of the Act against other ways of reducing low pay and poverty.”

New clause 2—*Report on effects on Universal Credit claimants*—

“(1) The Treasury must prepare a report on the forecast effects of the provisions of this Act on—

- (a) the net incomes of, and
- (b) the Universal Credit payments made to

in-work Universal Credit claimants who pay National Insurance.

(2) The report must forecast the estimated change in expenditure on Universal Credit as a result of the provisions of this Act.

(3) The Chancellor of the Exchequer must lay the report before Parliament before the end of the period of 30 days beginning with the day on which this Act is passed.”

This new clause would require the Treasury to publish forecasts of the effects of changes to National Insurance thresholds on Universal Credit recipients and total Universal Credit expenditure.

New clause 3—*Report on effects of provisions of Act*—

“(1) The Treasury must within six months of Royal Assent lay a report before Parliament on the impact of the provisions of this Act on disposable incomes.

(2) The report made under subsection (1) must also include an assessment of the effect on disposable incomes of the provisions of the Act if combined with a reduction in National Insurance rates of 1.25%.”

This new clause would require the publication of a report within 6 months of the Act receiving Royal Assent assessing the effect on disposable incomes.

New clause 4—*Report on effects of provisions of Act (No. 2)*—

“(1) The Treasury must within six months of Royal Assent lay a report before Parliament considering the impact of the provisions of this Act on the levels of taxation of—

- (a) earned and
- (b) unearned income.

(2) The report made under subsection (1) must also include an assessment of the effect on the levels of taxation of—

- (a) earned and
- (b) unearned income of the provisions of the Act if combined with a reduction in the basic rate of income tax from 20% to 19%.”

This new clause would require the publication of a report within 6 months of the Act receiving Royal Assent assessing the effect on earned and unearned income.

Wera Hobhouse: I rise to speak to amendment 1, tabled in my name and that of my hon. Friend the Member for North East Fife (Wendy Chamberlain).

The increase in the national insurance thresholds for employees contained in the Bill will come into effect only in July this year, but the national insurance rise will commence in April—three months when employees will be facing the 1.25% increase in national insurance contribution payments without any protection through a higher tax-free allowance, and three months in which families will feel the full force of the Chancellor’s tax hike without any cushioning from the rising of the national insurance threshold.

Jacob Young: Just to correct the hon. Lady slightly, I believe the threshold will still rise by £300 in April, as was the Government’s original plan. The further increase will come in July.

Wera Hobhouse: I thank the hon. Gentleman for those comments, but there is still a gap and the amendment seeks to close it.

The three-month delay will cost working families £2.1 billion and add to their distress right in the middle of the biggest cost of living crisis since the 1950s. Let us remember that the rise in national insurance contributions will hit all working families. A nurse or a midwife on an average salary will see their tax bill rise by £310 next year. A care home worker will pay around £140 more and ambulance staff will see a £420 increase.

Households are facing the biggest drop in living standards for 70 years through a combination of soaring energy costs and Conservative Government tax hikes. The typical family will see a hit of £1,100 next year, according to the Resolution Foundation. Absolute poverty is set to rise by 1.3 million people, including 500,000 children. Never before has Britain seen such a rise outside a recession. The cost of living crisis is biting right now and hitting families today. That is why the Chancellor should implement the changes in the Bill not from July, but from April, as that would save working families £2.1 billion in tax payments.

New clause 3 is tabled in my name and that of my hon. Friend the Member for North East Fife. It would require the Government to produce a report to look at the impact of the 1.25% increase in national insurance contributions on disposable incomes. It would give a true picture of what working families are facing. The statement yesterday hid the true facts. The Resolution Foundation has stated:

“Considering all income tax changes to thresholds and rates announced...Of the 31 million people in work, around 27 million (seven in eight workers) will pay more in income tax and NI in 2024-25.”

Instead, the Government could have cut VAT by 2.75%. That is what the Liberal Democrats would do. Such a measure would help everyone and shield our constituents from the worst of the increased costs. It would put money back into their pockets and genuinely shield those on middle and lower incomes the most. With a floundering economy we need people to spend money on our high streets, which would boost our local economies. A cut to VAT would give an immediate boost to every household, and also help us in the long term.

Mr Deputy Speaker, new clause 4 would require the Government to produce a report on taxation on earned income versus unearned income. The income tax change that will come into effect in 2024 does not benefit people equally. Workers will not benefit from that cut, which instead will benefit those with unearned income from investments, such as landlords. If someone is wealthy enough to get their income from savings and properties they will pay less tax, while the least well-off continue to pay more and more. In response to yesterday’s Budget, the Institute for Fiscal Studies stated:

“What is the possible justification for cutting income tax rate while raising NI rate?...Drives further wedge between taxation of unearned income and earned income.”

It benefits

“those living off rents at the expense of workers.”

Let us look at what the Government have announced and at the inequalities that creates. I hope all Members of the House will support my amendments, to see off the worst from the Chancellor’s disappointing statement yesterday.

The Second Deputy Chairman of Ways and Means (Mr Nigel Evans): Before I call Sarah Atherton, while I am sitting here I am acting as Chair of the Committee, rather than as Deputy Speaker. It is only a technicality, but we should get it right.

Sarah Atherton: Thank you, Chair. I wish to speak against amendment 1, in the name of the hon. Member for North East Fife (Wendy Chamberlain), and against new clause 1, in the name of the right hon. Member for Hayes and Harlington (John McDonnell). Amendment 1 is simply impractical. Employers, HMRC and payroll systems do not have time to bring these measures into effect by April. Our own pay body, IPSA, could not make these changes in time, let alone small and medium-sized enterprises and bigger companies. July is the earliest that can be done, and the Government should be commended on the pace with which the change will be universally introduced, bearing in mind that we will be midway through the financial year. The Government understand the needs of constituents. The cost of living challenge is hitting now, post-covid, and the Government are acting with haste.

My opposition to new clause 1 is similar: timing. We should not postpone this measure by undertaking impact reports that would cause unnecessary delays for families who need support with the cost of living as soon as possible. Wrexham has more than the Welsh and UK average of lower income households, and under the Welsh Labour Administration, for the past 22 years those numbers have been increasing, with more child poverty and more struggling households. We all accept that the situation has not been helped by the global pandemic, which none of us foresaw. Nor did we foresee the war on the fringes of Europe.

This is not strictly within the remit of the Bill, but I concur with my hon. Friend the Member for South Dorset (Richard Drax) in his call to increase defence spending.

3 pm

To go back to the Bill, the national insurance threshold increase will save those struggling families in my constituency of Wrexham hundreds of pounds a year, in addition to the help that the Government have already provided through the 6.6% increase in the national living wage. As my hon. Friend the Member for Peterborough (Paul Bristow) mentioned on Second Reading, there is also the change in the universal credit taper rate.

I find it perplexing that Labour would challenge this Bill, which benefits my constituents and 2.2 million people across the country. In Wrexham, there are two areas that the Welsh Labour Government have declared to be among the most deprived in Wales. This Bill will directly help them. Why is Labour opposing it—does it not want people living in those areas to benefit financially?

The Chancellor has an excellent and responsible fiscal policy based on fairness and understanding of need; I should briefly mention the health and social care levy in this context. The importance of ringfencing that revenue must not be underestimated. The No.1 challenge facing my constituency is access to quality healthcare, which, as a former nurse and social worker, I understand acutely. There are issues with accessing a GP, years and years are spent on waiting lists, ambulance wait times are an issue and some people have no choice but to take out loans to pay for care privately in Labour-run Wales. That is unacceptable. People are having to move over the border to England, and that is also unacceptable. I urge the Opposition to understand the needs of their constituents and the fact that people want good public services and low taxation.

Lastly, let us not forget that the Welsh Labour Government will benefit from this levy through the Barnett formula. The Government are fiscally responsible, and committed to spending where needed. For my constituents in Wrexham, this is the deed to match the words “levelling up”.

Clive Efford (Eltham) (Lab): I want to speak to new clause 2. Yesterday, I was shocked by the Chancellor’s response to people’s entreaties of him to do something more for those on low incomes. As I pointed out to him in an intervention, there is an anomaly—I hope it is one—that the Government will want to put right: when those on universal credit who pay national insurance have their threshold raised to £12,500, the £330 that they gain as a consequence will be subject to the 55% taper. That means that they will not get the full saving. Money is being clawed back by the Government from some of the poorest workers in the country. That cannot be right.

Last year, the Chancellor of the Exchequer announced the reduction in the taper, which was very welcome. He announced a number of measures that increased the incomes of the poor, although we should remember that he took away the £20 a week uprating of universal credit. Those people are still going to be better off as a result of the changes yesterday, but the ones on universal credit who I have just referred to will be less well off than they were anticipating ahead of yesterday’s statement. How can that be? The poorest workers in the country number 2.3 million; I suspect that what the Government

claw back from them will mean hundreds of millions going back to the Treasury. That cannot be fair and it cannot be right. By my calculation—I will stand corrected if I am wrong—such people will gain £330, of which they will lose £171, so the actual gain will be in the region of £159. That cannot be right.

My new clause 2 would require the Government to confirm in a report whether my fears and estimates are right that people on universal credit who pay national insurance will lose roughly half the money that they gain. Subsection (2) aims to find out how much the Government will gain from some of the poorest workers in the country because of the changes. If we highlight how much that is, I hope that they will attempt to do something about it and compensate such people for their loss. As we have heard all too often in this Chamber, people on low incomes in this country—families, in particular—have to make choices between feeding their children, clothing their children and switching on the heating, and about what food they buy. When people are living on the margins of, or in, extreme poverty, sums of money that may sound small are extremely significant. How did we manage to have a statement yesterday that clawed money back from such people?

Subsection (3) calls on the Chancellor to deliver that report to Parliament in 30 days. It cannot be right that such people are missing out in this way. It must be an oversight by the Government. It would be an extremely callous move if they actually knew that, as a consequence of the national insurance threshold being lifted, people would miss out in this way. I would be interested to hear from the Government, without delay, exactly who misses out, if they do at all, and how much the Government will benefit from it, if they do.

John McDonnell: I tabled new clause 1 because, from now on, I do not think that the House should discuss any legislation that has financial consequences without it understanding or at least having information about the effect on poverty and low pay. I would have liked that information for this Bill, although I can understand why we do not have it today. However, in future, the Government should lay a report before the House that explains the expected impact on low pay and poverty of any piece of legislation and assesses the effectiveness of its provisions.

The nature of this debate so far has demonstrated a lack of appreciation or understanding—and certainly a lack of agreement—about the objective realities of what is happening. Many have quoted the comments of the Institute for Fiscal Studies and the Resolution Foundation, but some of this is about hard facts, so let me put on record again the situation that we face. At the moment, 4.3 million children and 2 million pensioners in the UK live in poverty. Overall, 14 million people live in poverty, and that was before the cost of living crisis hit us. A report from a UN rapporteur described people living not just in severe poverty, but in “destitution”. According to analysis today from the Resolution Foundation, 1.3 million more people will be living in poverty.

One reason I am asking for such a report is so that we can ask simple questions of the Treasury. What forecast have Her Majesty’s Treasury and the Department for Work and Pensions, or the OBR, made of how many children, pensioners and people in the UK will be in poverty by the end of 2022-23?

[John McDonnell]

Yesterday the shadow Chancellor asked the Chancellor how many pensioners and children would be pushed into poverty by the failure to uprate benefits and pensions in line with inflation, and the Chancellor failed to give any answer. It would be useful to have an answer today. Child poverty is already up by more than 500,000 since 2010, and it is interesting to note that most of those children—more than 60%—live in households in which one adult works. That, too, calls into question the levels of pay in this country.

The Joseph Rowntree Foundation estimates that the uprating of just 3.1% will drag more than 400,000 more people into poverty, and as we have pointed out time and again during the debate, inflation is forecast to rise over the year to between 7% and 10%. Has the Treasury analysis come up with the same figure as the foundation, or a different one? If the figure is different, we would like to know why, and on what basis.

The other issue raised in the new clause is low pay. A total of 4.8 million workers earn less than the UK real living wage of £9.90 an hour, or £11.05 in London. The rise in the minimum wage this year—a 6% rise to £9.50—still falls short of the Living Wage Foundation's real living wage, and, given that forecast of an inflation rate between 7% and 10%, it is a real-terms pay cut. According to the Office for Budget Responsibility:

“Real incomes have been stagnant since the start of 2019 and this is now expected to continue over the next few years”.

The OBR went on to say that we were about to see the largest fall in incomes on record:

“With inflation outpacing growth in nominal earnings and net taxes due to rise in April, real livings standards are set to fall by 2.2 per cent in 2022-23—their largest financial year fall on record”.

A presentation of analysis by the Institute for Fiscal Studies took place this morning. According to the IFS, public sector pay has fallen by 3% in real terms in the last year, and is 2% lower in real terms than it was 12 years ago. The Department for Education's average pay offer to teachers is 4%, and the fact that inflation is so much higher has obviously hit their wage levels. There is a group among the workforce who are being hit particularly hard by the Government's changed arrangements relating to loans for tuition fees that they incurred while they were studying, and who will again be impacted severely by what is almost, in effect, an additional income tax.

Paul Johnson of the Institute for Fiscal Studies expressed incredulity—as have many of us—that the Government had done nothing for those on benefits or for pensioners. He pointed out that, according to the OBR, we are seeing the biggest fall in incomes since 1956, and that the inflation rate experienced by poorer households is even higher than the average. He said that it was “hard to understand” the Government's “lack of action” on benefits. That lack of understanding of the Government's approach is the reason for my new clause. I think that in future when we are debating issues such as this—Government measures involving public finances, benefits and wage levels—we will at least need to have a detailed report before us which explains the consequences of measures relating to low pay and poverty.

In the new clause, I have also asked the Government to assess alternative measures that they could take, and to provide an analysis of why those measures were not

taken or why they might be brought to bear in the future if not immediately. All I am pleading for is a rational debate based on the widest possible information being provided to this House when we consider measures like this, so that we know whether the decisions we are taking will improve or undermine the standing of our constituents when it comes to low pay and poverty.

3.15 pm

My anxiety at the moment is that the lack of that information is leading us to take decisions that will not resolve the issues of poverty and low pay and will in fact ensure a deterioration in the living conditions of many of our constituents. This is a simple measure, and I think it should now be standard Government practice to bring forward this sort of report, especially when we are in a cost of living crisis and so many of our constituents are already suffering and in many instances facing intolerable hardships.

Matt Rodda: I am grateful for the opportunity to speak in this important debate this afternoon. I would also like to thank my right hon. Friend the Member for Hayes and Harlington (John McDonnell) and my hon. Friend the Member for Eltham (Clive Efford) for their new clauses, which I will speak to. I want to take this opportunity to talk about two groups of people, both of which are under real pressure due to the cost of living crisis. Those two groups are families in work, many of whom are on universal credit, and pensioners, many of whom have partners on universal credit.

