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HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY
DEBATES
(HANSARD)

Monday 23 January 2023

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The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Unemployment: Mental Ill Health

1. **Liz Twist** (Blaydon) (Lab): What steps his Department is taking to help reduce the number of people who are out of work owing to mental ill health. [903182]

The Secretary of State for Work and Pensions (Mel Stride): The Department for Work and Pensions provides specialist help for those who are suffering from mental ill health, both through the Access to Work scheme and by funding advisers in the NHS Improving Access to Psychological Therapy services in England.

Liz Twist: Since 2019, economic inactivity due to mental illness and nervous disorders has increased by 22%. People with mental ill health need support in order to get back into work, and Access to Work grants are a vital resource in helping to ensure that they have that support, but in the past year alone waiting times have doubled and the size of the backlog has trebled. People have been forced to turn down jobs that they want to do because they cannot gain access to the support and flexibility they need. What will the Government do to address those delays?

Mel Stride: The hon. Lady is right: there is an issue with economic inactivity, which is why the Prime Minister has tasked me with reviewing this entire area, including the matters that she has rightly raised. We will, in due course, publish a White Paper to address some of those matters.

Tom Hunt (Ipswich) (Con): On Friday I had the great pleasure of visiting the New Skill Centre in south-east Ipswich. It is run by a community interest company that works closely with adults with a range of health and learning disabilities. I was amazed at what I saw. Much of what the centre does involves helping adults to live independently, but some of the carpentry and artwork I saw was so good that I think that many of those people may get back into work. Does the Minister agree that the moral of the story is that we should never give up on people, that we should never write them off and stop working with them to enable them to achieve their true potential, and that we should support organisations that help them to do so?

Mel Stride: My hon. Friend is entirely right, and I commend him for the huge amount of work that he does in his constituency in this regard. There is no doubt that the conditions of those who suffer from mental health issues are often dramatically improved when they can get into work, hold down a job and benefit from all that working provides.

Dan Jarvis (Barnsley Central) (Lab): As the Mayor of South Yorkshire, I worked alongside Mayor Andy Street in the west midlands to introduce Working Win, a pilot employment scheme designed to help people with mental and physical health challenges to get into or stay in work. In South Yorkshire the pilot has been very successful, smashing all targets and helping 2,500 people to get into work. I understand that the Department is considering whether the scheme could be rolled out nationally. Can the Secretary of State guarantee that the funding will be maintained in the interim?

Mel Stride: I am pleased that the hon. Gentleman has raised the subject of this pilot, which I agree is hugely important. We are looking closely at the results, including the effect not only on mental health but on productivity. As he will know, £7 million has been invested so far.

Stephen Crabb (Preseli Pembrokeshire) (Con): I thank my right hon. Friend the Secretary of State and my right hon. Friend the Prime Minister for the leadership they are showing on this issue. They are exactly right: it is the increase in the number of, in particular, younger workers dropping out of the labour market owing to mental ill health that is driving the increase in economic inactivity. As he prepares the White Paper, will my right hon. Friend keep the focus on how a close link with the employment support agency and the labour market can be maintained? Once someone leaves the labour market and is out of work for an extended period, it becomes far less likely that they will ever make it back.

Mel Stride: My right hon. Friend has great experience in these matters, and he too is entirely right. It is essential for the Department to do whatever it can at the early stages to support those with mental health issues who are already in work, particularly those who are in danger of falling out of work, so that we do not end up seeing more and more people experiencing longer-term absence from employment.

Mr Speaker: I call the shadow Minister.

Alison McGovern (Wirral South) (Lab): I think the Secretary of State should be embarrassed today, what with the Prime Minister scrabbling around to reannounce tiny bits of funding to put a sticking plaster over the levels of mental ill health in our country in order to distract attention from the dreadful behaviour of his colleagues. The Secretary of State has mentioned the Access to Work scheme, and we have heard from my hon. Friend the Member for Blaydon (Liz Twist) just how difficult it is to gain access to that scheme at present and to secure an award. One would be forgiven for thinking that nothing works in this country, not even the schemes that are supposed to help people to obtain work. Will the Secretary of State tell us how many people are currently waiting for Access to Work to help them?

Mel Stride: I would be very happy to write to the hon. Lady on exactly how many people are waiting for access to that scheme. We should not in any way play down the importance of the Access to Work scheme, which is highly successful and provides up to nine months of support for those who badly need it. On recent announcements being made on the hoof, as the hon. Lady seemed to suggest, we have been supporting those in such situations for many years and have made much progress over so many years to get those with mental health issues and wider disabilities into employment.

Alison McGovern: The Secretary of State says that we should not play down the importance of Access to Work, but he does not even know how many people are waiting for a decision. The charity Scope says that the number of disabled people waiting for a decision on their award in March 2022 was nearly 21,000. That is an increase of 327% on the same point the previous year. That is dreadful. Nothing works in this country. When will the Secretary of State sort it out?

Mel Stride: I stand by, and make no apology for, our record on encouraging disabled people back into work. We were set a target for dramatically increasing the employment level for disabled people by 2027. We met that target of 1 million new disabled people in work a full five years early. I think that record speaks for itself.

Social Security Payments: Cost of Living

2. **Martyn Day** (Linlithgow and East Falkirk) (SNP): What recent assessment he has made of the adequacy of social security payments in the context of increases in the cost of living. [903183]

9. **Brendan O'Hara** (Argyll and Bute) (SNP): What recent assessment he has made of the adequacy of social security payments in the context of increases in the cost of living. [903192]

10. **Patrick Grady** (Glasgow North) (SNP): What recent assessment he has made of the adequacy of social security payments in the context of increases in the cost of living. [903193]

13. **Joanna Cherry** (Edinburgh South West) (SNP): What recent assessment he has made of the adequacy of social security payments in the context of increases in the cost of living. [903198]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): The Department has completed the statutory annual review led by the Secretary of State on the levels of state pension and benefits. The outcome of the review was confirmed in a written ministerial statement tabled on 17 November last year. Benefits and pensions will increase by 10.1% in April, subject to parliamentary approval. We understand the pressures that people are facing, which is why this Government have provided cost of living support worth more than £37 billion in 2022-23. In addition, more than £1 billion will be provided in 2023-24 through further cost of living payments.

Martyn Day: While the Scottish Government are using their devolved powers to support families through anti-poverty measures such as the Scottish child payment,

the Tory Government's changes to the universal credit administrative earnings threshold will mean that 600,000 more people will risk having their vital payments sanctioned. Instead of preventing vulnerable families from receiving the vital social security to which they are entitled when they need it most, will the UK Government follow Scotland's lead and match the child payment UK-wide?

Mims Davies: The hon. Gentleman talks about the Scottish child payment. The DWP is actively working with the Scottish Government to support its delivery, including by providing data through the Scotland Act 2016. I know that the hon. Gentleman has been holding cost of living events in his constituency. To his credit, he has been working with local jobcentres and the DWP to help people at this difficult time, which I applaud. The anecdotal evidence that I have of the AET changes, from visiting jobcentres, has been incredibly positive. People understand that they can earn more, take on more hours and fill vacancies, and that work is the best route out of poverty.

Brendan O'Hara: We on the SNP Benches have long called out this Government's many poverty-inducing policies, such as the benefit cap, the five-week wait and the brutal sanctions regime, which contribute further to debt when people are barely surviving the cost of living crisis. Now, the Conservative think-tank Bright Blue—backed by some on the Government Benches—has said that the welfare system is not providing people with enough support and has called for the introduction of a minimum income. If the Minister will not listen to us, will she at least listen to her friends at Bright Blue?

Mims Davies: I thank the hon. Gentleman for raising that issue. I will be very interested in the outcome of the work that the Scottish Government have been doing on the Scottish child payment system, taking the powers that have been devolved to the Scottish Government to support and link into their communities—that is absolutely what devolution is, and I will be following the outcome. But I reiterate that the work that goes on in his constituency and in the jobcentres that serve his community is also about people progressing through work, and that benefits are not the route out of poverty.

Patrick Grady: Food prices rose by 16.8% in the year to December, according to the Office for National Statistics, and that disproportionately affects households with children, particularly women-led, single-parent households. Given that the Government spent most of last week saying that they wanted to protect the rights of women and children, can the Minister explain how they are protecting the rights of the women and children in the 787,000 households affected by their two-child policy and the associated rape clause?

Mims Davies: Personally, I find the term “rape clause” obnoxious and completely inappropriate. I absolutely do not mind standing up for women, either at this Dispatch Box or outside the Chamber. On supporting families, we are acting, with Barnett consequentials, to support families to progress, whether through interventions such as the national living wage or on the cost of living. I am proud to be the Minister bringing forward the next stage of household support funds and the cost of living Bill. We are not leaving families behind. We are determined to help make work pay and ensure that we fill these sectors' vacancies and opportunities in the whole of the United Kingdom.

Joanna Cherry: Many of my Edinburgh South West constituents were already suffering from policies such as the two-child limit and the failure to reverse the cut in universal credit before the cost of living crisis hit home. In its recent submission to the United Nations Committee on Economic, Social and Cultural Rights, Human Rights Watch gave a damning review of the United Kingdom Government's restrictive social security policies, saying that they have a negative impact on the right to an adequate standard of living, to food and to housing for families with children. So, given the times that we are in and given that we are in the full thrust of our cost of living crisis at present, should not the Government be scrapping these policies?

Mims Davies: Over 8 million households on eligible means -tested benefits will receive additional cost of living payments up to a total of £900 in the year 2023-24, with more to come. The Government are committed to reducing poverty and supporting low-income families, and we will spend £111 billion on welfare support for working-age people between 2022 and 2023. But let us balance this up, because progression is not only about benefits. I say this as a former Employment Minister, and with the current Minister for Employment, my hon. Friend the Member for Hexham (Guy Opperman), sitting near me. With 1.16 million vacancies across the UK, our focus is firmly on supporting families, both in and out of work, to progress in work.

Esther McVey (Tatton) (Con): While understanding the concerns of Opposition Members, can I ask the Minister, when making changes to the benefits system, always to be mindful of ensuring that work pays, given the need to get more people back into the workforce?

Mims Davies: My right hon. Friend is right. Whether it is cutting the taper rate, managing the AET, looking at in-work progression or focusing on people dropping out of the labour market at 50-plus, and whether it involves single parents such as myself or other people who need help to progress in work, we are focused on work paying. That should always be the balance.

Theresa Villiers (Chipping Barnet) (Con): A crucial way to help people in the benefits system is to get inflation down, so can I urge the Government to ensure that they deliver the reduction in inflation that we desperately need?

Mims Davies: My right hon. Friend is exactly right. We have heard about the cost of living challenge, but this is a global challenge; it is not only for us. We absolutely need to work together so that every family is doing better.

Jerome Mayhew (Broadland) (Con): The best solution for low-income families is not increases in universal credit but access to better-paid employment, so will the Minister join me in encouraging the 1,130 universal credit claimants in Broadland to come to my jobs fair on 10 March at Taverham High School?

Mims Davies: I love a jobs fair; I have another one coming up in March in my own constituency of Mid Sussex. Opening up opportunities for people just down

the road can often make the difference, and I applaud my hon. Friend for doing this. Every Member should be having their own jobs fair.

Mr Philip Hollobone (Kettering) (Con): Will the Minister join me in congratulating and thanking the volunteers at citizens advice bureaux, especially the one in Kettering, for the work they do to help people access cost of living payment support? What more can the Government do to signpost people to the unprecedented level of support that is available?

Mims Davies: I thank my hon. Friend for raising the wonderful work of Citizens Advice, which does so much in Kettering and across the country, and indeed delivers our Help to Claim service. The benefits calculator on gov.uk and Help for Households can also support people; many do not know those resources are there. We are absolutely here for people and there is more out there. I will ensure that the household support fund is clearly branded and reaches people who may be just managing.

David Linden (Glasgow East) (SNP): The Minister seemed to be appalled by the reference of my hon. Friend the Member for Glasgow North (Patrick Grady) to the rape clause, so let us use its Sunday name: the non-consensual sex exemption, as the Government like to call it. Is she genuinely comfortable with a Government who ask survivors of rape to prove that their child has been born as a result of sexual assault? The reality is that, with the limited devolution powers we have for social security, we have the game-changing Scottish child payment, while this Government ask women to prove that their children have been born as a result of rape just to get state support. Given that the Labour party has departed from many of its policies and is a pale imitation of the Tories, is it not the case that the only way to ensure that we have a decent social security system is with independence?

Mims Davies: We should be very careful with our language in this regard. It is absolutely right that people in every single circumstance can come forward positively, but labelling the provision in that way in the Chamber is not helpful—[*Interruption.*] It is not about whether it is our policy; that terminology is unhelpful. Universal credit is always tailored to individual circumstances. If anybody would like to come forward with anything that has happened to them, jobcentres are a safe place in which to declare domestic abuse or ask for support. I say to those people: please do step forward, as we have the J9 initiative and other ways to support people.

Incentivising Return to the Labour Market

4. **Chloe Smith** (Norwich North) (Con): What steps his Department is taking to incentivise people to return to the labour market. [903185]

The Secretary of State for Work and Pensions (Mel Stride): As the House will be aware, I am currently reviewing economic inactivity—it is not satisfactory that we currently have almost 9 million people who are economically inactive—and I will be come back to the House in due course with various measures.

Chloe Smith: I welcome that work and wish my right hon. Friend well in concluding his review. Many disabled people and people with long-term health conditions want to work and we should help them to do so. Does he agree that the current health and disability benefits can pose a financial disincentive against trying work, and that it is right for us to look again at providing better support?

Mel Stride: My right hon. Friend is absolutely right. May I just say how helpful it is that, having left the Department, she continues to show such a positive and constructive interest in the matter? She is entirely right that we need to focus on what people can do when they are disabled, rather than on what they cannot do. That will be very much at the heart of the White Paper.

John Spellar (Warley) (Lab): The Secretary of State has just said that we should be focusing on what people can do. One key to getting older people back into work is for employers—public and private—to value experience as much as paper qualifications, and in particular not to insist on degrees and A-levels unless they are strictly relevant. He could even take up my private Member's Bill, the Employment (Application Requirements) Bill, to bring that about.

Mel Stride: I would, of course, be happy to look at the right hon. Gentleman's private Member's Bill. He makes an important point, which is that we have to ensure that employers see disabled people with eyes wide open—their abilities and the contribution they can make. That is why we promote Disability Confident, and why we have so many work coaches up and down the country focusing on just that.

Pension Credit

5. **David Johnston** (Wantage) (Con): What steps his Department is taking to encourage eligible pensioners to apply for pension credit. [903186]

The Parliamentary Under-Secretary of State for Work and Pensions (Laura Trott): I hope hon. Members know that pension credit take-up is a priority for me and for the Government. Our £1.2 million communications campaign has been ongoing since April. We had a huge push before Christmas, ahead of the cost of living payments, and I am grateful to the many hon. Members who came to the drop-in session. In addition, I know that my hon. Friend does a huge amount of work in his constituency to boost take-up.

David Johnston: I was pleased to support my hon. Friend's campaign to increase the uptake of pension credit in the run-up to Christmas. Will she update the House as to whether or not that has been a success and whether we have seen an increase in uptake?

Laura Trott: I am delighted to tell the House that we saw 7,200 claims in the week commencing 12 December, which is a 177% increase on the previous year. I thank all hon. Members who have worked hard in their constituencies to make this happen.

Fleur Anderson (Putney) (Lab): According to research from the Law Centres Network's recent pension credit report, nearly 60% of respondents said that they waited

between three and six months for claims to be processed. A constituent of mine has been waiting six months and losing out during that time. Will the Minister address the Pension Service's processing failure and take steps to bring the average time it takes to deal with claims for pension credit down to the target time of six weeks?

Laura Trott: I am concerned to hear of that individual case and if the hon. Lady would like to write to me, I will look into it. More broadly, we know that there have been delays; that is partly because the number of claims doubled in 2022. I am pleased to say that in February we expect claim waiting times to get back to normal, but I will, of course, report back to the House on how we are doing on that.

Mr Speaker: I call the shadow Minister.

Matt Rodda (Reading East) (Lab): Nearly 1 million pensioners are not receiving pension credit to which they are entitled. To make matters worse, each of those 1 million pensioners is also missing out on a £900 payment from the Government to help them with heating, as the payment is available only to those on pension credit. Why have the Government been so ineffective at raising the take-up of pension credit? Will she also explain why on earth they linked help with heating to pension credit when they knew that 1 million pensioners would miss out as a result?

Laura Trott: I appreciate the hon. Gentleman's interest in pension credit. I hope he will have heard my previous answer about all we are doing to boost take-up and indeed the success that we had before Christmas. I have spoken to him previously about the work we are doing to automate it and make greater use of data; this is an absolute priority for me and for this Government.

Support for Care Leavers: Housing

6. **Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): If his Department will introduce support for care leavers purchasing their first home. [903187]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): This Department is rightly prioritising the needs of care leavers, by simplifying their interaction with the benefit system and helping them into work, so they can progress and thrive in employment. The DWP does not provide direct support to prospective house buyers; households can access Government-backed schemes, such as Help to Buy and the right to buy.

Luke Pollard: I thank the Minister for that answer. It is a privilege to be working with Barnardo's and care leavers in Plymouth in making the case that every young person leaving local authority care should have a home of their own, ideally one to be rented straightaway so that they do not fall back into emergency care. Many of these young people have been through awful experiences. Will the Minister set out what additional steps by her Department could help set up a guarantor scheme and provide help with the first rental deposit so that these young people do not miss out on a home when they leave local authority care?

Mims Davies: I visited Plymouth to see the exemplary youth hub and partnership work—which includes some great tourism tips—in June 2022. I thank the hon. Gentleman for his work alongside Barnardo's; the Secretary of State and I look forward to meeting and discussing more next week. I believe that some local authorities, such as Kent County Council, have a successful rent guarantor scheme and I encourage others in doing this. I will look at this matter carefully.

James Gray (North Wiltshire) (Con): I very much agree with the points that the hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) is making. In my constituency, the problem is that the house prices are incredibly high and that that is coupled with a squeeze on the private rented sector, thanks to recent tax changes on private landlords. This means that care leavers in a place such as Wiltshire have little chance of staying where they come from and were born. What more can the Government do to find ways of encouraging these people to stay in their home area and helping them with it?

Mims Davies: I thank my hon. Friend for raises these issues, which we have around the country. Let me assure the House that the Department for Education is looking at how it can encourage more local authorities to develop similar offers to care leavers, which was part of an independent review of children's social care. That is part of the work that I, and the housing taskforce, are doing on housing, and I am keen to look at it.

Cost of Living: Impact on People with Parkinson's Disease

7. **Peter Dowd** (Bootle) (Lab): What steps he is taking to help tackle the disproportionate impact of the cost of living crisis on people with Parkinson's disease. [903190]

The Minister for Disabled People, Health and Work (Tom Pursglove): Six million people receiving an eligible disability benefit received a £150 disability cost of living payment last year, and will receive a further £150 cost of living payment later this year. This is in addition to other Government support, such as up to £900 for those on a qualifying means-tested benefit.

Peter Dowd: I thank the Minister for his answer. According to a Parkinson's UK survey, people with Parkinson's disease will pay an extra £1,196 in heating costs to manage symptoms. Those receiving the £150 disability cost of living payment are already £1,000 a year out of pocket, so will the Minister meet me and representatives of Parkinson's UK to discuss this very important issue?

Tom Pursglove: I am very grateful to the hon. Gentleman for his question. We have worked together constructively on issues in the past, and I would certainly be delighted to meet him on this occasion to discuss this important issue. Of course, one point that I would make is that many people who are receiving the disability cost of living payment will also be receiving other elements of the Government's cost of living package, but I am happy to talk to the hon. Gentleman about his views on this particular issue.

Sir David Evennett (Bexleyheath and Crayford) (Con): We all know, including the Minister, how disabling and terrible Parkinson's disease is—members of my own

family have suffered from it. I therefore urge my hon. Friend the Minister to keep in mind the extra costs of heating that the hon. Member for Bootle (Peter Dowd) has referred to, which these people need to keep their mobility. We should do anything that can be done to help them overcome and live with this awful affliction.

Tom Pursglove: I thank my right hon. Friend for making that point. Those additional costs that people with conditions such as Parkinson's often experience are something that I am incredibly mindful of. The Government are committed to having a look at the issue of social tariffs, and I will be meeting with the Energy Minister, my right hon. Friend the Member for Beverley and Holderness (Graham Stuart), to talk about that issue. I will also take this opportunity to signpost the household support fund, which is a discretionary fund that is there to help, through local authorities and on a discretionary basis, where needs are not necessarily being met through the wider package.

State Pension Age: Women

8. **Christine Jardine** (Edinburgh West) (LD): Whether his Department plans to take steps to compensate women affected by changes in the state pension age. [903191]

The Parliamentary Under-Secretary of State for Work and Pensions (Laura Trott): State pension age equalisation has been the policy of successive Governments, and as the hon. Lady knows, the phasing in of state pension age increases was agreed to by her party in 2011 and 2014.

Christine Jardine: One of the very first issues raised with me by constituents when I was elected in 2017 was the inequality faced by women born in the 1950s, yet in the almost six years since then, this Government have done nothing to fix that. Given that the ombudsman has concluded that the Department for Work and Pensions was at fault in its administration, will the Government commit to fulfilling the ombudsman's recommendations? In the meantime, will the Minister encourage the Scottish Government to use the powers they have to alleviate the suffering of such women?

Laura Trott: As the hon. Lady knows, the ombudsman's investigation is ongoing, so unfortunately I cannot comment further—other than what is in the public domain—at this stage.

Richard Graham (Gloucester) (Con): Of course, the other side of the coin, whether for females or males, is to not leave the workplace too soon. Will my hon. Friend therefore support my initiative to work with our excellent Gloucester Jobcentre Plus in holding an event specifically for the over-50s, both females and males, to see what opportunities our local employers can come forward with? Would one of the Ministers perhaps join me there to support that initiative?

Laura Trott: My hon. Friend does sterling work in his constituency. [Interruption.] The Minister for Employment, my hon. Friend the Member for Hexham (Guy Opperman), has just indicated that he would be delighted to join my hon. Friend in Gloucester.

Universal Credit Recipients

11. **Vicky Ford** (Chelmsford) (Con): What steps he is taking to support people in receipt of universal credit with increasing (a) their level of pay and (b) access to one-on-one appointments with a work coach. [903195]

The Minister for Employment (Guy Opperman): We want people to work more, and ideally come off benefits—as we all know, UC progression means that work always pays more. To enable that, we have created in-work progression support that provides over 1.6 million more claimants with access to work support.

Vicky Ford: In Chelmsford and across Essex, job coaches have been running a new initiative to support working people on universal credit to gain more income, which is proving highly successful. Many people have been supported to increase their skills and therefore their hourly pay rate; other people who were working part time have increased their hours. May I urge the Government to first, provide more out-of-hours training for those in work; secondly, offer more discretionary spending to enable those in work to attend those training courses; and thirdly, help to roll out the lessons learned from Essex across the country?

Guy Opperman: It is true that Essex is a pioneer of our in-work progression offer; I spoke to one of the job coaches doing that in Essex only this morning. We are recruiting senior district progression leads who will work with local skills providers to ensure that there is appropriate training for in-work claimants. Bluntly, the Essex profile, along with the other volunteer organisations, will be going out to the entire country by the end of March 2023.

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): With the DWP struggling to recruit in under-resourced areas such as personal independence payments and child maintenance, and huge take-up of voluntary redundancy in regional offices, how will Ministers ensure the Department's ability to support the public is not endangered further?

Guy Opperman: It is our intention to have jobs fairs, sector-based work academies and local recruitment on an ongoing basis. I am happy to discuss with the hon. Lady, whom I have worked with many times in the past, how we can do things in her patch.

Job Vacancies: Watford

14. **Dean Russell** (Watford) (Con): What progress his Department has made on filling vacancies in the job market in Watford constituency. [903200]

The Minister for Employment (Guy Opperman): The Department for Work and Pensions is assisting businesses across the country, particularly in Watford, to ensure we fill the vacancies by supporting people back into work. In Watford, the jobcentre is doing sterling work, helping local and national employers to deliver recruitment days, job fairs, sector-based work academies and work trials to help to fill those vacancies.

Dean Russell: I once again co-hosted the Watford jobs fair late last year, working with the excellent jobcentre team. We had more than 30 employers in attendance, from KFC to His Majesty's Courts and Tribunals Service, Smyths Toys to Warner Bros. and Hilton Hotels & Resorts to West Herts College. However, a common theme raised with me was the lack of interview attendance by applicants. Will my hon. Friend assure me that activities are under way to ensure that interviews are attended so that we can get people back to work? May I also invite him to visit Watford to see the great work in practice?

Guy Opperman: What an offer—I would be delighted to visit Watford and to thank the excellent team who work at the Watford jobcentre. In answer to my hon. Friend's question, yes, claimants are expected to take reasonable steps to move into and progress in work, including attending jobs fairs and interviews with employers.

Supporting People into Work: Childcare Costs

15. **Kate Hollern** (Blackburn) (Lab): What steps he is taking to support people with high childcare costs to enter work. [903201]

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): Parents claiming UC who move into work can get support with paying up-front childcare costs through the DWP flexible support fund. Once in work, eligible parents can claim back up to 85% of their childcare costs each month through their universal credit. That is worth up to £650 for one child and around £1,100 for two or more children, regardless of the number of hours that parents work. There is vital support for working parents and I encourage all hon. Members to visit their jobcentres to help them to understand that and the other crucial support available to their constituents.

Kate Hollern: Soaring childcare costs are compounding the cost of living crisis and in some cases pricing them out of work. According to the Coram childcare survey, parents in the north-west are paying on average £1,150 a month for a nursery place for a two-year-old. What plans does the Minister have to support parents who are out of work, looking to increase their hours or on a low wage and struggling with overbearing costs?

Mims Davies: I thank the hon. Lady for raising this matter, because it is important for employers to step up as well. Where they have vacancies, they should think about job design and being more welcoming to people wanting to take on more hours and to progress. That is some of the work we are doing through our changes to progression, working with our jobcentres. Of course, payments can also be made directly to the childcare provider, but I am very keen that this works for all parents and it is a matter I am looking at.

Siobhan Baillie (Stroud) (Con): The DWP Committee has conducted an investigation into the childcare element of universal credit and, as we have heard, the offer is a good one, at 85% of costs paid. However, the system is not working and only 13% of eligible parents are taking it up. Parent after parent told us that they want to go out to work and that this is an issue. Will my hon. Friend confirm whether there have been discussions

with the Treasury ahead of the spring Budget to think about funding our key asks of removing the up-front payment requirement and uprating the care?

Mims Davies: My right hon. Friend the Secretary of State takes a great interest in this matter, and I can assure my hon. Friend that we are all keen to see more parents in work. In fact, the current rate for lone parent employment is 64.6%. She knows this subject very well and advocates for change, so she fully understands the challenges. We will respond in due course to the Committee's report, which was published at the end of last year. I reiterate my absolute passion for making this work for all parents.

Mr Speaker: I call the shadow Minister.

Ms Karen Buck (Westminster North) (Lab): Soaring childcare costs are indeed a major barrier to parents seeking to return to the workplace. Parents seeking to take a job may find that they have to have at least £1,000 in the bank in advance to pay for the first month's childcare. Can the Minister explain how a parent on universal credit who wants to move back into work is supposed to fund those up-front childcare costs and then wait a month for them to be reimbursed?

Mims Davies: I thank the hon. Lady for that point, and take the opportunity to remind the House and all employers to think about job design, flexibility and inclusive recruitment, because that will make a difference. With regard to eligible claimants moving back into work, they can receive support for up-front childcare costs through the Department's flexible support fund. Claimants can also receive support for up-front costs if they increase their hours and take on an additional job. Payments can be made direct to the childcare provider, and we are working on further guidance on that.

Cost of Living: Impact on People with a Disability

16. **Peter Aldous** (Waveney) (Con): What steps he is taking to help tackle the disproportionate impact of the cost of living crisis on people with a disability. [903202]

The Minister for Disabled People, Health and Work (Tom Pursglove): As I said earlier, six million people receiving an eligible disability benefit received a £150 disability cost of living payment last year and will receive a further £150 cost of living payment later this year. This is in addition to other Government support, such as up to £900 for those on a qualifying means-tested benefit.

Peter Aldous: The £150 disability cost of living payment is indeed welcome, but those living with a disability spend more on heating costs, as they are invariably less mobile and spend longer, if not the whole day, in their home. As the hon. Member for Bootle (Peter Dowd) and my right hon. Friend the Member for Bexleyheath and Crayford (Sir David Evennett) have mentioned, Parkinson's UK estimates that additional cost at £1,200. Will my hon. Friend set out what the Government are doing to provide advice and help those with a disability to bridge that funding gap?

Tom Pursglove: I can certainly extend the offer to my hon. Friend to join the meeting that I agreed to in an earlier exchange. I am keen to have his insight and input on this issue. It is important to set that £150 payment in the context of a wider package of support that has been provided: the £900 cost of living payment; the £300 pensioner payment; and the support that has been provided through the energy price guarantee, as well as discretionary support. It is right, particularly with reform in the offing from April 2024 around energy support, that we look at this issue in the round.

Universal Credit: Vaccine Damage Payment Awards

17. **Aaron Bell** (Newcastle-under-Lyme) (Con): If he will review whether vaccine damage payment awards should be disregarded for the purposes of universal credit. [903203]

The Minister for Employment (Guy Opperman): My hon. Friend is a great champion for his constituents in Newcastle-under-Lyme. It was a pleasure to meet him recently and discuss his particular constituent's case. I can assure him that I will review the issue.

Aaron Bell: I thank the Minister for meeting me to discuss the case of Mrs Ward. As we all know in the House, the vaccines are incredibly important and largely effective in stopping covid, but there have been a few cases in which there are side effects, and we should acknowledge that. We have a vaccine damage payment scheme for such cases, but universal credit does not disregard payments made under that scheme, although it does for some other payment systems. That means that Mrs Ward, who has been bereaved, has the additional indignity of having her payment means-tested, whereas someone who was not on universal credit would receive the payment in full. I thank the Minister for the review, and may I ask for a timeframe for when people such as Mrs Ward can have answers about this?

Guy Opperman: My sympathies go out to Mrs Ward and her family in the circumstances that my hon. Friend has outlined to me, both in private and in public today. I can assure him that this matter will be reviewed. It is clearly a cross-Government matter, but it will be resolved by the summer at the latest.

Cost of Living: Pensioners

18. **John Mc Nally** (Falkirk) (SNP): What recent assessment he has made of the adequacy of Government support for pensioners in the context of increases in the cost of living. [903204]

20. **Cat Smith** (Lancaster and Fleetwood) (Lab): What recent assessment he has made of the impact of inflation on pensioners. [903206]

The Parliamentary Under-Secretary of State for Work and Pensions (Laura Trott): The Government have provided a record amount of support for pensioners this winter. More than 8 million households have received a £300 cost of living payment in addition to other support. Both the state pension and pension credit will be uprated from April by 10.1% in line with inflation. That means that for the first time the full amount of the new state pension will be more than £10,000 per year.

John Mc Nally: I thank the Minister for her answer, but the Government are again showing their disregard for the vulnerable of our society by failing to increase state benefits adequately for those who need them most. All the while, the Government disproportionately reward the most affluent areas of this country with their so-called levelling-up grants. Their disregard for the common people, and pensioners in particular, is plain to see. Can the Minister confirm whether there are any plans to reduce the levels of poverty suffered by people that has been caused by her Government and her Department failing to support them adequately?

Laura Trott: May I remind the hon. Gentleman that under the Conservatives, absolute pensioner poverty has gone down and the state pension has gone up. This Government do deliver and will continue to deliver for pensioners across the United Kingdom.

Cat Smith: Around 1,800 pensioner households in Lancaster and Fleetwood are eligible for but do not claim pension credit. With the rising cost of living, many more pensioners are struggling, so will the Minister lend her support to my campaign to encourage my constituents to check on older friends and relatives to see whether they are eligible for pension credit, and to support them to apply if they are eligible?

Laura Trott: I pay tribute to the work that the hon. Lady is doing in her constituency to boost take-up of pension credit. I would love to work with her and all across the House on this important topic that we are all focused on.

Nigel Mills (Amber Valley) (Con): The Minister will know that a lot of private pension schemes increase by inflation each year, but with inflation capped at 5%. Will she encourage the trustees of those schemes, where they have a healthy balance sheet, to increase their pensions by the full 10% this year to help out those pensioners who are struggling?

Laura Trott: My hon. Friend does a lot of important work in this area. What he says is sensible, and all pension funds need to be looking at what more they can do to support pensioners.

Mr Speaker: I call the Chair of the Select Committee.

Local Housing Allowance

19. **Sir Stephen Timms** (East Ham) (Lab): What assessment he has made of the impact of real-terms reductions in local housing allowance rates on families. [903205]

The Secretary of State for Work and Pensions (Mel Stride): In 2020, as the right hon. Gentleman knows, the Government boosted the local housing allowance by almost £1 billion, taking it to the 30th percentile of rents. For those where there is a shortfall, the discretionary housing payments arrangements are available. We should all be mindful of the expense of the support for housing, which is running at £30 billion a year, and is projected to rise to £50 billion in 2050.

Sir Stephen Timms: Rightmove reported last autumn that rents in London had increased by more than 16% in a year, yet, as the Secretary of State has said, housing support through local housing allowance has been frozen since 2020. Will Ministers look again in the Budget at the level of local housing allowance for the coming financial year?

Mel Stride: The right hon. Gentleman makes a perfectly valid point, but he needs to see this issue in the round. My fellow Ministers have outlined at some length the cost of living support payments that were made available last year and that were announced in the autumn statement and will be available from April onwards. I have already mentioned discretionary housing payments, with £1.6 billion of support since 2011. There is also the household support fund, which gained an extra £1 billion for 2023-24. I look forward to appearing before his Committee at the end of March, where no doubt we can discuss these matters in greater detail.

Topical Questions

T1. [903207] **Justin Madders** (Ellesmere Port and Neston) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Mel Stride): As the House knows, the Prime Minister has asked me to review economic inactivity. We have 9 million people who are economically inactive at the moment, and I will be looking closely at all those in that review, not least the long-term sick and disabled, those with caring responsibilities and those over the age of 50 who have retired early.

Justin Madders: Following on from the question from the Select Committee Chair, my right hon. Friend the Member for East Ham (Sir Stephen Timms), many of my constituents are required to seek a housing solution in the private rented sector, but cannot afford it due to the freezing of local housing allowance and the increase in rents. Can the Minister have a conversation with his colleagues in the Department for Levelling Up, Housing and Communities to see whether they can do more to enable councils to widen their lists for the housing register to ensure that people can access housing they can afford?

Mel Stride: I can provide the hon. Gentleman with that reassurance. There are discussions ongoing between officials in my Department and in DLUHC, and we will continue those through time. We are aware of the issue. I have raised the inordinate expense of these measures, but none the less it is important that we look at them closely.

T2. [903208] **Jack Brereton** (Stoke-on-Trent South) (Con): We have some fantastic engineering companies in Stoke-on-Trent, including Don-Bur, IAE and Rayne Precision Engineering. However, they are struggling to fill what amount collectively to hundreds of vacancies. Will my hon. Friend look at what more we can do to help those companies recruit people and get them back into work?

The Minister for Employment (Guy Opperman): My hon. Friend is right that there are great things happening in Stoke. We are working with the North Staffordshire Engineering Group to develop a sector-based work academy to fill those specialist engineering roles. A jobs fair is planned at Port Vale football club—*[Interruption]*—which is some people's favourite football club, on 16 February, and Don-Bur, IAE and Rayne are all invited to attend. On 15 March, the DWP is also hosting a jobs fair at IAE's new exhibition centre.

Jonathan Ashworth (Leicester South) (Lab/Co-op): According to my friends at the Centre for Social Justice, around 700,000 people with no work requirement could go to work if given the right support. The Labour party put forward proposals. The Secretary of State's spin doctors said they were cynical. Then, two days later, he briefed that he was going to copy them. So when will he introduce reforms to the work capability assessment and Access to Work to get more people back into the workplace?

Mel Stride: The right hon. Gentleman knows the answer to his own question, which is that we are looking at precisely those matters as part of our review of economic inactivity. He is well aware of the extensive consultation that surrounded the White Paper, which we will come forward with in due course. All the questions he poses will be answered in greater detail then.

Jonathan Ashworth: Economic inactivity has been rising for three years, and the Labour party wants to get Britain back to work, but all the Secretary of State can say is that he will bring forward a White Paper in due course.

Let me ask about the long-term sick. The Secretary of State will know that a third of the inactive across South Yorkshire are long-term sick and that a quarter of the inactive across the west midlands are long-term sick. In answer to my hon. Friend the Member for Barnsley Central (Dan Jarvis), he said he was looking carefully at the long-term sick programmes across South Yorkshire and the west midlands. However, in December, his Department withdrew the funding. Why is he cutting the funding for Andy Street's West Midlands and across South Yorkshire when we need to get the long-term sick back to work?

Mel Stride: As I have said, we have invested £7 million in the west midlands engine pilot, and we are looking closely at that pilot. The right hon. Gentleman criticises us on the employment front, but it is Labour that saw the number of workless households almost double on its watch, Labour that always has unemployment higher at the end of its term of office than when it went in, Labour that parked millions of people on benefits with little incentive to leave them, and Labour that left us with 2.5 million unemployed in 2010.

T6. [903212] **Jason McCartney (Colne Valley) (Con):** I have visited local businesses in the Colne and Holme valleys and in Lindley, so it is great to hear that so many are expanding, have vacancies and are looking to hire local people. With that in mind, will the Secretary of State please join me in commending the excellent work of Huddersfield jobcentre staff, who are busy preparing for a jobs fair on 2 February, as they seek to improve people's lives by helping them into work?

Mel Stride: I thank my hon. Friend for mentioning the Huddersfield jobcentre and the extraordinary work of the staff there. They organise several job fairs every month, and I commend my hon. Friend for the support he provides to them in that endeavour.

David Linden (Glasgow East) (SNP): Today, we have probably had an insight into one of the battlelines for the next general election. It was on the front page of the *Daily Mail*—not something I would normally read—which talks about a “something for nothing” Britain. Will the Secretary of State take this opportunity to distance himself from that ridiculous remark? I suggest it would be a brave move by the Conservative party to tell pensioners that their state pension is something for nothing.

Mel Stride: I have a clear view on all these matters, which is that a hallmark of a civilised society is that it looks after the most vulnerable; the Government have a proud record in that respect. I could go through chapter and verse on the various measures, not least the cost of living support for 8 million low-income households up and down the country. If people—fraudsters and others—are prepared to abuse the system that is there to support the most vulnerable, we should not hesitate to come down hard on them and they should face the full force of the law.

T9. [903216] **Gary Sambrook (Birmingham, Northfield) (Con):** Will the Minister for Social Mobility, Youth and Progression join me in commending the Longbridge and Kings Norton jobcentres, and the Factory youth hub in Longbridge, for their work to ensure that young people are equipped with the skills they need to get back into work and that they have the dignity of work, and to reduce youth unemployment in my constituency?

The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies): I wholeheartedly agree that, as we have heard, work is more than just a pay packet. I am delighted about the impact of more than 150 youth hubs, such as the Factory—I visited the one at the central library, but I did not get to that one—that are working with flagship employers and small employers. I am keen to see how that youth hub changes lives and opens up progression for young people who would like to learn from my hon. Friend's local DWP team's success.

T4. [903210] **Helen Morgan (North Shropshire) (LD):** I have been contacted by two separate disabled constituents who were previously eligible for the warm home discount. This year of all years, however, they have been told that they are no longer eligible, because of the way that the various support schemes interact. Will the Minister meet me to look into those two individual cases, and the wider issue, to ensure that the most vulnerable people are not missing out on the support that they need?

The Minister for Disabled People, Health and Work (Tom Pursglove): I am grateful for the hon. Lady's question. It is important to point out that the reform to the warm home discount, which expands the support available, means that 160,000 more households where a person is disabled or has a long-term illness will receive a rebate. If she provides me with the details of the cases in question, I will be happy to look at them.

Kevin Foster (Torbay) (Con): I know that the Minister for Disabled People shares my enthusiasm for the Disability Confident campaign and ensuring that more employers sign up to it. What discussions is he having with the Migration Advisory Committee to ensure that, when considering representations from sectors about, for example, the shortage occupation list, being a Disability Confident employer is part of what is considered?

Tom Pursglove: It is fair to say that my hon. Friend and I have experience of such matters from previous roles. I know that there is no bigger advocate of Disability Confident in Torbay than him. Of course, we want to continue to build on the brilliant work that has happened through that scheme and its success in getting disabled people into work, which I think should be an overarching mission for the whole of Government.

T5. [903211] **Sarah Olney** (Richmond Park) (LD): I welcome the Secretary of State's earlier remarks about looking to address the causes of economic inactivity in the over-50s. The people and skills element of the UK shared prosperity fund could be well placed to fund the kind of support that that age group needs to get back into the workforce, but that funding will not be available until 2024-25, which is much too late to address the current crisis. Will the Department work with the Department for Levelling Up, Housing and Communities to bring the funding forward to 2023-24?

Mel Stride: The hon. Lady raises an interesting and important point. We are certainly in discussions with DLUHC about those kinds of matters—perhaps I will leave it at that.

James Morris (Halesowen and Rowley Regis) (Con): The number of people claiming unemployment benefit has fallen in my constituency over the last year, but does the Minister agree that more needs to be done? Will he therefore support the jobs fair that I am holding on 3 February in partnership with the DWP, Halesowen business improvement district, Halesowen College and the Cornbow shopping centre in Halesowen so that we can get more people back into work?

Guy Opperman: I welcome my hon. Friend's work in Halesowen. He is right that jobs fairs, not just by the DWP but by individual Members of Parliament, are a vital way to drive greater employment. He is also right to say that the in-work progression offer that we are developing will truly make a difference to those already in work.

T7. [903213] **Alex Norris** (Nottingham North) (Lab/Co-op): It is clear that nationally led employment support simply is not working. Why are the Government not matching the Opposition's commitment to let local communities take charge of that crucial work so that local support matches local labour market need?

Guy Opperman: I will stand up for our jobcentres, which are providing fantastic employment to people up and down the country. On top of that, we are doing the in-work progression offer, about which the Labour party, as usual, has absolutely nothing to say.

Lee Anderson (Ashfield) (Con): The Rumbles café in Sutton-in-Ashfield does marvellous work with people with Down's syndrome, helping to train them and get them back into the workplace. People with Down's syndrome are living longer and more independently, but they are struggling to get into the workplace, so what more can the Government do to help people with Down's get into the workplace?

Tom Pursglove: I am grateful to my hon. Friend. Perhaps we could organise a visit so that I can see this organisation for myself. I had a really rewarding visit to Bristol just before Christmas, where I saw the huge difference made by work experience opportunities organised and facilitated by charitable organisations. I would be delighted to visit.

T8. [903214] **Mick Whitley** (Birkenhead) (Lab): Last week, the Prime Minister became the second holder of his office to have been found to have broken the law while serving in No. 10. He has now been issued with a fixed penalty notice, his second in 12 months. But unlike many of my constituents who have been hit with punitive benefits sanctions, the Prime Minister is unlikely to be forced to resort to payday loans and food banks in order to get by. Will the Secretary of State concede that the Government policy of sanctioning claimants for even the most minor and accidental breaches of the rules is simply too severe?

Mel Stride: Sanctions quite rightly play a role in the work of work coaches and jobcentres, because the provision of benefits involves a contract between the jobcentre and those receiving those benefits, who in many cases have an obligation to seek work. Where that contract is broken by the individual who is meant to be seeking work, it is only right that a sanction should be available. But it has to be applied with due care—and, indeed, that is the case.

Lia Nici (Great Grimsby) (Con): Unemployment is falling in Grimsby, but it still stands at 5.1% compared with the UK national rate of 3.7%. What is the Department doing to make sure that we can get more people into work when we have the vacancies?

Guy Opperman: My hon. Friend is a doughty champion for Grimsby and will be pleased to know that an adult social care jobs fair, with 10 employers in attendance, will take place on Wednesday, and a whole host of events will take place every single day during apprenticeship week in two weeks' time. We are also rolling out the in-work progression offer to Grimsby, starting in March, which genuinely will make a difference and promote greater employment.

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): Attention deficit hyperactivity disorder and autism are severely underdiagnosed in women and girls, and are often misdiagnosed as mood disorders. What discussions have Ministers had with the Health and Social Care Secretary about the impact this is having on women's ability to access and maintain employment, and what steps will be taken to support them?

Tom Pursglove: I am grateful to the hon. Lady for raising this issue. It is fair to say that Ministers in the Department for Work and Pensions meet Ministers in

the Department of Health and Social Care and across Government. We are in the process of appointing the new ministerial disability champions to take a lead on taking deep dives into particular issues. I am really happy to take that one away to raise with DHSC colleagues.

Jonathan Gullis (Stoke-on-Trent North) (Con): The people of Stoke-on-Trent North, Kidsgrove and Talke would like to ask when the Minister for Pensions is going to act on the recommendations of the 2017 automatic enrolment review to lower the age threshold for automatic enrolment from 22 to 18, and to remove the lower limit of the qualifying earnings band, so that contributions are paid from the first pound earned.

The Parliamentary Under-Secretary of State for Work and Pensions (Laura Trott): Automatic enrolment has been a huge success. I know that my hon. Friend does a

huge amount of campaigning on this, and we remain committed to implementing the 2017 reforms in the mid-2020s.

Esther McVey (Tatton) (Con): During the lockdowns, conditionality was, understandably, relaxed, but I fear that it has not returned to its pre-covid levels. Can the Secretary of State assure me that those pre-covid levels of conditionality, which are so vital to getting people back into work, will return as a matter of urgency?

Mel Stride: My right hon. Friend is absolutely right. Conditionality plays a central role in the way in which the benefits system works and our drive to get people back into work. She is right that it was relaxed during the covid crisis, and I think it is right that it was, including in relation to people coming in for face-to-face appointments. That has now been reinstated and I will be looking at conditionality as part of my review of economic inactivity.

Ministerial Appointments: Vetting and Managing Conflicts of Interest

Mr Speaker: Before we come to the urgent question, I remind right hon. and hon. Members that, while it is perfectly in order to ask questions about the vetting arrangements for Ministers and the processes in place for managing conflicts of interest, this is not a substantive motion about the conduct of any Member. It is therefore not in order to make personal criticism of any right hon. or hon. Member.

3.34 pm

Angela Rayner (Ashton-under-Lyne) (Lab) (*Urgent Question*): To ask the Chancellor of the Duchy of Lancaster if he will make a statement on his Department's processes for vetting ministerial appointments and managing conflicts of interest.

The Minister for the Cabinet Office and Paymaster General (Jeremy Quin): I thank the right hon. Lady for her question, to which it is a pleasure to respond.

To start with ministerial appointments, appointments made to His Majesty's Government are a matter solely for the Prime Minister in line with his constitutional position as the Sovereign's principal adviser and the head of the Government. It is for the Prime Minister to recommend individuals for appointment. In considering potential appointments, the Prime Minister may receive advice from the civil service on matters of propriety and potential conflicts of interest. The civil service has no role in approving or vetoing appointments as appointments are a matter for the Prime Minister. It would not be appropriate for me to comment further on the advice that may be given during the appointments process.

It is critical that all Prime Ministers are able to receive advice in confidence. I would not want to do anything to erode that ability. Once an appointment is made, the process for the management of conflicts of interest and potential conflicts is clear and robust, and follows the processes set out in the ministerial code. It is the responsibility of all Ministers to ensure that no conflict arises, or could reasonably be perceived to arise, between their role and their private interests, financial or otherwise. That is ultimately incumbent on the individual and it is clearly set out in the ministerial code. Ministers should declare and manage potential conflicts of interest, working with their permanent secretary and the independent adviser on Ministers' interests. They are under an ongoing duty to further declare relevant changes to their interests.

Hon. Members will be aware that the Prime Minister has appointed Sir Laurie Magnus as his independent adviser on Ministers' interests. Sir Laurie will be taking forward the work on the declaration of Ministers' interests in line with his published terms of reference. As the Prime Minister confirmed this morning, the independent adviser will also be conducting an investigation to establish the facts surrounding the matters concerning my right hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi) that have been subject to media reports over the weekend. I know that Sir Laurie will bring integrity and rigour to the role of independent adviser and the outcome of his work will be made public in due course.

Angela Rayner: Thank you, Mr Speaker, for granting this urgent question. We may have a carousel of Ministers, but it is the same old excuses every single time. Reports that the then Chancellor of the Exchequer agreed a settlement with HMRC, including a penalty, raise serious concerns about not just that case but standards in this entire Government. Can the Minister tell us if the vetting process raised flags to the former Prime Minister about the original appointment and when exactly did the current Prime Minister know? Does he know if and how this conflict of interest was managed, and why was it kept secret? Is there no system in place to prevent a person being actively investigated for unpaid tax from being appointed to run the UK's tax system? Maybe it is that absurd that no one would ever think it would happen. While we understand the confidentiality of the honours process, surely where a serving Minister is blocked, there is an overwhelming case for sounding the alarm. So did that happen and where is the report? If not, why is there a lower bar to get into this Cabinet than there is to get a knighthood?

No. 10 apparently still does not know if other Ministers are in dispute over their own taxes, so what is the Prime Minister doing about it? Last week, he told the House that all questions had been answered and he was told there were no outstanding issues, yet now the independent adviser is investigating. So will he publish the terms of reference, and why does the Prime Minister need an adviser to tell him that this conduct is unethical? If this is not a breach of the ministerial code, surely the code itself is wrong and it is the Prime Minister's job to fix it.

If the Prime Minister came clean about what he knew and when, and took responsibility for the conduct of his own Cabinet, would we need yet another investigation into another member of his top team? Even now, No. 10 says that the party chair retains the Prime Minister's full confidence. How can the Prime Minister claim to deliver the integrity, professionalism and accountability that he promised while his Conservative party chair still sits in his Cabinet?

Jeremy Quin: We follow a proper process under the ministerial code. Interests are required to be declared. They are required to be shared through the ministerial code process and discussed with permanent secretaries. I am absolutely confident that the usual process will have been followed in the appointment process by this Prime Minister for my right hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi). If there are issues to be raised in respect of historic activities, as was suggested by the weekend's press, that is a matter for the independent adviser to look at. The summary of his findings will be published in due course. Integrity and accountability are critical, as is professionalism, and the Government will wait and hear the facts before taking decisions based on those facts. The right hon. Lady would do well to do the same.

Richard Fuller (North East Bedfordshire) (Con): It is a great shame that the processes of the propriety and ethics team of our civil service are being called into disrepute by the comments of the right hon. Member for Ashton-under-Lyne (Angela Rayner). We have to accept in public life that there are times when you may be asked to serve in government. When you go through that process, you are required, rightly, to disclose absolutely everything that might cause conflict with you being a

Minister of the Crown. Does my right hon. Friend agree that that process can survive only when there is both confidentiality about disclosures and tolerance on all sides while that process is completed?

Jeremy Quin: I thank my hon. Friend for what he said. He is absolutely right. For people being called into government, there is a proper process and there is a requirement for full disclosure. For that process to continue to be meaningful and to work for decades into the future, we need to retain confidentiality. That has to be part of it and the right way forward when an issue has been raised is for the independent adviser to look into it, as he is doing.

Mr Speaker: I call the SNP spokesperson.

John Nicolson (Ochil and South Perthshire) (SNP): Here is what we know about the appointment of the BBC chair. The BBC chair Richard Sharp helped to arrange a £600,000 loan for the right hon. Member for Uxbridge and South Ruislip (Boris Johnson), weeks before he was chosen by the former Prime Minister to become BBC chair. Mr Sharp appeared before the Digital, Culture, Media and Sport Committee, on which I sit. We grilled him about his £400,000 gift to the Conservative party. However, he did not disclose his role in getting the man appointing him a huge loan. Mr Sharp, the former Prime Minister and the cousin offering the loan dined together at Chequers pre-loan and pre-appointment—and the former Prime Minister’s spokesperson says, “So what? Big deal.”

The Cabinet Office ethics team told the former Prime Minister to stop talking to Mr Sharp about his finances. Ministers told other applicants not to waste their time applying; the appointment was to go to the friend of the right hon. Member for Uxbridge and South Ruislip, the Tory donor. Even by the grubby standards of this Government, it is all a bit banana republic, is it not?

Jeremy Quin: I thank the hon. Gentleman for his question. As he knows, there was a very robust process in place for the appointment of the chairman of the BBC, including a pre-appointment hearing. I read the transcript this morning, in which he played his usual prominent role in grilling the appointee, pre-appointment. It was an incredibly robust process, with an independent panel of five members going through that process. To reassure the House, I understand that the Commissioner for Public Appointments is going to double-check that that process was absolutely consistent with the proper governance expected of these appointments. I know that the chairman of the BBC has invited the BBC’s senior non-executive director to discuss the matter with the board to make certain that all relevant conflicts of interest were properly disclosed. So there are two processes ongoing. But this was a very robust process.

Angela Richardson (Guildford) (Con): I am astonished, though I should not be, at the brass neck of the shadow Leader of the Opposition in suggesting that the Prime Minister did not need to ask his independent adviser about the matter when the Opposition spent months calling for an independent adviser to be appointed. Is my right hon. Friend the Minister aware of any plans that the independent adviser has to publish an updated list of ministerial interests?

Jeremy Quin: My hon. Friend is absolutely right. Opposition Members have been calling for an independent adviser for months. When one is appointed, it is not good enough; then they say that the Government should take all decisions by themselves, without all the facts. It is useful to have an independent adviser to deal with these issues when appropriate. I reassure my hon. Friend that my understanding is that the independent adviser plans to issue a publication on ministerial interests before his report in May.

Karin Smyth (Bristol South) (Lab): The Public Administration and Constitutional Affairs Committee, of which I am a member, is ready to help, and looks forward to meeting the new ethics adviser. The Prime Minister has said that there are questions to be answered. The Minister has been very careful to say that declaring interests under the ministerial code is up to the individual, which is correct. Did the Prime Minister know that the right hon. Member for Stratford-on-Avon (Nadhim Zahawi) was due to be investigated?

Jeremy Quin: The usual appointment process was undertaken, so the Prime Minister will have had the benefit of full disclosure of the interests that my right hon. Friend the Member for Stratford-on-Avon declared when the Prime Minister appointed him chair of the Conservative party.

Mr Gagan Mohindra (South West Hertfordshire) (Con): The Prime Minister correctly asked his independent adviser on ministers’ interests to establish the facts. Does my right hon. Friend agree that we must not prejudge the outcome, and should allow the process to conclude?

Jeremy Quin: I agree. That is the purpose of having an independent adviser. He has been asked to investigate, and to work out exactly what the facts are. It would be ill-judged to make a decision before knowing all the facts that pertain.

Christine Jardine (Edinburgh West) (LD): I am sure that we all remember the Prime Minister’s first speech from Downing Street, in which he promised us

“integrity, professionalism and accountability at every level.”

Unfortunately, we have seen precious little evidence of that so far. This weekend, yet more doubt has been heaped on the minds of the electorate, certainly in my constituency, as to whether they can trust politicians. Does the Minister accept that unless something is done very quickly about the vetting and management of conflicts of interest, further damage will be done to the British public’s confidence in this place?

Jeremy Quin: We have the Nolan principles and the ministerial code. Both are extremely important documents, and extremely important approaches. The hon. Lady rightly refers to professionalism, but part of professionalism is being certain to take decisions based on all the facts. I know that she will respect the point that it is useful to have those facts established, but I concede that they should be established swiftly.

David Johnston (Wantage) (Con): Does my right hon. Friend agree that under their bluster, what Opposition Members are really saying is that there are various questions to which they do not have the answer, and

[David Johnston]

issues that they do not have the facts about, not least because His Majesty's Revenue and Customs does not comment on people's tax affairs? It is absolutely right that the independent adviser be allowed to collect and publish those facts, to set the record straight.

Jeremy Quin: Indeed. I have absolutely no doubt that my right hon. Friend the Member for Stratford-on-Avon will co-operate in every way with the independent adviser to make certain that all the facts are known. In due course, the independent adviser will come to his conclusions, and the summarised conclusions will be published.

Richard Burgon (Leeds East) (Lab): The Prime Minister stood on the steps of No. 10 Downing Street and promised the nation that he would act with integrity, yet here we are again. Is this whole affair not yet more proof that there are far more likely to be conflicts of interest when we have a Government of the super-rich, for the super-rich?

Jeremy Quin: I would never have guessed that I would get a question along those lines from the hon. Gentleman. The important thing, as the Prime Minister said, is integrity, accountability and professionalism. That is absolutely right; that absolutely underpins this Government. Part of that is about making certain that we have the facts—and that is what we are undertaking to do under the auspices of the independent adviser.

Clive Efford (Eltham) (Lab): The ministerial code seems now to be a set of guidelines. This is starting to sound like a script for "Pirates of the Caribbean". If someone has disclosed that they are in dispute with the Inland Revenue about their taxes, is it appropriate to appoint that person as Chancellor of the Exchequer? Surely the matter should have been resolved before such an appointment took place.

Jeremy Quin: The hon. Gentleman will have to excuse me: I do not know what was disclosed, and nor does the hon. Gentleman. That is why we have an independent adviser making certain that we have the facts addressed.

Sir Stephen Timms (East Ham) (Lab): The current chairman of the Conservative party went on television before he settled his tax debt and said that his tax affairs were "fully paid and up to date". We now know that that statement was untrue, do we not?

Jeremy Quin: I have a great deal of respect for the right hon. Gentleman, but he knows that I do not know the answer to that question—I genuinely do not. But I have no doubt that the work of the independent adviser will establish the facts and that that will be reported to the Prime Minister.

Stella Creasy (Walthamstow) (Lab/Co-op): The challenge here for the Minister is that the original allegations arose in July of last year, publicly. Indeed, there was subsequent evidence that lawyers were instructed to try to suppress those allegations, well before any appointment was made by his political party, or indeed by the Prime Minister. The Minister talks about allegations arising this weekend. Whose due diligence was lacking: was it the Cabinet Office's, was it the Conservative office's, or are we just not being told the whole truth in this matter?

Jeremy Quin: The full process would have been undergone, in terms of the appointment of my right hon. Friend the Member for Stratford-on-Avon to the Government as chairman of the Conservative party or his appointment to the Cabinet Office, when he was appointed by this Prime Minister. That was clearly in a period after the July commentary in the press. I do not know what was disclosed; I imagine that everything was disclosed, but that is a matter for the independent adviser to ascertain.

Mr Ben Bradshaw (Exeter) (Lab): BBC journalists have to spend a great deal of their time defending the BBC's impartiality and integrity from criticism from all sides in this country. How is their job made easier by the revelation that the current BBC chairman involved himself in the private financial affairs of the then Prime Minister before he was appointed to the job? That was something that, under civil service rules and BBC rules, they should both have disclosed to the independent Commissioner for Public Appointments, but apparently—according to the former commissioner Sir Peter Riddell—neither did.

Jeremy Quin: My understanding is that my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) and the gentleman in question have both said that no financial advice was provided from one to the other. That is my understanding. I do know that the chairman of the BBC has invited the senior non-executive at the BBC to look into his disclosures to make certain that everything was done properly. That process will also be undertaken by William Shawcross as Commissioner for Public Appointments, to make certain that the process, which appeared to be an extremely robust one—indeed, it involved a grilling in front of the Select Committee, before the right hon. Member for Exeter (Mr Bradshaw) and others—was absolutely consistent with the Government's rules on these appointments.

Kevin Brennan (Cardiff West) (Lab): Actually, the Minister is making an interesting point. Before the candidate appeared before the Select Committee, he had to fill in a questionnaire and answer the question, "Do you currently or potentially have a business, financial or non-pecuniary interest or commitment that might give rise to the perception of a conflict of interest if you are appointed?" Does the Minister agree that helping to arrange an £800,000 loan for the person ultimately responsible for the appointment was something that should have been declared in response to that question?

Jeremy Quin: The hon. Gentleman is making a statement about helping to arrange a loan. I do not know the basis on which he makes that assertion, but I know that all matters to do with any conflicts of interest or perception of conflicts of interest will be looked at by the BBC under the process established by the chairman.

Dawn Butler (Brent Central) (Lab): On Wednesday the Prime Minister stated that there were no outstanding issues. By the weekend, he had ordered an independent internal investigation. Can the Minister ensure that all the information that escalated this from "nothing to see" to an investigation of this kind is placed in the Library of the House?

Jeremy Quin: What is absolutely the case is that a summary of the findings of the independent adviser and the outcome of that work will be shared with the House.

Peter Dowd (Bootle) (Lab): A person is 23 times more likely to be prosecuted for benefit irregularities than to be prosecuted for tax irregularities, but tax irregularities lose the economy nine times more. Have the Government any plans to redress that imbalance?

Jeremy Quin: As I know from my work in the Cabinet Office, there is a huge focus across Government on ensuring that we go after tax evasion in all its forms. It is incredibly important that we do so and that we cut waste across Government, particularly when it results from fraudulent behaviour. That is what we do every day, and HMRC is responsible for following it up and making certain that people pay the tax that is owed.

Andy McDonald (Middlesbrough) (Lab): I am hearing from constituents that they are heartily sick and tired of incessantly reading stories about tax irregularities, cheating and fraud, and the self-serving elite. Faith in politics and in this institution is at an all-time low, as is faith in the BBC in the light of these revelations. The one common denominator is the Conservative party, and this will only ever be cleared up once that lot are out of the door and out of government.