First, I would like to give a bit of context. It is clear that we now face an unprecedented cost of living crisis due to soaring food and energy prices. Working families and pensioners are about to be confronted with the frightening prospect of the kind of cut to their standard of living not seen since the 1970s. Recent events in Ukraine have been shocking. However, the cost of living crisis predates Putin's awful war and his vicious attack on the Ukrainian people. It was clear in the autumn that food and fuel prices were starting to rise steeply, but the Government have actually made matters worse despite those warning signs.

The Prime Minister and the Chancellor have made a series of choices that have made things worse. They decided to increase national insurance. They also decided to break the triple lock and failed to increase the state pension in line with inflation. To make matters even worse, they decided not to introduce a windfall tax, even when it was clear that such an approach would have provided cash to ease bills for families and pensioners. However, they did not have to take this damaging approach. They made a choice. They took the decision to act in this way, knowing full well the impact their policies would have. I contrast this with the approach set out by the shadow Chancellor, my hon. Friend the Member for Leeds West (Rachel Reeves), whose windfall tax proposals would have helped those struggling to get by with a payment of up to £600 per household. Sadly, people across the country will now pay the price for the choices made by the Government.

I suggest to those on the Treasury Bench that it is worth looking at what is being said about the spring statement in the media and by commentators. For example, the chief executive of the Resolution Foundation said that it was hard to make sense of the spring statement. With just a hint of irony, he said:

“This package only makes sense if your only test for policy choices was can you prove you’re a tax cutter and you’ve already announced a rise in national insurance”.

The *FT* was somewhat less diplomatic. It described the spring statement with these words:

“Chancellor builds war chest for 2024 but offers minimal help for families reeling from increasing household bills”.

These choices will all have a huge impact on local communities up and down the country. I have been thinking about many of my own residents in Reading and Woodley, such as people running small businesses, teaching assistants, nurses, IT consultants, residents who work in retail and manufacturing, and parents who are under real pressure to pay for the weekly shop. The Government’s policies will also hit those who are a little bit older, such as pensioners who are struggling with the high cost of heating in an area with many terraced houses that are difficult to insulate.

Even at this late stage, I ask the Chancellor and those on the Treasury Bench to reconsider their approach. There is no doubt that this country faces a real cost of living crisis. That has been clear since the autumn. The Chancellor and the Prime Minister had the opportunity to look at a number of policies, including a windfall tax on the energy companies, which would have offered up to £600 of much-needed help. Sadly, they chose to impose extra costs on families and pensioners at the worst possible time.

Richard Thomson: The SNP is generally supportive of all the amendments that have been tabled, and I echo the comments of the right hon. Member for Hayes and Harlington (John McDonnell), who made a number of points about the importance of understanding the intended purpose and impact of legislation before it takes effect. I made that point ad nauseam during the passage of two Finance Bills, but I keep returning to it because it is important that we understand what we are doing and that we avoid, as far as possible, the law of unintended consequences.

Quite apart from the evidence base they would provide for legislative scrutiny, the amendments might provide a corrective to the poor policy choices that Ministers have made in recent times.

James Murray: As I said on Second Reading, we will support the Bill, but I thank my right hon. Friend the Member for Hayes and Harlington (John McDonnell) and my hon. Friends the Members for Reading East (Matt Rodda) and for Eltham (Clive Efford) for their important points about the impact the Bill will have. We recognise that raising the thresholds for national insurance contributions has benefits, and we welcome any help for people facing the Chancellor’s national insurance hike in April.

The explanatory notes explain that the increase to the primary thresholds for class 1 national insurance contributions and the lower profits limit for class 4 contributions will require changes to the systems of employers and HMRC, including those designed to facilitate pay-as-you-earn. The explanatory notes also explain that the Bill is being fast-tracked to give employers and HMRC as much time as possible to implement the changes, helping to make sure people are not overtaxed, and they confirm that the speed with which the Bill is going through Parliament means, unsurprisingly, there has been no consultation.

Although it is, of course, right to give employers and HMRC as much time as possible, the explanatory notes underline that the changes are being made very late in the day. Indeed, as we will come to later, the decision to implement this change from 6 July rather than 6 April reflects the last-minute nature of the Chancellor’s proposals. This approach to legislation does not inspire confidence that he is in control and has a well thought-through package to help people who are struggling to make ends meet. Indeed, it gives the impression of a Chancellor who has made the wrong choices and is now scrabbling at the eleventh hour to limit the damage.

Of course, according to the Chancellor, he only started work yesterday. He seemed proud to claim ahead of the spring statement that “the work starts today,” but the truth is that his choices have been hitting working people for far longer, and the Conservatives’ choices have been hitting our country for 12 years.

Clause 1 amends the Social Security (Contributions) Regulations 2001 to align the primary threshold for class 1 national insurance contributions with the income tax personal allowance. As I said, we support this measure as we recognise that raising the thresholds for national insurance contributions has benefits, and we welcome any help for people facing the Chancellor’s national insurance hike in April. However, this clause draws attention to the fact that the change to the primary threshold will not come into force until 6 July 2022. Indeed, subsection (4) explicitly states that the changes made to the primary threshold

“do not affect any liability to primary Class 1 contributions for any tax week commencing before that date”.

There will therefore be three months during which the Chancellor’s hike in national insurance will be in place, and hitting people’s pockets, and the changes to the primary threshold will not yet have taken effect. As I said a few moments ago, people looking at this will conclude that we have a Chancellor who knows he has made the wrong choices and is now scrambling around at the eleventh hour to limit the damage. So I wish to press the Minister on a few points about how and when the decision was taken to implement the threshold increase from July.

First, I have a simple question: when was a decision taken by the Chancellor to raise the threshold? Did he wake up on 23 March, the day he says was his first day of work, and make the decision then? Or had a policy decision been taken by the Treasury earlier, meaning that it could have been implemented earlier too? I realise the Minister may respond by trying to claim that announcements about changes to tax levels are made only at fiscal events, but that is not the case; the national insurance increase coming in April was announced by way of an unscheduled statement by the Prime Minister in September last year, and the arising legislation was pushed through Parliament in a day one week later.

If the Chancellor had decided to raise thresholds earlier this month, or even earlier this year, could his decision not have been announced and legislated for sooner? If that had been the case, these new thresholds could be in place from April, or at some point sooner than July, providing at least some extra help for people in the critical three months ahead when NI is being hiked and energy bills are set to soar. There are only two explanations possible for what has happened: either the Chancellor made the decision about thresholds only on

[James Murray]

the morning of 23 March, or he made it earlier, yet sat on it, when he could have acted to help people sooner. I would like the Minister to tell me which account is true. Given that the Bill introduces the threshold increase from 6 July, I would also be grateful if the Minister explained what consideration was given to backdating the increase to April. Is that an option that the Chancellor considered? If so, why was it discounted, and if it was not considered, why not?

Clause 2 raises the lower profits limit for class 4 contributions and ultimately aligns it with the income tax personal allowance. As before, we support this measure as we recognise that raising the thresholds for national insurance contributions has benefits, and we welcome any help for people facing the Chancellor's NI tax hike in April. I note that the changes to the threshold for self-employed people's class 4 contributions take effect in two stages. First, the lower profits limit is raised from £9,880 to £11,908 from April 2022, and then it is raised again to £12,570 in April 2023. The figure of £11,908 represents, as far as I can tell, a blended average for 2022-23 of the lower profits limit continuing at the level previously intended until July, and then being raised to £12,570 for the remaining months of the year. As with class 1 contributions, we will therefore have three months during which the Chancellor's NI hike will be in place and hitting people's pockets, yet the changes to the threshold will not yet have taken effect. I therefore ask the Minister again: are people missing out because the Chancellor made the decision about thresholds only on the morning of 23 March, or did he make that decision earlier, yet sat on it, when he could have acted to help people sooner?

Clause 3 gives the Treasury the power to make regulations to align the threshold for paying class 2 NICs with the lower profits limit. This clause also enables the Treasury to make sure that self-employed people with profits between the small profit threshold and the lower profits limit will continue to be able to build up NI credits but will not pay any class 2 national insurance contributions. As with the other changes in this Bill, we support this measure as we recognise the benefits of raising the thresholds. I would like, however, to press the Minister on two technical points that arise from clause 3. First, why are the changes to class 2 contributions to be made by way of regulations, rather than being implemented through this Bill? I note that clause 5(3) seems to make it clear that regulations arising from clause 3 will, as they would amend Acts of Parliament, have to be laid before and approved by a resolution of each House. Will the Minister explain why the detail on clause 3 will therefore be decided a later stage, and not with the class 1 and class 4 changes today? Secondly, clause 3(2)(b) makes it clear that the changes to class 2 contributions may be made to have retrospective provision from 6 April 2022. So why is it possible to backdate changes to class 2 contributions to April 2022, yet changes to class 1 and class 4 contributions can take effect only from July?

The remaining clauses include clause 4, which makes transitional and consequential provisions that are reasonable in the context of the Bill; clause 5, on which I have touched, relating to the making of regulations; and clause 6, on the short title. Before I close my speech, I should point out that nothing in those clauses addresses

the secondary threshold for employers. We have warned since the national insurance hike was introduced that it would be a tax on working people and their jobs, yet none of the Bill's clauses address the level at which employers will have to pay the raised rate of national insurance. We know from the Office of Budget Responsibility that this is not just an issue for employers who want to create jobs; the rise in employers' national insurance contributions will also hit workers through a double whammy, as the increase is passed on by way of lower wages and higher prices.

3.30 pm

As I have made clear, we will support the measures in the Bill because we recognise that the raising of the thresholds has benefits and we welcome any help for people who face the Chancellor's national insurance tax hike in April. However, I have set out important points of detail—particularly in respect of the timing of the changes we are asked to agree today—that will have a real impact on people's pockets. I would be grateful if the Minister addressed them directly in her reply.

Lucy Frazer: I wish first to address amendment 1, which was tabled by the hon. Member for Bath (Wera Hobhouse) and would bring forward to 6 April the increase to the primary threshold that is introduced in clause 1. Of course the Government want to help people with the cost of living as quickly as possible, which is why the Chancellor introduced a number of measures immediately, including the cutting of fuel duty, which came into force at 6 pm last night. However, it was not possible to deliver the increase to the primary threshold from 6 April, which is in less than two weeks' time.

The Government are implementing the change as early as possible, from 6 July. It is not possible for the majority of software and payroll providers to deliver the measure for April. Its delivery to an April timeline would see millions of individuals paying the incorrect amount of NICs at the start of the tax year, in just two weeks' time. There would then be an additional administrative burden on employers, who would have to manually re-run the payroll once the software was ready. As my hon. Friend the Member for Wrexham (Sarah Atherton) said, the earliest that we can deliver the policy and it can be implemented by all software developers is July. That will avoid millions of taxpayers having to make manual claims for refunds.

Overall, the delivery timetable strikes the important balance between ensuring that individuals see the benefits of the increase as early as possible and allowing employers and payroll-software providers sufficient time to update and test their systems so that the change is delivered smoothly and individuals can enjoy the benefits at the same time. I hope the hon. Member for Bath will withdraw her amendment for the reasons I have outlined.

Let me turn to the new clauses in combination, because they address similar matters. On the points that Members made about poverty, if we look back at the past 10 years, we see that around 1.3 million fewer people are living in poverty, half a million fewer children are growing up in workless households and hundreds of thousands fewer children are living in poverty.

John McDonnell: I do not want the Minister to miss the point of new clause 1. I understand why she is setting out the statistics as she understands them, but

they are contested. Nevertheless, the point I was trying to make with my new clause is that the Government should always publish a full report on their assessment of the implications of their legislation for both low pay and poverty, and that that report should include their assessment of the other options available to them that they could have taken. It is a simple measure that I hope would apply to all Governments of whatever political colour.

Lucy Frazer: I was going to come to the distributional analysis of the spring statement. The analysis in the document “Impact on households: distributional analysis to accompany Spring Statement 2022” shows that

“government policy continues to be highly redistributive; in 2024-25, on average, households in the lowest income decile will receive over £4 in public spending for every £1 they pay in tax”.

It also shows that

“in 2024-25, the poorest 60% of households will receive more in public spending than they contribute in tax”

and that

“on average, the combined impact of personal tax and welfare decisions made since SR19 is progressive, placing the largest burden on higher-income households as a proportion of income.”

John McDonnell: I do not want to labour the point. I have read the analysis of the impact on households; it is always very helpful, but it does not address the issue of low pay and poverty, or other policy options that could be considered. I make the point for the future. I know it is impossible to address now, but I think such a report should be published automatically. If the Government do not publish it, maybe a report should be published by the OBR or some other body that we establish to enable that to happen.

Lucy Frazer: I recognise the point made by the right hon. Member and I will of course consider it for the future. Considering a variety of hypothetical scenarios is time-consuming, which is why that is not traditionally done, but I will take his point away and consider it further.

I reiterate some of the points we discussed on Second Reading only a moment ago about the impact of the measures on those in lower pay and on universal credit. As hon. Members know, there was an autumn Budget not very long ago, followed now by this spring statement. In the autumn Budget, the Chancellor started the journey of helping to support those on lower pay through the tax system. He announced the first tax cut on his journey to cut taxation—the cutting of the taper rate, which will put £1,000 into the pockets of those on universal credit.

Hon. Members will already know about the increase in the national living wage. They will have seen the £1 billion household support fund, which is helping people in all our constituencies, building on other measures that were announced at the autumn Budget. More recently, we have provided £9 billion in energy support. There is the increasing generosity of the local housing allowance for housing benefit and the holiday activities and food programme. The Chancellor’s plan for jobs—the Conservative plan—whether through the kickstart scheme, the restart scheme, work coaches or boot camps, is to ensure that, where people can get into work, they get into work, and they are upskilled so that they earn more for themselves.

On new clause 4, the increase to the primary threshold and the lower profits limit is a tax cut on earned income that will benefit almost 30 million working people.

Clive Efford: Will the Minister give way?

Lucy Frazer: I will just finish this point; I will come back to the hon. Gentleman. We are introducing a tax cut for a typical employee that is worth more than £330 in the year from July 2022. The impact of the provisions in the Bill have already been published in a tax impact information note published on gov.uk, and the impact of the income tax basic rate cut will be published ahead of implementation in 2024.

The hon. Member for Bath raised a question about landlords. We have taken steps over several years to ensure that landlords pay a fair tax contribution.

In April 2016, we introduced a higher rate of stamp duty land tax for those purchasing additional properties, recognising that, although the private sector plays an important role in our housing market and people should be free to invest in buy-to-let properties, the purchase of additional properties can affect the ability of other people to get on to the property ladder. We also restricted finance cost relief so landlords no longer get relief at their marginal rate if they are a higher or additional rate taxpayer. Finally, we maintained the 8% higher rate of capital gains tax for landlords compared with the rate for other taxable gains.