Jeremy Quin: I am not certain what the question was, but I certainly disagree with the tone taken by the hon. Gentleman. I think that we have an incredibly valuable organisation in the shape of the BBC. I for one support it, and I think it is unfortunate to start making allegations about the BBC as a whole on the basis of something the facts of which are disputed.

Cat Smith (Lancaster and Fleetwood) (Lab): Are any other Ministers currently in dispute with HMRC about their tax arrangements?

Jeremy Quin: It is a matter for individual Ministers to go through the proper process under the ministerial code, and that is what everyone does. It is a requirement under this Government, as it has been a requirement under all Governments. There is full disclosure in that process. The Minister needs to talk to his or her permanent secretary, and it is critical that no conflicts of interest or, indeed, perceived conflicts of interest are established.

Alex Cunningham (Stockton North) (Lab): Will the inquiry confirm the nature of the agreement between the right hon. Member for Stratford-on-Avon (Nadhim Zahawi) and HMRC?

Jeremy Quin: I have every confidence that my right hon. Friend the Member for Stratford-on-Avon will be totally open with the independent adviser who will be producing a report for the Prime Minister so that the facts can be fully established.

Mr Toby Perkins (Chesterfield) (Lab): With respect, the Minister is attempting to balance on the head of a pin when it comes to Richard Sharp's involvement in the loan to the former Prime Minister. He may not have provided advice and he may not have arranged it, but he was clearly involved in the introduction. On that basis,

should he not have made the declaration referred to by my hon. Friend the Member for Cardiff West (Kevin Brennan) when he appeared before the Committee?

Jeremy Quin: Obviously Mr Sharp felt that that was not required, and that that was not the case. I understand that a process was put in place to separate him from the loan arrangement. As I have said, Mr Sharp has asked a senior non-executive director at the BBC to ensure that all matters relating to disclosure were followed correctly by him in this process.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): Can the Minister tell us whether any Ministers were informed that the Conservative party chair had been blocked from receiving an honour? If so, did the Government take any action after receiving that news?

Jeremy Quin: I genuinely do not know the answer to that question. There is a process for honours and awards, which is kept highly confidential. I do not know whether my right hon. Friend was up for an award or whether that was blocked. It would have been a very tight process and I do not know if there is any ministerial involvement in that process.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): Here we go once again, having a debate after being angered by the lack of ethics and the alleged serious wrongdoing of Government Ministers. Despite the Prime Minister making big promises about integrity, professionalism and accountability, we know that he will do diddly squat about it because he is too weak and he is beholden to those very Cabinet Ministers to cling to power. Does the Minister not think that the British people will smell a rat when they see that the Conservative party chairman, when he was Chancellor, was supposed to be in charge of the Government's finances at the same time as trying to strike a multimillion-pound tax deal with HMRC for alleged serious wrongdoing?

Jeremy Quin: The hon. Gentleman's view of the Government and mine come from different perspectives. I have a huge amount of time for my right hon. Friend the Prime Minister, who is leading this Government in the right direction. The hon. Gentleman is unwise to take a view on the outcome of an inquiry that has not yet properly commenced. But it will—the independent adviser will get there and will establish the facts.

Simon Lightwood (Wakefield) (Lab/Co-op): Can the Minister confirm whether the right hon. Member for Stratford-on-Avon (Nadhim Zahawi) will make his tax affairs transparent to an investigation by the independent adviser, and will he confirm that the Prime Minister will set that as a requirement of the investigation?

Jeremy Quin: As I have made clear, I cannot imagine circumstances under which my right hon. Friend the Member for Stratford-on-Avon would not wish to be fully transparent with the independent adviser. That will be necessary for the independent adviser to do his job and it will enable him to establish the facts.

Sir Chris Bryant (Rhondda) (Lab): I will not get into the specifics of the individuals concerned but, following on from the question from the hon. Member for Guildford

[Sir Chris Bryant]

(Angela Richardson), I want to know why we do not yet have in the public domain the financial interests of all Ministers. The list on the website is 243 days old. It is not even an accurate list of Ministers. It is not even an accurate list of the last set of Ministers or the one before that.

This Government have been in place for 90 days. There are now Ministers who were not even a Member of either House back then and who do not appear anywhere. Surely, the public ought to know within a week or so of a Minister being appointed what all their financial interests are. Why can we not have that? Why must we wait another three months—that is what the Minister said earlier—before we find out all the financial interests of Ministers? We should know that now.

Jeremy Quin: It may be three months, but it may be three hours. My understanding is that it will be by May. I cannot commit to a date because I am not the independent adviser. He has work to do to publish it, but my understanding is that an updated list of financial interests will be published before his report is out in May.

Prepayment Meters

4.3 pm

Edward Miliband (Doncaster North) (Lab) (*Urgent Question*): To ask the Secretary of State for Business, Energy and Industrial Strategy if he will make a statement on families having prepayment meters forcibly installed in their homes by energy companies.

The Minister for Energy and Climate (Graham Stuart): The Government recognise the importance of protecting customers, including those on a prepayment meter. That is why this weekend, the Secretary of State set out a five-point plan on prepayment meters. He wrote to energy suppliers to call on them to take every step to support consumers in difficulty. The Government want much greater effort from suppliers to help consumers in payment difficulty, including offers of additional credit, debt forgiveness and tools such as debt advice. Suppliers have been asked to commit to stop moving households to a prepayment meter wherever possible, and to reveal the number of warrants they have applied for in recent months, as part of a drive to increase transparency around prepayment meter installations.

There are reports that the courts are handling batches of applications for warrants, so the Department for Business, Energy and Industrial Strategy is working with Ofgem and the Ministry of Justice—I am pleased to have beside me the courts Minister, the Under-Secretary of State for Justice, my hon. Friend the Member for Finchley and Golders Green (Mike Freer)—to ensure that the process by which suppliers bring such cases to court is fair and transparent and supports vulnerable customers.

The Government have urged suppliers to take action to increase the number of vouchers being redeemed under the Government's energy bills support scheme. We have published a list of supplier redemption rates, showing who is best meeting their responsibilities and those who need to do more.

The Secretary of State has written to Ofgem, asking it to do more to ensure that suppliers protect vulnerable consumers, including by revisiting its approach to the enforcement of supplier compliance and through the urgent publication of the outcomes of recent investigations into vulnerable customers. I will meet energy suppliers, Ofgem, Energy UK and Citizens Advice later this week to discuss these matters further. Those actions come on top of the Government's unprecedented cost of living support, including the £400 discount under the energy bills support scheme and the energy price guarantee, which will save a typical household—on top of that £400—£900 this winter, with equivalent support in Northern Ireland.

Finally, we are considering a new approach to consumer protection. The Government will work with consumer groups and industry to consider the best approach, including options such as social tariffs, as part of wider retail market reforms.

Edward Miliband: I am glad that the Government have in the last few days finally woken up to the fact that we have a national scandal around prepayment meters. The question is whether their actions will stop the scandal; I fear the answer is no.

The Secretary of State could only say in his letter published yesterday that he

“would expect that the volume of...pre-payment meter installations and disconnecting households will start to subside over the coming months”.

The words “start to subside” are no comfort for the thousands more people who are facing bailiffs and being disconnected. Labour called for a ban on the forced installation of PPMs for at least the course of this winter to ensure that the Government, the companies and the regulator reform a broken system. Let us be clear that this is a broken system, with no proper criteria for what forced installation as a last resort means; no clear definition of the vulnerable; no proper clarity about the credit that should be offered to people on PPMs; no proper rules on debt repayment; and people on PPMs—the most vulnerable in our society—paying the most for their energy: a prepayment penalty.

Will the Minister answer three questions? First, would not the best thing he could do to prevent hardship this winter be to impose a temporary ban on the forced installation of prepayment meters? That is the way to protect thousands more who may fall into misery. Secondly, does he agree that, particularly in this cost of living crisis, it is quite wrong that those on prepayment meters are paying more for their energy, and will he take action to end that penalty? Thirdly, will he pledge to look at the system in other countries whereby nobody can forcibly be cut off—as we do with water in the UK—with a minimum amount of power supplied to all households?

Energy companies are forcing their way into people's homes and millions are being disconnected by the back door. It is not enough for the Government to express regret, write letters and have meetings; only a ban will do.

Graham Stuart: We have today already seen a response from suppliers to the Government's calls. We must look to be as effective as possible in effecting change now, and we believe that the Government's calls on and engagement with suppliers, alongside that of Ofgem, is the right approach. Suppliers must exhaust—as they are required to do—all other alternatives before forcing the installation of a prepayment meter.

We, too, were once in opposition, so I understand the desire to come up with superficially popular policies, but we do not want to create a system where, in fact, more people are forced into debt, end up with bailiffs and are drawn into the court system. That is exactly what we wish to avoid. For many consumers, prepayment meters are a useful tool to allow them to manage their credit and ensure they do not get drawn into the court system in that way. *[Interruption.]*

If the right hon. Member for Ashton-under-Lyne (Angela Rayner) were to stop chuntering even for a moment, she would hear my response to the right hon. Member for Doncaster North (Edward Miliband), who asked me about the penalty, as he put it, of higher costs. The standing charge is a fixed charge that covers the cost of live supply, and it is controlled by Ofgem. The system, which I think was in place when the right hon. Gentleman was a Minister, is that the cost should reflect the actual cost of providing the service. Ofgem manages that, but I agree with him that this is something we should look at. That is why we are going to look at social tariffs and why we want to look at whether those

costs should be socialised. This is a long-standing situation that we are seeking to address. The whole energy supply system is under stress right now because of the energy crisis, and it is right that we make moves sensibly, without perverse outcomes, to ensure that we protect the most vulnerable.

On the question of not forcibly cutting people off, I am always open to looking at these issues, but of course a lot of people will manage the way they use heat and electricity, and it is somewhat different from water. We want to ensure that we get the balance right by protecting the most vulnerable and making sure that we have a system that builds on the unprecedented protection for consumers that we brought in this winter.

Mr Philip Hollobone (Kettering) (Con): Energy consumers on prepayment meters are among the most vulnerable energy consumers. In the face of the biggest ever hike in domestic energy prices, getting financial support to those people is more important than ever. While it is good news that 99% of energy bill support payment vouchers have been issued, it is alarming that only 71% have been redeemed. ScottishPower has redeemed only 64%. Other companies such as Bulb have redeemed 79%. Will the Minister put a rocket under companies such as ScottishPower to ensure that this money gets into the hands of vulnerable consumers as quickly as possible?

Graham Stuart: My hon. Friend is absolutely right, and that is one of the reasons we have published the list today. Transparency is the best form of disinfectant. We expect the suppliers' chief executive officers to have conversations with their teams and to ask, “Why are we at the bottom of this list?”. We want competition between suppliers, but all of us have a role to play. It is up to the whole of society to ensure that people are aware of the vouchers. People in the greatest difficulty might be the least likely to open the envelope, for example, so we have looked at the design of the envelopes and at every front. We want to get the message out there to people on prepayment meters that the vouchers are there and that they are entitled to support. Like my hon. Friend, I would like to see the take-up increase.

Yvonne Fovargue (Makerfield) (Lab): Recently, the *i* newspaper reported that Wigan magistrates court had been granting around 2,000 disconnection warrants each month. On one day in December, 496 were granted in under four minutes without magistrates even knowing the names and addresses of those people, let alone their circumstances or vulnerabilities. Forcing customers into a situation where they pay the highest rates for energy and are at risk of self-disconnection without any discussion of their circumstances is patently wrong. Will the Minister ensure that this travesty of justice does not continue any longer, and implement a ban on the forced installation of prepayment meters?

Graham Stuart: I thank the hon. Lady for her question. Of course, before the suppliers get to that stage, they are required by Ofgem to ensure that it is absolutely the last resort. That is before they get to the court stage. As I said in my opening statement, we are working closely with the Ministry of Justice to ensure that the court process, as part of the overall system, is fit for purpose and provides the maximum protection possible.

Richard Graham (Gloucester) (Con): Mortgage providers now do well in engaging with customers, managing difficulties and greatly reducing the number of repossessions. Does my right hon. Friend agree that energy companies should do likewise, rather than turning to prepayment meter warrants on the slightest pretext? If the numbers of warrants do not come down, does he agree that more should be done to have specific reduction targets?

Graham Stuart: My hon. Friend is absolutely right. We have to make sure that all suppliers are fulfilling the requirements set by Ofgem. Ofgem's inquiry into the treatment of vulnerable customers by energy suppliers found weaknesses across the board, and it is engaging with suppliers on compliance. The Secretary of State wrote to Ofgem again in the last few days to reiterate the importance of ensuring that that compliance work has real teeth and that suppliers fulfil their obligations to protect these people.

Wera Hobhouse (Bath) (LD): Prepayment meters enforce a poverty premium on some of the most vulnerable in society. My Pre-Payment Meters (Temporary Prohibition) Bill would prevent their installation during one of the worst winters in living memory. In just over 30 days, the Government will allow my Bill to fall—but it is not too late. Will the Minister consider supporting it?

Graham Stuart: I thank the hon. Lady for her question. As I have said, we are looking at the treatment of vulnerable customers overall, including on the issue she raises through her Bill.

Ruth Edwards (Rushcliffe) (Con): I am incredibly concerned to hear reports of a number of vulnerable customers being moved on to prepayment meters and to hear energy companies quoted in the media as saying that higher energy prices are here to stay, implying that the fall in wholesale prices will not be passed on to our constituents. I welcome the Government's actions on both issues, but can my hon. Friend set out what steps are available to the Government if energy suppliers do not play fair, and reassure my constituents that he will take those steps if needed?

Graham Stuart: Suppliers are required to provide emergency and friendly hours credit to all prepayment meter customers, and where a supplier identifies that a customer in a vulnerable situation has self-disconnected or is self-disconnecting, it must offer them additional support credit where it is in the customer's best interest to do so. Ofgem warned suppliers way back in June 2018 that PPMs should only be installed as a last resort for debt collection and banned forcible installations for vulnerable consumers in 2017. We are watching to ensure that we have the right steps in place and will take further steps if required to make sure that suppliers live up to their obligations.

Hilary Benn (Leeds Central) (Lab): What possible justification is there for forcing people to sit in the cold and the dark because they have been required to have a prepayment meter connected that they cannot afford to top up? Twenty-five years ago we had the same debate over water disconnections, and society decided it would no longer be lawful to deny any human being access to water. Have we not now got to the point where, similarly, our constituents should be entitled in all cases to light and to warmth?

Graham Stuart: Heat and light, not least as driven by the current energy prices, constitute a significant cost to families and to the nation. We have to work with the system to provide additional credit and support for people, but, having had 30 suppliers close business, with high costs imposed on the system and thus on consumers, we must get the balance right, so that we have a system that encourages people to pay their bills but also protects those who most need help.

Aaron Bell (Newcastle-under-Lyme) (Con): I thank that the Minister for his statement. I have a number of constituents who use prepayment meters. Should energy companies not be using all their efforts this winter to focus on supporting those constituents with their energy costs, such as with the voucher scheme he has already mentioned, rather than trying to transition them forcibly on to prepayment meters?

Graham Stuart: My hon. Friend is right, as ever, and that is an important part of the message we are sending out today. I think this urgent question helps to strengthen that message to suppliers and others to ensure that people who are in a vulnerable position are supported to the greatest extent possible.

Patrick Grady (Glasgow North) (SNP): Seeing as the Minister is all about encouraging and asking companies to do things rather than enforcing any action, perhaps he might encourage or ask the energy companies to publish how much interest they earn from money that is loaded up-front on to prepayment meters, before it is expended on electricity and energy?

Graham Stuart: I thank the hon. Gentleman for that question and will write to him with an answer.

Paul Bristow (Peterborough) (Con): Too many people in my constituency are on prepayment meters. The forced installation of prepayment meters in places such as Peterborough, so that the most vulnerable have to pay more, needs to stop. What more can the Minister do to ensure that energy companies look at every possible avenue so that those in my city who are least able to pay are not paying the highest energy prices?

Graham Stuart: My hon. Friend is absolutely right. The system that we inherited and that exists today reflects the cost of supply, and Ofgem supervises that to ensure it is the case. Alongside him and others across the House, I would be interested in looking at that again to make sure we get a system with the right balance.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): It is fundamentally unfair that people with a prepayment meter pay more for their energy. Whether they have chosen that prepayment meter or not, they have the same energy coming into their homes as everybody else. The argument from the energy companies that somehow, "This is justified because it is more expensive" falls completely flat when we find out that many people are being moved from smart meters straight over to prepayment meters. So will the Minister look at taking enforcement action to stop those on prepayment meters being charged more?

Graham Stuart: I thank the hon. Lady for her question. Switching any customer from smart credit to smart prepayment can take place only after an energy supplier has gone through a prescribed process, in the same way as if they were going to fit a prepayment meter to replace a traditional credit meter. The energy regulator, Ofgem, has rules in place that restrict the forced fitting of a prepayment meter or the switching of smart meters to prepayment mode for those in arrears except as a last resort.

Anthony Mangnall (Totnes) (Con): I do feel that the Government need to offer a clearer explanation as to why those on prepayment meters have higher energy charges—that is the least we can do. What help and support is being given to those who were on prepayment meters but, finding themselves in better financial situations after the Christmas period, are now trying to transfer back across to credit meters? In some instances there are penalties for doing this. It should not be right that any energy company is imposing a penalty for those who wish to transition away from prepayment meters.

Graham Stuart: I agree with my hon. Friend and it is important to make sure that people do not find themselves caught in a cul-de-sac. He asked about the Government laying out the rationale for higher costs. I believe I have said this on two occasions, so I hope I have at least set out the rationale, whether or not people agree with it. The one that we inherited and that subsists today is that this is cost-reflective. Ofgem, the regulator, supervises this and ensures that no charges are imposed that do not reflect the additional costs of providing energy through that particular methodology. Whether we should change that is a separate matter, but I hope I have at least been clear in explaining the rationale that we inherited from the right hon. Member for Doncaster North (Edward Miliband) and others previously.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): People living in north Wales are at the sharp end of the cost of living crisis. Last year, many of them paid the highest electricity prices in the UK, and the costs for those on prepayment meters was higher still. Recent figures from Citizens Advice show how precarious access to energy is for prepayment meter customers in Wales, with 32% being disconnected last year because they could not afford to top up. We have heard that the Minister will not ban the forced installation of prepayment meters, so will he give the Welsh Government the power to step in and put people before private energy profit?

Graham Stuart: I entirely reject the premise of the right hon. Lady's question. We are not putting people behind the private energy company profits—quite the contrary; we are trying to ensure that we have a system that stops vulnerable people getting caught in debt, having bailiffs coming to the door and being further impoverished by a system that does not help them. That is what we are seeking to balance. As I have said, we are going to consider this in the round going forward, because the system and, most of all, people such as those she refers to are under a stress that has never been seen before.

Rachael Maskell (York Central) (Lab/Co-op): The scrutiny and support that the Minister says the energy companies should be putting in place is not happening, so there is no point in hiding behind the words because

600,000 people were flipped over to prepayment meters last year. So why will he not—can he give a real reason for this—put in place a moratorium, until this mess is sorted out, on anyone moving over to prepayment meters? Will he also reverse things for those people who have been forced on to these high tariffs?

Graham Stuart: The speediest way this winter to make an alteration to this is to call on the companies to do everything possible to avoid doing it. Some have already managed to do it. That, of course, throws up the question of whether we should seek a long-term moratorium, and that is something to look at. However, right now, by publishing the data and urging the companies to cease using this except as an absolute last resort, which is supposed to be the requirement in any case, I hope to see those numbers collapse as soon as possible. This is the fastest way we can make a difference now.

Catherine West (Hornsey and Wood Green) (Lab): The Minister needs to get a grip. A constituent has written to me saying that she has cut back to having one shower a week. Another says:

“I am mostly washing in cold water, but I've recently started getting the beginnings of painful arthritis in my fingers as a result.” How low do people have to fall before the Government get a grip, take back control and get on top of this problem so that our constituents can have the basics of a good life?

Graham Stuart: Of course, the Government are providing an unprecedented three layers of support for consumers: the cost of living support for those on benefits, the £900 reduction in energy bills this winter and the additional £400 energy bills support scheme, as well as help for those on alternative fuels. The Government are bending over backwards, within an unprecedented and tight situation, precisely to help constituents such as those the hon. Lady mentioned, because we have to bear in mind the most vulnerable—those who are struggling, especially on a day like this when it is so horribly cold.

Kenny MacAskill (East Lothian) (Alba): Legacy prepayment meters number about 300,000 in Scotland and 2 million in the UK. Many have a credit limit of only £99, which with the perverse higher tariff and standing charges does not go far, especially in cold times such as now. That requires multiple top-ups, and often people who are on legacy prepayment meters live in either rural areas or deprived urban areas devoid of public transport, or have restricted mobility. Will the Minister also undertake to address this other injustice, heaped upon those who are already the poorest and most vulnerable?

Graham Stuart: The hon. Gentleman is right to highlight people in rural areas, including the remote highlands and islands, which I am sure the right hon. Member for Orkney and Shetland (Mr Carmichael) will question me about if he gets the chance. The hon. Gentleman is absolutely right that we need a system that recognises the geographical and proximity challenges that affect people such as those he has mentioned, and—while under unprecedented stress, as I say—works at that granular level for ordinary families, often in remote areas. They need help and we need a system that supports them.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Figures from Citizens Advice show that in Wales 81,441 people are being disconnected at least once a

[Gerald Jones]

month, and 24,432 people are being disconnected at least once a week. In October, Ofgem warned suppliers that not enough was being done to identify customers in vulnerable circumstances before installing a prepayment meter, but analysis of calls to Citizens Advice's consumer service just in the past month suggests that that practice is ongoing. Voluntary action is not working, so I repeat: will the Government implement a total ban on forced prepayment meter installations until new protections are brought in?

Graham Stuart: We have called on suppliers to voluntarily stop the practice of switching to prepayment meters as the answer to households struggling to pay their bills, and they should also make a greater effort to help the vulnerable. We are going to look at this whole system, not least following Ofgem's investigation that found failings by energy suppliers when dealing with the most vulnerable.

Dawn Butler (Brent Central) (Lab): We must thank Dean Kirby from the *i* newspaper for his campaign—he called me because of my 2016 campaign on prepayment meters, and I also informed him of my experience as a magistrate. I am disappointed that it has taken so long to ensure that people on prepayment meters do not pay the extra tariff. An elderly constituent of mine who had had a stroke had no gas in their home. The unintended consequence of smart meters is that they can be switched remotely, and the Minister cannot rely on energy suppliers to do the right thing. Can he please take emergency action, and will he please realise that winter deaths have increased by 20% this winter?

Graham Stuart: One of the issues raised by the right hon. Member for Doncaster North (Edward Miliband) was the fact that redemption of the energy support vouchers that provide help for people on prepayment meters is at about 71%, as opposed to the higher level that we would like. That is something we need to address, because in this freezing weather it is more important than ever that those with prepayment meters look out for and redeem their vouchers, as a contribution to helping them get through this challenging time.

Mr Toby Perkins (Chesterfield) (Lab): With respect, the Minister's response to this urgent question has been utterly pathetic. The truth is that the voluntary approach the Government have taken is not working, as has been said by Members on the Government Benches as well as on ours, so the question for the Minister is this: will he take action to prevent people from freezing to death this winter, or will he continue to have reviews when the emergency is now? Will he please show the urgency and the scale of response that is needed, and tell us that he will take the approach laid out by my right hon. Friend the Member for Doncaster North (Edward Miliband)?

Graham Stuart: As I have said to the House, we are urging suppliers to desist from using prepayment meters and to do everything possible to make sure that they are avoided, but we recognise that, as a final and last resort, having exhausted everything else, they can be a way of helping people to control what might otherwise be an unmanageable debt.

Clive Efford (Eltham) (Lab): The entire debate around fuel costs when prices were spiking was about the impact on vulnerable people and people who would have to make the choice between heating and eating, and sometimes not being able to make a choice about either. Why, then, did it take Citizens Advice to expose this scandal and the fact that the Government have been asleep at the wheel? The only way to sort this out, when forced entry warrants have been issued on an industrial scale by magistrates courts, is to impose a moratorium, so that we make sure that no one who has a prepayment imposed on them is forced into a situation where they cannot afford to pay fuel costs. That is surely the minimum that the Government should do.

Graham Stuart: As I have made clear to the House, the Government are absolutely calling for suppliers to do everything possible to avoid doing this, and I think that we are already seeing movement as a result of that call.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): You will be aware, Madam Deputy Speaker, that prepayment customers, many of whom are the least well off in society, are charged a higher rate for their energy. Does the Minister recognise the huge injustice being forced on thousands more households as they are shifted on to prepayment meters and higher rates? What will he do to correct that injustice urgently, including, hopefully, issuing a moratorium?

Graham Stuart: I have explained that the system that Ofgem enforces, and has long enforced, is strictly based on the cost of delivery. We will look at that again to make sure of that. We have to ensure that the existing conditions on compliance on which Ofgem works with suppliers are right, but we also need a future system that learns from current pressures.

Mr Alistair Carmichael (Orkney and Shetland) (LD): In Orkney and Shetland, we have the highest rates of fuel poverty anywhere in the country. The premium paid by the poorest people in my constituency takes the advance situation and risks making it catastrophic. We have another problem on top of that, as we cannot get any energy company to install meters in new-build houses in the northern isles. When the Minister next speaks to the energy companies, and when he has stopped them installing meters that people do not want in the rest of the country, can he ask them to send some engineers to the northern isles to install the meters that new house owners need?

Graham Stuart: The right hon. Gentleman has raised this with me. There are issues, and the Government have intervened to make sure that the distribution costs in the far north of Scotland and the islands are not fully reflected in the price, so a special exemption has been made. However, he is right—I have heard about the difficulty for builders of getting a meter installed, and it should not be beyond the wit of man for people to align and work together to make sure that the system runs efficiently and people get a meter when they should. I share his frustration.

Madam Deputy Speaker (Dame Rosie Winterton): I thank the Minister for answering the urgent question. Before I take points of order, we will move to a personal statement by Andrew Bridgen.

Personal Statement

4.33 pm

Andrew Bridgen (North West Leicestershire) (Ind): Madam Deputy Speaker, thank you for allowing me time to make the following statement, apologising to the House and to the former Parliamentary Commissioner for Standards.

This place loses reputation when Members fail to maintain the highest possible standards. I respect the rules and traditions of this place, and I accept the ruling of the Standards Committee and the Independent Expert Panel which heard my appeal. I therefore apologise to the House for all my breaches of the code of conduct. The Committee found that I breached paragraph 12 of the code, on paid advocacy, and paragraph 14, on registration and declaration of interest. I should have been more alert to the rules.

The Committee also criticised me for a letter I wrote to the former Commissioner for Standards during my case, after she had completed her investigation. I accept that this letter was inappropriate and I apologise to the former commissioner, Kathryn Stone.

Madam Deputy Speaker (Dame Rosie Winterton): I thank the hon. Gentleman for his personal statement.

Points of Order

4.34 pm

Paul Bristow (Peterborough) (Con): On a point of order, Madam Deputy Speaker. I am grateful that you have given me this opportunity. Can you advise all hon. Members on appropriate behaviour in the Chamber? Last Tuesday, following a heated debate in the House and after making a fiery contribution, the hon. Member for Brighton, Kemptown (Lloyd Russell-Moyle) left the Chamber and returned shortly afterwards to sit on a side bench on the Government side of the House, despite there being plenty of space on the Opposition Benches. He then proceeded to stare at my hon. Friend the Member for Penistone and Stocksbridge (Miriam Cates). There can be no other explanation for that behaviour other than as an attempt to intimidate. Can you confirm that such behaviour is completely inappropriate and that all hon. Members have a duty not to attempt to intimidate other hon. Members?

Madam Deputy Speaker (Dame Rosie Winterton): I thank the hon. Gentleman for that point of order and for giving me advance notice of it. Can he first confirm that he informed the hon. Member for Brighton, Kemptown (Lloyd Russell-Moyle) that he was going to make the point of order?

Paul Bristow: Yes, I did.

Madam Deputy Speaker: I am glad. As the hon. Gentleman knows, I said to the hon. Member for Brighton, Kemptown last week that he needed to moderate his language and that that was not the sort of behaviour we expect in the House. With regard to where he sat afterwards, he has not had an opportunity to respond to what the hon. Member for Peterborough (Paul Bristow) said. Obviously, I would not like to see any behaviour that was felt to be intimidatory to any other hon. Member, but I hope that he will understand that, having said that, it is very difficult for me to know what was in the mind of the hon. Member for Brighton, Kemptown regarding where he sat during the latter part of the debate. As the hon. Member for Peterborough knows, any hon. Gentleman or hon. Lady can sit in the end seats, but I would not want any hon. Member to feel intimidated by the behaviour of another.

Jim Shannon (Strangford) (DUP): Further to that point of order, Madam Deputy Speaker.

Madam Deputy Speaker: I hope that we will not be prolonging this excessively.

Jim Shannon: I also felt disappointed for the hon. Member for Penistone and Stocksbridge (Miriam Cates) about what happened last week. I know that you, Madam Deputy Speaker, reminded the hon. Member for Brighton, Kemptown (Lloyd Russell-Moyle) about decorum and courtesy in this House, for which I thank you. It is important for all hon. Members to recognise that, although we have different opinions, we should respect each other. That respect is sometimes missing among some hon. Members.

Madam Deputy Speaker: I thank the hon. Gentleman for that further point of order. It is only fair to point out that the hon. Member for Brighton, Kemptown apologised for his behaviour the next day, and apologised to me as well. I think we should now move on.

NORTHERN IRELAND BUDGET BILL (ALLOCATION OF TIME)

Ordered,

That the following provisions shall apply to the proceedings on the Northern Ireland Budget 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) Proceedings on Second Reading shall (so far as not previously concluded) be brought to a conclusion four hours after the commencement of proceedings on the Motion for this Order.

(c) 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 six hours after the commencement of proceedings on the Motion for this Order.

Timing of proceedings and Questions to be put

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

(3)(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.

(4) 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 moved or Motion made by a Minister of the Crown;

(d) the Question on any amendment, new Clause or new Schedule selected by the Chair or Speaker for separate decision;

(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 (11)(a) of this Order.

(5) 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.

(6) If two or more Questions would fall to be put under paragraph (4)(c) or (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.

(7) If two or more Questions would fall to be put under paragraph (4)(d) or (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.

Other proceedings

(8) Provision may be made for the taking and bringing to a conclusion of any other proceedings on the Bill.

Miscellaneous

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

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

(11)(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.

(12)(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.

(13)(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 to proceedings in respect of any such debate.

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

(15)(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.—(*Stuart Anderson.*)

Northern Ireland Budget Bill

Second Reading

4.38 pm

The Minister of State, Northern Ireland Office (Mr Steve Baker): I beg to move, That the Bill be now read a Second time.

I begin by asking the leave of the House to take all stages of the Bill. The Secretary of State sends his apologies; I am pleased to say that he is enjoying a trip to the United States where he is representing Northern Ireland as he seeks to drum up business for local people.

Once again, I stand here with a strong sense of disappointment. On Second Reading of the Northern Ireland (Executive Formation etc) Act 2022, my right hon. Friend the Secretary of State said:

“No Northern Ireland Secretary would want to introduce a Bill of this nature.”—[*Official Report*, 29 November 2022; Vol. 723, c. 820.]

That sentiment very much applies again today.

The Government are bringing forward this legislation because the Northern Ireland parties have been unable to form an Executive and subsequently, therefore, to set a Budget. In the absence of an Executive, the Government stepped in to set a Budget, which the Secretary of State put before the House on 24 November last year. We are legislating for that Budget today.

Setting the Budget was not an easy task. Northern Ireland departmental Ministers were in post until 28 October, which meant we could take over only from that point. They had not been operating with confirmed spending limits and had not implemented plans to deal with their looming overspends.

Of course, pressures on Northern Ireland’s finances did not happen overnight. Successive former Executives also failed to put finances on a sustainable footing. As a result, the Government inherited a Budget halfway through the year with an overspend of some £660 million. That is unacceptable, and the unsustainability of Northern Ireland’s finances cannot continue.

Spending per head in Northern Ireland is already at the highest level of any region in the UK. Northern Ireland receives 21% more funding per head than the UK average and has received record levels of financial support. The difficulties that Northern Ireland Departments now face are the result of tough decisions not being taken by elected representatives in Northern Ireland, not just this year but in successive years before that.

Funding alone will not solve those issues. They need strong and responsible leadership by a stable, devolved Government.

Ian Paisley (North Antrim) (DUP): I thank the Minister for giving way, but I know that he will go down the predictable line that all this would be sorted out if we had an Executive. How does he juxtapose that with his comments on 23 October, when he made it clear that “we will not have devolved government in Northern Ireland” until Unionist demands are met and the jurisdiction of EU Law comes to an end? Does he admit that the idea that the Executive will be a magic wand is a fallacy?

Mr Baker: There is no question of admitting any kind of fallacy. What I was saying with the quote the hon. Gentleman referred to was really a reflection of the DUP’s position. In a sense, I am grateful for his

party’s clarity about what it requires to go back into government. From my engagement with its voters in Northern Ireland, I think they know that a price is being paid by not having the Executive up. It would be churlish of me not to admit that those voters—it was a small section—wanted to pay that price, but others will be devastated by the consequences of not having the Executive up. It is only fair that I, as a Government Minister, reflect the full spectrum of opinion, and people in Northern Ireland very much want the Executive back and dealing with the issues before it.

As for a magic wand, I would be the first to admit that government is difficult, whoever is in power. All these decisions are difficult—they are difficult decisions in difficult times—and there is no question of a magic wand. However, everyone in this House is aware of the devolution settlement, and I am sure everyone here would want Northern Ireland Ministers to be taking decisions in an accountable way locally. However, there’s no question of a magic wand, and I would be the first to be realistic about the conditions the hon. Gentleman and his party have set out for going back into the Assembly.

Sammy Wilson (East Antrim) (DUP) rose—

Simon Hoare (North Dorset) (Con) rose—

Mr Baker: I will give to the right hon. Member for East Antrim (Sammy Wilson) and then to my hon. Friend the Member for North Dorset (Simon Hoare), but then I will try to make a bit of progress on the principles.

Sammy Wilson: I am glad the Minister accepts that there is no magic wand, but does he also accept that, given the nature of the Executive, which is a mandatory coalition, we have had a Sinn Féin Finance Minister, and no Sinn Féin Finance Minister has, I think, ever succeeded in presenting a Budget that other parties could support? That is one reason why we face the deficit that we have at the moment. Indeed, the restoration of the Executive would make things difficult, given that some Ministers do not even attempt to reflect the spending wishes of the other parties in the Executive.

Mr Baker: The right hon. Gentleman makes some legitimate points. The particular point about mandatory coalition is of course an important part of the Belfast/Good Friday agreement strand 1, which we completely respect. We are open to hearing suggestions for institutional reform that will deliver more stable government. Members on the Opposition Benches will know the difficulties in reforming the institutions. The Government are clear that any conversation would need to be led by the political parties of Northern Ireland and would need, in the end, to enjoy cross-community consent to be viable.

Simon Hoare: My hon. Friend will probably know that the Select Committee was in Northern Ireland last week. I think this endorses and underscores the point he was making a moment or so ago, as he might know about this. The elections were some while ago—an analogue time for a digital age, if you will—and we were hearing from both traditions and both communities a growing sense of worry and anxiety about the impact on the quality of life and on outcomes in health, education and housing for ordinary people in Northern Ireland, who look to their political leaders of all persuasions to deliver for them. There is a growing sense of real anxiety and disappointment that they are being let down yet again.

Mr Baker: My hon. Friend is spot on in what he says. If the situation in Northern Ireland presented itself in Wycombe or anywhere else in Great Britain, there would be outrage. There is 21% higher spending per head than in the rest of the UK—that is not something I wish to repeat too often, in case it is noticed by my electors—with dreadful public services, as he points out, and a Budget that is not balanced, because of a failure to take important strategic decisions. As I will come on to, we are a number of years on from the Bengoa report, which said that there needed to be transformation to maximise the quality and quantity of Northern Ireland's health services, and that transformation has not happened. The public are suffering the consequences today. Having said that, I will press forward.

The Budget position set out on 24 November was a difficult one, not unlike the Chancellor's autumn statement in the weeks preceding it, but it is a fair outcome. We are acutely aware of the difficult decisions that now have to be taken in relation to health, education and right across the spectrum in Northern Ireland to live within the Budget.

In setting the Budget we are legislating for today, it is clear that action needs to be taken to get Northern Ireland's finances under control and to deliver the much-needed and long-promised transformation of public services to which I referred earlier. Six years on from the Bengoa report, we are yet to see the Executive deliver the changes that are necessary. That work needs to happen now, but it requires leadership and strategic decisions that should rightly be taken by locally elected politicians in a new and functioning devolved Government. However, in the absence of that, this Government will take those steps necessary to maintain the delivery of vital public services and to protect Northern Ireland's finances. Clearly, consideration will need to be given to a sustainable and strategic Budget for the financial year 2023-24.

Paul Girvan (South Antrim) (DUP): There are many aspects of Bengoa that could be implemented, but there is seemingly a reluctance to do so. Whether that be political within the Department or whatever, I would say that it is not just down to having no Ministers; aspects of Bengoa could be implemented through good management, which people have the authority to do, to move forward on some of the savings that can be made.

Mr Baker: The Northern Ireland (Executive Formation etc) Act 2022, which we put through, gives civil servants the clarity they need to make certain decisions. We have put those officials in a difficult position to take those decisions, and I put on record now, since the hon. Gentleman gives me the opportunity, my thanks to them for rising to the challenge and bearing with this difficult situation. I am grateful indeed that permanent secretaries and others are rising to the challenge of taking the decisions that need to be made, but it is obviously not desirable that we should be in this position. Ministers should be in post in Northern Ireland doing what needs to be done.

If the Executive are restored in time to set a Budget for next year, the UK Government will of course continue to work constructively with Executive Ministers on a sustainable Budget that delivers for the people of Northern Ireland and supports economic growth.

Stephen Farry (North Down) (Alliance): Will the Minister give way?

Mr Baker: I will, but I will then be determined to make progress.

Stephen Farry: I thank the Minister for giving way. He will appreciate that in other circumstances the Executive would normally now be considering the Budget for the coming financial year and that it is important to have certainty ahead of the start of a financial year so that decisions can be made, particularly in tough times. If the Executive are not restored very soon, in order to give some degree of certainty to Departments and related agencies, can the Minister give an assurance that the Government will act in the near future to put in place a framework not just for this year's Budget legislation but for next year's?

Mr Baker: I expect the hon. Gentleman knows that clauses 8 and 9 put in place a vote on account for next year. I will come to that as it is in my notes; if memory serves it covers 65% of the spending, but I will confirm that when I reach that section. That puts in place the spending for next year, but of course we would like the Executive to return to set the Budget for next year. If they do not return, we will have to do the job, and it will be tricky; there is no getting away from that. Without Northern Ireland Executive Ministers in place, it has not been possible to take the difficult political decisions necessary to balance the Budget at this very late stage in the year, and that of course compounds the problem for next year. It is with great sobriety that I stand here and acknowledge that it is going to be very difficult. I for one would be up for the challenge of doing it, but it is not the Government's position that we as UK Government Ministers do that; we would like the Northern Ireland parties to step up to that duty.

If the Executive are not restored on time, we will continue to work with the Northern Ireland civil service to prepare for next year's Budget. The Government's priority for that Budget will be to deliver a fair outcome for all taxpayers and citizens in Northern Ireland. We will work to put Northern Ireland's finances on a sustainable long-term footing, which means appropriate consideration of a wide range of options including revenue-raising measures, as well as reviewing all spending.

Jim Shannon (Strangford) (DUP): Will the Minister give way?

Mr Baker: I will give way once more but then will give a Bill overview in the hope of making progress.

Jim Shannon: I thank the Minister for giving way and respectfully say to him that I have a suggestion for saving money in the Department of Health. We all know that agency costs for employing nurses are sometimes 25% to 30% higher than the costs within the NHS system; the obvious solution is to employ more nurses in the NHS system in Northern Ireland. Does the Minister agree that in order to make savings we should reinstate nurses who want to work and do away with agency staff whose costs are higher?

Mr Baker: I thank the hon. Gentleman for raising that point, but I hope he will not mind my saying that today's Bill is a technical Bill to put on a legal basis the written ministerial statement laid before the House last year, and I am reluctant to get into particular decisions. However, I think every Member of this House will know that agency staff are very expensive and it would be much more preferable to avoid their use.

I do not propose to waste the House's time by going through every detail of every clause on Second Reading—I will come back to that in Committee—but in summarising the Bill I want first to thank Opposition Members, in particular those on the Front Benches, for the approach that they take to these matters. I know they do not hesitate to hold the Secretary of State and me to account, but equally when necessary measures need to be taken, they are constructive, for which I am grateful because this Bill is about making sure that public services can be provided in Northern Ireland.

The Bill will place the Budget that the Secretary of State outlined to the House in his written ministerial statement on 24 November 2022 on a legal footing. It will also allow Departments and other listed public bodies to continue to deliver public services into the first half of the 2023-24 financial year through a vote on account. I do not propose to repeat the contents of that written ministerial statement, which set out the respective allocations reflected in this Bill; what I will say is that those Budget allocations were developed as a result of extensive and sustained engagement with the Northern Ireland civil service. I want to thank again the Northern Ireland civil service, and indeed our own officials in the Northern Ireland Office, for working with great passion and at great pace to work through this Budget; it was inspirational to see and I am particularly grateful to our senior leadership team for the way it rose to the occasion.

The Secretary of State has met Sir Robert Chote, the chair of the Northern Ireland Fiscal Council, and has received a range of representations from public groups and individuals. We have prioritised spending in health and education, with an overarching objective of protecting the most vulnerable: this Budget increases education spending by just under £300 million and delivers a £786 million increase in non-covid-related health spending.

The challenges that all Departments now face are due to the repeated failure of previous Northern Ireland Executives to take strategic decisions to reform public services and deliver sustainable finances. When Ministers left office in October, the Department of Education, the Department of Health and several other Departments were set to overspend significantly, with no plan in place to address that. The best solution for Northern Ireland's health, education and other public services is a functional and effective devolved Government taking much-needed decisions to place those public services on a sustainable footing.

Karin Smyth (Bristol South) (Lab): Like many Members of this House, I will be immediately affected, through immediate family, by the Bill's provisions on education and on health, with the collapse of a care contract in my family this year because of the lack of budgets in the voluntary sector. I am afraid that the Minister is speaking as if none of this were the Government's fault. Although of course it is up to devolved Members to create an Assembly, over the past six years they have been unable to function as they would in Wycombe or Bristol because of the situation with Brexit, the discussions on the protocol and so on.

This afternoon's debate is like living in some kind of fantasy land. That is not acceptable from the Government. The very least that they could do is advise us how quickly

they will act to resolve the issues around the protocol so that the parties can get back around the table, because the two things are not separable.

Mr Baker: I am grateful that the hon. Lady finished with an encouragement to resolve the issues in the protocol. I have to tell her that I think the sense among all parties at the moment—including the Government of Ireland, the parties represented here in the House, Ministers and the European Union—is that we all want a deal. We want to move on. We want a deal that respects the legitimate interests of Unionism, that keeps the whole UK together and out of the European Union, that respects the Acts of Union and so on. My sense is that through much-improved constructive relations between the UK and Ireland and the European Union, we may well be able to get a deal, but I have to say to people watching this debate that right now there is no deal on the table. There is a large gap to be bridged, and we are working intensively to do just that.

With respect to the hon. Lady's earlier remarks, she knows as well as I do what the devolution settlement is. I can tell her that the responsibility that we bear certainly sits heavily on the shoulders not only of Ministers in the Northern Ireland Office, but of our officials. She will know that our officials often have friends and family in Northern Ireland or who come from Northern Ireland; I am grateful that she acknowledges that. All those people, I dare say, will feel as acutely as she does the implications of the situations that she has set out. She will know that it is very difficult today to see a Government moving into direct rule. In the absence of direct rule, we simply must make progress on the protocol.

As we approach the anniversary of the Belfast/Good Friday agreement, I really hope that this exchange will be heard in the European Union, because we all want to be able to celebrate that agreement and 25 years of peace—and to celebrate it with the Executive up and running. DUP Members have made it very clear what is on the table, and I think that it is a moment of considerable gravity for us all. But in terms of the real effects on everyday people in Northern Ireland: yes, I am acutely aware.

In conclusion, the Bill is essential to deliver spending for Northern Ireland Departments within the Budget limits that have been set. It will not be an easy task; it will take place in difficult circumstances. People in Northern Ireland rightly expect to see decisions being taken in Stormont, and I agree. Once again, I must state my continued disappointment that it is necessary for the Government to step in and legislate for this Budget, and once again I urge the Northern Ireland parties to find a way back to forming a Government. However, until a functioning Executive returns, the Bill will allow public services to continue functioning and help to protect public finances in Northern Ireland. I therefore commend it to the House.

Madam Deputy Speaker (Dame Rosie Winterton): I call the shadow Secretary of State.

4.59 pm

Peter Kyle (Hove) (Lab): I thank the Minister for setting out the measures in the Bill. It is needed to allow public services to function in Northern Ireland and we on the Labour Benches will not oppose it. The Bill will not provide new money, but allow Departments and

[Peter Kyle]

public bodies in Northern Ireland to spend within the limits set out by the Secretary of State in his written ministerial statement in November.

Once again, we are legislating on Northern Ireland budgetary matters here at Westminster. This is not a step that any of us would want to take. Unfortunately, in the time available to us today, we are not going to be able to scrutinise the Budget properly. One hundred and forty-eight pages of a supporting memorandum detail the decisions that the Secretary of State has made. The Government have rushed the Bill forward at such a pace that the Northern Ireland Affairs Committee has not been involved in pre-legislative scrutiny in the way it normally would.

The explanatory notes for the Bill state:

“As Northern Ireland Ministers remained in office until 28 October 2022, it was not possible for the UK Government to take steps to set a Budget before this date.”

I have sympathy for the Government here. It was right to prioritise trying to restore power sharing last year, instead of preparing for a prolonged absence. The last time Westminster took through a Budget for Northern Ireland was in 2019. Of course, at that time, the Executive collapsed for three years before the New Decade, New Approach agreement was reached. I hope that the Minister can update us today on the progress of negotiations on the protocol, which we hope will allow power sharing to return.

I am pleased that the Government have taken on board the Opposition's ideas and that the Prime Minister has now finally visited Northern Ireland. We have now passed the latest deadline for the appointment of Ministers, and the Secretary of State has 12 weeks to decide whether he will call elections again.

There has recently been an abundance of optimism on the direction of the protocol negotiations—on which, I think, the Minister just poured a bit of cold water. We are now nearing the 25th anniversary. This is not just an issue within the United Kingdom; it is one that our allies around the world are looking at, particularly the United States and our friends and partners in the Irish Government, who are looking on closely. The clock, as we used to hear, is ticking. I hope that that cold water can be mopped up and we get back to the point where we not only have optimism in these negotiations but can—finally—get something across the line. We stand ready to support any deal that the Government strike that delivers in our national interests and for the people of Northern Ireland.

To return to the Bill, the Government previously said that the totals in the Budget are “difficult choices” that are the result of political failure. It is only fair that we put on record some of the reactions of stakeholders to the difficult choices that the Secretary of State has had to make. Paul Mac Flynn of the Nevin Economic Research Institute said:

“the UK government intend on contracting public spending in Northern Ireland and have no interest in understanding how that will impact on the delivery of services here”.

Last week, the leaders of seven bodies representing all schools and the four main Churches in Northern Ireland highlighted a similar concern. In a letter to the Secretary of State, they warned of

“a crisis in education funding”

and requested a meeting. Let me remind the House that Education was the Department that the Secretary of State said would be required by the Budget to make “significant reductions in current spending trajectory levels”.

Difficult choices have difficult consequences. It is the view of school leaders in Northern Ireland that

“Without question, reduction in funding and ongoing under investment will negatively impact the quality of education of every child and young person”

living in Northern Ireland. We are reluctantly supporting the Bill, but it is right to highlight the real-world effects that these allocations will have. I hope that the Secretary of State will arrange a meeting to discuss the school leaders' concerns.

The health service in Northern Ireland will also require more long-term thinking than is possible with this Budget. It is noticeable how little progress has been made since New Decade, New Approach promised to transform the healthcare service in Northern Ireland. Waiting lists in Northern Ireland are the worst in the United Kingdom. I was shocked by a recent report by Channel 4 which laid bare the experiences that patients are facing. Since 2011, the number of women in Northern Ireland who have had to wait more than two weeks to see a breast cancer consultant has risen 55-fold. Let me repeat that: it has risen 55-fold. In 2011, 10 patients a month would miss this target; now the figure is a staggering 569 every single month. In response to the report, the Northern Ireland Health Department said:

“In the absence of an agreed multi-year budget for health and a significant overspend for this year, the ability to strategically plan beyond 22/23 is extremely challenging.”

Sir Robert Buckland (South Swindon) (Con): The hon. Gentleman is right to talk of the inability to set out multi-year plans. We were being told about that when the Committee was in Northern Ireland last week, in a range of different areas. This is the problem: without a functioning Executive, there cannot be that multi-year longer-term thinking. The Government are doing everything they can year on year, but that will not replace a strategy and a plan that would help women with breast cancer and help children to get a decent education.

Peter Kyle: I am grateful for that intervention from the right hon. and learned Gentleman, and I am grateful for the fact that his Committee, or the majority of it, made it to Northern Ireland last week, while the shadow Foreign Secretary and I were snowed in. I know that some members of the Committee were struggling to get there. I am pleased that he did and that the Committee was able to complete its inquiries.

We have six hours of protected time here today, but it would take six hours to prosecute what landed us in this situation. The right hon. and learned Gentleman is correct—as is the Minister—to say that the best way to move forward from this particular moment in time is to have Stormont, and devolution, up and running, carrying out the required scrutiny of public services and with long-term strategic planning and political oversight and processes also up and running. However, I remind him and others, in fairness to those in the DUP, that they were raising these concerns about the protocol from a position within a devolved Administration long before they withdrew the Executive and then again failed to appoint a Speaker last year. There was a fantastic six-month

window of opportunity in which to resolve these issues before the Executive collapsed, and that is the missed opportunity that has led us down the path on which we find ourselves today. The right hon. and learned Gentleman is correct to say that we need to get the institutions up and running, but I cannot forgive the negligence that allowed this state of affairs to emerge in the first place—and that negligence, I am afraid, started here, and in Whitehall and Downing Street.

This Bill will legally be considered a Northern Ireland Assembly Budget Act, but it serves only as a sticking plaster until the Assembly returns. If we keep passing Budgets for Northern Ireland in this way, the problems facing public services will keep building. We are also asking a huge amount of the civil servants in Northern Ireland who are now effectively running Departments. They are the ones who will have to make the choices about where the savings that this Budget requires can be found.

I want to raise the issue of education again, as it is the Northern Ireland Education Department of which this Budget is asking the most. I am sure that everyone here follows the reporting of BBC Northern Ireland. Last week, its education correspondent Robbie Meredith revealed that the Education Authority, the body that delivers school transport, meals, maintenance and support for special educational needs, is struggling to find £110 million of savings. In the authority's view,

"The majority of the options available to save £110m in less than three months of the remaining current financial year would lead to highly unacceptable and detrimental risks to our children and young people and therefore could not be recommended for implementation."

The fact that these discussions are happening behind closed doors and not receiving the attention they deserve from politicians shows that something has gone very wrong. It is my view that education is the greatest way of levelling up any part of our country, so any cuts should receive so much more scrutiny than is available here today.

To sum up, we need to accept the need for this Bill to allow public services to keep functioning for this present financial year. This process, however, is unsatisfactory for everybody across Northern Ireland. As the Secretary of State has said, he will start preparing a Budget for next year. I would welcome discussions with him about how to improve the scrutiny of taxpayers' money. Of course, the best solution would be that Stormont is restored and that local representatives can agree on a Budget with political accountability. I would welcome an update from the Minister on progress on addressing the issues that are holding that back.

Madam Deputy Speaker (Dame Rosie Winterton): I call the Chair of the Northern Ireland Affairs Committee.

5.10 pm

Simon Hoare (North Dorset) (Con): It is a pleasure to follow the shadow Secretary of State, the hon. Member for Hove (Peter Kyle). I think we could have waved at each other last week when he was trapped somewhere in Derry/Londonderry as we went over the hills to get there. At least we are all back safely and able to speak in this afternoon's debate.

Here we go again. Once again, Northern Irish exceptionalism has to come into play and this place has to step in to fill a gap. My hon. Friend the Minister of State was absolutely right when he said that if this were

the service being given to his or, indeed, my constituents in North Dorset, not only would questions be asked in the House, but there would be real and tangible anger. People would feel a sense of abandonment. I think there would also be a growing sense of, "We are the public and we need and want public service, but that can only be delivered at the political level. If the politicians we have do not want to do it, give us the opportunity and we will find some who will."

There will always be ultras in this sort of debate. I well remember talking to an SNP friend from the 2015 intake when the price of oil was absolutely on the floor. I hope you will give me a moment to expand on this point, Madam Deputy Speaker, before you start wondering, "Where the hell is he going with this?" I said, "You must be rather pleased that Scotland decided to stay part of the United Kingdom in the referendum. We're able to support you and so on because your income as an independent Scotland would have been down as a result of the collapse in oil prices." A steely glint came into the eye of this person, who must remain nameless—and I can see a steely glint coming into the eye of the hon. Member for Argyll and Bute (Brendan O'Hara), who will speak on behalf of the SNP in this debate—and he said, "Simon, you're right: the quality of public services would fall. Things would be difficult, and we would have to take difficult decisions, but we would be doing it with an independent Scottish people in an independent Scotland, and that is a price worth paying."

There will be some who will always say that the price is worth paying—people whose fixed point of principle on one side or the other is so important to them that, no matter how much suffering and pain are occasioned, they believe that it is a price worth paying. I respect those two positions—we always have to have extremes in any debate—but I do detect, as I mentioned in my intervention on the Minister, a growing sense across the communities of Northern Ireland of real anger and disappointment at the failure of politicians to rise to the occasion and to deliver the public service that they expect.

The shadow Secretary of State was right to point out some of the problems that this process, by definition, generates in Northern Ireland. The Government are to be commended for bringing forward the Bill—a common sense act by a sensible Government. But the problem we are going to have—this has been tested in the courts—is that there will be huge reticence among the civil servants. I do not criticise civil servants for that in any way, shape or form, but they will only be able to deliver policies that have already been agreed. If they act *ultra vires*, there would be a problem because this has been tested in the courts and we know how they ruled on it. Moreover, some of these policies—not all of them—are analogue for a digital age. They do not reflect the cost of living crisis, energy costs and the increase in inflation. They do not reflect the need for fleet action to fill the gaps and address the problems created as a result of covid in education and health, although not exclusively those two things. We need a local Northern Ireland Budget set by Northern Irish politicians in Northern Ireland, reflective of and given cognisance to what they are hearing on their own doorsteps. This process, by its very definition, cannot meet that challenge.

I want to speak briefly about what we, as a Committee, heard from both sides of the community in our visit last week. My right hon. and learned Friend the Member

[*Simon Hoare*]

for South Swindon (Sir Robert Buckland) referenced the very real concerns about the absence of a multi-year settlement. We heard from an organisation whose main funding was from the Northern Ireland Office and Stormont. The NIO part of its funding had been agreed and signed off—it knew it had it. It had no idea at all what it would get out of this budgetary process. No idea at all. Notices were going out to their paid staff to say, “We may have to make you redundant. We hope we won’t have to. We hope we will get the money, but we do not know.”

These are not institutions or organisations teaching origami, advanced flower arranging or contract bridge for the winter months. These are organisations that are stepping in for peace building and community building. They are community-led. They are working to help women who find themselves, as the BBC “Spotlight” programme showed, caught in a cycle of the cost of living, leading them to default to extortionist money lenders of the so-called paramilitaries, only to find they cannot pay the money back. They then have to resort to criminal behaviour, being forced to give sexual favours as payment in lieu or seeing their children brought into the ambit of influence of these paramilitaries as a way of paying off debt.

Those groups, which are so dependent upon the money that this Budget could provide and that Stormont could reflect, now find their work in jeopardy. I encourage female Members of this place to take a growing interest—I know many do, including the shadow Minister, the hon. Member for Gower (Tonía Antoniazzi)—in the impact of the budgetary pressures and other deficiencies in the delivery of public services for the women of Northern Ireland. I make no judgment on the merits, but this House has focused on that issue merely in access to abortion services.

There are a hell of a lot of other things going on—bad things—for the young women of Northern Ireland and, by definition, their young children. They look to those organisations to help them and to protect them, to help them be better parents and to keep their kids on the right path. I think we heard from every single organisation that we met—my right hon. and learned Friend the Member for South Swindon confirms that—the anxiety about the effect that this absolute abdication of the delivery of public service is having and will have.

My hon. Friend the Minister will also know of the potential poor budgetary settlement for the Police Service of Northern Ireland, which will have ramifications across the whole of Northern Ireland. They need to do so much in order to build on those peace foundations laid 25 years ago by the Belfast-Good Friday agreement. They will have to make a choice. Everybody in this House will understand and readily applaud the determination to continue community policing. We all know the merits of good community policing in our own communities, and those are magnified still greater in Northern Ireland. But you will not be able to have good community policing and good criminal policing. Something will have to give. The hon. Member for North Antrim (Ian Paisley) was right to say that there is no magic wand, and Stormont would not, by itself, have the answer to all these problems, but—by God!—notwithstanding the absence of that magic wand, are not the people of Northern Ireland

hampered yet further by not having in place MLAs who can take to officials and to debates what they hear on the doorsteps, or in their church halls?

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): At the beginning of 2020, in “New Decade, New Approach”, the UK Government committed to addressing the issue of police numbers in Northern Ireland, and to helping the Northern Ireland Executive with the funding necessary. The Assembly and Executive were restored on that basis. From early 2020 until October 2022, the UK Government failed to deliver on their commitment. The Treasury would not provide additional funding to enable the recruitment of extra officers, despite that being an NDNA commitment. Does the Chairman of the Select Committee understand our frustration? We keep hearing that if we had the Assembly and the Executive back, we could address those issues, but there are many examples where that is not the case. Not least of those is the issue of the UK internal market and the protection of our place in it—another key part of NDNA that was not delivered. This Parliament and Government are not innocent when it comes to these issues.

Simon Hoare: I very much agree, and I wrote to the PSNI only today, following our visit, asking it to put in writing in more detailed terms what we heard last week, so that the Select Committee and this place can better understand the implications of that for policing in all its guises. I agree with the right hon. Gentleman that those on the Treasury Bench need to step up and honour the agreements reached in “New Decade, New Approach”.

I have always felt that the slight fault line is that when there is a problem or impasse, people say, “I know—we’ll have an agreement! It will promise almost all things to all people; there will be something in it for everybody.” Then they say, “But, you know, we didn’t really mean it. We were just using it as a device—a negotiation stepping stone to get us from one side of the river to another,” and, “Oh, you mean that we will be held accountable for delivering that?” I think in this instance they will be. The right hon. Gentleman and his colleagues from across the parties in Northern Ireland need no lectures or lessons from me on the huge damage that would be done to community safety, and the criminality that would arise, if the PSNI was not functioning. He can rest assured that as soon as I receive that missive from the PSNI, either the Committee will look at the matter still further and go into detail on it, or I will raise the matter with the Treasury and the Secretary of State.

Let me conclude by picking up a thread from the right hon. Gentleman’s intervention—and this points to what was said by the hon. Member for North Antrim. There is no goose that lays golden eggs—we know that—and there is nobody who advocates for the speedy return of Stormont. Nobody is suggesting that that would solve all the problems of Northern Ireland. However, the fact that an organisation cannot do all the good, all the time, should not stop it from trying to do as much good as it can, as long as it is there to do it. That is the fundamental choice.

DUP Members are fed up, and they are fed up with me saying this—I will not even ask them to nod in support, because I know they are. They are nodding, but they do not even know what I am going to say. It is this: Members on the Treasury Bench have made the error of allowing

issues and concerns about the protocol to be conflated with the delivery of functioning devolution. They are two very separate work streams. The protocol offends some in Northern Ireland, but the absence of Stormont affects all, and that is what we should be focused on.

Madam Deputy Speaker (Dame Rosie Winterton): I call the SNP spokesperson.

5.24 pm

Brendan O'Hara (Argyll and Bute) (SNP): I will not detain the House very long, because there are many voices from Northern Ireland—those directly elected by the people of Northern Ireland—who need to be heard and should quite rightly be heard. It is a pleasure to follow the hon. Member for North Dorset (Simon Hoare), who I think spoke for many when he said “Here we go again.” That must be the overwhelming sense of the people of Northern Ireland as well, who deserve so much better than they are being given.

I share the Minister's frustration that it has come to this again, particularly when people are struggling to make ends meet and there is a cost of living crisis. People have to know, they have to be able to plan and they have to have a Government that plan. They need their Executive up and running as quickly as possible. The hon. Member for Hove (Peter Kyle) made that all too real when he brought up the statistics and talked about the health crisis in Northern Ireland, because that is the consequence of being unable to make multi-year decisions about how Northern Ireland goes forward.