Wera Hobhouse: Will the Minister give way?

Lucy Frazer: I am going to give way to the hon. Member for Eltham (Clive Efford) first. He is probably going to ask about the previous point.

Clive Efford: I am wondering whether the Minister missed new clause 2, because she did not address the problem. Yes, increases were introduced in the autumn Budget last year, but this year, people are getting less than they were anticipating due to the increase in the threshold of national insurance. People were being told yesterday that they should get an extra £330, but they will actually get less than half of that. What is the Government going to do about that? The Treasury is clawing back several hundred million pounds from some of the poorest workers in the country.

Lucy Frazer: I do not know whether the hon. Member was in the Chamber when the right hon. Member for East Ham (Stephen Timms) raised this point and I addressed it. He is right to point out that an individual may be affected by the taper, but overall they will be better off as a result of this change. If those people are earning below the work allowance, they will get the full benefit. I reiterate that the changes that we have already made mean that those who are on universal credit will benefit by £1,000 from the cut to the taper rate.¹

Wera Hobhouse: I accept that the Government might have done all sorts of other things to put restrictions on landlords, but would it not be interesting to know the difference between earned and unearned income in relation to the measure introduced by the Chancellor yesterday?

Lucy Frazer: As the hon. Member knows, the threshold increase will largely affect those who are working, because it is a tax that relates to working people, and the income tax cut that we have announced will, obviously, affect those who pay income tax.

1. [Official Report, 19 April 2022, Vol. 712, c. 2MC.]

[Lucy Frazer]

The hon. Member for Ealing North (James Murray) made a number of points. He asked when the Chancellor decided that he would implement this change to the threshold. In considering a tax policy, it is not decided that something will be implemented on a particular day. A whole process needs to be followed, including ensuring that the relevant documents are put before the House. The hon. Member will be aware that that involves a Bill, an explanatory memorandum and a TIIN. He will know, because he will have heard the Chancellor and other Treasury Front Benchers say so on many occasions in the House, that the Chancellor has been considering for some time how he can help those who might be impacted by the cost of living issues that we currently face. It is appropriate, where measures are taken in relation to tax, that they are broadly taken at fiscal events.

The hon. Member also made a slightly contradictory point. He asked why we had not introduced the measure sooner, in March perhaps, and then suggested that it was being introduced too late because we were delaying it until July. He seemed to be criticising us both for not bringing it in earlier and for not giving him sufficient time to consider it, but I have mentioned all the things we need to do before introducing it in July.

The reason that the measures will be brought in through regulations is that we need to consult, including those who will be doing the payroll. The need to consult was one of the points made by the Low Incomes Tax Reform Group.

We have come to the end of what has been a useful Committee sitting that examined the detailed provisions of the Bill. The Bill seeks to align the threshold at which employees and the self-employed start paying NICs with the personal allowance for income tax. As well as simplifying the tax and NICs system, the measure ensures that hard-working families keep more of what they earn.

I thank hon. Members for their constructive contributions. I will, of course, look carefully at the record of the Committee debate and take forward any outstanding points.

Wera Hobhouse: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 1 ordered to stand part of the Bill.

Clauses 2 to 6 ordered to stand part of the Bill.

The Deputy Speaker resumed the Chair.

Bill reported, without amendment.

Bill read the Third time and passed.

Lower Thames Crossing

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

3.44 pm

Adam Holloway (Gravesham) (Con): Mr Deputy Speaker, perhaps you will pass on my thanks to Mr Speaker for granting this important debate. I welcome the Under-Secretary of State for Transport, the hon. Member for Copeland (Trudy Harrison), to her place, although I am sorry that the roads Minister is a Member of the other place and cannot reply.

There is truly an opportunity for us to save billions of pounds that we are about to spend, unnecessarily in my view, on a new crossing of the Thames to the east of the current one at Dartford, to the east of Gravesend. The original idea behind having another crossing of the Thames was to ease the appalling congestion at Dartford. There cannot be anybody watching the debate or in the Chamber who has not sat for hours and hours trying to cross the Thames at Dartford. As is the way of Government, there have been endless studies and consultations on the best way to stop this awful gridlock on the M25. For years, Ministers have told me privately that the solution is to build another bridge at Dartford to ease the pressure caused by the inadequate north-bound tunnels. After all, the M25 runs through Dartford—it always has and it always will.

There is a huge problem that needs fixing, and that is how the traffic gets past the River Thames at Dartford and through Thurrock. During the course of those years of study, other options were explored—one would expect that—including a crossing some miles further down the river to the east of Gravesend. When Kent and Essex County Councils realised that a crossing further down the Thames from Dartford was in the offing, they made sure that the consideration was turbocharged, seeing massive economic benefits to both counties if they had a link road between them—that is understandable. So, slowly, the project morphed from one about how to fix the traffic at Dartford to one about economic development for Kent and Essex, with, to them, the secondary consideration that this economic development tunnel and new road network would also have the effect of reducing some of the pressure at Dartford, and also providing resilience.

Jackie Doyle-Price (Thurrock) (Con): Will my hon. Friend give way?

Adam Holloway: Yes, of course, I will give way. I did mention my hon. Friend's constituency.

Jackie Doyle-Price: I do not disagree with my hon. Friend's analysis of how we ended up with this route, but does he agree that it is all very well for Kent and Essex to draw a line as to where that road should go when it actually goes through Thurrock, to which they are not accountable? If they were really genuinely interested in supporting it, they should work towards the optimum route.

Adam Holloway: That is an extremely good point, and I wish that I had included it in my speech. If I have to speak about this again, I will make that point. I thank my hon. Friend and I totally agree with her.

This all became about economic development. The original purpose of easing traffic became secondary. The aims of the project changed completely, which meant that the problems at Dartford were no longer the priority—in fact, they became a secondary consideration. Then, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), the then Transport Secretary, opted for Kent and Essex's preferred option, which will do nothing to ameliorate the situation at Dartford and will be yet another massive piece of Government spending on road infrastructure just at the moment in our history when roads are to be optimised by level 5 autonomous vehicles. The way I think of it is that if we look across the rooftops of London we see thousands of chimneys, none of them used any more. This road will end up a white elephant like them in future—and not far in the future.

First, the lower Thames crossing does not address the problems on the M25 at the Dartford crossing or provide any resilience in any way, shape or form. I will explain why. The M25 northbound at Dartford remains one of Europe's worst traffic jams on a major national road—I imagine all hon. Members, even the Minister, can picture themselves there, having sat in those traffic jams.

The problems at the Dartford crossing are primarily caused by the outdated and undersized northbound tunnels. The southbound traffic coming over the bridge moves at pretty much the same speed as the rest of the motorway; it is not immune to traffic jams, but neither is the rest of the system. The problem is the tunnels. The left-hand one is 4.8 metres high and the right-hand one is 5 metres high. They are the cause of the horrendous jams, because no fuel tankers or hazardous loads are permitted unescorted, and no vehicles over 5 metres high are permitted at all.

What happens is that we end up with traffic, including very large vehicles, weaving and causing frequent accidents and incidents, as well as frequent red traffic lights to hold the rest of the traffic in order to extract an over-height vehicle that has managed to go through. Then, of course, a couple of times an hour all the traffic on the M25 going north is stopped, because they have to run the convoys with fuel tankers and hazardous materials in them. That causes congestion and queuing, and hardly a day goes by without a major incident bringing the M25 to a complete standstill and causing gridlock at Dartford.

The lower Thames crossing, the one to the east of Gravesend, does not address those problems at all, nor does it provide a satisfactory alternate route for M25 traffic. Let us note, by the way, that the M25 is not complete—it stops just before Dartford and becomes an A road, and then becomes the M25 again. We have not actually finished building the M25 yet.

Once the lower Thames crossing is built, the Dartford crossing will still be operating at capacity and the problems there will continue. The long-suffering residents and businesses of Dartford will continue to suffer, and I believe they are being hoodwinked. We must sort out the problem of Dartford first and foremost, either with the originally promised relatively cheap and cheerful bridge for northbound traffic, or with a variant of option A14, which is the idea to have a big tunnel going underneath Dartford and Thurrock, separating all the national, long-range traffic, so the existing crossings could be used by residents of Dartford, Thurrock and so on.

Secondly, we have been assured that having a completely different crossing will provide resilience, so what will happen when the incidents continue to happen on the northbound bit of the Dartford tunnel approaches? As soon as traffic on the M25 comes to a standstill, it will seek an alternate route to the lower Thames crossing, but to exit the M25 at junction 2, the junction just before, it will have to go through a traffic light-controlled roundabout, which will be totally inadequate for the volume of traffic.

Having negotiated that obstacle, traffic will head east towards Gravesend only to find that, unbelievably, there will be just one lane from the A2 to the lower Thames crossing tunnel to take traffic into Essex. Not only will Dartford be gridlocked, but so will Gravesend and the whole of the A2 eastbound from M25 junction 2.

Jackie Doyle-Price: My hon. Friend is being very generous in giving way, and he is now getting to the nub of the problems with the design of the lower Thames crossing. It is being applied as a piece of national infrastructure without sufficient thought to the impact on the local road networks in his constituency and mine and that of my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe). He highlights the lack of connectivity beautifully. For my residents in South Ockendon, if we have a tailback going south and the traffic backs up, not only do they face congestion at the Dartford crossing, but the lower Thames crossing arrives at Ockendon, so residents there will be subject to congestion from both crossings.

Adam Holloway: Absolutely. In a sense, my hon. Friend's residents and those over in Essex are having it very badly with all the additional roads to be built as well, so I completely concur. We have established that when Dartford is gridlocked, so will Gravesend be, and her area at Ockendon.

With junction 2 of the M25 blocked, the M25 traffic will seek an alternative route to the lower Thames crossing. We will then find that the A227, and all the villages and lanes approaching the new crossing, will become choked with traffic. Just to be clear, although the project is terminal for my hamlet of Thong and terrible for the people of much of Riverview Park and the villages that will become rat-runs, the worst will be for the residents of Dartford—more on that later.

Of course it is absolutely correct that the new crossing will provide a useful alternative for traffic heading to and from the ferry port of Dover, but that is all. Channel tunnel traffic will still try to use the M20 and the M25 and so will still use the Dartford crossing. There is more. National Highways is busy planning another kick in the teeth to motorists once the new crossing is built. In its wisdom, it intends to split the A2 and M2 into two separate two-lane highways midway between the A227 and Marling Cross. The outer two lanes will be for M2 traffic going down deeper into Kent; the inner two lanes will be for the A2 to Strood and the lower Thames crossing, and the Hoo peninsula. That is a recipe for disaster. Not only will it cause dangerous weaving and accidents while the traffic tries to get into the correct lane, but the A2 will be narrowed to two lanes, which is completely inadequate for traffic heading towards the M2 at peak periods. It is ridiculous. In 2009, Highways England actually widened the A2 at

[Adam Holloway]

this point from three lanes to four lanes to cope with increased volumes, and now the proposal is to narrow it to two lanes.

Let me return to the contention of Kent and Essex County Councils that this crossing would bring large economic benefits. The cost of the project for central Government has increased from £3.72 billion in 2016 to £8.2 billion now. We make these throwaway comments about billions, but imagine having a stack of a million £1 coins and then creating 8,200 stacks of £1 coins. That is an enormous amount of money, and because the project is no longer being privately funded, it is taxpayers' money. We have a cost of living crisis. Every time people go into a garage or a shop, or pay their income tax, the money for this white elephant is coming off them. It is a financial turkey right now and truly it will be a transport white elephant in a decade—and it will inevitably end up costing more.

The cost-benefit analysis carried out in 2016 had mysteriously changed from the analysis carried out in 2013 to show a benefit of the lower Thames crossing of 2.4. But in 2013, the cost-benefit analysis supported the Dartford option and was against a crossing east of Gravesend, which then apparently provided a benefit of 1.1. Somewhere along the way the figures magically changed to suit the argument. Anyway, at a new cost of £8 billion, any benefit must now be marginal at best. I can completely understand why that might not matter too much to Kent and Essex County Councils, because it is not money from their budgets, but it is the money of hundreds of millions of people who will remain sitting snarled in their cars in traffic jams at Dartford over the coming decades. Far from a new crossing away from Dartford being a victory for the people of Dartford, they are now condemned to decades more noise and pollution. An intergenerational chance to sort out the M25 has been blown by muddled thinking and a political class in local government thinking only of their own political lifetimes. Now would seem to be an appropriate time to carry out an in-depth review to determine whether to proceed with the lower Thames crossing or to go back to the drawing board, sort out the M25 at Dartford and relieve the taxpayer of accruing yet more unnecessary debt for their children and great-grandchildren to repay.

The crossing will not prevent the delays, incidents and gridlock at Dartford, and it will not provide an alternate route for M25 traffic. It is a massive missed opportunity for the people of Dartford, who will have to endure more decades of misery until finally either the northbound bridge or the long tunnel under Dartford and Thurrock is built—one or the other will have to be built eventually. Indeed, I believe that the current tunnels are close to the end of their design life, so why are we building a white elephant further down?

The crossing is far too expensive at £8.2 billion and does not represent value for money for taxpayers. As we have discussed and I have outlined, better, less expensive solutions are available. I urge the Minister to think it through herself and stop listening to Highways England before it is too late and we commit all that money unnecessarily. If there were ever an opportunity for a Secretary of State to put a red line through a massive piece of spending, this is it.

4.1 pm

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I congratulate my hon. Friend the Member for Gravesham (Adam Holloway) on securing this important debate. It seems a little like groundhog day, because my hon. Friend the Member for Thurrock (Jackie Doyle-Price) and I have been talking about the project for probably about 15 years since its first iteration came forward in about 2007. Here we are again talking about its shortcomings and it potentially not delivering what it set out to do.

Since the beginning, I have been clear that I have deep reservations about the project. I still have those reservations, because I remain unconvinced that the new proposed lower Thames crossing will do what it set out to do, which is fundamentally to relieve congestion at the existing Dartford crossing, where we know there are problems. As my hon. Friend the Member for Gravesham has explained, it only needs the wind to blow a bit too hard or the wrong sort of vehicle to turn up and we end up with serious and catastrophic congestion. Some improvements may well come from building a lower Thames crossing as proposed, because it will move some vehicles away—I cannot remember the current figure; I think it is about 22% of existing use—but the existing crossing will still be above design capacity.

Jackie Doyle-Price: I probably have the joy of having spent more time in the congestion caused by the Dartford crossing than any other hon. Member save my hon. Friend the Member for Gravesham (Adam Holloway), who often used to get stuck in it when he came to see me during election time, but that is another story.

One issue that causes congestion at the Dartford crossing is the inadequate supporting road infrastructure around junction 30, particularly the fact that there are no east-facing slips at Lakeside on to the A13, which adds further traffic to that busy junction and adds to the pressure on the Dartford crossing. Does my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe) agree that we could get a lot of bang for our buck and release capacity at Dartford if we fixed the local issues around junction 30?