The SNP supports this Bill. We regret the circumstances that have brought us here today, but we accept that it is necessary. Nevertheless, it is hugely disappointing that it has come to this and that this place is acting in the stead of the Northern Ireland Assembly. Having Stormont back working properly as soon as possible is in the interest of all the people of Northern Ireland, because there is no substitute for local people making local decisions. Let us be frank, with all due respect to my DUP colleagues, nobody knows better day to day what the people of Northern Ireland want and need than the local MLAs who have been elected and whose job it is to deliver on those priorities.

The people of Northern Ireland need the politicians they elected to the Assembly back at work as quickly as possible. That is why this Budget should not be set here—but while there is no functioning Assembly, this Bill, as I say, is better than nothing and in the absence of Stormont, we will support it. It is essential that those hard-working public servants get what they need to allow them to do their job and that the people of Northern Ireland get what they need.

From a Scottish perspective, it is absurd that we now have trade barriers not just with our European partners, but within the UK itself. Having been promised the “best of both worlds” by the former Prime Minister, we now appear to have the worst of all worlds. I speak particularly as the Member for Argyll and Bute with our fishing industry. We can see across the water to Northern Ireland and the fishing communities there; we share the same waters and we fish for the same catch, but we have completely different regulatory systems.

My communities have been—excuse the pun—battered by a double whammy of Brexit, which was totally mismanaged, and the choice the UK made to turn a

blind eye to the inevitable problems that would be caused by Brexit to Northern Ireland. That has led us to where we are now. The passing of this Bill goes nowhere near resolving those problems, but it is necessary, and on that basis we shall support it.

5.28 pm

Sammy Wilson (East Antrim) (DUP): First, I too join the Minister in expressing sympathy on behalf of my party to Alex Easton, one of the MLAs for North Down, whose parents died tragically in a house fire today. Our thoughts and prayers are with him. He has lost both elderly parents today.

Stephen Farry: Alex Easton lives in my North Down constituency and, to echo what the right hon. Gentleman has said, the community in Bangor is extremely shocked by what happened overnight. Regardless of politics, the entire community across Northern Ireland will want to give their full support to Alex and his family at this most difficult time.

Sammy Wilson: I am sure that feeling will be widespread across the constituency, as Alex—a former member of my party—is well known and loved there.

I share the Minister's view on at least one point he made at the start of the debate—namely, I would have preferred it if this Budget had been discussed in the Northern Ireland Assembly, and if decisions about priorities and spending had been made there. Unfortunately, that has not been possible because the Northern Ireland Assembly cannot function, because the very basis of the Northern Ireland Assembly has been destroyed. The Assembly has to work on the basis of consensus, but that consensus has been destroyed by the protocol. We hear ad nauseum from the hon. Member for North Dorset (Simon Hoare), who chairs the Northern Ireland Affairs Committee, that we should all be back and we cannot have any more Northern Ireland exceptionalism, but Northern Ireland has been made exceptional by decisions that he has supported—namely, that Northern Ireland no longer remains fully part of the United Kingdom as a result of the protocol.

Furthermore, even though I, my party and our representatives, as Unionists, believe that the protocol is damaging to Northern Ireland's position in the United Kingdom and to our economy, had we been sitting in the Assembly today, we and our Ministers would have been required to implement the very thing that we say is damaging us, making us exceptional, removing us from the rest of the United Kingdom, causing huge economic burdens—I will mention some in a moment—and being a drain on the Northern Ireland Budget. Yes, we would like to see this legislation debated and these decisions made in the Assembly, but until the basis of the Assembly is restored—that is, until there is cross-community consent for decisions that have to be made—that will, sadly, not be possible and this House will be required to intervene.

It is quite right that the Minister has taken a decision. I do not criticise him for leaving it so late, because he could not have done it before. Indeed, this Budget crisis originated not in October last year, but at the very start of that year—ironically, when the Assembly was fully functioning, and we had a Finance Minister in place, an operating Executive and Ministers who could make decisions about priorities—when, for the second time, Sinn Féin failed to present a Budget that could have the

[*Sammy Wilson*]

support of any party in the Assembly. There have been only two Sinn Féin Finance Ministers, Máirtín Ó Muilleoir and Conor Murphy, and neither has ever been able to bring forward a successful Budget. There is this idea from the Chair of the Northern Ireland Affairs Committee that these things would be resolved if only the Assembly were functioning—but the Assembly was functioning, and this was not resolved.

Simon Hoare: I understand why the right hon. Gentleman is trying to say what I said, but I am afraid he is missing the mark. What I actually said, if he had heard me, was that I appreciate entirely that a functioning Stormont would not be able to solve all the problems, but that surely solving some—or at least playing an active part in trying to solve some, even if they cannot do all—is better than nothing.

Sammy Wilson: For any problem to be resolved, as the hon. Gentleman knows full well, we need a Budget that Departments work from. The Northern Ireland Assembly has collapsed twice in the last four years. On both occasions, it collapsed without a Budget; that is a fact. It collapsed without a Budget because the Finance Minister could not present a Budget that people and other parties could sign up to. On both occasions, the Ministers responsible were Sinn Féin Ministers. All I am saying to the Chairman of the Select Committee is that we could not have had a functioning Assembly. Leaving aside the principle of consent, we could not have had a functioning Assembly because the Assembly did not have the authorisation to spend money on Departments because of the failure of Ministers.

Colum Eastwood (Foyle) (SDLP): Of course, the right hon. Gentleman is a former Finance Minister, but we should not go into his record in that Department if we want to get through the day. He knows that I am no supporter of Sinn Féin, but has he noticed that Sinn Féin has said that it would take the Department for the Economy if an Executive were formed tomorrow? Given everything we have seen over the past 25 years, that would likely mean that the DUP would get the Department of Finance. Surely that is an incentive for the DUP to go back into government and put a Budget in place very quickly.

Sammy Wilson: I do not want to get into history, but I would point out that in the first year I was Finance Minister, we had a 5% cut in the Budget in the middle of the financial year as a result of decisions made here, and we agreed a Budget. Furthermore, we agreed a Budget not just for one year but for three years, so it is possible for the Assembly to make decisions. All I am saying is that, in its current form and with the current party holding the Department of Finance, that has not been possible. The point I am trying to make is that rather than lay the blame at the feet of the DUP for not operating an Executive—in which its views were excluded anyway—we should lay the blame for this situation at the feet of those who could not make an operable Budget even when the Executive was functioning.

Moving on to my second point, the Minister has made great play today of the fact that Northern Ireland gets treated more generously than the rest of the United Kingdom. I accept that, but so do Scotland and Wales.

One of the important things about being part of the Union is that there are fiscal transfers from those parts of the country that have geographical, economic and infrastructure advantages that other parts do not have. I do not believe that it shows a begging-bowl mentality when people in Wales, Scotland or Northern Ireland—or indeed the north of England—say, “Look, there are parts of the country that are richer, but one of the benefits of being part of the Union is that those parts help the areas that are in difficulty.” Indeed, the Government’s own philosophy at the moment is what? To level up, and to accept that there is a responsibility to transfer resources to those areas that, for whatever reason, face disadvantages.

I would point out to the Minister that the increase in the money we have had to receive is partly due to the protocol, which his Government signed up to. There is nearly £500 million a year in the trader support scheme, as well as the resources behind the extra sanitary and phytosanitary checks—the people who have had to be employed, the computers that have had to be installed and the buildings that we now find are going to be built, but not as a result of a decision made by Ministers in the Northern Ireland Executive, because of course there could not be agreement on that.

Ministers at Westminster have now taken over the power to deliver at least a £47 million investment in border posts within our own country. There are questions—not for today, but at some other stage—about who authorised civil servants to start the work on those before Ministers in Westminster took responsibility, even though it was controversial. The Minister has talked about the difficulty of civil servants taking decisions, but it seems that when they want to, they can even make controversial decisions—decisions that split the United Kingdom and put border posts between Northern Ireland and the rest of the United Kingdom. Nothing can be more controversial than that, yet civil servants seem to have been able to take those decisions.

The Bill allows Departments to spend until the end of this financial year, and then into the middle—I think it is June—of the next financial year. That is not unusual. Indeed, if the Assembly had been functioning, that power would have to have been given to give the Departments the ability to spend that money on account until the Budget was finally agreed—it usually was agreed, but it was not agreed in some cases—in the Assembly in June of this year.

There are aspects of the Budget that are particularly difficult: one, which has already been mentioned in interventions, is the expenditure on education. Once education and health are taken out of the Northern Ireland Budget, we do not have a great deal left, because they account for over 60% of spending between them. However, education has been specifically targeted by Ministers to face a reduction, even though education spending in Northern Ireland is at the lowest level per head in all parts of the United Kingdom. The difference between Northern Ireland and Scotland, for example, is £1,200 per pupil. I know that these things are not always solved by money: although Scotland has the highest level of expenditure per head when it comes to education spending on pupils, its outcomes are actually falling, so let us not imagine that there is a direct correlation all the time between spending money and getting outcomes.

I am sure the Minister will make the point that that is why it is important for Government Departments to make decisions about performance, efficiencies, productivity and so on. Some of the decisions that the Assembly has made have not been helpful in that regard. The Integrated Education Act (Northern Ireland) 2022, which was passed just before the Assembly collapsed, gives preference to one particular sector of the education system. I think that Act is going to make it much more difficult to rationalise education and, therefore, to ensure that money is better spent. While I do not want to go into the detail of the Act today, that is what the other sectors of education believe as well—that it is going to make that whole process of efficiency and spending in education more difficult than it is at present. Again, that is an example of where just having a devolved Administration, which should know local needs, does not always ensure that the most efficient decisions will be made.

On health, leaving aside the money that is spent directly from Westminster—annually managed expenditure—we are now spending nearly 45% of the total Budget that the Executive has to spend on health, yet outcomes are falling and waiting lists are increasing. I get letters from constituents and angry letters from doctors all the time, saying, “We need to spend more on health. We are under-resourced; we are underfunded.” I do not know how much of the Budget we can continue to take out and give to one particular sector—there are other areas, as Members have mentioned, including policing, infrastructure, education, universities, training, agriculture and industrial promotion. All those things are in competition, and we cannot simply say, “Here is one part of the Budget that we will keep pouring money into.”

Of course, as I mentioned, some money could be released for the trader support service and the other expenditure around the protocol—nearly half a billion pounds every year. As the Government now accept, the reason why that money is spent is that the protocol is such a big disadvantage and a burden on business that they need to help those businesses overcome the bureaucracy, and the barriers and impediments to trade between GB—our biggest market—and Northern Ireland.

The other point I wish to make on the Budget this afternoon is that when it comes to looking at priorities, even in the absence of devolution Ministers could do more to look at where we need to spend the money and direct civil servants. Despite what the Minister has said, civil servants now have the power to have greater flexibility in how money is spent. I know it is difficult for them and that some of those decisions are political, but there have already been political decisions made about the priorities that the previous Executive and the Assembly wanted. Surely those things should be guides to civil servants in making decisions about how money could be more effectively spent. As I have said, they make some controversial decisions in relation to the protocol, so there is no reason why we should not have tweaking of the Budget.

The last point I wish to—

Mr Steve Baker: The right hon. Gentleman has mentioned this a couple of times and I mean to come to it as I close the debate. We have to insist that it is Ministers who decide, and officials who advise. He will know that the protocol is the responsibility of the Foreign Office. I am highly confident that Foreign Office Ministers will have taken a decision and taken responsibility for it.

Of course, it is not Northern Ireland civil servants who are responsible on the protocol, but the Foreign Office. I want us to respect the fact that the Foreign Office is taking this matter very seriously.

Sammy Wilson: The point I was making—the Minister knows this, because we have raised it here on a number of occasions—is that the responsibility did lie with the Northern Ireland Executive. The Foreign Office did not like the decisions that Democratic Unionist party Ministers in the Executive made on the protocol infrastructure and only recently have taken over the responsibility to implement that. Even before that happened, civil servants—I do not know whether they did this at the prompting of officials or Ministers in the Foreign Office—were already making decisions about clearing sites in my constituency to build border posts.

The last point I would—

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): Surely it is even more serious than that. The reality is that the Northern Ireland Executive and Assembly are now in a position where they have to administer laws that are not even created by this Parliament, never mind by the Assembly itself. This applies in more than 300 areas of law; the way we administer, for example, our ability to trade with the rest of the UK is now determined by a foreign polity, the EU. It imposes laws on Northern Ireland, on which we have no say; there is no scrutiny and no accountability for those laws. So the democratic deficit in Northern Ireland is very real to the Northern Ireland Assembly and Executive and is one of the fundamental reasons why we do not have functioning political institutions, because our party is not prepared to tolerate a situation where we are treated like an EU colony.

Sammy Wilson: Until that situation is resolved, we are going to be faced with the kind of situation we are discussing today. What amazes me is that other parties in the Assembly, which equally will have no say on those laws, meekly accept those powers being taken from them and not being available to them. I have heard many debates in this Chamber about the Government snatching power from devolved Administrations on various Bills, yet we find that some parties in Northern Ireland are happily accepting that they should not have the ability to make decisions on matters that will greatly influence the lives of ordinary people.

Simon Hoare: The point about the democratic deficit is important, as everybody would understand. Does the right hon. Gentleman share my understanding that both Westminster and the EU are very alert to this, and that the EU is keen to find ways, such as Norway has, whereby the views of directly elected Northern Irish politicians, business organisations and others will be taken into account and canvassed in order to shape rules, which may apply to businesses, standards or whatever it may happen to be within Northern Ireland? I appreciate that that does not hit the sweet spot that he would like to see, but we should all draw comfort from the fact that everybody recognises that there is an issue with the democratic deficit and that there are models whereby it can be addressed.

Sammy Wilson: I am amazed at the hon. Gentleman's intervention. As far as I know, he is a member of the Conservative and Unionist party, and as a Unionist, he

[Sammy Wilson]

should be interested in that sweet spot. Simply to hand over power and then find some complicated mechanism to ensure that maybe someone's voice is heard and considered, while laws from outside are still imposed in our country and a foreign court adjudicates on whether they have been applied properly, does not hit the sweet spot with me, and it should not hit the sweet spot with him; otherwise he should take "Unionist" out of the title of his party membership.

Let me make one last point, about the size of the Budget. Unless there is a radical movement in the EU's position, the situation could continue for some time. It is important that Ministers consider some of the points that have been made by the education sector, especially in Northern Ireland. Youngsters have fallen behind as a result of covid, and have been locked out of schools. Many of them—and I know this from my own constituency—are youngsters who are most disadvantaged in education anyway, and there should be a discussion with the education sector about what can be done to introduce additional help, especially for youngsters who have fallen behind as a result of the covid closure of schools.

There will be further discussions after the Bill progresses, and I hope that many of the priorities articulated in the Chamber today will be considered. I understand that there are certain sides on a cake, but I do not believe that the cake is big enough. If we consider the existing pressures—teachers, wage increases for public servants, the cost of energy and so on—some of them are universal and apply across the board in the United Kingdom, but given the size of the public sector in Northern Ireland even a Barnett consequential does not fully compensate for the increase in costs that the Northern Ireland Administration faces. Those are the kind of issues on which I hope we can have continued discussion with the Minister in future.

5.52 pm

Colum Eastwood (Foyle) (SDLP): I promise not to make as many final points as were made in the previous speech. Listening to some of the contributions, one would almost think that Brexit was a bad idea for the people of the north of Ireland, given all the consequences. We do not have any influence or representation any more in the European Union, and I could think of one or two ways in which we could remedy that.

At the last election, the Conservative party in Northern Ireland secured 0.03% of the vote, but today the Conservatives are setting a Budget for the Departments and the people of Northern Ireland. They are doing so because the Democratic Unionist party will not go into government and take control of the Department of Finance and set a Budget for the people of the north of Ireland. The argument from the DUP seems to be, "Sure, we can't fix everything, even if we do go back into government. There is no magic wand." As a harsh critic of the DUP-Sinn Féin Government over many years, I can say that it is impossible to fix everything—absolutely, Stormont could not fix everything, but it is the job of public representatives to roll their sleeves up, get in there and try. It is like a Pontius Pilate concert—"nothing to do with us"—with hands being washed all over the place. The reality is that a Budget has been set

by the Conservative party, which has absolutely no support in Northern Ireland, because the DUP will not go into government, although it could go into government tomorrow morning if it wanted to.

The Minister—a man I often agree with—made a clear point: there is no connection whatsoever between the negotiations that are going on between the European Commission and the British Government and the formation of a Government in Northern Ireland to deal with the problems that we face. Anybody who says otherwise is lying to themselves. In my view, the issues around the protocol will be resolved, but it is vital that a core part of that resolution respects the fact that we now have a fantastic opportunity, because of the protocol, to trade into two markets unencumbered—an opportunity that no one else has. Indeed, the Secretary of State is in America right now, selling to American companies.

Paul Girvan: We would not be where we are today if the DUP had not come out of the Assembly. Europe and everything else would have floated along quite happily and we would have been left to drift forever. We were told day in, day out, "We're talking about this. We're talking about that," but we were getting nowhere. We had to do something, and this was the only opportunity.

Colum Eastwood: The hon. Gentleman is absolutely right: we would not be where we are today were it not for the actions of the DUP. And where are we? We have people dying in their homes because ambulances are not coming in time. We have people on trolleys for over 24 hours in every hospital in Northern Ireland. We have an Education Department that is being cut to ribbons by this Budget. We have people from my constituency emigrating every day because they cannot find work. Will that all be solved by the Executive in the morning? No, it will not, but it is our job to try. That is the whole point of representative democracy. That is the whole point of devolution. That was the whole point of the Good Friday agreement—that people who disagree with each other can come together and thrash out agreements to get things done. It is difficult and it is tough, but it is what we are supposed to do.

I welcome the conversion of the right hon. Member for East Antrim (Sammy Wilson) to levelling up areas that need it most. I will extend an invitation to him now to visit Foyle, because my experience of previous Executives is that they did not do an awful lot of levelling up there.

Sammy Wilson: The hon. Gentleman continually raises this issue—sometimes taking a whining approach as well—but under the Executive I remember money going to the airport at Londonderry, Altnagelvin hospital getting the cancer centre and money being allocated for the road from Londonderry—

Sir Jeffrey M. Donaldson: And for the university.

Sammy Wilson: I am thinking only of my own experience. Actually, the road was cut because the Irish Government said they were not going to make their contribution to it.

Colum Eastwood: It is interesting that people in Derry are entitled to some Government funding—thank you very much! My constituency has the highest unemployment,

the highest claimant count and the highest household overcrowding, and it has five of the 10 most deprived areas in Northern Ireland. Maybe some work was done, and maybe some money was spent outside the Greater Belfast area, but it has not had the impact that some might claim.

If people think it is good enough or acceptable just to say that we will throw a few quid at people in Derry—people who have been left behind—after many decades, they are absolutely wrong. The New Decade, New Approach agreement was referenced earlier, and this Government have a responsibility for some of the commitments in it. I think of the expansion of Magee—there is still no funding for that from the Government. There is the Brandywell stadium—there is still no funding for that from the Government. And there is the Northlands addiction centre—we have had promise after promise, but the money is still not in a bank account.

Frankly, I find it difficult to watch people jumping up from their seats and giving excuse after excuse as to why it would not make any difference if we were in government, when people are literally dying on trolleys right now because they cannot get access to the health service. We are abdicating our responsibilities as elected representatives for the people.

Sir Jeffrey M. Donaldson: The hon. Member consistently attacks the Democratic Unionist party, but might I remind him about the history of his own party? When people were dying on the streets of Northern Ireland in their thousands, his party refused to take its seats at Stormont and participate in a functioning Assembly for very many years. He will argue there were valid reasons for that, but he should at least respect that if we are going to sort out our problems in Northern Ireland, Unionists also have an entitlement and a right to have valid reasons not to participate in institutions when they feel that their rights have been undermined and diminished.

Colum Eastwood: That is astonishing, given the fact that we had the Sunningdale agreement, where we had people working in those institutions. They were brought down, frankly, by people associated with the right hon. Gentleman's political party and other Unionists. That accusation thrown at the Social Democratic and Labour party for not wanting to make institutions work is coming from someone who walked away in the dying hours of the negotiations to bring about the Good Friday agreement. That agreement had to be brought about because the three strands—the three sets of relationships—had to be recognised. We could not have an internal settlement in Northern Ireland without north-south institutions and institutions that recognise the east-west dimensions to our relationships as well, and it is absolutely ridiculous to state otherwise. We now have people in the DUP using the Good Friday agreement as a reason why they cannot go back into government. It is absolutely astonishing, it is wrong and it is an attempt to pull the wool over people's eyes.

We all, in all our communities and constituencies, should recognise that the European social fund, for example, has gone. That was £40 million into communities, supporting 1,700 jobs and activity right across every single community. The British Government are proposing to give us half of that back, even though they told us that we would not lose a single penny as a result of Brexit.

That is 800 jobs in the community and voluntary sector gone. We have councils across Northern Ireland right now considering massive rates hikes, which will put more pressure on ratepayers and small businesses, and it will mean that workers in those small businesses, many of whom are already on the breadline, will lose their jobs.

We also have an opportunity missed today—I think the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) and every other political leader in Northern Ireland will agree with me on this, because they all signed a letter about it—to implement the organ donation law known as Dáithí's law. The Government missed the opportunity, and I ask them to revisit that. The work done by young Dáithí, his whole family and the people around that campaign deserves support from this Government.

I also put on record my condolences to Alex Easton, his whole family and his family circle. It is an awful tragedy to happen to anyone, and I cannot imagine what that family is going through.

We have proposed a change to the rules around how a Speaker would be elected, which I think could get the Assembly back up and running and at least see Committees meeting. It will not see an Executive up and running, but that is down to a political decision by the DUP. The DUP tells us that the basis of the Assembly is consensus—well, not in my experience. I do not remember an awful lot of consensus in the Assembly in the nine years I was there. The principle of consent is the basis for the Good Friday agreement, and it is a very different thing.

I am saying, as an Irish nationalist who thinks that all these economic and social outcomes will be better in a new Ireland—I think we will get there sooner than some people think, and I thank some of the people sitting to my left for that—and who wants to bring about constitutional change, that the principle of consent is sacrosanct. It is not going anywhere, and it is not changing. This pretence that we have been taken out of the United Kingdom and nobody noticed is the basis of the boycott of the Executive, but I must have missed the victory party, if we are now all in a united Ireland. I did not notice.

Sir Jeffrey M. Donaldson: Now you're being childish.

Colum Eastwood: No, I am not being childish. The DUP's argument is that this is a constitutional rupture and the people of Northern Ireland have been taken out of the United Kingdom. That has been said twice by DUP Members in this debate, and it is simply not true. If that is what they want to tell people, it is a very strange way of being a Unionist.

My view is that the Assembly is there to deal with all the problems we have in the health system and the education system. I want to see a united Ireland, and I will work to make that happen, but I have to convince enough people and we have to have a referendum, and that is when the principle of consent comes into play. The two things should not be conflated. A political decision has been made by the DUP, and there are consequences for it. My view is that the DUP has to own those consequences.

6.4 pm

Gavin Robinson (Belfast East) (DUP): As you know, Madam Deputy Speaker, it is customary to say that it is a great pleasure to follow the previous speaker—in this

[Gavin Robinson]

case the hon. Member for Foyle (Colum Eastwood)—so may I thank him for the comments that he made about Daithi's law, which makes that convention easier to abide by? I agree with him wholeheartedly, and I thank him for his sincere remarks about our former colleague Alex Easton, the independent Assembly Member for North Down. In such harrowing and tragic circumstances, those remarks will be appreciated by him and by all those around him.

I do not think that there is any need to delve into some of the squabbling of the past 10 minutes, but I place on record my appreciation for the comments of the shadow Secretary of State, the hon. Member for Hove (Peter Kyle). He rightly identified the huge failure on the part of the Government to deal with or grasp the issues presented to them in the six months following the September 2021 speech at La Mon in which my right hon. Friend the Member for Lagan Valley (Sir Jeffrey M. Donaldson) outlined clearly, in intelligible terms that anyone could understand, how the protocol was fraying the strands of the Belfast agreement. The more those strands fray, the more likely it is that they will snap.

We should not need a history lesson in this Chamber to know that in New Decade, New Approach an agreement was struck that dealt not only with police officer numbers, but with the fact that Northern Ireland had been removed from the United Kingdom's internal market. A commitment was given to restore Northern Ireland's place within the United Kingdom's internal market. If that commitment had been delivered, we would not be where we are today. If the warning that the shadow Secretary of State has highlighted had been heeded at that stage, steps would have been taken to ensure that we did not end up where we are today.

I had to smile when the Chairman of the Northern Ireland Affairs Committee, the hon. Member for North Dorset (Simon Hoare), said that we get fed up with him. He then had more to say, but I agreed too early, so I apologise for that. However, he has stood at the vanguard of those who have dismissed and demeaned the legitimate political concerns that have been raised—not post the Northern Ireland protocol, but during its passage through this House and in all the tumultuous years that led up to that point. It was clear as day: we did not support it in October and November 2019, and we did not support it when we came back in January and February 2020.

It is clear as day that when Northern Ireland is removed from its integral place within the United Kingdom, without the consent of people in Northern Ireland; when a situation is created in which Northern Ireland Assembly Members are no longer able to vote, speak or shape laws that attach to trade; when a huge cost is placed on consumers across Northern Ireland and product choice and availability is removed; when there is an attempt to subvert that at a cost of £358 million over the past two years, or some £460,000 a day, for the trader support service in order to ameliorate the bureaucratic requirements associated with the protocol, with grace periods in place; and when people have the temerity to talk about a cost of living crisis, without recognising the huge costs placed on consumers and businesses in Northern Ireland because of decisions taken by this House, there is a problem.

I am extraordinarily sorry to say that this is the second time that as Members of Parliament here we are having to set a Budget for the people of Northern Ireland. That should not be the case. The issues should have been grappled with much earlier. The Chairman of the Northern Ireland Affairs Committee indicated that civil servants cannot make decisions, but we passed the Northern Ireland (Executive Formation etc) Act 2022 in this House last year. Section 3 of that Act makes it very clear that civil servants are empowered to make a decision even when it has not been put to the Executive, if “it is in the public interest”.

Am I suggesting that that is an ideal situation? No. Am I suggesting that it could not be better? No. Would we like to be in Stormont, shaping our own destiny? Absolutely we would, but we should not suggest, as has been suggested, that decisions of public importance on life-and-death issues—decisions that are in the public interest—should not or cannot be taken. They can.

That is why I have raised with the Minister of State, on a number of occasions, an issue around Grenfell cladding, as but one example. The hon. Member for Belfast South (Claire Hanna) will know that she benefited from Grenfell moneys in her constituency because a building there had an ACM cladding system. In my constituency, buildings have non-ACM cladding, for which the Executive have not yet created a scheme. I am not talking about money that the Executive need to get from Whitehall—they already have it. In March 2020, I got letter from the Finance Minister saying that the money had been reallocated because we did not have a scheme, and yet in one complex alone in my constituency there are 474 apartment owners who know that their building is made from materials that need to be remediated. They also know that, two years ago, the Executive got money from Whitehall to remediate that building. They cannot sell their properties. They cannot get an EWS1 form. They cannot borrow against their properties. They are stuck until the scheme is delivered. We are talking about remediating cladding that is a fire safety issue.

Mr Steve Baker: The hon. Member makes his point with great force on behalf of his many constituents. Since last week, when we met and discussed the subject and I wrote to him, my officials have confirmed with Northern Ireland civil servants that a scheme is under development. I know that he will continue to champion his constituents on this issue and I will continue to be in touch with the Northern Ireland civil service on this point. Obviously, we do need to see progress on that.

Gavin Robinson: I thank the Minister. I appreciated the correspondence, which he copied to colleagues as well, and I appreciate him looking at this. The scheme that was referred to his officials has been under development for well over 12 months now. The scheme envisages a Whitehall Department—it will remain nameless—which is already administering the scheme in England, administering the scheme on our behalf in Northern Ireland as well. Yet, even though we passed legislation in the Northern Ireland (Executive Formation etc) Act 2022 last autumn, officials are still suggesting that, when the scheme is developed, they cannot do anything because they need the Executive to agree it. I was grateful for the clarity in that legislation last autumn that that is not the case and that it need not be the case. It is in the public interest that officials should advance that in the absence of functioning institutions at Stormont.

I raise that as just one discrete issue to highlight how things must move on. Policies must progress. When money has been attributed by Westminster to Northern Ireland for that specific purpose, when the Executive have accepted that there needs to be a scheme, and when there is a blatant need for people who are trapped in their homes or for fear of fire safety issues, it needs to happen.

I mentioned that this is the second time that we have considered a Budget Bill in this place. I want us to cast our minds back to the last process. In that, the Treasury started off with the new regional rate for Northern Ireland at something extraordinarily ridiculous like 18%. I see that one official who was scarred by that process has returned for a second go. However, 18% was absurd. We had to engage significantly with the Treasury on that. In those discussions with the then right hon. Member for Runnymede and Weybridge, now Lord Hammond, it was clear—this is the importance for this debate—that we cannot just keep on with the same funding system for Northern Ireland. I invite the Chair of the Northern Ireland Affairs Committee to have an inquiry on that specific point.

There is absolutely no point in either today setting a Budget and thinking things will get better tomorrow or establishing an Executive and believing that it will all be okay. The Northern Ireland funding system does not work. The Northern Ireland funding system will only get worse. The Minister enjoyed saying that Northern Ireland gets a 21% premium above his constituents in Wycombe, but if we are honest about the figures, his constituents are outbid by a 30% premium for households in London, 20% for those in the north-east of England and 20% for those in the north-west of England. All those individuals do better in funding per household than the affluent south-east of England.

Northern Ireland has a disproportionately larger public sector, even though it has a smaller population, because there needs to be a critical mass to provide services. We have higher levels of deprivation; the hon. Member for Foyle mentioned it, and parts of my constituency, west Belfast and other urban environments are in exactly the same position. Rural deprivation is also disproportionately higher than in other parts of the United Kingdom. That all goes back to the Barnett formula from 1979; the Northern Ireland Affairs Committee should grasp the issue. When we engaged with the then Chancellor of the Exchequer, there was a recognition of that, but if someone were to ask the Treasury today whether there is a problem with how Northern Ireland is funded, it does not seem to have any legacy knowledge of that discussion.

Importantly, it was agreed in New Decade, New Approach that a Northern Ireland Fiscal Council would be established to consider how Northern Ireland is funded and the sustainability of our funding system. That has been established and it has published incisive reports that are ignored. If they are not ignored, they are picked up only because people are interested in newsworthy items about Brexit or about the potential for water charges. People are missing the core element of those reports, which is the recognition that, if we do not systematically change how Northern Ireland is funded, the situation will only get worse.

In January 2023, the Northern Ireland Fiscal Council considered the long-term projections for the Northern Ireland block grant. It was 29% of the premium that we received in the 1970s and it has fallen sharply since.

Simon Hoare: If the hon. Member would like to set out in a short email or letter to the Committee the scope of the inquiry that he envisages and the reasons that underpin it, I will take that to Committee colleagues in the not-too-distant future and see what, if any, progress we can make on it, because he makes a valid point.