Stephen Metcalfe: I completely agree with my hon. Friend. The east-facing slips are absolutely vital; we must build them. People are coming down the A13 and round junction 30 to go back to Lakeside, which is utter madness, so we certainly need to do that. There are also issues locally because three different agencies deal with the roads round there: Highways England, Thurrock Council and Essex County Council not far past the Thurrock boundary. Local roads interact with the main network of roads but no one controls all the various pressure points. When the existing crossing fails, it may only be one set of traffic lights somewhere on one of the industrial estates that is causing such catastrophic congestion, because it was designed to allow through a far smaller number of vehicles than are trying to use it when there is a failure.

As I have highlighted over the years and as the Thames Crossing Action Group has highlighted, this is a destructive project, it is costly and it is environmentally damaging. It is destructive because it will put on the Essex side a vast amount of new concrete road leading from the Thames all the way up to the junction with the

A127. It is very costly, as we have heard, at £8.2 billion. My hon. Friend the Member for Gravesham described his 8,200 towers of 1 million coins very aptly. If I had time, I could work out the volume of that, but it is a vast amount of money. Of course, the project is environmentally damaging not only in the amount of construction work that will go on, but, I think, in inviting more vehicles into the area. I know that the lower Thames crossing team are keen to decarbonise, but it cannot be built without having a huge impact on our local environment.

We have time, but I do not want to detain the House too long. The fundamental problem as far as I see it, looking back to when the route was confirmed in 2017, is that the proposal as it stands does very little to address the fundamental problem at the existing crossing. The commitment one will have to make to the new crossing, as it is so far away from the existing crossing, means that thousands of vehicles will be beyond the point of no return, and my hon. Friend described junction 2—of the A2 or the M2?

Adam Holloway: The A2.

Stephen Metcalfe: People will be trapped inside an area that they cannot escape from. I once heard, on one of my visits to Thurrock, that the congestion when the existing crossing fails backs up at the rate of a mile a minute. That is extraordinary, but it is because of the volume of traffic, with so much traffic trying to get through that pressure point.

I am deeply concerned that, if and when the new lower Thames crossing gets built, it will not actually address the problem. When it does not address that problem and we have spent £8.2 billion on it—I suspect the costs will go up—people will rightly look at us and say, “How on earth have you spent £8.2 billion on a project that still means, on the very rare occasions when there is a catastrophic failure, that people end up having to sleep in IKEA?” That is a true fact: once the congestion was so bad that nothing could move, IKEA opened its doors, and people slept in its beds and on its sofas.

Jackie Doyle-Price: Does my hon. Friend recall that, two days before Christmas in 2013, the congestion killed Lakeside on the busiest shopping day of the year? We actually ended up with a surfeit of turkeys in Thurrock because no one could get to the supermarket to get one.

Stephen Metcalfe: I think that is hard to forget, and it was catastrophic. Of course, it is damaging to local business, because once people think that such catastrophic congestion happens in and around Lakeside in the run-up to Christmas, they avoid it and want to go somewhere else.

Whatever we do, it has to address those problems. I am really concerned that it will not, and people will ask us why it has not, so we will be back here, after however long it may take for this thing to get built, apologising and asking what we are going to do about it and how we can address the problem.

I am conscious of the time, so I will not go on for too long, but I am particularly worried about air quality issues. We already suffer with poor air quality along the Thames estuary. That is not all to do with motoring; some of it is to do with shipping, and some is to do with industrial activity in northern Europe and fumes blowing

across. However, in one ward in Stanford in my constituency, the level of particulate matter in the air is about three times the national average. It is one of the poorest air quality areas in the UK, and I cannot believe, regardless of whether we move to electric and autonomous vehicles, that encouraging more traffic into the area—giving off particulates from brake discs, tyres and the road surface—will improve that air quality.

With all that said, there are potentially some positives. I would like to thank the lower Thames crossing team generally for their interaction with me. They are delivering what the Government have asked them to do, and they are trying to do that in the best way they can. They want to consult and to engage with the public, and I want to thank them for that. That does not mean I necessarily think it is the right project, because as we have heard, it has the potential to be a white elephant. In future there will be changes to the way we move freight, and a drive to use more rail to move freight around. As we improve signalling and move to a more digital railway, the capacity of that railway will increase to allow us to move more freight.

We must also take into account the pandemic, and the effect it has had on people’s desire to work from home and travel less. Will we actually need this capacity where it is proposed, or should we be having a rethink? If this project goes ahead there are opportunities for businesses—indeed, if any small businesses in Thurrock, Essex, Kent or Gravesham are not aware of this, there is a supply chain school, and large tier 1 contractors are looking for local businesses to help them deliver this. If the project does proceed, I welcome the fact that there will be apprenticeship and training opportunities.

In conclusion, for all the reasons I have stated I remain unconvinced about the lower Thames crossing. It will be destructive, costly, and environmentally unfriendly, but my primary objection is that I do not believe it will work. We will still get congestion at the existing Dartford crossing for all the reasons we have heard, and we will be back here trying to find a solution, having spent £8.2 billion on something that might benefit those who want to get from Dover to Cambridge, but will not benefit those who want to get from Gravesham to Thurrock. After 15 years of discussing this, I ask the Department for Transport and the relevant Ministers to please look long and hard at whether what is being proposed still aligns with what it set out to achieve.

4.11 pm

Mr Louie French (Old Bexley and Sidcup) (Con): I do not plan to speak for as long as colleagues. I thank my hon. Friend the Member for Gravesham (Adam Holloway) for securing this debate. I listened carefully to his points and those of other colleagues, and I know his passion for representing the lovely people of Gravesham in Kent. Alongside other colleagues, he continues to lobby the Government and National Highways to secure improvements and mitigations from the crossing.

For those less familiar with the geography of south-east England, my own wonderful constituency of Old Bexley and Sidcup is on the edge of south-east London and north Kent, and the most southerly point of Bexley lies roughly 12 miles from the proposed crossing. The busy A2, which runs through the centre of my constituency, is the main road link to the existing crossing at Dartford—

[*Mr Louie French*]

that is the problematic one we have heard about—and the proposed crossing to the east of Gravesend. I therefore know the area fairly well, as well as the challenges we face with congestion, albeit to a lesser extent than colleagues who are at the coalface when these issues occur.

My hon. Friend mentioned the expansive consultation done by the team at the lower Thames crossing. They have had somewhere in the region of 47,000 responses, which shows the lengths to which they have gone to engage with the wider population in Essex, Kent and south-east London who will be impacted by the proposed crossing. The team deserves a lot of credit for their extensive work, and they engaged with me in my role as a councillor in Bexley long before I even became a Member of this place. They have done a lot of good work in trying to engage with the local community. We all experience the traffic build up and congestion at Dartford, which can cause great misery—indeed, we heard about an extreme case.

Jackie Doyle-Price: My hon. Friend is right to say there has been extensive consultation, but it has been pursued on the basis that this is a national infrastructure project, so it has been a national consultation. Does he agree that rather more attention should have been paid to representations made by the local community, instead of treating all representations the same?

Mr French: I completely agree, and everyone who is directly impacted should have their voices heard. I hope that the Department will listen closely to those calls. Getting that balance right between a national project and the local impact is difficult for any Government.

Dartford congestion causes complete misery, backing up even as far as where I am in Bexley. As my hon. Friend the Member for Gravesham said, if the wind blows one way or the other way, the bridge closes and we have congestion, and it is complete misery for people, whether they are commuting home or trying to see family on either side of the bridge. As our population continues to grow in south-east London, Kent and Essex, it is vital that we secure the supporting infrastructure and make sure it is in place to support the people in these areas—both the current population and the new population who might be moving in.

Today's focus is on transport, but the issue extends far wider. My big cause is ensuring that we secure the health provision we need for the growing population of Old Bexley and Sidcup. We have to ensure that, as a country and a Government focused on levelling up, our part of south-east England is not forgotten.

Adam Holloway: My hon. Friend mentioned, as I should have, that when the wind blows the bridge going from north to south can be closed; that was one of the arguments deployed in favour of having the second crossing further down. But I would have thought that that could be simply remedied. If we had what we should have had—a new bridge going from south to north, so we would have two bridges—we would still have two tunnels. In extremis, those could be used.

Anyway, the new bridge will have a new design to sort out the wind issue. We would still have two tunnels that

could be used going from north to south in the event of inclement weather. I just wanted to address that other nonsense that has been raised.

Mr French: I clearly do not have the same level of detail about that issue, but I take my hon. Friend's point, which is valid. We must ensure that whatever is introduced stands up to scrutiny and actually works. That is the main point of today's debate. All MPs in the area recognise that something needs to be done; the issue is working out what that is and how it will work best and have the most impact.

In conclusion, we all see clearly that the Mayor of London is failing miserably at one of his primary objectives: to keep London moving. He has been closing roads and creating far greater congestion. As a Government, and particularly as Conservatives, we have to ensure—I implore Ministers to meet all relevant colleagues—that the project has maximum impact and delivers the goal that we all want to achieve: solving the congestion at the Dartford crossing and its impact on our communities and neighbourhoods, whether in south-east London, Kent or Essex.

4.17 pm

The Parliamentary Under-Secretary of State for Transport (Trudy Harrison): I congratulate my hon. Friend the Member for Gravesham (Adam Holloway), a most assiduous Member, on securing this debate about the lower Thames crossing and on raising views so sincerely and diligently, as he clearly has for many years. I also congratulate the other local MPs here, collaborating and giving one view on the need to improve the situation at Dartford crossing.

I thank my hon. Friends the Members for Thurrock (Jackie Doyle-Price) and for South Basildon and East Thurrock (Stephen Metcalfe), as well as my hon. Friend the Member for Old Bexley and Sidcup (Mr French); I believe that this is the first time I have responded to my relatively new hon. Friend, and it is a pleasure to do so. He welcomed the prospect of future meetings with the relevant Minister—that is, the roads Minister Baroness Vere, who sits in the other place. I will endeavour to ensure that that meeting happens because I recognise the strength of feeling in the Chamber tonight, and it would be most helpful.

I have listened carefully to my hon. Friends' representations about the scheme. I hope that my response provides some of the answers, but I recognise that it will probably not resolve the issues here and now. I want to set out and highlight the opportunities and possibilities that the lower Thames crossing will provide.

I beg my hon. Friend the Member for Gravesham's forgiveness for reflecting briefly on how the need for the lower Thames crossing arose. He has covered that pretty well already, as have other speakers, but for over 50 years the Dartford crossing has provided the only road crossing of the Thames east of London. Dartford is regularly used by 180,000 vehicles per day, despite being designed for 135,000. My hon. Friend the Member for Thurrock mentioned when IKEA came to the rescue of motorists; I put on the record my thanks to the company for doing that. Clearly, however, what happened was not a desirable outcome.

Put simply, the road is significantly over-capacity. It is now one of the busiest in the country, used by commuters, business travellers, haulage companies, the emergency services and holidaymakers alike. It connects communities and businesses, providing a vital link between the channel ports, London and the rest of the UK and enabling local businesses to operate effectively—or it should. It connects people on both sides of the river with work, education, leisure and one another.

In summary, as has been said so eloquently, it is a critical part of the UK's major road network, carrying local, national and international traffic. Furthermore, despite the unprecedented circumstances of the past few years due to the pandemic, the Dartford crossing has played a key role by carrying more food and goods than ever before. We are all well aware that, unfortunately, due to its age, the Dartford crossing has restrictions on hazardous goods vehicles. They have to be convoyed through, causing even more delays for everyone. As we have heard, that occurs frequently. Together with congestion and a lack of alternative transport links, that creates significant disruption and pollution.

Jackie Doyle-Price: There is one way that we could release more capacity at the existing Dartford crossing. The Minister set out the figures well and the crossing is carrying more traffic than it was built for. One of the reasons why is that people such as me have to travel to Kent by car, because there is no other link, apart from a tiny little ferry between Gravesend and Tilbury. There is no train link, for example, yet HS1 travels between Kent and Essex. Will she go back to the Department and look more creatively at how we can join up other methods of transport to get that capacity, so that we can shift residents away from using the crossing?

Trudy Harrison: My hon. Friend makes an excellent point. The Government's priority is to enable more of those journeys to be walked and cycled and for public transport to be used. Reference was made to the future of transport. We will introduce legislation on self-driving vehicles and so on, so we will see significant improvements in this area. As the Minister responsible for decarbonisation and the future of transport, I would be delighted to work with her to identify where the opportunities for better public transport and active travel may be.

Adam Holloway: If my hon. Friend the Member for Thurrock (Jackie Doyle-Price) had had more time, I think she would have made a point about why on earth all these freight trains carrying trucks from the continent offload at Folkestone. They should rumble on north. That is an absolute no-brainer and we should do that anyway.

Trudy Harrison: Similarly, I would be delighted to meet my hon. Friend to discuss freight and how we might improve it, and I look forward to that meeting. As we have heard, the situation at the Dartford tunnel negatively impacts on communities and businesses locally, regionally and elsewhere in the UK. In view of those challenges, the need for the lower Thames crossing remains clear at this stage. In addition, the strategic importance of the Dartford crossing is increasing and now supports the change in working and shopping patterns in England.

Let me give the House some statistics. Some 42% of vehicles using the Dartford crossing are now goods vehicles, which has gone up from 33% in 2019. December 2020 saw the busiest day ever recorded for heavy goods vehicle traffic, which is now consistently above 2019 levels. Furthermore, that supports the point about the conversation that is needed with my hon. Friend and other Members about how we can improve the freight situation and put more of that freight on to the rail network.

The need to increase capacity east of London is greater than ever. That is exactly what the lower Thames crossing hopes to address.

Adam Holloway: This is the muddled thinking we have got to: if we build another crossing further down, it will take the pressure off Dartford. However, it will not take the pressure off Dartford because people will still want to use the Dartford crossing. Spending £8.2 billion to build that white elephant will not address the current problems at Dartford.

If people think it is a good idea at some point next year to have a crossing east of Gravesend, for economic development purposes and so on, I say "By all means do it", but a bridge has to be built northbound at Dartford, because people are still going to use it. The M25 is still going to go through Dartford, and we will see exactly the situation to which my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe) has referred. There will still be convoys going through twice an hour. There will still be oversized vehicles at red traffic lights, and hundreds of millions of people will still spend time stuck in traffic for the next three decades. I say, "Sort out Dartford, and then by all means build the crossing. My constituents will not be happy, but do Dartford first."

Trudy Harrison: No one could deny that my hon. Friend is passionate and frustrated, and knows his area incredibly well. I hope that the meeting with the roads Minister will happen swiftly so that he can make that point to her as well.

The lower Thames crossing will consist of the longest road tunnel in the UK, between north Kent and south Essex, and will include 14.3 miles of new road linking the M2/A2, A13 and M25. By almost doubling road capacity across the River Thames east of London, it will cut traffic using the Dartford crossing by 22%, and will provide national road freight with a reliable new connection.

Stephen Metcalfe: That is an impressive statistic—14.3 miles of new road—but there is an impact from that road on the communities that it will cut through. There is also great concern among potential users of the new road about the designation that it will have. Will it be an A road or a motorway? If it is to be a motorway, will it be a smart motorway, and is there not a moratorium on the introduction of new smart motorways? There is still a fair amount of confusion among local people, first about whether it will solve the problem, and secondly about whether it will be safe to use.

Trudy Harrison: I thank my hon. Friend for his intervention, but I am going to make progress now. Hopefully some of his points will be addressed as I proceed, but if they are not, the roads Minister will be able to deal with those specific matters.

[Trudy Harrison]

As we have heard, congested motorways and major trunk roads are causing misery to hundreds of thousands of people every week. It is currently predicted that the lower Thames crossing will reduce the number of heavy goods vehicles at the Dartford crossing by providing a more attractive route for many vehicles travelling to and from manufacturing centres, distribution hubs and ports. Moreover, the safety systems and the size of the lower Thames crossing tunnel mean that it can accommodate all HGVs and three lanes of traffic in both directions, reducing the need for vehicles carrying hazardous goods to use the Dartford crossing, causing congestion-related delays to other road users. The proposed crossing will relieve congestion by diverting more than 13.5 million vehicles away from Dartford every year. That is what makes the strategic case for it so clear.

I took the opportunity to speak to my hon. Friend the Member for Dartford (Gareth Johnson)—who, unfortunately, is unable to take part in this debate—and to hear his support for the scheme. I am sure that my hon. Friend the Member for Gravesham is aware of that, and I hope he does not mind my referring to it.

Let me now say something about the route selection. On 12 April 2017, the Secretary of State for Transport announced the preferred route for the lower Thames crossing. His announcement followed a comprehensive review of options and extensive analysis of more than 47,000 responses to the 2016 public consultation. I am pleased that all the Members present today recognise the efforts that the project team have put into communicating with Members, local leaders and the wider community.

Stephen Metcalfe: I entirely agree with what the Minister has just said. The team has been exemplary in their engagement with us—with one small exception, which I want to put on record. I refer to the way in which they compensate people whose homes they are acquiring. They say that this is because they are bound by regulation.

There is a great discrepancy between the valuations of the Valuation Office and local valuations. What concerns me is that those who work for the Valuation Office on a regional basis, while having the best of intentions, do not know what the situation on the ground is. Value is often demonstrated by market testing, but when a house is blighted because it is going to be affected by the lower Thames crossing, there is no way of market testing it. I would appreciate a specific action point to look at whether we can find a way of compensating people more generously—not making them overly wealthy, just taking into account local valuations rather than regional ones.

Trudy Harrison: My hon. Friend makes an excellent point, and I would be grateful to receive further details of the homes or specific communities he feels are affected. That would be much appreciated.

Since the preferred route was announced, and following the withdrawal of the development consent order in 2020, National Highways has continued to work extensively with stakeholders—including my hon. Friends, as we have heard today—to improve and refine the scheme. This has been part of a comprehensive programme of consultation, and in addition to the consultation in

2016, it has included four further consultations since 2018, with 26 consultation events in Gravesham, 100 across the whole project and more than 30,000 responses. I am pleased that Members have referenced their gratitude for the effort that has gone into the consultation.

There is more to come. A further targeted consultation will take place after the local elections in May to engage stakeholders and local residents and to ensure that they will have their views heard on the use of Tilbury Fields following the positive resolution of a land clash. This will be the fifth public consultation, showing that National Highways is continually listening to those impacted by the scheme to ensure that they benefit as much as possible. Further work with parliamentarians has resulted in 11 parliamentary forums designed to bring local and regional MPs together at key project milestones between the contact programme of one-to-one briefing meetings. The forum series started in 2017, with the most recent forum being held this month. As a result of the tireless work by everyone, in particular my hon. Friend the Member for Gravesham and the other Members who are in the Chamber tonight, National Highways has made several key changes in the constituency of Gravesham, including several requests that my hon. Friend put forward in an Adjournment debate in 2017 regarding the design and development of the lower Thames crossing.

Adam Holloway: On that point, can I pay tribute to my constituent and local councillor, Bob Lane, the chairman of the local parish council, for his extraordinary work on this?

Trudy Harrison: I would also like to extend my gratitude on behalf of the Department to Councillor Bob Lane for his engagement.

In summary, the improvements that have been made include the removal of the A226 junction from National Highways' proposals, limiting potential rat-running on local roads as well as reducing the overall footprint of newly proposed junctions. Also, the southern portals south of the A226 are being moved. Since 2017, National Highways has made significant changes to the lower Thames crossing design to limit its visual impact. The tunnel itself has been lengthened by around 1 km, and the route has been lowered or hidden behind earth bunds. Now, around 50% of the route in Gravesham is in the tunnel and 80% of the entire route is hidden from view, either in tunnels or cuttings or behind earth bunds.

To maximise the use of green corridors to reduce noise pollution and environmental impact, National Highways is planning to provide new or improved green spaces and pathways for communities in Gravesham to enjoy. This includes plans to build Chalk Park, a new 40 hectare green space in Gravesham that will provide a new public space for the local communities in Chalk and Riverview, including new landforms with views across the Thames estuary. It will also create a green buffer between those communities and the road, improve biodiversity through the planting of grassland and woodland, reuse significant amounts of excavated material from the construction route and reduce carbon and HGV journeys.

Adam Holloway: If I truly believed this was the right thing to address the congestion at Dartford and nationally, I would man up and say to my constituents, "I'm really sorry that your house will be blighted by all this noise."

I would do that, but I do not believe this is the right thing to do. Whatever happens, we will have to go back and build a bridge at Dartford because the M25 runs through Dartford.

Trudy Harrison: I thank my hon. Friend for his intervention.

There are 20 km of new or improved pathways for walkers, cyclists and equestrians. There are three new green bridges, one of which is 84 metres wide—one of the largest in Europe—connecting this network of pathways to the area's rich mosaic of parks and woodland.

Members have expressed their discontent with the proposed road—that is loud and clear—and, straight after this Adjournment debate, I will reflect that to the roads Minister. As everyone has agreed, there is a clear need to address the challenge at Dartford crossing, and the lower Thames crossing aims to relieve congestion and provide resiliency to the strategic road network.

I am sure all hon. Members agree that we must plan not just for the short term but for the medium and long term.

Jackie Doyle-Price: No one can doubt the sincerity with which my hon. Friend has addressed all the points raised in this debate, but at the heart of this is a very unsatisfactory planning and consultation process. The Department needs to reflect on that. Thurrock has big ambitions for jobs and new homes, but we cannot settle our local plan during an ongoing consultation process. As she outlines, we will now need to have another

consultation. While we are addressing these issues with the lower Thames crossing, other Departments are attacking Thurrock for not making further progress. Can we make sure that we join up to consider the real local impact of national infrastructure? That has been missing from this process.

Trudy Harrison: I thank my hon. Friend. All hon. Members who have spoken this afternoon have been clear, collaborative and collegiate in representing their constituencies. The Department continues to support the lower Thames crossing as part of one of the biggest programmes of investment in the strategic road network in a generation.

I have set out how we are supporting road users by investing in our motorways and major A roads to relieve congestion, to support local communities and to facilitate economic growth locally, regionally and nationally. We believe that supporting this project is the right decision for the people of Kent and the people of the UK as a whole.

The Department supports the lower Thames crossing, but I recognise—who could not?—the alternative views of the Members in the Chamber this afternoon, and they have been well and truly heard by me, my Department and the roads Minister, and I am sure by National Highways and their constituents.

Question put and agreed to.

4.38 pm

House adjourned.

Westminster Hall

Thursday 24 March 2022

[MRS SHERYLL MURRAY *in the Chair*]

BACKBENCH BUSINESS

World Tuberculosis Day

1.30 pm

Mr Virendra Sharma (Ealing, Southall) (Lab): I beg to move,

That this House has considered World TB Day 2022.

It is a pleasure to serve under your chairmanship—if I can use the term—again, Mrs Murray. I am delighted that we have been granted a debate for World Tuberculosis Day on World Tuberculosis Day itself. In that light, I declare my interest as chair of the all-party parliamentary group on global tuberculosis. I am gratified by the presence of Members who have chosen to join us to share their thoughts on this important day.

Before covid-19, TB held the dishonour of being the world's deadliest infectious disease, with 10 million cases and 1.5 million deaths in 2020 alone. The situation has deteriorated further over the past two years, with the Stop TB Partnership suggesting that the fight to eradicate TB has been set back by more than 12 years. As we emerge from the covid pandemic, we should put the lessons learned over the past two years to work in order to finally eradicate TB.

TB is one of humanity's oldest diseases. It is caused by bacteria and most often affects the lungs, but can also spread to other parts of the body. TB is spread from person to person through air droplets, and most people infected with TB show no symptoms at all. It is a disease of poverty, found in areas with low-quality housing, poor access to healthcare, overcrowded communities and high pollution. It does not just affect one part of the world or one group of people but can be found in virtually every corner of the planet. In higher-income countries, TB is more commonly found in migrant communities, among people with alcohol, drug or mental health issues, in homeless communities, or among people with a history of incarceration. Most TB cases in England are found in London and the south-east, and on the whole TB remains concentrated in urban areas. In any given year, London accounts for an average of 35% of TB cases in England.

One of the most frustrating aspects of the fight against TB is that we have medicines and vaccines that mean that TB is entirely preventable, and is for the most part curable. That said, many of the tools at our disposal are woefully out of date. For instance, the one TB vaccine that exists, the Bacillus Calmette–Guérin vaccine, celebrated its 100th anniversary last year. Decades of chronic underfunding for TB medicines and research and development mean that we do not have the most up-to-date tools and diagnostics that would enable us to deal more effectively with the threat of TB. That threat is compounded by the rise of drug-resistant and multi-drug-resistant TB—that is, strains of TB that cannot be treated using even the most potent TB drugs. Antimicrobial-resistant TB occurs when people do not take medicines correctly or break from their treatments early. Treating AMR TB is both

incredibly complicated and very costly: according to the TB Alliance, someone with AMR TB will have to take as many as 14,000 pills over two years as part of their course of treatment. The O'Neill review found that by 2050 up to 10 million deaths might be associated with drug resistance each year. Around a quarter of these will come from drug-resistant strains of TB.

Domestically, the UK has a positive story to tell on TB. Between 1980 and 2012, the UK saw a near 2% increase in its TB burden year on year; since 2012, the UK has seen a 44% reduction in the number of people who test positive for TB each year, with 2020 seeing the lowest ever recorded incidence rate in England. It should be noted that 2020 was the first year of covid restrictions, which would have had a significant impact on the reduction in TB transmission that year.

TB is much more prevalent in people who are born outside the UK compared with those born in the UK. Between 2018 and 2020, 72.7% of confirmed cases were in people born outside the UK. The rate of TB is 15 times higher for people born outside the UK. These people do not come to the UK with TB, and there is considerable variation by country of birth in the median time between a person's first entry into the UK and the time of their TB notification. The data suggests that people come to the UK free of TB, but due to poor living conditions and lack of support from the Government, they develop it over time. As I said, TB is a disease of poverty. In the UK, it is most common in more deprived communities and those with social risk factors. I ask the Minister: what more can the Government do to tackle the social determinants and key risk factors that increase the likelihood of someone contracting TB?

The APPG on global tuberculosis led calls for the Government to develop a domestic TB strategy. In 2019, we held an inquiry to examine the success of the Government's approach. The collaborative TB strategy for England was widely praised by stakeholders for helping to reduce incidence in England by 29%. However, the APPG made a number of recommendations, including to strengthen awareness-raising activities for healthcare workers, secure more BCG vaccines and begin the development of a new strategy.

In 2021 the Government released their TB action plan for England, which outlined five priority areas for the Government, with the recovery from the covid pandemic the highest priority. As the strategy is in its early days, the APPG for global tuberculosis will continue to monitor its implementation and ambition to ensure that TB levels continue to drop in the UK.

Although the domestic situation is better, internationally we are miles behind where we need to be. In 1993, the World Health Organisation elevated TB to the level of "global emergency", marking the first time that an infectious disease had been given that distinction. At the time, the WHO noted that TB kills more adults each year than any other infectious disease—more than AIDS, diarrhoea, malaria and other tropical diseases combined. Never in the history of medicine has one disease caused so many deaths yet remained so invisible. While the global outlook for TB has improved since 1993, many of the same underlying issues continue to affect the fight to eradicate it in 2022.

Even before the outbreak of covid-19, the international community was seriously off target to meet the goals set out at the 2018 United Nations high-level meeting or

[Mr Virendra Sharma]

those set out in the sustainable development goals. SDG 3.3 calls for the international community to eradicate TB globally by 2030, yet at the current pace it will take more than a hundred years for that feat to be achieved. The WHO's 2020 TB report—the last report before the covid-19 pandemic—highlighted just how far behind the international community was on its targets. For instance, the international community set the target of reducing TB incidence by 20%, between 2015 and 2020, but achieved only a 9% reduction during that period. There was a target to reduce the number of TB deaths by 35% during the same period, but we have seen only a 14% reduction. In the coming years, as the full impact of the covid pandemic is felt around the world, we expect the numbers to rise significantly.

Between 2019 and 2020, the number of people diagnosed with TB globally fell by 18%. Although that may seem like a positive development, we must approach it with caution. We know that the TB burden has not decreased, so a decrease in the number of positive tests suggests there are even more people with TB who do not know they have it. In the same period, the number of people treated for drug-resistant TB and TB-preventative treatments went down 15% and 21% respectively. The similarities between covid and TB meant that at the outset of the pandemic, many TB services were repurposed to deal with the emerging pandemic. Between June 2020 and August 2020, the Global Fund's TB programmes experienced "very high" disruption as a consequence of covid. By May 2021, TB services delivered by the Global Fund were the most disrupted of the three diseases it works directly with.

The fight against global TB suffers from chronic underfunding. Between 2019 and 2020, global spending on TB diagnostics, treatments and prevention services fell by 5%. Even with that reduction, global spending on TB in 2019 was less than half of what was needed to make meaningful change in the fight to eradicate TB. The 2021 G-FINDER report showed that global investment in TB research and development totalled \$684 million, down by \$33 million—4.6%—from its record high in 2019. However, the Stop TB Partnership estimates that \$2.16 billion is required annually to develop and deliver new tools, such as diagnostics, vaccines and medicines, that can end the TB epidemic.

The United Nations will host the next UN high-level meeting on TB in 2023. It is highly unlikely that between now and then, the international community will be able to meet the ambitious TB targets it has set itself. That meeting must serve as a rallying call for the world to act to eradicate TB before the end of the decade. To achieve this, we need more money for innovative TB vaccines, medicines and diagnostic tools. It is time for the international community to put its money where its mouth is in the fight to eradicate TB globally. I ask the Minister, in advance of the UN high-level meeting, what more can the UK Government do to regain momentum towards achieving the TB targets set out in the UNHLM and the SDGs?