Gavin Robinson: I am grateful to the hon. Gentleman.

It is what is known as the Barnett squeeze: it started off at 29%, it was 25% in 2002 with the Northern Ireland Executive, and it is currently sitting at 21%. Over the next 50 years, it will be 6%. That 6% higher sounds great, but it is not when we assess the relative need of people in Northern Ireland and the disproportionately higher level of public services. The pay parity issue in 2019 and 2020, when nurses went on strike for the first time in the UK in Northern Ireland, illustrates the point entirely: pay awards were being agreed in England, but the funding was not being sent to Northern Ireland to pay nurses the money that they deserve.

In September, the Northern Ireland Fiscal Council was as clear as it could be when it said that, by 2030, Northern Ireland will have public spending below relative need. The tensions we hear about today, and the pain we experience in individual aspects of public services, indicate that we are quickly getting to the point where we cannot provide the public services that people in Northern Ireland need at the funding levels that we have. In the next spending cycle from 2022 to 2025, Northern Ireland will see a 3.6% increase in spending, but in England, there will be a 6% increase. The squeeze will get worse.

I say all that not to be boring—I do not like economics; I do not find it that interesting—but because it is crucial. In Northern Ireland, the headlines will be, “Parliament rushes through a Budget Bill.” The Bill is a snapshot in time that crystallises what has happened over the last 10 months, determines what will happen for the rest of the financial year and sets out projections for the next six months. It misses the fundamental point, however, that unless there is a total and earnest recalibration of how Northern Ireland is funded, the situation can and will only get worse. With or without an Executive, and with or without a protocol, this will only get worse, and public services in Northern Ireland will stall. They will stall and get to a point where it is irretrievable. As an elected representative who believes in raising issues that are of huge importance to the people I have the privilege of representing, I cannot let this evening pass without raising those fundamental issues.

6.20 pm

Ian Paisley (North Antrim) (DUP): It is a pleasure to follow my hon. Friend the Member for Belfast East (Gavin Robinson) on this matter. At the outset of my speech, I also refer to the very kind comments made about our colleague Alex Easton. In the course of today's events, he has sent a little text message thanking colleagues for their kind messages. The unbreakable heartache he must be going through will be unfathomable to most, and we leave him in the care and grace of his God and saviour at this time.

Turning to the less solemn issue of the Budget in Northern Ireland, which this House is passing, I chided the Minister earlier that no doubt he would say that, if we had a functioning Executive up and running in

[*Ian Paisley*]

Northern Ireland, the Budget at Westminster would not be necessary and everything would be much better. Legislating for the Northern Ireland Budget Bill at Westminster is of course a mark of the failure of the Government to create the conditions to help restore the Executive. The Democratic Unionist party cannot do that on its own, despite the childish comments from some that, if the DUP just got over the protocol, this thing would be sorted out. If it were that easy, most of us agree it would have been sorted out, but it is not, because there is a problem here that has to be addressed.

It is now two years since the protocol came into effect and the Government have still failed to fix the problem of the protocol. I remember the first debate in the House back in the new year, in January, after the protocol had come into effect. I said then that within a week it was clear that the operation of the protocol would be an unmitigated disaster for Northern Ireland and we should move immediately to trigger article 16. I was told that that was premature and, “Don’t be silly, that cannot be the case.”

It has taken two years for the penny to drop. Among the architects of the protocol, even Leo Varadkar in recent days has indicated his regrets at signing up to it. Former Taoiseach Bertie Ahern was in the House at the Northern Ireland Affairs Committee today and again said that this matter has to be resolved. Thankfully, the chorus has started to change. My hon. Friend the Member for Belfast East is right to single out the shadow Secretary of State for Northern Ireland, the hon. Member for Hove (Peter Kyle), for, I think for the first time from the Dispatch Box, making it clear that Unionists have actually got a point here, and sooner or later that point has to be addressed.

Six months after I gave my comments in 2020, in a Command Paper, the Government accepted that the “combination of serious economic and societal difficulties, along with the obvious diversion of trade, would justify”

triggering article 16. That was 18 months ago. We are in what is called the can-kicking phase of the protocol’s existence, with the can just being kicked down the road and nothing actually being done, when all the evidence clearly suggests things should have been done years ago. They were flagged up. There was no excuse not to do them—they were flagged up and should have been done years ago.

A further year on, with no substantive action having been taken and following the understandable and inevitable collapse of the Northern Ireland Executive, the Government introduced the Northern Ireland Protocol Bill, claiming the legal justification of necessity. In international law, the doctrine of necessity requires “grave and imminent” peril, yet a further six months and more have passed and the Northern Ireland Protocol Bill appears to be stalled in the other House.

I know the Secretary of State and the Minister of State, and indeed others, want the DUP to put hope over bitter experience and take this Government on trust and restore the Executive before the protocol has been fixed, but the Minister of State will know that it is not going to happen. I have referred to his comments on 23 October when he set the standard; it is a very good and high standard and it has to be met. The Government

have got to deal with Unionist demands on the protocol. Those are not just my words but the Minister’s words, and I appreciate his echoing them. There is no point in the Government’s complaining about legislation for a Northern Ireland Budget in this House given that they have failed to address the problems of the protocol over the past two years, when they have had ample opportunity to do so. I hope they will address them now.

I do not criticise the Government for legislating on this matter. I want His Majesty’s Government to govern. I do not want them to manage; I do not want them to hold the ring until something better comes along. There will be things with which I disagree and there will be things that I oppose, but it is the Government’s job to govern for our region of the United Kingdom when devolution is not in operation. I therefore do not criticise the Bill on that point of principle, but I believe it has taken far too long for the Government to act, and as a result the public sector finances in Northern Ireland have continued to deteriorate. We need to address that as a matter of urgency.

The options do not get any better if the inevitable is delayed. The time and the personal political credibility of the Government were wasted when they were playing around saying that there would be another election. That was the time for them to act immediately. They should have acted when the leader of my party pulled the First Minister out of government, but it is not a matter of 20 days or so but a year since that happened. The Government have had a year in which to do something about this, not just since the election but well in advance of it. A great deal of time was wasted over that year when the Government were not grappling with the issue.

As my colleagues have already pointed out, devolution of itself does not generate money, with the exception of the rate take. It is important to guard against the idea that an Executive would be an answer to many of the serious challenges faced by public finances. That is not abrogating responsibility; it is a statement of fact. We should not pretend that the Executive is a solution to all our problems. The mere fact that devolution does not produce money is one indication of that. Ironically, spending in Northern Ireland will probably be higher this year in the absence of an Executive—because the Secretary of State was able to secure flexibility from the Treasury—than it would have been if the Executive had been in place. This comes at the cost of next year’s Budget, which I think will be a worry for many people.

There are three points that I want to leave with the Minister. First, the Budget does not deliver on NDNA commitments. As some of my colleagues have already observed, NDNA spelt out the need for a sufficient increase in resources to allow the number of police officers to rise to 7,500, but the Budget does absolutely nothing to achieve that. In passing the cultural legislation, the Government placed reliance on the purported implementation of the NDNA agreement, but the Budget flies in the face of that approach when it comes to policing, which is something that will affect everyone in Northern Ireland.

Secondly, the Budget fails the children of Northern Ireland. It is one thing to set a challenging Budget at the beginning of a financial year, but it is quite inappropriate to impose damaging and undeliverable cuts in the final months. I think that all Northern Ireland Members—and, I hope, the Government—have received copies of a

letter that was sent jointly and uniquely, for the first time, by the chief executive of the Council for Catholic Maintained Schools, the chief executive of the Controlled Schools' Support Council, a chief executive in the Irish sector, the chief executive of the Catholic Schools' Trustee Service, the chief executive of the Governing Bodies Association Northern Ireland, the chief executive of the Northern Ireland Council for Integrated Education, and the chairperson of the Transferor Representatives Council. That letter spells out very clearly that the authors

"question the lack of parity"

between Northern Ireland and the rest of the United Kingdom. They ask:

"Why is the education of a young person in NI valued less than those in England, Scotland and Wales?"

My right hon. Friend the Member for East Antrim (Sammy Wilson) went into that in some depth. He has significant knowledge, having for a long period headed the section that set the exams in Northern Ireland. I am delighted for Scottish kids. They get the equivalent of £7,600 per pupil. In Wales it is about £6,600, and here in England it is £6,700. Northern Ireland gets £6,400. There is a significant decrease in the moneys available to help children in Northern Ireland, and that crisis is not addressed by the Budget that this House and this Government are presenting to us this evening.

Gavin Robinson: To add to that, I outlined the difficulties of the squeeze over the next three financial years, which will see £2,000 taken from the spend of every household in Northern Ireland. That is almost 10% in public spending off every household in Northern Ireland over the next three years.

Ian Paisley: I thank my hon. Friend for putting that on the record. It is clear that this Budget and the squeeze that he identified—set by this House—leaves the Northern Ireland education system facing a funding crisis that will affect every child and young person, not just this year and next year but for years to come.

The third point I want to leave with the Minister is that this Budget makes next year's Budget even more difficult. I touched on that in my earlier comments on being able to get money out of the Treasury. Though it was not highlighted in the Secretary of State's November statement, this Budget is balanced only by robbing from next year's Budget. That will make it even more difficult for any new Executive to agree a Budget, given the cost of living crisis and wage pressures. In the absence of reforms or additional funding, it is difficult to see how next year's Budget will be credible at all.

At the outset of his comments the Minister thanked the various permanent secretaries in Northern Ireland for taking on a very difficult task. It should be pointed out that the various permanent secretaries in Northern Ireland have described this Budget as grotesque. They are not happy being left to carry the can. We find ourselves in a constitutional netherworld where the Secretary of State dips in and out of devolved responsibilities formally and informally in a manner that is frankly unacceptable. That has been referred to by former senior civil servants as an affront to the democratic process.

Although Parliament has the right to legislate for Northern Ireland in the devolved field, it is only in very narrow and carefully defined circumstances that it has

the power to take executive decisions. We have seen the Government taking legal powers to intervene in areas such as abortion law and the implementation of the protocol, but not to tackle hospital waiting lists or Dáithí's law, as raised by the hon. Member for Foyle (Colum Eastwood), to allow Northern Ireland's new organ donation laws to take effect.

Many will question the political morality of the choices that the Government have made and the right to do that, but it is equally unacceptable, in the absence of direct rule, for the Minister to make Northern Ireland civil servants answerable to him. Direct rule is a legitimate choice for the Government to make in the absence of devolution. It is not a choice that we are asking them to make, but indirect rule where the Secretary of State seeks to wield power without taking responsibility is not acceptable. It puts civil servants in an intolerable position. They are expected to make the cuts but do not have the authority to bring forward the reforms. I go back to my first point to the Minister: govern, do not manage. That is the job and that is what should be done. I hope that the Government will act now. There is an old saying that if you break it, you fix it.

By signing up to the protocol, the Government broke the institutions first created by the Belfast agreement. Rather than asking Unionists in Northern Ireland to do the politically impossible, the Government should face up to their own responsibilities. The Budget will pass this House tonight, but very soon the constitutional no man's land must come to an end. Either the Government should fix the protocol so that new arrangements can be supported by Unionists as well as nationalists, or they should take responsibility for decision making in Northern Ireland in a way in which they can be held accountable properly and thoroughly by this House.

6.34 pm

Stephen Farry (North Down) (Alliance): The Bill is essentially about giving legal effect to the Budget policy statements and the allocations made by the Secretary of State back in November. In practical terms, there is relatively little that we can do retrospectively tonight about what has already happened, but this is an opportunity to make wider points about funding, and to look ahead.

These decisions come late in the financial year, and in the absence of a formal Budget statement from a devolved Executive, bodies are essentially operating in a vacuum. That has led to some very unfortunate overspends, and has inhibited the capacity of Departments and agencies to plan ahead properly, and to use their scarce resources with maximum efficiency and effectiveness. That has real-life consequences. It is certainly my contention that having an Executive very much matters to the wellbeing of those in Northern Ireland, and to our finances. The notion that it does not really matter whether we have an Executive is a major fallacy.

Obviously, the lack of an Executive is linked to the protocol. I promised myself that I would not mention the protocol, but as it has come up, I will make a few comments on it. My party recognises that the protocol brings a degree of economic friction. It creates a new interface within these islands, and it interferes with some sense of identity in Unionism. We recognise the problems of the protocol, but my frustration is that people charged ahead with Brexit without really considering the implications for a shared, interdependent Northern Ireland, but we

[Stephen Farry]

are where we are. As for the way forward, we want a pragmatic solution. If we turn the protocol into a constitutional test, I fear that we will not find a way forward. For us, the key issue is maintaining dual market access—access to both the wider UK market and the European Union market. There has to be some recognition that that means adherence to certain aspects of EU law and ultimately, in some respects, being in the jurisdiction of the European Court of Justice. That aside, we are extremely open-minded about where we go; as long as solutions are mutually agreed with the European Union, legal, sustainable in the long term, and work for the business community, we will give any outcome a warm welcome.

There has been reference made to the moneys involved in the trader support service. I would rather that the money was not spent on it, but it is recognised that the money does not come from our block grant; it is money that the UK Government are spending, so there is not a trade-off between that spending and what we can do ourselves in Northern Ireland.

There are clear implications for Northern Ireland from the current lack of a budgetary framework, most particularly for health. Night after night, healthcare professionals call for an Executive to be put in place to provide a framework for decisions. Everyone recognises that there is no silver bullet, and no magic money tree, but an Executive would at least provide a framework for decisions to be taken, and provide for some degree of planning, which is crucial when resources are scarce.

Reference was made to education, and the almost impossible task of finding £100 million of savings with two months to go in the financial year. I am the first to recognise that there are massive inefficiencies in our education budget, but they should be unlocked over time. Finding those savings in a short period will not work at all.

In a different universe, a devolved Executive would continue to function in Northern Ireland, and it would now be considering its Budget policy for 2023-24, rather than tidying up the end of 2022-23. Indeed, the 2023-24 Budget would be part of a multi-year Budget that allowed for longer-term planning and clarity on available resources. Furthermore, that Budget could be linked to a programme for Government, and fully aligned with a range of strategic objectives for the transformation of Northern Ireland. That alignment is highly desirable at the best of times, but is absolutely essential at times of financial stress and struggle. There is a clear example in the Department of Health, in which we all recognise that there has to be some degree of transformation. In particular, we need to invest in building up certain staff teams, to tackle the issue of waiting lists. However, if the Departments and the trusts are only getting their allocations quite late in the year and do not even know what they will get next year, they do not have the confidence and clarity to make those investments. That is just one example of a massive opportunity cost in not tackling those waiting lists, which I stress are the worst in the United Kingdom: we hear a lot about the health crisis across the UK, but on all those indicators, Northern Ireland is that bit worse.

While this Bill does include a vote on account, which allows Departments to spend legally at the beginning of the incoming financial year, it does not give clarity on

what they will have to spend over that 12 months, so they cannot make longer-term allocations or plan properly. We need to see a Budget decision-making process for the next financial year, taken—preferably—by a functioning Executive that is restored in the near future, or by the Government, if they have to do that instead. That has massive implications for where we are going and for our governance, but at some point we have to recognise that that is the price we pay for not having functioning devolution, to provide some degree of certainty for those in our public services who are trying to do their best on behalf of all the people of Northern Ireland.

I tend to agree with the Minister that previous Executives have squandered opportunities to reform our public services, but that is not the entire story. It is also important to recognise that, as the hon. Member for Belfast East (Gavin Robinson) has set out, the size of our block grant in Northern Ireland is set to be squeezed in real terms over the years ahead, not only through the Barnett squeeze, but due to the fact that our basic allocation is being reduced because—for reasons that I will not labour at this stage—the wider UK public finances are in a difficult situation. We heard announcements from the Chancellor of the Exchequer in the autumn about how that would be managed over the coming years, but we are part of that wider framework and suffer as a consequence.

While recognising that our finances are unsustainable, I will highlight one area that my party has been keen to stress: Northern Ireland is wasting a lot of resources, which could otherwise be spent on investing in our economy and improving public services, on managing a divided society. There are many good reasons to overcome the segregation and division and to build a shared and integrated society, but finance must be one of them. Various estimates and reports over the past years have put the cost of trying to manage a divided society at between £400 million and £800 million per annum. That comes with major opportunity costs, as I have said.

Those costs occur in four particular areas. First, there are the direct costs of policing riots, other civil disturbances and parades, distortions to policing from the security threat and repairing damaged buildings and facilities. Secondly, there are costs associated with the duplication of goods, facilities and services implicitly for separate sections of our community. That includes most clearly what happens with schools in different sectors, but also the spatial distribution of GP surgeries, jobcentres, community centres and leisure centres.

Thirdly, there are hidden costs, which impact on the environment in which Departments and agencies operate and include pressures on the housing sector, for example, from demographic imbalances and a sense of territory, with various implications for people's mobility depending on where they are housed. Fourthly, there are lost opportunities for economic activity and tax revenue and for investment in tourism and job creation.

Beyond those costs, there is a compelling case for transforming health. The Northern Ireland Fiscal Council produced a useful report on that in the past year, which people should read and consider. Obviously Northern Ireland has higher health needs than other parts of the UK, so health spending will always be higher in Northern Ireland than elsewhere, but none the less the report points to inefficiencies in how our health sector is run and operated. There is a challenge for a returning Executive

to genuinely tackle that and, in doing so, to improve health outcomes. This is not about cuts for the sake of cuts; it has to be about rebalancing how we spend our Budgets to get better outcomes.

Another clear example is the scandal of double funding between schools and further education, which amounts to scores of millions of pounds every year. Given that Northern Ireland does not have a proper 14-to-19 framework, we end up with schools trying to retain pupils post-16 by offering a whole range of vocational courses, even though the further education system is a much better place to offer such courses. Schools also get two years' worth of funding per student in years 13 and 14, but if a student is not performing sufficiently well in the school's eyes, they are asked to leave rather than stay and bring the school's results down in the artificial league tables, so they end up going into the FE sector and effectively repeating a year. That is just one example of money needlessly being spent when it could be better invested elsewhere.

My wider fear is that public finances in Northern Ireland are on a burning platform. Some retired civil servants have talked openly about the fact that £1 billion-worth of pressure is building up in the system, but our Budgets are shrinking and the longer-term trajectory is smaller, smaller, smaller. Without the time, space and opportunity to reform and transform, all we will see is cuts, cuts, cuts. That means that we will end up with worse health and education systems, we will not invest in skills and, indeed, we will not meet our obligations to invest to mitigate climate change. What we will see, essentially, is managed decline and stagnation, and that simply lets Northern Ireland down.

We have to find some means of breaking this vicious cycle. I know that we have had past packages in relation to Stormont House, including Fresh Start and New Decade, New Approach. Some very searching questions and challenges have to be raised as to why those have not been properly addressed and why promises have not been fully delivered. I am not directing that at the Government; the question why that has not been the case is also one for the Northern Ireland parties. I appreciate that there will be a certain degree of scepticism in the Treasury whenever I say this, but I do not think we have any alternative but to think through how we can talk about the development of a longer-term plan for Northern Ireland, involving a restored Executive and the Treasury, and how over the next five to 10 years we can make Northern Ireland a financially sustainable society and, in the process, improve our public services and economy.

I am conscious that we are coming up to the 25th anniversary of the Good Friday agreement in a couple of months. That agreement has transformed Northern Ireland in many respects and we are very grateful for that, notwithstanding the current problems and controversies. Many people have reflected on the fact that perhaps Northern Ireland has not been transformed fully in terms of social and economic opportunities and in terms of investments. People are talking about looking forward to some form of prosperity decade; we need to think about that.

There is an opportunity, if we can get ourselves past the immediate blockages, for the Government, the parties and a restored Executive to try to work in partnership to hammer out some sort of plan and break the cycle. I

believe that there is a compelling overarching argument for doing that. I am keen for myself and others to elaborate on that over the coming weeks, and it is important that we use tonight as an opportunity to set out our initial thoughts on the potential way ahead. This will be based on investing to save; we cannot unlock and change Northern Ireland without some investment coming in from the outside. Others will be entitled to hold us to account for all of that. With that cheery thought on what could be an exciting future for us if we can get past the hurdles, I will end my comments.

6.49 pm

Carla Lockhart (Upper Bann) (DUP): It is a matter of deep regret that this Budget must be brought through this House and not the Northern Ireland Assembly and Executive. As a devolutionist party, we in the DUP strongly believe that the budgetary process in Northern Ireland ought to be put forward by those elected to make decisions and provide local scrutiny and accountability, yet we are in what can only be described as a very serious situation, which is not helped by the ongoing denial of its gravity by Members of this House. In this debate, we have heard the naive and rather vacuous posturing of some Members across the House who have laid the responsibility for the institutions not being operational at the door of my party and called for the immediate restoration of Stormont.

Let me make one thing clear: we are in this unsatisfactory situation because of the decisions made by this Government. We are in this position because the party of government decided that its unity, as it imploded over Brexit, was more important than the economic and constitutional unity of the United Kingdom, and Ministers openly admit that.

The Government know that this situation is of their making. The leader of my party, my right hon. Friend the Member for Lagan Valley (Sir Jeffrey M. Donaldson), in trying his utmost to avoid this situation, gave the Government and the EU ample time and opportunity to find a new way forward that would command the consent of the Unionist community, and in doing so restore the foundations on which power sharing is built. Members know that until that consent is in place, there will be no restoration and no Stormont Budgets. It is time for people to get real about the magnitude of the situation and the urgency for new, comprehensive solutions to be found.

There is another reason that the Bill is before us today. We ought not forget that the Budget process in Northern Ireland started in October 2021, and in the time and space that my party provided for solutions to the protocol, there was ample time for the then Finance Minister, Conor Murphy, to prepare a Budget agreement, yet he failed to set a Budget and we are now reaping the consequences. His approach to setting a Budget was to promise millions when the coffers were empty. When Sinn Féin was peddling fallacies, the black hole in our Budget was getting darker.

Let me home in on the figures and how the Government are approaching allocations, starting with allocations to the Department of Health. The Secretary of State has aggressively pursued the provision of abortion services in Northern Ireland against the wishes of the people of Northern Ireland, as was evidenced by the consultation held by his predecessor, the right hon. Member for Great Yarmouth (Brandon Lewis), during his time as Secretary

[Carla Lockhart]

of State; yet while local health trusts are being compelled to provide these services, no additional money has been provided for them to do so.

Instead, with A&E departments overwhelmed with pressures to the point of complete meltdown, with a lack of care packages available across Northern Ireland to help people return home safely and free up capacity in hospitals, and with children enduring appalling waiting lists for speech and language therapy, for instance, to unlock their participation in this world, we now have the additional pressure of providing abortion services within existing budgets. There is no local mandate, no local scrutiny and no local accountability for that decision. I ask the Minister to advise which service currently provided by our crumbling health service ought to be cut to provide that service. Perhaps in his winding-up remarks, he can outline which service he would cut.

Let me turn to concerns about our education system. For too long, our schoolchildren have been the poor relation in terms of spend per pupil in the UK, and this Budget outlines a continuation of that disparity. I see no justification for funding inequality. Surely the education of a child in Banbridge, Portadown or Lurgan is of equal value to that of a child in Banbury or Portsmouth. We hear a lot from this Government about levelling up; surely it is time for levelling up in our classrooms. Our education system simply cannot take ongoing underinvestment, as has been made abundantly clear to the Government by the Education Authority and various school bodies. That issue has been much discussed today.

Since Stormont has been in abeyance, the Government have legislated to spend what limited resources are available to provide unwanted abortion services and unnecessary cultural and language provision that will cost millions, at a time when our schools are running deeper deficits, our healthcare system is in need of emergency care, and our households are set to face huge hikes in household rates. Of course, an even greater cost is the unnecessary and seemingly bottomless pit of money that is being made available to support the functioning of the Northern Ireland protocol. The Treasury has confirmed that the trader support service, which helps companies deal with the paperwork generated by the protocol, has cost the taxpayer £318 million in just over two years. That is £436,000 per day, or £18,000 per hour.

That £436,000 per day could employ 10 highly experienced nurses for a year. The protocol paperwork costs the salary of 10 highly experienced nurses every day—it is really important that we stress that point. That is 7,300 nurses. How transformative that money could be for schools, hospitals and roads in Northern Ireland, rather than facilitating an unnecessary border that divides Northern Ireland off from the rest of the UK. It is time for this Government to find real solutions to the protocol, so that we once again see decisions such as these taken and scrutinised by locally elected politicians, held accountable by local people.

6.56 pm

Paul Girvan (South Antrim) (DUP): There is a programme on Radio 4 that I listen to from time to time called “Just a Minute”. To be honest, Mr Deputy Speaker, you are going to get a little bit of hesitation, repetition and deviation this evening—you have already had quite a bit of them so far.

Mention has been made of the costs of the Northern Ireland protocol to the block grant—of the moneys that are having to be spent out of the public purse to fund a system that has been imposed upon the people of Northern Ireland by not only this Government, but Europe, trying to protect what they want—but little mention has been made of the costs of the protocol to the businesses that are trying to operate in such a bureaucratic system. Many of them have had to change their axis of trade from buying goods in the United Kingdom to buying them from the Republic of Ireland, with all goods coming in through the Republic of Ireland to Northern Ireland. There has been a marked increase in direct trade between the Republic of Ireland and France, to such a degree that a number of additional ships have been put on, direct from the Republic to Cherbourg in France.

That change has had a marked effect on businesses in Northern Ireland, but it is also affecting businesses on the GB mainland, many of which have come to the conclusion that the bureaucracy involved in implementing the trade agreement that we supposedly have is causing such a problem that it is not worth their while trading with other businesses in Northern Ireland. That is something that needs to be recognised. I have been contacted by businesses that are based in Conservative Members’ constituencies, saying that they cannot supply Northern Ireland. They are having difficulties not just because of the cost to them, but because of the hassle they have with the likes of the trader support service.

Mention has been made of how much that service has cost to date, but that is only one aspect of it. There is also the enforcement section, with millions of pounds involved in that. There is the digital assistance scheme, and the millions that are involved in bringing that forward. In total, the costs are £530 million. That is the figure to date, not to the end of the financial year; that is not the projected figure through to March. As has been outlined, that money could be spent very effectively within our civil service—I am using the overall name of the civil service, which includes all Government Departments. Efficiencies probably need to be found—let us be truthful about that. We are not working with a bottomless pit. Everyone seems to think we have a money tree, but it does not exist. Unfortunately, with this Chancellor and some of the decisions that have been made lately some people are starting to think that it does. As a consequence, the Government will never be thanked for what they have done and what they have given. Let us be honest: they are going to be punished by the public, who seem to listen to a narrative that is, “Give us more because we need it all.” This is not going to work out beneficially.

Mention has been made of moneys that are within the current overspend within Departments. We heard that there was a projected overspend of £660 million, but that was drawn back and it ended up at £330 million. I am glad to hear it has been reduced to that amount, but it is important to note that that £330 million will come out of next year’s Budget, to balance the books. That area needs to be considered. Those who have not been acting within the parameters of the budgets that were set or are supposedly to be set have allowed overspends, which are going to have to be met. My hon. Friend the Member for Upper Bann (Carla Lockhart) alluded to the fact that we had no Budgets being brought forward and agreed. We could have been dealing

with this matter whereby all Departments or all parties had looked at a Budget that they had agreed to, but unfortunately that is not the case.

I think about what is actually happening. Many people talk about the block grant but they keep forgetting about AME—annually managed expenditure—funding, which comes directly to pay for budgets such as those relating to those on benefits and to pensions. All aspects relating to those who have retired from the civil service are receiving funding topped up by AME funding and those who are living on benefits are getting AME funding. That is an area where we do not look at the overall Budget. I will give a clear example: people who are waiting for an operation. In the UK and in Northern Ireland, people wait for a hip replacement but it might be sitting years down the line. By the time they get their hip replacement, they have lost their job, are living off benefits and are at an age where they cannot get back into work. Several other European countries adopt a very different angle in funding towards their health system, in that if people cannot get their operation, the Health Department will pay their wages. Sometimes that might wake people up to doing something about it. Ultimately, we put everything into silos instead of looking at the overall picture.

The rebalancing of our budgets is an area we really should be focusing on and ensuring that we do it correctly. My hon. Friend the Member for Strangford (Jim Shannon) mentioned the agency nursing aspect. That is one area within health where we are burning money and we are not getting the outcomes for it. That is not just a Northern Ireland issue; it needs to be grasped on a UK-wide basis to ensure that we are getting bang for our buck. The waiting lists are growing, yet we are spending more of our money. We are spending more of our block grant on health and the outcomes are worse, so something is seriously wrong. It is not just Bengoa that is the problem, because the same problems exist in mainland GB as are happening in Northern Ireland.

We will support this Bill this evening, on the basis that we know it allows spending to go forward for next year. There was a change in the Bill to allow for a figure of up to 95%; it used to be that we had to make a judgment where we were allowed to spend up to 60% within a small period of time. Within the Bill a provision has been included to allow us to spend up to 95%—more than £17.4 billion—of the existing Budget at the present time. That is something we need to look at, because I for one do not believe that we will have an Assembly set up before March in time to put in place a Budget for next year. I think that we will be back here discussing the Budget in this House, because unless the protocol is resolved, we will not be back in the Northern Ireland Assembly.

There is no point in trying to beat us up and saying that we will be brought to another election, although we were threatened with that. I am getting the clear message that that is not going to resolve all our problems. Everyone thinks that it is a wand that can be waved and that everything will be hunky-dory as soon as the Assembly and the Executive are brought back, but we cannot and will not be going back in. The Chair of the Northern Ireland Committee talked about why we came out of the Executive, but in fact there was no movement before we came out. Everyone was telling us that this was like the laws of the Medes and Persians and that not one jot or tittle could be changed, but I can hear

different messages coming out today. I hear those who were the greatest advocates of driving forward the protocol and of its rigorous implementation now saying, “Well, maybe we got that wrong; maybe we do need to make some changes.” This is not just about change; we want our constitutional position within the United Kingdom single market to be retained, and not to be protecting the single market of the EU or to be subject to the European Court of Justice. That is the message that must go forward, because this debate should not be happening here. If all those things had been addressed, this Budget would have been addressed in the Northern Ireland Assembly.

7.6 pm

Claire Hanna (Belfast South) (SDLP): Like other Members, I regret that we are considering this Bill in this place in this way. I regret the lack of scrutiny, innovation and imagination that can come from Budgets being done in this way, and I regret the lack of shame from some about the collective failure that we are again foisting on the people of the region. There is definitely a sense of “same stuff, different day”, because it is worth saying that the way public spending is overseen in Northern Ireland is nearly always convoluted and untransparent. I joined the Finance Committee in Stormont in 2016, and when I was trying to get my head around the process I think had to go seven or eight years back to find a textbook Budget year. The process is so far from transparent as to put people off even understanding what we are doing.