The UK provides no bilateral official development assistance funding for TB. Instead, the Government work through multilaterals, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria. Historically, the UK is the third largest sovereign donor to the Global

Fund, providing over £1.4 billion to the fund since 2002. The Global Fund is the world's largest financier of TB prevention, diagnostic and treatment programmes, accounting for 77% of all TB financing globally. The Global Fund invests more than \$4 billion each year to support programmes run by local experts in more than 100 countries. By its own estimate, the work of that innovative multilateral has saved more than 44 million lives since 2002 and it has overseen a 46% reduction in the number of deaths from AIDS, TB and malaria in the countries in which it operates.

In September this year, the Global Fund will host its seventh replenishment conference in the United States. The final pledged amount at the conference will fund the Global Fund's work over the next three years. It is vital that the Global Fund is generously replenished so that we can regain the ground and momentum lost in the previous two years. According to the Global Fund, the impact of the pandemic has led to a 33% increase in the global AIDS, TB and malaria burden.

In our report released earlier today, the APPG on global tuberculosis calls on the UK Government to increase our pledge in line with the increase in the global burden. The UK can and should play a leading role in the replenishment process by bringing together our friends and partners around the world to commit generously and showing that we remain a leader in the global health field. Will the Minister outline what more the UK Government can do to ensure that our allies and partners around the world contribute generously to the next replenishment of the Global Fund?

In November 2020, the Chancellor of the Exchequer announced that the Government would no longer spend the statutory 0.7% of gross national income on official development assistance. The decision amounted to a £4.5 billion reduction in the UK's ODA budget, although the full impact of the cuts is yet to be recognised. I must declare my interest: I am also a member of the International Development Committee, so I am wearing the hats of two bodies.

In 2020, the APPG wrote to the then Foreign Secretary, the right hon. Member for Esher and Walton (Dominic Raab), highlighting that any cuts to the UK's aid budget would have a significant impact on global health research, severely limiting international public-private partnerships that have been developing new and innovative medicines to tackle the world's deadliest infectious diseases. Not only does the cut to the ODA budget threaten future research and development funding, but it jeopardises research capacity built up over a decade. The Government must commit to the restoration of the UK's R&D funding on global health issues so that the UK can remain a leader in developing the tools that will bring an end to deadly epidemics.

The APPG on global TB's most recent report called for the Government to commit at least 5% of ODA to research, and to ensure spending for TB research does not fall below the 0.1% of gross domestic expenditure on research and development between 2020 and 2025. Will the Government commit to restoring TB R&D funding so that the UK can remain a leader in developing the tools necessary to end the TB epidemic? In November 2021, the Chancellor of the Exchequer announced that the Government are to invest £20 billion in R&D funding by 2024-25. The Government should commit a sizeable portion of that funding to the development of new

diagnostic tools and vaccines for the fight to eradicate global TB. How much of the £20 billion committed to R&D in the autumn spending review will be used to end TB epidemics?

In the last few days there have been concerning reports in *The Daily Telegraph* and Devex that the Foreign Secretary is planning to make substantial cuts to health, humanitarian aid and climate change ODA spending. I share the sentiments of the Chair of the International Development Committee, who called this potential move “illogical”. Does the Minister agree that if the UK is to remain a respected leader and a reliable partner in the global health community, the Foreign, Commonwealth and Development Office and the Foreign Secretary must not reduce their ODA health spending?

I want to briefly mention the situation in Ukraine and its implications for the fight against global TB. Ukraine has one of the highest drug-resistant TB burdens in the world, with nearly one third of all new TB infections there having some level of resistance. Some 22% of Ukrainians who contract TB also have an HIV co-infection, and TB is the leading cause of death among Ukrainians living with HIV. The Global Fund has been providing drug procurement facilities in Ukraine since the Russian invasion. It released \$30 million in emergency funding, including \$15 million to support the continuity of HIV and TB prevention, testing and treatment services in Ukraine. Peter Sands, executive director of the Global Fund, has said:

“We are extremely alarmed by the devastating effects on peoples’ lives in Ukraine. Ensuring patients affected by the conflict can continue to access prevention and treatment services is our immediate priority.”

The UK has played a leading international role throughout the Russian invasion of Ukraine. What additional humanitarian support can the UK offer Ukraine to ensure that the war does not lead to a significant rise in TB or HIV in the country?

TB remains a global killer, but it is almost unrecognised, except where it blights lives. In my years of political activism, I have seen Governments commit multiple times to ending TB. I have heard warm words of concern, but they fall by the wayside as Ministers change—I hope that will not happen here—and new fashions rise and fall. I hope we can finally be the Parliament that gets a grip on global TB and acts for the good of all.

1.53 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate. I congratulate the hon. Member for Ealing, Southall (Mr Sharma) for setting the scene extremely well. He has been incredibly helpful with the information he has provided. I have spoken on this subject on a number of occasions in Westminster Hall. The former Member for Stafford, Jeremy Lefroy—he was your colleague, Mrs Murray, and you will remember him—used to bring this issue up, and he always reminded us that TB, while a terrible disease, is in many cases complicated by a combination of HIV and malaria. Again, I support the hon. Member for Ealing, Southall in highlighting this matter, and I ask the Minister to give us an idea of how we can respond in a way that addresses some of the issues.

When I was a child, which was not yesterday, I remember hearing the dreaded—in those days—diagnosis of TB.

Yet, when I asked my aide, who seeks out the information for my speeches, to prepare the notes for this debate, her first reaction was, “Surely TB is extinct. It’s no longer an issue—they don’t even give the BCG anymore.” Maybe we need to be more aware of the data the hon. Gentleman referred to; some of the information in the APPG’s report illustrates the importance of this issue. The data is there, and it did not take my aide long to learn that she could not be more wrong. The fact that the younger generation believes there is no such thing as TB anymore does not bode well.

The purpose of this debate is to highlight the issue of TB in the countries where it is a severe killer. The disease is rampant in some parts of the world, and the hon. Gentleman helpfully reminded us that there are rising numbers of TB cases in the United Kingdom as well.

The data is clear. Between 2019 and 2020, there was a 9.2% increase in the number of deaths from TB, and the World Health Organisation predicted that the number of deaths would increase in both 2021—which they did—and 2022. During the same period, the number of people diagnosed with TB, according to the APPG’s report, dropped by 18%. Some 16 countries accounted for 93% of that reduction, suggesting that countries that already have a high TB burden have fared worse than others.

Covid has not been kind to any diagnostic data collection. Before covid, TB was known as the world’s deadliest disease, which it quite clearly is. The information in the APPG’s report refers back to when TB was more prevalent in a different century. Between 1980 and 2012, the UK saw a 1.9% increase in TB cases year on year. The number fell in 2018, but rose in 2019. I know it is not directly the Minister’s remit in the UK, but the debate is about TB, and perhaps she could give us some indication of what has been done to address TB in the United Kingdom to make sure it does not become rampant and a serious issue?

There is a TB action plan for England for 2021 to 2026. The Government have recognised that there is an issue, and it is clear they want to ensure that action can be taken and that we can play our part to ensure that TB does not become the problem it was in the past. We are looking to eliminate TB by 2035 across the world, which would be good.

Again, I am not sure this is a question the Minister can answer directly, and I am happy to have a response from her civil servants, who are always helpful. Have we any indication about TB in England? It is the responsibility of Ministers here, and it is a devolved matter in Scotland, Wales and Northern Ireland. Is it possible to find out if there is any indication of those figures for the regions?

The Centres for Disease Control and Prevention noted that in 2018 1.7 billion people were infected by TB bacteria, which is roughly—this is quite worrying—23% of the world’s population, and the disease claimed 1.5 million lives each year. It is clear where it is prevalent. It is a serious and deadly disease. Of the 10 million individuals who became ill with TB in 2018, approximately 3 million were missed by health systems and did not get the care they needed, allowing the disease to continue to be transmitted. I repeat the question asked by the hon. Member for Ealing, Southall: if those 3 million were missed, how can we ensure that others are not missed? We have to, first, raise awareness through this debate

[Jim Shannon]

and, secondly, make sure we clearly address the issue of TB in parts of the world where it is most prevalent.

From looking at the information that we were sent beforehand, it is clear that there are parts of the world where TB is more prevalent—China, Pakistan, India, Bangladesh, Indonesia, the Philippines, Nigeria and South Africa. We in the all-party parliamentary group for international freedom of religion or belief hope to visit Nigeria at the end of May, so we will need to make sure we get all our inoculations and so on before we go. One of the things I want to speak about is those who travel from a missionary organisation in my constituency, which is very effective.

Statistics show that in 2020, there was an estimated total of 1.5 million TB-related deaths. Some 1.3 million of those were among HIV-negative people, up from 1.2 million in 2019—again, a worrying trend—and an additional 214,000 were among HIV-positive people. I referred earlier to a former Member, Jeremy Lefroy, who always spoke about three things: HIV, malaria and TB. People who have both TB and HIV when they die are internationally classified as having died from HIV; maybe the data needs to be corrected to ensure we have a fuller picture of what the issues are. The combined total is back to 2017 levels, and an estimated 230,000 children died of TB in 2019, including children with HIV-associated TB. Of those children, 194,000 were HIV-negative and 36,000 were HIV-positive. As most of us know, HIV/AIDS affects immune systems, so those infected with TB unfortunately have little defence against it.

In countries such as Eswatini—formerly Swaziland—where the AIDS incidence rate is one in four people, TB is a real and present danger. I have a particular interest in Eswatini because a church in my constituency, Elim church, has a very strong mission there. The church works in Eswatini, as well as in Zimbabwe, and it is confronted with these health issues all the time. It fundraises heavily to support those two countries—Eswatini in particular—and it sends money, drugs, food, and all the other help it can, which clearly makes a significant difference to the lives of the people out there. My constituency always supports those things, and the help its people give is vital.

A lot of work has been carried out by international bodies in the fight against TB. The incidence of TB in Eswatini has fallen gradually from 1,010 cases per 100,000 people in 2001 to 309 cases per 100,000 in 2020, so there has been some positive change as a result of the work of non-governmental and missionary organisations such as the Elim church mission, headquartered in Newtownards in my constituency. That is a victory we can all claim, and it must be replicated in the Congo, where the incidence rate sits at over 440 per 100,000. There are parts of the world that are not shown on the map in the report, so there are other places where there is work to be done. While I understand the rationale behind not vaccinating all our children, families who travel to these countries from Newtownards, for example, need to be aware that they face a risk and should consider getting vaccinated before they go. Obviously, we will also take note of that when we make our journey to Nigeria at the end of May, God willing.

As the hon. Member for Ealing, Southall referred to, we are now encountering drug-resistant TB. Maybe the Minister will be able to give us some indication of how

she and our Government are partnering with the World Health Organisation to combat drug resistance. There has been a significant reduction in the number of people treated for drug-resistant TB and with TB-preventative treatments, which are down 15% and 21% respectively, so this is clearly a massive issue that needs more focus than it is currently receiving. We must fund more research into solving this difficult and worrying problem. I ask the Minister again, in a constructive and positive way, what extra moneys have been set aside for R&D to ensure that we can do these things?

I will conclude because I am looking forward to hearing from the shadow Minister, the hon. Member for West Ham (Ms Brown), and especially from the Minister. The shadow Minister takes a particular interest in this matter, and like me and the hon. Member for Ealing, Southall she wishes to see giant steps forward. We aim high with the purpose of trying to change things.

Giving the BCG vaccine to children has reduced TB, but that most certainly does not mean that the disease has gone away. I am thankful for having had the opportunity to highlight that, and to put it to the Minister that the gift of combating the disease lies in our United Kingdom of Great Britain and Northern Ireland and in other developed nations. Will we give that gift or will we choose to accept that we have only eight cases per 100,000 people and leave it there? I sincerely hope not.

I respectfully, honestly and beseechingly ask the Minister to assure every one of us of the steps that we are taking and will take in the near future to combat this dreadful disease. The document that the hon. Member for Ealing, Southall gave me beforehand refers to the Global Fund to Fight HIV, Tuberculosis and Malaria. That is a battle that we all have to fight together. I hope that we have done our part today to help in that battle to eradicate tuberculosis across the world. We in this House, in this great United Kingdom of Great Britain and Northern Ireland, must ensure that, through our Minister and our Government, we deliver for the people who need it. That is what our debates are always about: others.

2.6 pm

Ms Lyn Brown (West Ham) (Lab): It is an absolute pleasure to serve under your chairship, Mrs Murray. I thank my hon. Friend the Member for Ealing, Southall (Mr Sharma) for securing the debate and for his excellent speech. May I say what a pleasure it is to follow the hon. Member for Strangford (Jim Shannon), whom I see in many of the debates I attend? It is a real joy to be here with both those Members, who are really nice, gentle men.

World TB Day is a reminder that this terrible sickness is thriving because of the poverty and inequality that persists in the UK and across our world. TB is deadly: in 2020, it killed 1.5 million people. However, TB is both preventable and curable. The UK, with international partners, has rightly committed to the achievable goal of finally ending the epidemic by 2030. I hope the Government will join the Labour party not only in recommitting to that goal, but in committing the resources necessary to achieve it.

Unfortunately, the goals in the World Health Organisation's "End TB Strategy" are not even close to being met. We targeted a 20% reduction in incidence, but we have achieved just 11%. We targeted a 35%

reduction in deaths, but they fell by only 9%. We aimed to reduce to zero, by 2020, the number of people who face catastrophic costs as a result of TB. Instead, almost half of all people who are infected with TB still deal with catastrophic costs. TB is a disease of poverty, and it keeps people in poverty worldwide.

The efforts of NGOs and many Governments have been powerful and have made a massive difference. The WHO estimates that 66 million lives were saved by TB treatment between 2000 and 2020—but it ain't enough. The job is not nearly done, and recently, following covid, we have slipped backwards. Does the Minister believe that the sustainable development goal to end the TB epidemic by 2030 has a chance of being met without more resources? As my hon. Friend the Member for Ealing, Southall stated, it will not take eight years to end the TB epidemic; it will take more than 100.

Surely, part of the reason for the limited progress is that we are less than halfway towards the 2022 targets for funding both TB research and universal access to TB prevention, diagnosis and treatment. The largest supporter of action against TB globally is the Global Fund to Fight AIDS, Tuberculosis and Malaria, which funds 77% of all anti-TB projects. The Global Fund was co-founded by the Labour Government in 2002. After 18 years of work, the Global Fund estimates that its programme has saved 44 million lives. What an extraordinary achievement of the UK leadership that has been. The Global Fund is not just about direct delivery of projects to prevent, diagnose and treat the most deadly diseases. It also helps to build up sustainable healthcare systems and tackle the broader issues of poverty and social exclusion that make TB such a deadly threat that continues today.