It is also worth saying that this is not a Budget in the way people would understand the use of that term, in that it is not a list of political priorities. Again, that is increasing the cynicism among citizens about our ability to spend on things that matter to them and our ability to address the short-termism and the ingrained lack of responsibility-taking that unfortunately characterises Stormont for many people. Nowhere is that clearer than in health, where many years of this sort of stop-start governance and can-kicking has left that service and the people who deliver it for us in a really parlous state.

No party is without fault in that regard, but the two largest parties deserve the most opprobrium for walking off and staying off the job in late 2016 after the Bengoa report created a little bit of shared purpose and the little bit of hope that we could possibly reform services. What we are doing instead is allowing little bits of the national health service to fall down one by one, bringing all of the downsides of reform and none of the upsides. Just one example of that is the closure of a rehabilitation ward at Whiteabbey Hospital. It is a successful rehabilitation facility and it makes no clinical sense to remove it; its closure will send patient blockages back up the system for each one of those beds that is not reopened due to a lack of decision making. As well as the failures in those people’s lives and the pressures that that builds in the staff who are delivering the services, it will make it harder to achieve buy-in and confidence in health reform in subsequent years when we finally get back to working properly, because people associate the reforms only with closures and not with the enhanced services that they can bring. We know that there are challenges across the services, including waiting lists. Yes, people have said that they are bad everywhere, but they are far worse in Northern Ireland. GP services are facing an existential crisis, and deepening levels of mental ill health are engulfing many parts of the service.

[*Claire Hanna*]

We know that it is not just in health that we are failing people. If the climate targets that we finally agreed in the dying days of the last Assembly are not mainstreamed and given effect through Budgets and plans, they are not going to mean anything. The labour shortages that employers across Northern Ireland are facing are not going to be mitigated by, for example, parents, and particularly women, coming back to work, because there are no Ministers in place to finally get a grip of childcare. Adults with some vulnerabilities but who have plenty of ability to work will no longer be supported by the many European social fund projects. They will fall by the wayside in a crude Darwinian process that seems to be happening at the moment. Projects are failing, and we will have to see which ones survive. Without ministerial intervention, we will keep exporting thousands of students because of a cap on numbers, to say nothing of the challenges in schools that many colleagues have raised.

The hon. Member for Belfast East (Gavin Robinson) touched on an issue that underpins all of this. As I say, yes, I am prepared to share the responsibility of failures over decades of devolution, but we cannot ignore the austerity that has been imposed on Northern Ireland, as on other regions, over the past decade and a half. No one pretends that devolution is perfect, but we have to—and our party certainly does—imagine a much better way to run our public services than being dependent on a little bit of a hand-out and being tethered to a vision of an economy that is related to Brexit, deregulation and threadbare public services. The SDLP does not believe that it has to be that way, even when we are operating within devolution. The Chairman of the Select Committee, the hon. Member for North Dorset (Simon Hoare), said that it was our job to do the bits that we could. To paraphrase Wesley: “You do all the things you can in the places you can for as long as you can.” It is probably simpler than that. Woody Allen said that 80% of success is just about turning up, and that is something that devolution is failing to do.

The SDLP has tried to make the constitutional set-up work, and will continue to do so, but it is not the limit of our ambition. Members have given all the reasons why devolution cannot work. They have mentioned the trader support service and the cost that that imposes on the Budget—not the Northern Ireland Budget, but the Budget from the Treasury. That is another cost of Brexit, but they fail to mention the £1.3 billion in increased exports from Northern Ireland to the Republic that have been achieved as a result of the protocol. We would want to caution them: if you take away even the status quo, even the possibility of cut-and-paste devolution in the UK, you have to be aware that people will look at other ways to meet their basic needs. As I have said many times before, and as Hume said, if you ask for all or nothing in governance, you often end up as nothing. We are prepared to work with anyone who will work with us to try to make some lemonade out of the Brexit lemons that we have been handed. There are opportunities and options, and there is space for compromise, both in the EU-UK talks and in the Executive when we finally have Members there.

Mr Deputy Speaker (Mr Nigel Evans): We come to the last Back-Bench contribution, from Mr Shannon.

7.14 pm

Jim Shannon (Strangford) (DUP): The good book says that the last shall be first and the first shall be last, so I am happy to speak, whenever it may be—and in this House that is nearly always last. However, that does not take away from my comments, and it is a real pleasure to add some Strangford commitments and comments in relation to this essential Bill.

The difficulty with the Budget is not a new problem, and it is not a DUP problem, despite what has been said by some colleagues in this place and in the media. The problem is that the then Finance Minister, Conor Murphy, was unable to find agreement within the Executive. He was unable to do so not simply because the funding was tight, but because he was allocating it to political aspiration projects, rather than to nurses, postal and health workers, and teachers in the classroom.

We all understand that money is tighter than it has ever been, and we cannot ignore that. I have constituents who have trained for eight years or longer to get their early years qualifications, only to learn that their 17-year-old daughter can work for Lidl and get paid more than them. Sometimes it is hard to understand how that works—a person trains, qualifies and does well, but they get less than their daughter.

It is tough for these people to make ends meet, and they are having to cut their cloth to suit them. We have to do the same, but the first cut must not be to our schools, and I commend the shadow Minister, the hon. Member for Hove (Peter Kyle), for saying that. Many others have latched on to that—in fairness, the Minister of State referred to it as well—but it is a massive issue. Institute for Fiscal Studies analysis shows that, since 2009-10, spending per pupil has been consistently highest in Scotland and lowest in Northern Ireland. In 2021-22, spending per pupil was estimated to be £7,600 per pupil in Scotland, but only £6,400 in Northern Ireland. What is the reason for that?

The additional funding in the Chancellor's autumn statement is restoring pupil spending to 2010 levels in real terms, yet under the Barnett consequential we are not able to do the same in Northern Ireland. How is that appropriate? Why does wee Rosie Murray in my constituency deserve £1,200 less in educational support than her cousin, wee Rosie Murray in Glasgow? She does not, and she must not be discriminated against because of her nationality. The disparity is quite clear; there is something wrong with the system. My hon. Friend the Member for Belfast East (Gavin Robinson) was here earlier, and he referred to Northern Ireland's Barnett consequential reducing almost every year.

I have had representations from all education sectors—from the controlled sector as well as the Catholic maintained sector—begging me to make it clear that the Budget must not be used as a whipping post for political gain. Our children have not yet recovered from covid closures, and now their education and their future are at risk of being sacrificed due to the refusal of the EU to do the right thing and the refusal of this House to take the EU on. I am a great believer in the idea that money spent on education and children today is money well spent on giving them a chance tomorrow.

I could find an easy way to cut costs without affecting quality of life or increasing the price of goods: do away with the protocol. We cannot ignore the fact that the

protocol costs so much, and if those moneys from the Treasury were spent in Northern Ireland, they would make a big difference.

I received an email only this morning from a local supplier who asked me to make this comment. He is being chased by His Majesty's Revenue and Customs for the duty costs of purchasing artificial flowers from a supplier on the mainland—that is an extra cost because of the Northern Ireland protocol—and I do not mean mainland China; I am talking about a company based not too far from this House. Members should let that sink in for a second. The protocol, which gives no accountability, no representation and no benefit to Northern Ireland constituents, ensures that the flowers my constituent buys cannot be sold at £1 a bunch, as they are here, to lay on a grave, but cost £1.25—a 25% charge because he is from Northern Ireland. The protocol means not only that excise duty paid in the UK costs the customer more, but that HMRC spends man-hours chasing up bills that should not be in place and never should be paid.

Where can we get the moneys from? Everybody has referred to that issue. We in the DUP have an opinion, and others have too. That brings us to the trader support service, which deals with the costs and the customs. The cost of the TSS was estimated at £340 million until the end of 2022, with another £113 million for 2023, giving a grand total £453 million up to the end of this year—or approximately half a billion, to round it off. Those are the savings that could be made, and they could have an incredible impact on health, education and prosperity in Northern Ireland. Nor do the figures take account of the additional money that our businesses are spending on trying to do the right thing, the cost of which naturally has to be passed to the customer. It is little wonder that local businesses are unable to put their wages up to help their staff; they themselves are barely surviving.

Approximately half a billion pounds could easily be saved in the Budget by doing what this House promised: passing a Bill to deal with the protocol. What a difference half a billion pounds could make to education or to the NHS. Perhaps it would allow our nurses to be paid the same as the mainland nurses. What possible justification is there for cutting NHS budgets and education spending when we seem happy to throw money away for no purpose other than to facilitate the EU's grudge against us?

What has been the total cost to the public purse of recruiting and training veterinarians to fulfil the requirements of the Northern Ireland protocol since 1 January 2020? That is another cost of the Northern Ireland protocol that does not need to be paid—another potential saving for Northern Ireland. The Government say that

“DAERA reported in August 2022 that a total of £15.3 million capital, £16.4 million resource and £1.7 million depreciation has been expended on the provision of the infrastructure, IT systems and personnel for the work necessary to carry out the required SPS checks at Northern Ireland's Points of Entry as a result of the implementation of the Northern Ireland Protocol.”

Again, those are savings that we could make and that we could use for the benefit of Northern Ireland.

That is not even the full picture. As we are not implementing the full scheme, the costs will be even greater. These millions could already have made a difference. We could have provided support to farmers to buy new, more efficient and eco-friendly farming aids with all the money from that scheme, the digital assistance scheme,

the mutual enforcement scheme and the scheme for temporary agri-food movements to Northern Ireland—all schemes that are at best unnecessary and at worst morally wrong and divisive.

Last week, with my hon. Friend the Member for Belfast East and other representatives, I had a Zoom meeting with Roisin Coulter of the South Eastern Health and Social Care Trust, who outlined very clearly what the costs and impacts on health services will be. As the shadow Secretary of State said, cancer waiting lists are the worst in the whole of Europe; Roisin outlined that point last week and told us that waiting lists for cancer services are the longest that they have ever been. She also referred to other health issues.

We recognise clearly that something needs to be done about pressures on A&E. In my intervention on the Minister of State, I mentioned agency staff, who cost 30% more than nurses on the equivalent pay grade. We should be employing more nurses and paying them the correct wage: that would be cheaper than paying agency staff, and it is something that I would particularly like to see if at all possible.

To those who point to this restrictive Budget as the DUP's punishment for obeying the clearly held view of the people of Northern Ireland, I say this: we will be in our seats within a day of the protocol being eradicated and reason and common sense prevailing. We will be in our seats, taking our positions to make tough decisions as soon as we can do so, but that will not happen until the Government and the EU come to a decision that satisfies the tests that we have set out. Those tests are not the result of obstinacy or political point scoring; they are tests that the people we represent have told us, through wide-ranging engagement, are the red lines for Unionism.

The hon. Member for Stone (Sir William Cash) has referred to this: the Northern Ireland Protocol Bill is sitting in the House of Lords like the Mary Celeste—it seems to have got lost there. We need it to come back from the House of Lords so that we can move it forward.

The hon. Member for Foyle (Colum Eastwood) referred to Dáithí's law, which I fully support. I have always supported the organ donation opt-out process: I supported and sponsored the private Member's Bill about it that the then Member for Coventry North West promoted in this House, and I supported the proposal back home. Others whom I know quite well did not support it then, but they all do today, which is good to see. If we can pass the Identity and Language (Northern Ireland) Act 2022 and the abortion legislation in this House, we can do it for Dáithí's law as well. I urge the Government to grasp that; perhaps the Minister can give us some indication.

Those who consider overriding democracy and the Good Friday/Belfast agreement, and allocating positions to those who will take their seats, do so in the knowledge that they are saying that Unionists have no place in Northern Ireland and that democracy is dead. Be mindful of the statements made which will be deadly serious in Northern Ireland. For some in this Chamber, Unionism may be nothing more than a pain, but we have a mandate and our people have spoken. The requirements from this place are clear and simple, and must take place soon.

I understand that we are here under protest to decide on something that we did not want to decide on, because the Assembly should be doing it, but if this place has

[Jim Shannon]

to decide, let us ensure that it does so equally and fairly. If laws can be brought in for other things, they can be brought in for that. Savings can and should be made.

7.25 pm

Tonia Antoniazzi (Gower) (Lab): I send prayers and condolences on my behalf and that of the Labour party to Alex Easton MLA, his family and friends, and the community of Bangor. I also take the opportunity to welcome a new life, as Doug Beattie is now a grandfather. I welcome his granddaughter Skyler to the world.

As my hon. Friend the Member for Hove (Peter Kyle) said, we will support the Bill so that public services in Northern Ireland can continue to function. Although we recognise the need to pass these measures, the lack of scrutiny time afforded to them cannot be the new norm. If the continued absence of a functioning Assembly and Executive in Northern Ireland causes more matters that should be before Stormont to be discussed here, the Government must outline how they will ensure that there are opportunities for proper scrutiny and how they will involve voters in Northern Ireland, whose voices have been diminished through political failures.

As many hon. Members have said, I hope that this is the last time that we will need to discuss what should be devolved business in the Chamber. Although I welcome the Government outlining progress on the protocol negotiations, I urge them to share with the House progress on the negotiations as soon as possible.

I am pleased that the Secretary of State has included ringfenced funds for abortion services within the Bill to ensure that women have access to essential healthcare, but I share the concerns of clinicians and patients that women's healthcare in Northern Ireland is falling by the wayside. Northern Ireland has the longest NHS waiting lists for gynaecological care in the United Kingdom, which forces many women to seek private healthcare to receive treatment for conditions such as endometriosis, which causes debilitating pain and can affect fertility. Even women who reach the top of the waiting list in Northern Ireland cannot access the same expertise as other women across the UK, because there is currently no fully British Society for Gynaecological Endoscopy-accredited endometriosis specialist centre in Northern Ireland, but there should be.

Unfortunately, that is not a unique situation, as we have heard. The Chair of the Northern Ireland Affairs Committee rightly raised the concerns of organisations with a lack of funding to support women in Northern Ireland. He knows that I am a doughty campaigner for the rights and protections of women in my constituency and in Northern Ireland. I have visited Belfast and Lisburn Women's Aid and spoken at its conference, and I fought for the homeless services for women in Belfast to be retained. I have also spoken to the International Committee of the Red Cross, Informing Choices NI, Amnesty International and others.

What all those issues have in common is that they are a result of political failure, which requires political solutions to solve it. I recognise the work of civil servants in Northern Ireland in ensuring that public services have continued in the absence of the Executive, but it is neither fair nor appropriate that decisions on the allocation of budgets and the priorities of public spending are made by those

civil servants. When services are already falling so far behind acceptable standards, to seek simply to keep things running represents a grotesque abdication of responsibilities from political leaders. While we support this Bill, I will finish my words there.

7.30 pm

Mr Steve Baker: With the leave of the House, I am glad to respond to the debate.

First and foremost, I join other hon. Members in offering condolences to Alex Easton, whose parents Alec and Ann tragically died in a fire in Bangor earlier today. I know the whole House will want to put on record our shared sorrow at this news, and to thank the emergency services who attended. At the same time, I am delighted to congratulate Doug Beattie on the birth of his granddaughter Skyler. I am sure we will be able to find a couple of copies of *Hansard* to send on to the families.

I am grateful to the Opposition for their comments; When opening the debate the hon. Member for Hove (Peter Kyle) said that we were right to prioritise restoring power, and I am grateful to him for that. He asked for an update on the negotiation, which I will give in a moment. We are all agreed that Stormont should be restored—I think that has been a universal theme. The Secretary of State and I have met a wide range of stakeholders and, though of course we are in an undesirable position, we are confident that we have listened to a range of views as we have participated in reaching these decisions with Northern Ireland's civil service.

Turning to the protocol, as hon. Members know, it has always been our preference to resolve the issues through talks. The Foreign Secretary and Vice-President Maroš Šefčovič speak regularly and Government officials have technical talks. The Foreign Secretary and Vice-President Šefčovič spoke on Monday 16 January and have agreed that rapid scoping work should continue, which we are very pleased about.

We welcome the agreement reached recently on the EU's access to UK IT systems that provide live information about what goods are moving across from Great Britain to Northern Ireland. That agreement has provided a new basis for further constructive discussions with the EU to come to a negotiated solution on the protocol. We are of course proceeding with legislation, but I would like to take a moment to elaborate on the situation we face.

It is sometimes impressed upon me by some of the harder-line Unionist commentators that we should simply tear up the protocol. I am not sure what political world they think we operate in—I am not talking about Members of this House, but some individuals outside it. The world is rather more complicated than that. Ministers do not have unfettered power to tear up treaties, nor should they. That is why we proceed with the Northern Ireland Protocol Bill.

On the point about border posts, the reality is that we are in the happy position where legitimate interests on both sides are now being recognised: the legitimate interests of the EU and Ireland to have their market protected—that is what the border posts are for, even in the circumstances that the Protocol Bill has to become an Act and be used—and the legitimate interests of Unionism and Unionists. I put on record my heartfelt thanks to the present

Taoiseach, Mr Varadkar; I know I will not be thanked by some Unionists for that, but he has had the statesmanship to move his position and recognise the legitimate interests of Unionism. I am grateful to see Opposition Members nodding; it is very good news.

Given the position we are in, where we are very willing to recognise the legitimate concerns of the EU and Ireland and they are increasingly willing to recognise the legitimate concerns of Unionism, this is a moment when we ought not to goad one another. I have fought hard enough in this place over Brexit, but we are tantalisingly close to recognising that we are friends and partners and that we can look after one another's interests and go forward in the spirit of goodwill.

I encourage everyone, rather than rehearsing the arguments and grievances of the past, to look to a future that is tantalisingly close to being very positive, with a deal that we can all accept. With that in mind, I want to say gently to those of us who fought for Brexit, those of us who are Unionists, that when a deal comes—I do believe it is when, but there is a lot to be done—if that deal is acceptable to the Eurosceptic cause and to Unionism, we are all going to have to sell it to people. It will be no good to just denounce border infrastructure, which is there for the red lane, to protect the interests of the EU. Denouncing what has been done, when we have the green lane and arrangements for unfettered access within the UK, will not be enough. I mean that most sincerely, because if one thing has come home hard, even now—I think I have always known it, given when I joined the Royal Air Force—it is that even after 25 years of the Belfast/Good Friday agreement giving us some welcome peace, the politics of Northern Ireland, as hon. Members from Northern Ireland know better than me, is not to be taken for granted.

The politics of Northern Ireland is a grave thing; too many graves. That has been realised across the European Union. People realise that it is a post-conflict society with, as we have heard, an enforced coalition between the two poles of debate on the pre-eminent constitutional question that caused the conflict, so things are not to be taken lightly. That is why I am happy to put on record my admiration for the current Taoiseach and his predecessor, Mr Martin, with whom I get on well. I look forward to meeting Mr Varadkar. On the protocol, we are tantalisingly close to a success of which we can all be proud and then move on. Let none of us do anything to spoil the prospects of that success.

I turn to the overall points made about spending. Notwithstanding what was said about the Barnett formula and so on, which we support, it must be said that per head public spending in Northern Ireland is the highest of any region of the UK at 21% per head more than the UK average. The Northern Ireland block grant is at record levels, averaging some £15 billion a year over the next three years. On top of that, if we look at the new deal for Northern Ireland at £400 million, city deals at £617 million, the New Decade, New Approach financial package at £2 billion and the forthcoming Peace Plus at £730 million, that adds up to about £3.5 billion of extra funding. That is reflective of Northern Ireland's special status. But it cannot really be said that Northern Ireland is in any sense neglected.

I will make three points about the process by which we came to the Budget. First, it has been drawn up as a result of intensive engagement between our officials and

the Northern Ireland civil service. We are grateful to officials on all sides. The Government have also taken on board many representations that we received in correspondence and in person.

Secondly, I stress again that we believe this overall Budget is a fair and appropriate settlement that reflects the key pressures facing Northern Ireland. I mentioned per-head spending, and I will not repeat myself. Thirdly, it has been said on many occasions that the Bill does not preclude a functioning Executive from making changes to the Budget allocations, should one return. Of course, we are beyond the point at which it is possible to restore the Executive without an election so we would have to legislate. We all fervently hope that the Executive could be restored without an election, and the Secretary of State is considering all his options.

I turn to the important point about the PSNI made by the leader of the DUP, the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson). As the right hon. Member will know, its main budget is allocated by the Northern Ireland Department of Justice. The Budget gives the Department of Justice a 3.1% uplift on its 2021-22 budget. In addition to the block grant, the UK Government provide the PSNI with the additional security funding that it needs to tackle the substantial threat that we face from Northern Ireland-related terrorism. The UK Government contribution for 2022-23 will be £32 million

Sir Jeffrey M. Donaldson: I do not dispute the Minister's figures—my point was not about those figures and I was not challenging them—I was simply pointing out that, in relation to New Decade, New Approach, there was an agreement to recruit additional police officers to bring us up to the level that was agreed way back when the Police Service of Northern Ireland was formed. It was clear that the Treasury would provide the additional funding required to ensure that those extra officers were recruited. My point is simply this: that has not happened.

Mr Baker: I am extremely grateful to the right hon. Member for clarifying that point. I will write to him on that. The PSNI is close to my heart, and I am extremely grateful to all the people who work for the PSNI for everything that they do to keep us all safe.

The Opposition spokesman the hon. Member for Hove, the right hon. Member for East Antrim (Sammy Wilson) and the hon. Member for Foyle (Colum Eastwood) all talked about education funding. According to information published by the Treasury, identifiable public spending on education stood at £1,759 per head in Northern Ireland for the 2020-21 financial year. That compared to £1,428 per head for the UK as a whole over the same period. That was 23% higher than the UK average. That reflects our commitment to Northern Ireland and to education.

The Department of Education projected significant levels of overspend, but this Budget has actually delivered an increase in education spending of just under £300 million. We recognise that pressures above that level of increase will require difficult decisions to be taken, but we believe that those decisions are deliverable within the legal framework that we have set out in the Northern Ireland (Executive Formation etc) Act 2022 and the accompanying guidance.

[Mr Steve Baker]

I was grateful to the hon. Member for North Down (Stephen Farry) for his point about efficiency savings that could be made in education. My goodness, yes there are some. Again, that integrated education could even be a question in the 21st century is extraordinary to me. There are certainly savings to be made. That level of additional funding represents around a 12% increase on the previous year, excluding the additional funding allocated for covid. That really is as much as could be afforded in the light of the £660-million black hole that we were facing. Overall, that demonstrates just how unsustainable Northern Ireland finances have become and the need for reform.

The hon. Member for Gower (Tonia Antoniazzi) mentioned women's healthcare, particularly the misery of endometriosis. Once again, this is a shocking situation to be in. The hon. Member for Belfast South (Claire Hanna) talked about the lack of collective shame. In this day and age, we should be ashamed of the state of public services in Northern Ireland. For far too long we have been just grateful for peace and have not done enough to highlight across the whole of the UK what needs to be done to serve the people of Northern Ireland because, my goodness, they deserve good services.

This Budget provides £7.28 billion in funding for the Department of Health. That is an increase of £228 million on 2021-22 spending, which included significant covid-19 funding. It is an increase of £786 million compared with last year's funding, excluding the one-off covid uplift. As with education, there will be difficult decisions to take on health. Decisions on the reform of healthcare will be difficult. The Bengoa report, as we have discussed, should be carried forward. Too many years—six—have gone by without progress. We need to see Executive return as soon as possible.

I will make one more point before I conclude. I responded to the hon. Member for Foyle in an earlier debate on the addiction rehabilitation centre. I can tell him that the Government stand ready to respond to a proposal submitted by the Executive. I know it is frustrating; I am frustrated because I want to give him the answer he wants. We are waiting on that Northern Ireland Department of Health business case.

Colum Eastwood: I am extremely frustrated, as the Minister knows, because this has been going on since the New Decade, New Approach and beyond. We have people dying every single day of addiction-related conditions. Can I press him on one issue that was raised by me and other colleagues, which has a total support across political parties in the Northern Ireland? It is Dáithí's law on organ donation. Will the Government

do something to address that wrong, and to follow through on what had already begun when we had an Assembly and an Executive?

Mr Baker: The Secretary of State is reflecting on that very thing right now. I believe he is meeting the parents, although I cannot confirm when. The point is well made. The Secretary of State will certainly reflect on it. I will no doubt be party to those decisions.

Carla Lockhart: I associate myself with the remarks about Dáithí's law and trying to ensure that that proceeds. The Minister noted that he was on his final point: can he first bring some clarity around the abortion issue that I raised? What services would he advocate being cut for abortion services to be provided in Northern Ireland? Will there be new money made available from the Treasury to facilitate the abortion services that have been forced on the people of Northern Ireland?

Mr Baker: As the hon. Member well knows and does not like, we were forced under law to bring forward abortion services because this House legislated. She may recall that I was in the Lobby with her voting no. That was because I did not want to see the devolution settlement trespassed upon. It is my belief that women in Northern Ireland should have access to abortion services. That is because I think that the law as it stands for my constituents in Wycombe and in England is about right, leaving as it does room for conscience in the earlier stages of pregnancy.

What I would say to the hon. Member is that the law required us to move forward. I know she does not like it, but money has been allocated as set out in the Budget, and the memorandum is available. We just have to move on. I am well aware that people will find that challenging, but the Secretary of State has done the right thing in complying with the law.

I will finish by saying that there has been a great deal of unity across the House on the pressing need for the Budget and the pressing need to transform and improve public services for the people of Northern Ireland. The hon. Member for North Down mentioned managed decline in his remarks. I am clear, as I know he is, that managed decline is not good enough for the people of Northern Ireland. As we approach the 25th anniversary of the Belfast/Good Friday agreement, and as we approach hopefully getting a deal on the protocol and therefore restoring the Executive, it is incumbent on all of us in our different and respective positions to work out how to better serve the people of Northern Ireland and deliver a Budget that not only works for them, but that transforms public services so that Northern Ireland can be a real beacon for the whole UK.

Question put and agreed to.

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

Northern Ireland Budget Bill

Considered in Committee (Order, this day)

[MR NIGEL EVANS *in the Chair*]

Clause 1

USE OF RESOURCES

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

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

Clauses 2 to 16 stand part.

That schedule 1 be the First schedule to the Bill.

That schedule 2 be the Second schedule to the Bill.

7.46 pm

Mr Steve Baker: What I propose to do, given the wide-ranging debate we have had, is to canter briskly through the provisions made in the Bill. Clauses 1 and 2 authorise Northern Ireland Departments and other specified public bodies to use resources amounting to £26,656,975,000 in the year ending 31 March 2023. Of that sum, £24,242,977,000 is authorised for use for current purposes and £2,413,998,000 is authorised for use for capital purposes.

Clauses 3 and 4 authorise the Northern Ireland Department of Finance to issue the sum of £21,487,341,000 out of the Consolidated Fund of Northern Ireland for this financial year.

The estimates in schedule 1 set out the allocations for the sums provided for in clauses 1 to 4 between each of the Departments and listed public bodies, as well as the purposes for which each Department and public body may use those funds. I know that two amendments were tabled but not selected in relation to the remediation of cladding, and we discussed that earlier. I hope that the hon. Member for Belfast East (Gavin Robinson) accepts what I said.

A separate Northern Ireland main estimates document will be provided to give further detail beyond the summaries set out in the schedules. That will be prepared and laid as a Command Paper in the Libraries of each House. I expect it to be laid before the end of the financial year. Separately, we have provided the supplementary memorandum, which provides more detail to right hon. and hon. Members.

Clause 5 provides for authorised temporary borrowing by the Northern Ireland Department of Finance, up to approximately half of the sum issued out of the Consolidated Fund of Northern Ireland under clause 3. This is a normal safeguard against the possibility of a temporary deficiency arising in the Consolidated Fund, and any borrowing authorised under this clause is to be repaid by 31 March 2023.

Clause 6 authorises Northern Ireland Departments and other listed public bodies to use the income they receive from the specified sources listed in part 3 of their schedule 1 estimate.

Turning to clause 7, the authorisations provided for in clauses 1 to 6 supersede the previous authorisations in the Budget Act (Northern Ireland) 2022 and other legislation. To give effect to them, clause 7 allows the authorisations in the Bill to be treated as having effect from the beginning of 1 April 2022.

Clauses 8 and 9 relate to a vote on account. Clauses 8 to 12 look ahead to the next financial year, and provide for similar authorisations in that year as those set out for the current year in clauses 1 to 5. Clauses 8 and 9 authorise the use of resources by Northern Ireland Departments and other listed public bodies, amounting to £17,404,266,000 over the course of the financial year ending on 31 March 2024. Of that total, £15,835,528,000 is authorised for use for current purposes, and £1,568,738,000 is authorised for use for capital purposes. The authorisation is for a vote on account of 65% to allow public services to continue to be delivered in the first half of the next financial year. Given the continuing political uncertainty in Northern Ireland, the vote on account is greater than usual—65% instead of the normal 45%.

The vote on account does not imply the setting of a Budget for 2023-24 for the Northern Ireland Departments. Its purpose is to allow the use of resources so that services can continue to be delivered, pending the consideration of a Budget Act for the full 2023-24 financial year.

Clauses 10 and 11 authorise the Northern Ireland Department of Finance to issue the sum of £14,154,737,000 out of the Consolidated Fund of Northern Ireland during that period. The authorised purposes for which the resources and sums referred to in clauses 8 to 11 can be used during that period are set out in part 2 of schedule 2.

Clause 12 authorises temporary borrowing by the Northern Ireland Department of Finance in the next financial year, to be repaid by 31 March 2024. Clause 13 provides that the Bill will have the same effect as if it were a Budget Act of the Northern Ireland Assembly, and clause 14 repeals provisions of other legislation that have been superseded by this Bill. Finally, clauses 15 and 16 are on interpretation and the short title of the Bill. I hope that helps the Committee to understand the Bill.

The Second Deputy Chairman of Ways and Means (Sir Roger Gale): I call the Opposition Front Bencher.

Tonia Antoniazzi: I do not want to repeat too much of what was said on Second Reading. The Labour party has been clear: we accept the need for this Budget, which allows Northern Ireland Departments financial certainty. We have not tabled any amendments, as any change in allocations between Departments at this stage is likely to cause more complications than solutions.

I put my thanks on the record to all the officials who worked on the Bill. It cannot have been easy to pull it together in the time available. I understand that the Government had conversations with the Northern Ireland Fiscal Council before setting the Budget. I do not want to stray out of order, but it is good that the council is involved and that it will publish a report on what we are agreeing today.

Clause 13 sets out provisions enabling the Bill to take effect as though it were a Budget Act of the Assembly. We have highlighted challenges that Departments have said that they will face in trying to stick within the limits set out in the Bill. It would be much better if the Bill were being discussed in the Northern Ireland Assembly, so that it could receive the scrutiny that it deserves.

[Tonia Antoniazzi]

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clauses 2 to 16 ordered to stand part of the Bill.

Schedules 1 and 2 agreed to.

The Deputy Speaker resumed the Chair.

Bill reported, without amendment.