Last week, the National Institute of Economic and Social Research found that UK aid spending has clear economic benefits for the UK. That is particularly true of health spending, which can massively increase productivity by tackling long-term conditions. As well as benefiting millions of people and building a fairer and safer world, part of UK ODA spend goes back into the UK economy by boosting exports to developing countries. In total, the cut from 0.7% to 0.5% of GDP will actually cost the UK between £300 million and £400 million in lost exports. If the Government do not stick to their word and return to their manifesto promise, that number will simply grow.

This year the Global Fund needs to have its financing replenished by international partners. As the Minister knows, the UK has previously always been one of the top funders. We give money not just because of the impact on our international reputation and the relationships that we build around the world, and not just because preventing so much human suffering and death is simply the right thing to do. We do it because we in the UK are affected by TB too.

In the UK, just like the rest of the world, people are more vulnerable to TB if they are malnourished, have chronic illnesses like diabetes or are living with HIV. Over 70% of UK cases of TB are in people born outside the UK, but they are overwhelmingly concentrated in deprived communities, with overcrowded and poor-quality housing. That includes my constituency. The cost of living crisis and housing crises will put more people in these vulnerable positions. Unless we tackle poverty

and disease throughout the world, our own communities will be affected, too. What do the Government plan to do about that?

Recent England-wide strategies have had some success since 2015 in tackling TB in England, but we know that success had stalled—even reversing slightly—just before the pandemic. We have to recognise that with TB, just as with Covid, none of us is truly safe until all of us are safe. We need international as well as domestic action. That action must go beyond diagnosis and treatment. We must put resources into research, too. There is still just one approved vaccine for TB, even though it remains deadly and destructive; and that vaccine is more than 100 years old, and highly effective only for young children. A new vaccine could save not only millions of lives, but vast amounts of money. Therefore I am hoping that the Minister can reveal how the UK will contribute to vaccine development and other TB research efforts over the coming year.

As we have heard, this autumn there will be a replenishment of the Global Fund. Will the UK continue as the third-largest funder? I hope that the Minister can give clear assurances on that today, because the rumours are that the existing priorities of global health, combating global heating, and conflict prevention could be dropped. Those are all areas where the UK does excellent work, with support across the House, but we hear that all will be slashed to the bone. Reportedly, the decision to make those brutal cuts will be made by the Foreign Secretary alone, ignoring warnings and advice from both inside and outside the Department. I desperately hope that those rumours are not true, that the Minister will reassure us today, and that those assurances will be borne out by the international development strategy.

I know that the Government will say that they are focusing on women and girls, and that that justifies any cuts. Labour proposes a feminist approach to international development; we see efforts towards gender equality worldwide as a massive priority. Half a million women die of TB every year. Waits for diagnosis and treatment are generally longer for women than men, and TB is a massive risk during pregnancy. The Minister must recognise that global health funding protects women and girls and advances gender equality. So does action against the climate emergency, as the Minister knows, because she was at a meeting in New York about that issue just last week. Will a comprehensive equalities impact assessment be published, so that all hon. Members can see some analysis—as well as the Government's own PR—about these cuts?

I want to say a little about another area of global health where the UK was a leader—the neglected tropical diseases that affect 1.7 billion people globally and, as with TB, primarily the poorest and most disadvantaged. Until last year, the Department for International Development funded a programme called Ascend—Accelerating the Sustainable Control and Elimination of Neglected Tropical Diseases—providing lifesaving treatments and strengthening health systems. As we know, that is vital for eliminating diseases, including TB, in the long term. Ascend delivered more than 350 million preventive treatments, fighting diseases that cause everything from blindness to organ damage to death. But last April, Foreign, Commonwealth and Development Office funding to Ascend was cut, leaving a funding hole of about £100 million. Because of that

[Ms Lyn Brown]

cut, 100,000 people across east Africa and south Asia did not receive planned care for the horrific symptoms, and the social and economic consequences, of elephantiasis.

How many more proven programmes will be cut if global health is no longer a priority? How much more will our reputation for leadership in this field be damaged? What will happen to the Department's health-system-strengthening approach, launched with such fanfare just three months ago? Most importantly of all, Minister, how many more lives will be blighted by preventable diseases if the rumoured cuts go ahead? How many more years will the progress that we have made on eradicating TB be set back?

2.19 pm

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Vicky Ford): It is an absolute pleasure, Mrs Murray, to serve under your chairmanship.

I start by thanking the hon. Member for Ealing, Southall (Mr Sharma) for securing this debate on this incredibly important topic. I pay tribute to him for his long-standing advocacy for action on TB, including as co-chair of the all-party parliamentary group on global TB. I also thank the other hon. Members for their contributions today. I will try to respond to many of the points that have been raised.

Every year on World TB Day, it is important to reflect on the impact that tuberculosis has on people across the world. We are reminded of the devastating cost of this deadly disease. We are continuing our efforts to combat it, by investing in services worldwide to prevent, test for and treat TB, funding cutting-edge research to fight TB locally, and working to strengthen healthcare across the world and at home. I will set out further details on this work during my speech.

First, however, it is important to understand the scale of the challenge that we face. Despite the fact that TB is preventable and treatable, it continues to have a devastating impact. It is truly shocking that every day more than 4,100 people die from it: mothers and fathers, and sons and daughters. Thousands of families are torn apart daily. TB kills more people each year than malaria and AIDS put together. In Africa, it is the leading killer of people with HIV. And as the Opposition spokeswoman, the hon. Member for West Ham (Ms Brown), pointed out, TB is particularly harmful to women, especially pregnant women, causing complications and increasing both maternal and infant mortality rates.

As hon. Members have pointed out, TB preys on some of the world's most vulnerable people. The hon. Member for Ealing, Southall mentioned Ukraine. In Ukraine, TB has the potential to add to the horrific impact of Putin's illegal invasion. Ukraine already had the fourth-highest incidence of TB in Europe and Putin's war is disrupting medical care, which heightens the risk of the disease spreading. The UK and the rest of the international community will continue to support the Ukrainian Government and people, including with medical supplies. We also welcome the Global Fund's announcement of an additional \$15 million of emergency funding to Ukraine, which will support the continuation of HIV and TB prevention, testing and treatment services. However,

I also want to be really clear that the best way to prevent deaths from TB and other diseases in Ukraine is for Russia to stop this illegal war.

As the hon. Gentleman also mentioned, the covid pandemic has continued to take a toll on people's lives and it has had a knock-on effect on the work to combat TB. In 2020, deaths from tuberculosis increased for the first time in a decade. However, we have also seen an 18% decrease in the number of people being diagnosed with TB, because the pandemic disrupted TB services and people's ability to seek care.

It is vital that we continue our efforts and work with partners to boost access to essential services, in order to prevent and treat this disease, and that we continue improving global surveillance systems, so that we can detect and respond to outbreaks quickly.

As all the hon. Members who spoke today have mentioned, the World Health Organisation's TB strategy has set out the global scale of the ambition to end the TB epidemic by 2035. We continue to strive towards that target and have strongly supported work to deliver it. In fact, the UK helped to establish the Global Fund to Fight AIDS, Tuberculosis and Malaria more than 20 years ago. We have remained a strong supporter ever since, contributing more than £4.1 billion to it. The Global Fund has made a huge difference over the past two decades, saving an incredible 44 million lives. It will continue to play an important role and I welcome the focus in its latest investment case on supporting health systems and global health security.

Many Members mentioned reductions to official development assistance. We all know that the economic situation is deeply challenging and that was a very difficult decision to make, but it was also a temporary decision. We are committed to returning to 0.7% as soon as the situation allows, and I remind Members of the positive statements that the Chancellor made about that in his autumn Budget. We remain committed to improving global health, and are looking at our work in a number of areas to ensure the best configuration to deliver our priorities.

International development remains a core priority. It is integrated across the FCDO, including across the country network, and developmental priorities will continue to be embedded in multiple areas. We are reviewing the Global Fund's recently released investment case and considering what commitment we can make for the seventh replenishment, but I cannot provide details on that now.

Ms Brown: I have listened very carefully and I am not as dismayed as I thought I might be. Will the Minister let me know when she might be in a position to give us details on that spend? As she will appreciate, there is real anxiety out there.

Vicky Ford: I thank the hon. Lady for her excellent question. I understand the urgency of getting the details agreed, but, as she knows, there has been a restructuring in the FCDO because of the changing situation that we now face, given the geopolitical impact of Russia's illegal invasion of Ukraine. It is important that we continually assess how best to use our structures to reflect different global challenges to enable us to deliver for the UK. As I said, we maintain a strong commitment to improving global health, and I understand the importance of getting the numbers agreed. We cannot do everything, but we will get the numbers as soon as possible.

Research was mentioned in the opening speech. The UK is a global leader in the funding of TB research. We continue to support academics and industry to develop the evidence, and new technologies and approaches to diagnose and treat TB. We have been a critical investor in product development partnerships to combat infectious diseases, including TB, for many years. The FCDO has supported the Foundation for Innovative New Diagnostics to develop a new PCR-based technology to test for TB, which is now available in more than 140 countries worldwide, including in the NHS.

Our investment also helped the TB Alliance to develop new combinations of drugs that significantly reduce the severity of side effects and the length of treatment from over 18 months to six months for drug-resistant TB, and even shorter for drug-sensitive TB. UK funding is bringing partners together to solve critical problems. For example, through support to British Investment International, MedAccess, the Clinton Health Access Initiative and Unitaid have secured a lower price for an innovative short-course TB preventive therapy.

As a further demonstration of our commitment to invest in the fight against TB, I am pleased to announce £6 million of funding for TB REACH, which will support piloting innovative ways to hunt down and treat millions of missing TB cases. I am pleased that the US and Canada are also backing that fantastic work; only through joined-up efforts with our partners will we meet our target to eliminate TB. The UK Government are one of the largest bilateral funders of TB research and development globally, and we continue to invest in research and development, including developing new tools and approaches to tackle TB.

The hon. Members for Ealing, Southall and for West Ham spoke about the situation in the UK. With an eye on the global picture, it is important not to lose sight of the challenge that TB presents here in the UK. As in other countries, we see that the disease often affects the most marginalised and vulnerable people. We are investing in early detection and treatment, including genome sequencing, which can help to detect drug resistance and clusters of transmission.

As the hon. Member for Ealing, Southall said, the UK has a TB action plan for England, which will run for five years from 2021 to 2026. It was jointly launched by the UK Health Security Agency and NHS England, and it sets out the work that will support year-on-year reductions in TB incidence in order to move England towards its elimination target. It includes specific actions relating to underserved populations.

Jim Shannon: I thank the Minister for her positive responses; we are greatly encouraged. I do not expect to have an answer today, but will she let us know the number of TB cases in Scotland, Wales and Northern Ireland compared with England?

Vicky Ford: I will get back to the hon. Member with the impact on Northern Ireland. England is one of the few countries that routinely use genome screening for diagnosing and detecting drug resistance and clusters of transmission. The technology was pioneered in the UK and is routinely used in England, Scotland and Wales, but I am not sure about Northern Ireland.

People born outside the UK account for more than 70% of TB notifications, so the UK has a latent TB infection screening programme that detects new migrants with latent inactive TB. That early detection and treatment reduces the chances of a reactivation of the active disease. The Government's additional £36 billion investment in the health and care system over the next three years will also support TB detection and treatment.

I was born in Northern Ireland, so it was heartening to hear the hon. Member for Strangford (Jim Shannon) speak about the relationship between his constituents and the people of Eswatini and Lesotho—two countries that I visited in, I think, my second week after taking on my current role. It is important that we support smaller countries as well as larger countries, and the Global Fund is working in both Eswatini and Lesotho. I assure the hon. Member that we work globally to tackle the risk factors for TB, including poverty and malnutrition.

To conclude, the UK will continue to work with partners to pioneer scientific breakthroughs, to invest in detection and treatment, and to strengthen health systems globally. That is the only way that we will make tuberculosis a thing of the past.

2.32 pm

Mr Sharma: I thank hon. Members, but I am a bit disappointed that not many joined us for such an important debate. As a Member, I can understand that people's priorities are different on a Thursday afternoon and when there is a one-line Whip in place. However, I am grateful to the hon. Member for Strangford (Jim Shannon) for joining us, and I thank my hon. Friend the Member for West Ham (Ms Brown) for contributing on behalf of the Opposition. I am pleased to hear a conciliatory tone from the Minister—given the sensitivity of the issue, sometimes misunderstandings can arise.

From the APPG's point of view and my personal point of view, we are here to work together and support the Minister and the Government to ensure that we achieve our goals, so the most important thing is understanding how we can best work together. I am glad that the Minister pointed to that partnership role in her contribution. I am also grateful for her announcement of £6 million for TB REACH, and I am sure that more will come in the future.

I will not repeat what I have already said. As no solution can be found overnight, it will be a long struggle. I have been in a TB campaigning role for more than 25 years. Before I joined Parliament, I was a local councillor and involved in TB activism, and I look forward to working with the Minister and the Government—not only so we can eradicate TB in Britain, but so we can be the best partners in eradicating TB globally.

Thank you, Mrs Murray, for the way you have chaired the debate; although you have not been under a lot of pressure, I thank you for giving me the longest time to contribute.

Question put and agreed to.

Resolved,

That this House has considered World TB Day 2022.

2.35 pm

Sitting adjourned.

Written Statements

Thursday 24 March 2022

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Energy Companies: Special Administration Regime

The Minister for Energy, Clean Growth and Climate Change (Greg Hands): Today I will lay before Parliament a departmental minute describing a contingent liability arising from the issuance of a letter of credit for the energy administrators acting in the special administration regime for Bulb Energy Limited ('Bulb').

It is normal practice when a Government Department proposes to undertake a contingent liability of £300,000 and above, for which there is no specific statutory authority, for the Department concerned to present Parliament with a minute giving particulars of the liability created and explaining the circumstances.

I regret that, due to negotiations with the counterparty having only just concluded, I have not been able to follow the usual notification timelines to allow consideration of these issues in advance of issuing the letter of credit.

Bulb entered the energy supply company special administration regime on 24 November 2021. Energy administrators were appointed by court to achieve the statutory objective of continuing energy supplies at the lowest reasonable practicable cost until such time as it becomes unnecessary for the special administration to remain in force for that purpose.

My Department has agreed to provide a facility to the energy administrators, with a letter of credit issued, with my approval, to guarantee such contract, code, licence, or other document obligations of the company consistent with the special administration's statutory objective. I will update the House if any letters of credit are drawn against.

The legal basis for a letter of credit is section 165 of the Energy Act 2004, as applied and modified by section 96 of the Energy Act 2011.

HM Treasury has approved the arrangements in principle.

[HCWS711]

DIGITAL, CULTURE, MEDIA AND SPORT

Parliamentary Question Correction

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Nigel Huddleston): I am repeating the following written ministerial statement made today in the other place by my noble Friend, the Minister for Arts, Lord Parkinson of Whitley Bay:

On 9 June 2020, the then Minister for Digital and Culture, Dame Caroline Dinenage MP, answered a parliamentary question from Anneliese Dodds MP (53581) on the tax treatment of emergency grants provided to freelancers by Arts Council England at the beginning of the pandemic, April 2020.

The question was answered, in consultation with the Arts Council, on the basis of information believed to be true at the time. It stated that:

"The Arts Council always recommends that grant recipients refer to HMRC and/or an independent advisor for advice that takes full account of their personal circumstances for tax. In general, as per the agreement reached between the Inland Revenue and the Arts Council of Great Britain in 1978, which we understand still applies, it is the Arts Council's understanding that:

Grants awarded to support people to take time out to develop and explore their artistic and cultural practice—such as those grants recently made under the Arts Council's emergency response fund for Individuals—should not be treated as taxable income.

Grants awarded to support the delivery of a specific project or projects would be treated as taxable income."

Arts Council England was subsequently informed by HMRC that it considered the payments made from the emergency response fund would fall into the taxable category. This was on the basis that—similar to other covid relief grants—they were made to support businesses and jobs, replacing lost revenue of the claimants. This means that, where the claimant is self-employed, the receipts should be included in the computation of their trading profits.

Given the complexity of the tax treatment of grants, and the importance of this issue to recipients, Arts Council England and DCMS queried this decision with HMRC officials. Ultimately, however, HMRC were of the view that these grants needed to be treated consistently with other support funds.

There was a regrettable delay between this decision being finalised and recipients being informed of the tax treatment by the Arts Council. In addition, incorrect information was given from HMRC channels which relied on the statement made in the original answer to the parliamentary question, compounding the confusion.

I therefore asked DCMS and HMRC officials to agree that individuals would not be penalised where they had unknowingly submitted incorrect information and that they would be given the opportunity to correct their tax returns.

Arts Council England wrote on 19 January to all those in receipt of payments from its emergency response fund to advise them of HMRC's position.

7,484 grants were awarded under Arts Council England's "Emergency Response Fund for Individuals" programme, totalling £17.1 million, meaning an average grant of c. £2,285.

Recipients were therefore advised, ahead of the submission deadline, that:

they would not be charged a penalty if they filed their self-assessment return up to a month after the deadline;

if they needed to correct their tax return, HMRC would not charge any penalties for errors related to the grant payment in the original return; and that

if recipients did not correct their tax return—for instance, because they remain unaware that they have made an error—and HMRC subsequently discovers the error, HMRC would not charge a penalty if the error is a result of relying on incorrect official information.

This was an unfortunate error on the part of a number of Government and non-governmental bodies. I am very sorry for it. I trust the actions taken by my officials and agreed with HMRC have ensured that no individual is unfairly penalised as a result of this error.

[HCWS717]

EDUCATION

Children with No Recourse to Public Funds

The Parliamentary Under-Secretary of State for Education (Will Quince): Today I am providing an update following a programme of work undertaken by my officials to consider access to free school meals and the early education entitlement for two-year-olds for children from families with no recourse to public funds.

As Members may be aware, some families with an irregular immigration status have a no recourse to public funds—NRPF—condition as designated by the Home Office. This condition restricts these families from drawing on welfare support and other passported Government support and previously this has meant that their children, regardless of their own immigration status, have been unable to access educational entitlements such as free school meals and the early education entitlement for disadvantaged two-year-olds. All children are entitled to access a school place and maintained schools and academies have a duty to provide free school meals to pupils of all ages that meet the eligibility criteria. These healthy, nutritious meals ensure that children up and down the country are well-nourished, develop healthy eating habits, and can concentrate, learn and achieve in the classroom.

Free school meals

In 2020, we temporarily extended free school meal eligibility to include some children of groups who have NRPF. I am pleased to confirm that, following a cross-Government review, we will permanently extend eligibility for free school meals to children from all families with NRPF, subject to the income thresholds as follows:

£22,700 per annum for families outside London with one child.

£31,200 per annum for families within London with one child.

£26,300 per annum for families outside London with two or more children.

£34,800 per annum for families within London with two or more children.

These thresholds were developed to create comparative thresholds with broad equivalence with families with recourse to public funds, and who qualify for free school meals due to being in receipt of welfare benefits.

In addition to the income thresholds outlined, we are incorporating a capital savings threshold of £16,000. This is the same maximum capital threshold for access to universal credit and therefore achieves parity with families with recourse to public funds.

This permanent extension will begin from the start of the summer term, 19 April 2022. Newly eligible free school meal pupils will be recorded in exactly the same way as other free school meal pupils. We will shortly publish guidance advising schools how to check and validate eligibility for NRPF families.

All children in receipt of free school meals will attract pupil premium funding for their school and—dependent on meeting other criteria—will also be able to receive free home-to-school transport. The department will provide funding to meet the additional costs incurred through the established processes.

Two-year-old entitlement

The early years are crucial for children's development and for establishing the foundations for future success.

Since September 2020, some NRPF households have been able to access the two-year-old early education entitlement. However, my department is going to consult as soon as possible on whether there are any additional groups of children from NRPF families who should be eligible for the two-year-old entitlement that we have not already identified.

These changes will help to ensure that every child gets the best possible start and receives the right support, in the right place, at the right time.

[HCWS714]

INTERNATIONAL TRADE

Canada Trade Policy

The Secretary of State for International Trade (Anne-Marie Trevelyan): Today, the Department for International Trade is publishing a comprehensive set of documents setting out the UK's strategic approach to an enhanced free trade agreement (FTA) between the UK and Canada. In line with our commitments to scrutiny and transparency, these documents have been published and placed in the Libraries of both Houses.

As a recently independent trading nation, the UK is now able to champion its own trade policy by securing agreements with new international partners, as well as by upgrading the terms of our existing continuity agreements to better suit the needs of UK businesses and the economy. We signed the UK-Canada trade continuity agreement (UK-CAN TCA) on 9 December 2020, which committed both parties to enter negotiations on a bespoke trade agreement by 1 April 2022. As such, negotiations will be launched today, 24 March 2022, with negotiations due to begin shortly afterwards. The negotiation objectives published today were informed by our call for input, which requested views from consumers, businesses, and other interested stakeholders on priorities for upgrading our agreement with Canada.

Canada is an important trading partner with a well-developed economy. Despite the slowdown to global trade in 2020 due to the coronavirus pandemic, goods exports to Canada still increased by £478 million and Canada remained one of our top 20 trading partners (ranked 16th), with total trade in goods and services worth £19.2 billion.

UK exports enjoy an estimated £58 million less in duties under the UK-CAN TCA, relative to trading without one. An upgraded agreement can provide the opportunity to support further trade liberalisation and benefit businesses, including the 10,300 small and medium-sized enterprises (SMEs) already exporting to Canada.

Enhancing the terms of our agreement with a historically connected partner like Canada can provide opportunities for businesses across the entire UK, support the UK's transition to net zero and strengthen our vision for global Britain. We share a Head of State and work together across a range of bilateral and international initiatives including as members of the Five Eyes, G7, G20, NATO, and as signatories of the Paris climate agreement. These new negotiations are just another way in which our important partnership is delivering against all the priorities as set out in the UK's integrated review. Further, these negotiations provide a valuable opportunity to pursue high ambition in areas of mutual interest including, championing, and supporting women's economic empowerment through trade, updating our digital trade package, promoting innovation, and supporting our role as a global leader in climate action.

A bespoke trade agreement with Canada will also complement the UK's accession to the comprehensive and progressive agreement for trans-Pacific partnership (CPTPP), of which Canada is an influential member.

The Government are determined that any agreement must work for consumers, producers, investors, and businesses alike. We further remain committed to upholding our high environmental, labour, public health, food safety and animal welfare standards, alongside protecting the national health service (NHS).

HM Government are committed to transparency obligations, and we will continue to update and engage with key stakeholders as well as Parliament and the devolved Administrations throughout our negotiations with Canada.

[HCWS718]

India Trade Negotiations

The Secretary of State for International Trade (Anne-Marie Trevelyan): The second round of UK-India free trade agreement negotiations began on 7 March and concluded on 17 March. A delegation of 44 Indian officials undertook technical talks in London. The negotiations, at official level, were conducted in a hybrid fashion, with some negotiators in our dedicated UK negotiations facility, and others attending virtually.

During this second round, talks focused on draft treaty text. Technical discussions were held across 26 policy areas over 60 separate sessions.

Both countries continue to share an ambition to secure a modern and comprehensive deal that would remove trade barriers and create new opportunities for business in the UK and India. The UK-India deal is a key opportunity to deepen our economic relationship with a dynamic and fast growing economy in the Indo-Pacific region.

This deal is part of a wider trading relationship with India. The 2030 Roadmap agreed last year sets the ambition of doubling trade with India by 2030 and provides a framework for the UK-India relationship that goes beyond the free trade agreement.

The third round of official level negotiations is due to take place in April 2022. We will focus on agreeing treaty architecture and seeking market access commitments to deliver benefit to UK consumers and businesses.

We remain clear that any deal the Government strikes must be in the best interests of the British people and the economy.

The Government will keep Parliament updated as these negotiations progress.

[HCWS713]

LEADER OF THE HOUSE

State Opening of Parliament

The Leader of the House of Commons (Mark Spencer): I can confirm that the State Opening of Parliament will take place on Tuesday 10 May.

As is usual, the current session of Parliament will be prorogued ahead of the Queen's Speech and this time will be used to enable logistical and security preparations for the State Opening of Parliament. The likely date of prorogation will be confirmed in due course.

[HCWS712]

NORTHERN IRELAND

Abortion Services Commissioning: Northern Ireland

The Secretary of State for Northern Ireland (Brandon Lewis): I am under a legal obligation by virtue of Section 9 of the Northern Ireland (Executive Formation etc) Act 2019 to ensure that the recommendations in paragraphs 85 and 86 of the 2018 Report of the Committee on the Elimination of Discrimination Against Women—the CEDAW Report—are implemented.

Two years after the Abortion (Northern Ireland) 2020 Regulations established the framework for abortion services, women and girls, are still unable to access high-quality abortion and post-abortion care in Northern Ireland. This is unacceptable. Without access to services in Northern Ireland, women and girls are being placed at an increased risk of harm.

It is increasingly clear that the Northern Ireland Department of Health is not going to ensure relevant healthcare services are available by the 31 March 2022 deadline that I set in my direction of July 2021. Recent events, such as the resignation of the First Minister and the Deputy First Minister consequently leaving office have created a further obstacle to progress as the Executive Committee cannot meet to approve matters. This ongoing inaction leaves me no choice but to prepare work on further regulations to ensure services are commissioned.

Therefore, I am committed to return to Parliament directly following the Assembly election in May and, if necessary, make regulations and directions that will:

place a duty on the Department of Health to make abortion services available as soon as is reasonably practicable;

remove the need for executive committee approval before services can be commissioned and funded. The regulations will do this by providing that directions under the Abortion (Northern Ireland) Regulations 2021, which require action to be taken to implement the recommendations of the CEDAW report, must be complied with irrespective of whether the matter has been discussed or agreed by the executive committee. This means that the Department of Health will have no further barriers to commission and fund services; and

confer on me the power to do anything that a Northern Ireland Minister or department could do for the purpose of ensuring that the recommendations in paragraphs 85 and 86 of the CEDAW report are implemented.

To provide additional oversight, I am immediately setting up a small team in the Northern Ireland Office with relevant experience in reproductive healthcare and financial monitoring to provide me with expert advice and to work alongside the Department of Health.

If I assess the Department of Health is not complying with the duty I place on it, I am prepared to use my powers to intervene.

[HCWS716]

PRIME MINISTER

Machinery of Government

The Prime Minister (Boris Johnson): I am making this statement to bring to the House's attention the following machinery of government change.

From the post-war period through to 1970, approximately 3,500 British children in care were sent abroad to former British colonies. Governmental responsibility for these children, who are now aged between 60 and 90, has been held by the Department for Health and Social Care, or DHSC. The Department provides funding for the work of the Child Migrants Trust, which manages applications to the family restoration fund, and also applications to the ex-gratia payments scheme that was set up for former child migrants to apply.

Responsibility for matters relating to those British children in care who were being sent abroad up until 1970, funding for the Child Migrants Trust, and the operation of the family restoration fund will transfer from DHSC to the Department for Education—DFE—from 1 April 2022. This will bring together ownership of policy responsibility for former British children in care who were sent abroad by the state with DFE's existing responsibility for children's social care.

[HCWS715]

WORK AND PENSIONS

State Pension: Legal Entitlements and Administrative Practices Exercise

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): I wish to update the House on the state pension correction activity that is addressing historical errors, that were unaddressed by successive Governments. We are fully committed to ensuring that any historical errors are addressed as quickly as possible, to ensure that individuals receive the state pension they are rightfully due in law.

As of 28 February 2022, we have undertaken 58,809 reviews, repaid £94.3 million, and informed individuals of how much they will be receiving in arrears and the reasons for the change to their state pension rate. More details will be available in the publication on gov.uk.

The Department now has a dedicated team of over 500 people working on the correction activity and, recognising the scale and complexity of the activity, we will continue recruiting.

[HCWS719]

Petition

Thursday 24 March 2022

OBSERVATIONS

TRANSPORT

Great British Railways headquarters

The petition of residents of the United Kingdom,

Declares that Carnforth would be an ideal location for the new headquarters of Great British Railways; further that the creation of the headquarters would bring additional jobs to the community, as well as encourage new investment; further that Lancashire County Council should note the importance of this proposal; and further that an initial petition organised by Lancaster Civic Vision gained over 500 signatories from the whole community.

The petitioners therefore request that the House of Commons urge the Government to note the nomination of Carnforth to house the new headquarters of Great British Railways.

And the petitioners remain, etc.—[Presented by David Morris, *Official Report*, 15 March 2022; Vol. 710, c. 863.]

[P002719]

Observations from The Minister of State, Department for Transport (Wendy Morton):

The Great British Railways Transition Team has been tasked with overseeing a process to select a national headquarters for Great British Railways. The expressions of interest stage launched on 5 February 2022, with 42 expressions of interest provided by the deadline of Wednesday 16 March 2022, from towns and cities across Great Britain.

The Great British Railways Transition Team will now assess the expression of interest applications using the six published criteria:

- Alignment to levelling up objectives
- Connected and easy to get to
- Opportunities for Great British Railways
- Railway heritage and links to the network
- Value for money
- Public support

A shortlist of the most suitable locations will be announced in May to go to an online consultative public vote.

Ministers will then make a final decision on the headquarters location based on all the information gathered and the criteria outlined above. We expect to announce the future location of the GBR headquarters in the summer.

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PETITION

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**not later than
Thursday 31 March 2022**

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