Third Reading

7.54 pm

Mr Steve Baker: I beg to move, That the Bill be now read the Third time.

I am grateful to all Members for supporting the expedited passage of this legislation, and I am very grateful for the accommodation made to do so, for all the reasons given. I rise principally to express my thanks to everybody who has participated in the House, including the Front Benchers for their constructive role as critical friends. I also want to place on the record the Government's appreciation to the House authorities, especially the Clerks who guided us, as ever, in expert fashion.

We would like to thank as a Department again the superb Caroline MacBeath in the Office of the Parliamentary Counsel for the expert fashion in which she and colleagues have drafted this Bill with Northern Ireland counterparts in the Office of the Legislative Counsel, so my thanks to all of them, and also to officials in the Department of Finance in particular. I again want to thank officials in the NIO and across the Northern Ireland civil service, especially the permanent secretaries, for their work together in coming up with this Budget.

I thank colleagues and officials in the Government Whips Office for their support and assistance—[*Interruption.*] Give him a job? It is too late. Where am I?

Kevin Brennan (Cardiff West) (Lab): The House of Commons.

Mr Baker: Thank you. It has been a busy day and I am grateful that there is some levity, but I would like to finish by saying that we did not want to have to pass this Bill; it is not a Bill that the House wanted to have before it.

In closing my Third Reading speech, and thanking everybody for making this possible so that public services can go ahead in Northern Ireland, I refer to what I said at the end of my Second Reading speech: we are going to need to do better in Northern Ireland, and I know that all of us in this House will play our part in making that happen.

7.56 pm

Sir Jeffrey M. Donaldson: I simply rise on behalf of my party to thank the Minister and his officials in the NIO for the work they have done on this Bill. I want to thank Jayne Brady and Neil Gibson in particular, and their colleagues across all the Departments in the Northern Ireland civil service.

To be honest, we would much prefer that these decisions were being taken by Ministers in the Northern Ireland Executive. I assure the Minister, in response to what he said earlier, that if the UK Government do their bit and deliver a deal, an outcome or legislation here at Westminster

that resolves the problems and difficulties created by the protocol and that meets our seven tests, we will not be found wanting. We will ensure that Ministers are appointed to the Executive not only to get on with the job, but to address the real issues that need to be addressed to enable better and more effective delivery of public services in Northern Ireland, to reform of our public services in Northern Ireland, and to drive forward the growth agenda to develop our economy, because we want prosperity to be the mark of Northern Ireland for the future.

We will need the Government's help with that; we will need the Government to help deploy the levers that will be required to transform our economy. I do not want Northern Ireland in the future to be dependent on the Treasury to fund our public services to a far greater level than the other parts of the United Kingdom. I want Northern Ireland to stand on its own two feet; I want Northern Ireland to prosper and our economy to grow. But to do that, and to see the institutions restored, we need to resolve the issues around the protocol, and the sooner that happens the better.

I thank the Minister for the contribution he and his colleagues are making in that endeavour, but I say again what I said at the weekend: let us not have half measures; let us get this job done, get it done right, and get it done once and for all so we can move forward together.

Mr Deputy Speaker (Sir Roger Gale): I call the shadow Secretary of State.

7.59 pm

Peter Kyle: This is the first time I have served under you in the Chamber, Mr Deputy Speaker, and it is a pleasure to do so. I share the Minister's gratitude to those who made today's proceedings possible; their hard work was much welcomed by us all.

As the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) just said, the circumstances are quite clear. He reiterated them once more, talking about the seven tests and assuaging perceived challenges. Labour has said for some time that those challenges are negotiable. Now that the House here in Westminster has been detained in dealing with the issues that should be dealt with in Northern Ireland, and this Bill has passed, I hope that the extra time available to the Minister is put to good use in assisting whoever is responsible for these negotiations on a daily basis—in the Foreign, Commonwealth and Development Office, his Department or any other part of Government—to ensure that we get the deal across the line and get Northern Ireland moving again. I will not detain the House any further.

8 pm

Gavin Robinson: I know that if I had attempted to discuss my new clause in Committee, I would have been asked to sit down, but I want the Minister to take away the sense of feeling in the debate about the precarious sustainability of Northern Ireland's finances in the longer term. I also recognise that the hon. Member for North Dorset (Simon Hoare) has indicated his willingness to engage on the issue.

Some information provided by the Minister demonstrates the danger of falling into the trap of seeing inflation rises and saying, "Yes, we can say it is the most money Northern Ireland has ever had in this year and any previous year";

if the gap continues to narrow and public services get to the stage where they simply cannot function, there has to be a recognition that there is a better way of doing things and financing our public services.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

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

CONSTITUTIONAL LAW

That the draft Transport (Scotland) Act 2019 (Consequential Provisions and Modifications) Order 2023, which was laid before this House on 22 November 2022, be approved.—(*Scott Mann.*)

Question agreed to.

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

LEGAL AID AND ADVICE

That the draft Civil Legal Aid (Housing and Asylum Accommodation) Order 2023, which was laid before this House on 30 November, be approved.—(*Scott Mann.*)

Question agreed to.

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

LOCAL GOVERNMENT

That the draft South Yorkshire Passenger Transport Executive (Transfer of Functions) Order 2023, which was laid before this House on 8 November, be approved.—(*Scott Mann.*)

Question agreed to.

PETITION

Keighley Household Waste and Recycling Centre

8.2 pm

Robbie Moore (Keighley) (Con): I rise to present a petition to save from closure by Bradford Council the Keighley Household Waste and Recycling Centre on Royd Ings Avenue in Keighley. It has been signed by 7,311 people, including the lead petitioner Laura Kelly and the seconding petitioner Martin Crangle. I fully endorse the petition, which was started immediately upon hearing the news, just before the Christmas break, that Bradford Council intends to close the Keighley tip. Should the council go ahead with its plans to close the tip, the petitioners and I are deeply concerned that the consequences will be damaging for local residents and businesses, pressure will be put on other tip sites that have no capacity and there is likely to be a severe increase in local fly-tipping.

The petition states:

The petition of the residents of the United Kingdom,

Declares that the Keighley Household Waste and Recycling Centre located on Royd Ings Avenue in Keighley must be saved from closure by the City of Bradford Metropolitan District Council.

The petitioners therefore request that the House of Commons urge the Government to encourage Bradford Council to U-turn immediately on their plans to close the Keighley Household Waste and Recycling Centre and keep the site and much needed service located on Royd Ings Avenue in Keighley open.

[P002795]

Housing Association Tenants: Complaints Mechanisms

Motion made, and Question proposed, That this House do now adjourn.—(*Nigel Huddleston.*)

8.3 pm

Matt Western (Warwick and Leamington) (Lab): I am extremely grateful to have been granted this debate.

I hope that it is fairly uncontroversial to state that everyone, regardless of their tenure, has the right to live in a decent, good-quality home. In recent weeks we have seen a litany of damning stories about the quality of housing provision in this country. No doubt there is poor-quality housing in every type of tenure, but social housing appears to be at the brunt end of this crisis of quality, although I might also mention one or two other areas. One in eight homes in the social housing sector fails the decent homes standard, which the Government website describes as

“setting the minimum standards that social homes are required to meet”.

Even by that lowest of bars, a combination of housing associations, successive Governments and construction companies are failing social tenants. It is a damning indictment of the state of the UK’s current social housing stock, and, unfortunately, the situation hardly looks likely to improve. Compared with 17% of tenants in the private rental market, 26% of social tenants report being dissatisfied with the way in which their landlords carry out repairs and maintenance. I think the House will agree that those are striking statistics.

Jim Shannon (Strangford) (DUP): I thank the hon. Member for raising this issue. Does he agree that Government housing benefit funds are going to companies which are not taking care of their tenants, and that that is a problem not only for the tenants but for the Minister and the House, given that accountability is essential and the complaints procedures must be fit for purpose before any housing benefit is granted?

Matt Western: The hon. Gentleman is right. The trouble is that there is almost a vacuum at present. I am sure that what I am pressing for would carry a great deal of weight throughout the House were it better populated at this time of night.

The Department for Levelling Up, Housing and Communities’ own English Housing Survey reveals that 43% of tenants—just under half the total—choose not to make a complaint because of the hassle and time involved, and 63% are then unhappy with the response. I apologise to the hon. Member for Strangford (Jim Shannon) for not having the statistics relating to Northern Ireland, but perhaps he can look into that and share them with me at some point.

Many of the cases that I want to highlight this evening stem from the deep dissatisfaction felt by many social tenants. They are all constituents of mine, but I have no doubt that the issues raised this evening will resonate with many beyond the borders of my constituency.

Last Friday I met a constituent from a development operated through Stonewater housing association who finds himself bearing the brunt of a completely inadequate complaints mechanism. Eight years after my constituent moved in, no work had been carried out to address several persistent structural issues in the property. Eventually,

Stonewater carried out improvements which cost £330,000 and charged 24 properties in the building for the work, equating to just under £14,000 each. Stonewater has given each resident until the next financial year to pay the full amount, despite much of the work being substandard or unfinished. Disappointingly, Stonewater has not yet responded to complaints about its remedial work, and my constituent is left with a substandard set of repairs and an enormous, looming bill.

In another—particularly worrying—case, a 95-year-old constituent was living in a property managed by Orbit Housing Association. It was covered in damp. The walls were so wet that my constituent’s grandson claimed that the support bars she used to get on and off the toilet could have given way. Partly owing to significant damp arising from a leak upstairs, one evening the bathroom cabinet fell off the wall and narrowly missed hitting my constituent. Orbit had previously visited the property and added some new paint and sealant, but had not addressed the underlying problem of the damp.

When I visited the property myself, a month on, the issues remained. Seeing the nature of my constituent’s accommodation—including the bathroom in which this 95-year-old was having to survive—I was in a state of shock. Short of refitting the whole bathroom, the repairs were simply a sticking plaster, leaving my constituent in a home totally unfit for a frail 95-year-old woman.

I could go on, because the issues identified in those two developments are not strictly limited to social housing tenants. I have heard from residents in affordable housing, new-build developments and right-to-buy properties, all of whom are suffering similar problems with raising complaints.

Unfortunately, the issues I have just highlighted seem to represent yet more consequences of a failed housing market and permanent underinvestment. Over the past decade, money has been directed away from secure, affordable social homes to unaffordable homeownership products. Investment in social housing has dropped from £13.7 billion in 1979-80 to £5.1 billion last year, based on today’s prices, with 79% of spending up to 2020-21 reserved for the private sector. Is it any wonder, therefore, that housing developers are making record profits, with limited mechanisms to hold them to account?

I understand that the Social Housing (Regulation) Bill currently going through the House provides one potential avenue through which the social housing sector can be reformed. Many of the changes proposed in the Bill are broadly welcome, if not long overdue. I am pleased that the Government recognised the need for a professionalised social housing sector in their social housing White Paper in 2020. A professionalised housing sector, with managers undergoing continuous professional development, will likely improve services, allowing residents to be treated with the care and respect they deserve when lodging complaints. I also understand that in the Lords the Government tabled a new clause to the Bill on professional standards, and that they are considering further changes on Report.

If the Department is working on this, what specific steps is the Minister taking to improve the complaints mechanisms available to social housing tenants, either in further amendments to the Social Housing (Regulation) Bill or otherwise? Likewise, what progress, if any, has the Minister made on reversing the 63% dissatisfaction rate with the complaints process identified in her own

Department's English housing survey? Will the Minister meet me to discuss the difficulties that my constituents are facing and to allow them to feed in their suggestions for how the process can be improved?

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): I congratulate the hon. Member on securing this debate and am grateful to him for doing so, because I share his concerns. L&Q runs the development on the old dog track in my constituency of Chingford. The service charges are astronomical; they are higher than the costs faced by people who have managed to get the capital together for a mortgage. This is a good illustration of what the hon. Gentleman is saying. The housing association took three years to acknowledge people's complaints about the terrible problems, including windows that did not fit the building and issues with heating, so they feel that they are not being represented. Councillor Catherine Saumarez has been raising this issue with me and the authorities for some time. Where do people go when they cannot get redress and are spending money without getting the sort of place or standards that they expected?

Matt Western: I thank the right hon. Gentleman for his extremely valid and pertinent point, and I appreciate him highlighting to me that he wished to come in on it. The real challenge is that so many people feel completely disempowered by what were the friendly societies of yesteryear—they expect better from these housing associations. They believed that they would be easier to deal with than the private rental sector and that the service they received would be better protected, but the opposite seems to be the case.

I am driving at the fact that the Bill gives the Government an opportunity to legislate to ensure that developments and organisations such as L&Q put in place a structure such that tenants have recourse to come back on these issues. The scale of the problem, as I said in my opening remarks with the percentages I mentioned, is staggering, and people are living in absolute misery as a result.

It is not just housing association developments that suffer from a lack of clear dispute mechanisms. I want to give a particular example of a shared ownership development in Leamington. I will keep its name anonymous. Apartments were being offered, claiming to be built to the “highest standards”, but in reality, the tenants were faced with an absolute litany of issues. I was first contacted by residents who were concerned about the poor construction back in November 2020. I went there last November to see for myself some of the problems that they suffered, which are legion. Some of those residents have now had to move out and are being housed in alternative accommodation.

As those issues came to light, the residents complained. They wrote to Clarion, the housing association, which passed them on to the management company, now named HML, and the construction company, Engie. A great many of the tenants are really frustrated with those companies' failure to provide a clear process for the owners to move through in order to progress a complaint. These are significant structural issues that they have been struggling with and have been let down by, with each company blaming the others, therefore making it so difficult for a layperson to understand who should be responsible and who is accountable for those problems. It has taken two years to get to this stage—really,

tenants should not be required to engage their local MP in a two-year campaign in order to have their issues addressed. I hope that we are now beginning to make progress, but these people have been living in absolute misery. I cannot go into the details of some of the problems they have faced.

It is a cruel irony that the 4 million households in the social housing sector are comprised of those most in need of safe, good housing. Over half of all households in the social rented sector, 55%, had one or more household members with a long-term illness or disability—that is a striking statistic—and half of all social rented households, 50%, are within the lowest income quintile. Just today, Warwickshire County Council's director of public health acknowledged the link between poor health and housing in the council's annual report, recommending that its housing, planning and health leads work together to prevent ill health caused by poor housing and living conditions. If I may say so—it is a sad point to make—the 95-year-old whose property I went to visit died fairly soon afterwards.

The first step on the road to preventing ill health is to ensure that poor social housing conditions are eradicated by establishing open, accessible and simple avenues of complaint that have to be underwritten by legislation, and certainly by some form of regulator. There is no reason why the Government should not be in listening mode on this issue, and I hope the Minister is prepared to work constructively for the good of housing association tenants, ensuring that every person benefits from a secure, safe place to call home.

8.18 pm

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Felicity Buchan): It is a privilege to serve under you, Mr Deputy Speaker. This is an incredibly important issue: social housing is certainly very important for me. I have a lot of housing associations in my constituency of Kensington, and of course I also have Grenfell Tower in my constituency, so I want to work very collaboratively with the hon. Member for Warwick and Leamington (Matt Western), whom I congratulate on securing the debate. I also thank the other Members who have stayed late for the Adjournment.

I want to work collaboratively, because there is no question that we want all tenants to be living in safe and decent homes, and to be treated with dignity and fairness. I am grateful for the chance to talk about what we are doing to support the many thousands of housing association tenants in this country. The fire at Grenfell highlighted major failures, and in the aftermath of that fire we empowered tenants, helping them to make their voices heard. However, the tragic death last year of Awaab Ishak as a consequence of the untreated mould in his home showed that we needed to go further and faster to make sure that residents in social rented housing are safe in their homes, and know where to go to complain when they do not get the answers that they need from their landlord.

I shall go through what we are doing. The Social Housing (Regulation) Bill is clearly important. We introduced this landmark legislation to drive up standards and reform the regulation of social housing through tougher consumer powers, greater enforcement tools to tackle failing landlords, and new responsibilities for

[Felicity Buchan]

social landlords. The Bill will give powers to the regulator so that it can issue unlimited fines to failing landlords, enter properties with only 48 hours' notice, and make emergency repairs where there is a serious risk to tenants. The Bill includes improvements to the housing ombudsman service, helping residents to know and exercise their rights. It will ensure that the ombudsman has the legal power to issue a code of practice on complaint handling, and that it will consult on that code, then monitor the compliance of member landlords with the code. The Bill also strengthens the ombudsman's power to issue orders to landlords to review their policy in relation to a complaint.

A good complaints system starts with the response of landlords. Any resident who is not satisfied with the services of their landlord should, in the first instance, raise a complaint with them. All landlords have a responsibility to deliver a quality service to their residents. They are obliged to have complaints processes that are easy to use, fair, and designed to put things right. If, after the landlord's complaints process has been completed, the complaint has not been resolved or the tenant is not satisfied with the response, that resident can escalate their complaint to the housing ombudsman, which will investigate and make a determination. The housing ombudsman may issue orders or make recommendations, and publish to say that the landlord has not complied with its determination if it considers it appropriate to do so.

Sir Iain Duncan Smith: That sounds good, but the truth is that it does not happen. Instead, landlords are relentless in putting up service charges without much explanation, while tenants are concerned because their windows do not fit, or, if there is a unitary boiler, it does not work properly, or they have mould in their rooms. It takes forever to get that done, but if they miss their service charge date, the landlord is on to them like a shot. This needs to be connected somehow so that landlords do not impose service charges if service does not happen.

Felicity Buchan: There is no question but that enforcement is very important when it comes to housing. The purpose of the Bill is to tie things together. What we want to see is practical change on the ground, and I am happy to talk to my right hon. Friend about his suggestions. We need to ensure that we not only talk a good game but get the right delivery.

Matt Western: I echo the point made by the right hon. Member for Chingford and Woodford Green (Sir Iain Duncan Smith). How does the Minister envisage this will work on the ground? What role will local authorities and fire and rescue services have in establishing that these properties are safe and fit?

Felicity Buchan: We are beefing up the powers of the ombudsman and the regulator. We will have very close interaction between the ombudsman and the regulator, and we are encouraging an environment in which unacceptable behaviour towards tenants will not be tolerated. We are about to embark upon a large marketing campaign—we have already run awareness campaigns—so that tenants are aware of their rights and of where to go.

The housing ombudsman's complaint handling code was introduced in July 2020 to enable landlords quickly to resolve complaints raised by their residents, and to apply the learnings from those complaints to help to deliver improvements. Any failure to act on a complaint handling failure order could result in the ombudsman taking further action, such as a referral to the landlord's governing body, or the regulator of social housing ordering the landlord to publish details of its failure to comply and/or publishing a special report on the landlord's non-compliance.

The housing ombudsman scheme was revised in September 2020 to enable further investigation of systemic issues for the first time. The ombudsman is now able to look beyond individual disputes to the wider and deeper issues responsible for generating complaints so that we can, in turn, seek to address these issues. It is vital that the ombudsman is as efficient as possible, and it has delivered better service for social housing residents year on year, even though the number of complaints has been rising, partly because of our information and awareness campaigns.

Jim Shannon: On the process for making the complaint and the referral to the ombudsman for her or his determination, what is the timescale? Many people may want things to be done quickly. Is it possible to have a timescale?

Felicity Buchan: I could not agree more. We would like as many cases as possible to be resolved between the resident and the landlord, but I have the numbers. The ombudsman's average handling time in 2020-21 had gone down to 5.2 months. Obviously, we want resolution with the landlord, but the ombudsman can be called and can give advice all the way through the process. One does not have to wait until the ombudsman's ultimate determination.

We have also simplified things when it comes to accessing the ombudsman. From 1 October 2022, social housing residents with unresolved complaints have been able to access the housing ombudsman directly without having to go through a designated person, such as a Member of Parliament.

I am conscious that we do not have much time, but I want to talk about a few particular things. First, in March 2022, we set out a new policy of naming and shaming substandard social landlords, with the Government exposing those landlords that have either been found guilty by the ombudsman of severe maladministration or have been adjudged to have breached consumer standards. To date, 18 landlords have been named in this way.

In the case of Rochdale Boroughwide Housing, which was responsible for the home in which Awaab Ishak lived, the Government have clearly gone further and withheld funding allocated under the affordable homes programme until the landlord can prove its housing is fit for purpose.

On Awaab's law, we are considering how to make further changes to regulation. The Government strongly back the spirit of the proposals in Awaab's law, for which Awaab Ishak's family, the *Manchester Evening News* and Shelter are petitioning. It aims to make sure that landlords respond to complaints about damp and mould quickly and with proper regard to the risk to health.

We are working through the specific recommendations to consider how changes could be made as soon as possible.

The hon. Member for Warwick and Leamington touched on professionalisation. We are improving the way that landlords treat their residents. The professionalisation review, which launched in January 2022, will drive up standards by ensuring that social housing staff are better equipped to support residents, deal effectively with complaints, and make sure that homes are of good quality.

Awareness campaigns are important. Social housing tenants need to know what tools are available to them so that they can make complaints and, most importantly, have their properties remediated. We are now planning another targeted £1 million campaign that will include a media campaign, as well as upskilling third parties who interact with tenants. That will help to ensure that everyone living in the social housing sector knows their rights, knows how to sound the alarm when their landlord is failing to make the grade, and knows how to seek redress without delay.

Taken together, we are putting in place a robust and effective regime where complaints are treated with seriousness and tenants feel empowered to act. Given the stories that we have heard this evening, however, it is clear that we have further to go. The Government recognise that, which is why we are introducing the Social Housing (Regulation) Bill and are determined to get it right.

The changes that we have made are beginning to have an impact, and each step moves us closer to the situation where social housing residents are living in the homes that they deserve to live in. Let us be in no doubt that the Government are committed to improving the situation of tenants. As I have said, everyone deserves a decent and safe home, and to be treated with dignity and respect.

Question put and agreed to.

8.32 pm

House adjourned.

Written Statements

Monday 23 January 2023

HEALTH AND SOCIAL CARE

Mental Health: Capital Investment and Rapid Review

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): I am pleased to share an update on the Government's £150 million of capital investment in NHS mental health urgent and emergency care infrastructure, first announced as part of the 2021 spending review. This investment—being delivered through NHS England—will support people experiencing, or at risk of experiencing, mental health crisis to receive care and support in more appropriate settings outside of A&E and inpatient facilities, in turn improving the experience and alleviating pressures on local urgent care pathways and in the wider system.

Seven million pounds of the investment is specifically being used to centrally procure up to 100 specially designed mental health ambulances over the next two years. These vehicles will be staffed by both physical and mental health professionals, equipped to respond to and assess people on-scene or take people to the most appropriate place for care, reducing the amount of people who are taken to A&E by ambulance services. The vehicles, designed by patients and clinical experts, will provide a much calmer environment than the traditional fully kitted, bright yellow ambulances. They have been designed with simple NHS ambulance service logos and will have a less clinical interior with dimmable lighting, equipment to play music and space for parents, carers or companions to accompany during assessments and transfers.

The remaining £143 million of capital funding is being invested in providing and improving a range of spaces to more appropriately support people experiencing, or at risk of experiencing, mental health crisis. This includes the redesign and refurbishment of existing mental health suites and facilities including in emergency departments, the provision of spaces outside of A&E and the expansion of crisis lines. The programme also includes schemes designed to avoid people reaching crisis, such as improvement of sanctuary spaces and community mental health facilities.

This is alongside investment of almost £1 billion extra in community mental health care for adults with severe mental illness by 2023-24. This will give 370,000 adults and older adults with severe mental illnesses, including eating disorders, greater choice and control over their care and support them to live well in their communities.

Today, I am also announcing the commencement of a rapid review into patient safety in mental health inpatient settings in England. This review is an essential first step in improving safety in mental health inpatient settings. It will focus on what data and evidence is currently available to healthcare services, including information provided by patients and families, and how we can use this data and evidence more effectively to identify patient safety risks and failures in care. I am immensely pleased to announce that the review will be

chaired by Dr Geraldine Strathdee. Dr Strathdee brings a wealth of experience from working for over 20 years in senior roles in mental health policy, regulation and clinical management, at national and regional levels.

Dr Strathdee will remain the chair of the Essex Mental Health Independent Inquiry, which is looking at inpatient mental health deaths in Essex between 2000 and 2020 and which will continue its work during the period of the rapid review. The rapid review will be separate from, but complementary to, the Essex inquiry, and we are excited that she brings her significant expertise from all her work on mental health so far. Dr Strathdee also has a long-standing passion for using data to improve services.

NHS England has also established a three-year Quality Improvement programme which seeks to tackle the root causes of unsafe, poor-quality inpatient care in mental health, learning disability and autism settings. My officials will continue to work closely with their colleagues in NHS England to make sure the review is aligned with and complementary to the Quality Improvement programme.

[HCWS512]

Mental Health: Expected Spend

The Secretary of State for Health and Social Care (Steve Barclay): Last year, the Health and Care Act 2022 received Royal Assent, enacting the most significant health legislation for a decade into law. The Act introduced a statutory requirement for the Secretary of State for Health and Social Care to set out expectations for the year ahead on NHS mental health services spending. This is to ensure better transparency as part of the Government's commitment to parity of esteem, ensuring that patients are able to access services that treat both mental and physical health conditions equally and to the same standard.

This requirement supports the Government's existing commitments to increase spending on mental health services in real terms by at least £2.3 billion a year by 2023-24 and to uphold the mental health investment standard, which requires that integrated care boards' spending on mental health grows at least in line with growth in overall recurrent funding allocations.

Today I lay before Parliament the first annual statement in fulfilment of this commitment.

In this statement I will set out the Government's expectation for mental health spending by NHS England and ICBs in aggregate in the 2023-24 financial year. Specifically, I will set out whether the Government expect there to be an increase in expenditure by comparison with the previous financial year—2022-23—in relation to mental health, both in amount and proportion. It should be noted that, owing to the statutory requirement to lay this statement before Parliament ahead of the new financial year, the figures contained within this first annual statement will, in part, be based on projections.

In financial year 2023-24, the Government expect mental health spending to continue to increase as a proportion of the total recurrent expenditure incurred by NHS England and ICBs in aggregate. In financial year 2022-23, mental health spending made up 8.90% of all recurrent NHS spending. In the coming financial year we expect this to grow by 0.02 percentage points and account for 8.92% of total recurrent spend, as shown below.

	2022-23	2023-24
Recurrent NHS baseline (£bn)	142.4	153.0
Total forecast Mental Health spend (£bn)	12.7	13.6
Mental Health share of recurrent baseline	8.90%	8.92%

This includes, at aggregate ICB level, baseline spend within scope of the mental health investment standard, which covers all spending on mental health from an ICB's core allocations, and at NHS England level, service development fund spending and specialised commissioning spending on mental health.

These encouraging projections demonstrate the Government's continuing commitment to expanding and transforming mental health services across England and to delivering sustained investment in this area across the country, and our ongoing commitment to parity of esteem for mental health.

[HCWS511]

HOME DEPARTMENT

Control of Explosives Precursors and Poisons

The Minister for Security (Tom Tugendhat): Today I am laying before both Houses a statutory instrument to strengthen the controls of explosives precursors and poisons in Great Britain.

Following the tragic Manchester Arena attack in 2017, the Government committed to enhance their capabilities to detect and prevent terrorist activity, including that which involves the use of explosives precursors.

The Control of Explosives Precursors and Poisons Regulations 2023 will build on existing safeguards in the Poisons Act 1972 to prevent terrorist access to substances of concern, while ensuring that legitimate users of these products can still access them to pursue lawful activity. These regulations follow a public consultation that ran between December 2021 and March 2022.

Around Great Britain, businesses and individuals use various chemicals for a wide range of legitimate uses. While we do not want to hinder this, we must minimise the risk posed by the illicit use of explosives precursors and poisons. Shops and business are already required to report suspicious activity on the sale, attempted sale, loss or theft of the most dangerous explosives precursors and poisons. Through this legislation, we are adding to the lists of reportable and regulated explosives precursors and poisons, improving the requirements for reporting suspicious activity, as well as providing additional obligations on online marketplaces. Businesses will also be required to record certain information when selling regulated explosives precursors to professional users. This will have minimal impact on businesses already required to report those chemicals and poisons liable to cause harm.

The measures will come into force on 1 October 2023. Guidance on these measures will be available on www.gov.uk in due course ahead of the regulations commencing on 1 October. A full impact assessment and explanatory memorandum will also be laid alongside the regulations in both Houses.

[HCWS509]

TRANSPORT

Draft Road Vehicles (Authorised Weight) (Amendment) Regulations 2023

The Parliamentary Under-Secretary of State for Transport (Mr Richard Holden): I have today published the draft Road Vehicles (Authorised Weight) (Amendment) Regulations 2023, with an accompanying explanatory memorandum. A de minimis assessment has been drafted and will be available when the draft statutory instrument is laid.

The use of zero-emission vehicles (ZEVs) and alternatively fuelled vehicles (AFVs) can contribute to transport decarbonisation, as well as reduce emissions of air quality-related pollutants. Currently, alternatively fuelled and zero-emission heavy goods vehicles (HGVs) may have heavier powertrain technology than traditionally fuelled internal combustion engine (ICE) HGVs. There are particular components in AFVs or ZEVs which are likely to be heavier than their equivalents in an ICE vehicle, most notably batteries, which are significantly heavier than a petrol or diesel fuel tank providing an equivalent vehicle range. Fuel tanks for pressurised gaseous fuels such as biomethane or hydrogen are also likely to be heavier than ICE equivalents, due to the need to reinforce these to cope with high pressure.

All vehicles are subject to a gross vehicle weight limit, which varies depending on the axle configuration. Current weight allowances are set out within the Road Vehicles (Authorised Weight) Regulations 1998 (S.I. 1998/3111) and the Road Vehicles (Construction and Use) Regulations 1986 (S.I. 1986/1078). Due to current maximum weight limit restrictions, the heavier powertrain means AFVs and ZEVs can carry a decreased cargo weight than comparable ICE vehicles. This acts as a payload penalty, potentially decreasing their commercial appeal.

The statutory instrument provides for a weight limit increase of a flat 2 tonnes for certain ZEVs and up to 1 tonne for certain AFVs. The relevant ZEVs and AFVs are mainly types of HGV. No additional weight allowance for ZEVs or AFVs will apply over the existing maximum of 44 tonnes. The maximum weight limits for individual axles will remain unchanged. This slightly different approach for ZEVs compared with AFVs is to provide the maximum possible incentive for ZEVs to be adopted.

The statutory instrument is published in accordance with the procedure required by schedule 8 to the European Union (Withdrawal) Act 2018 and agreed with Parliament. The statutory instrument is being published in draft at least 28 days before being laid in draft to be considered under affirmative procedures in Parliament.

The Department consulted on these proposals between July and September 2021 as part of a wider consultation on phase-out dates for new non-zero emission HGVs, "Heavy goods vehicles: ending the sale of new non-zero emission models." A response confirming our intention to introduce these changes was published on 12 May 2022.

[HCWS510]

Ministerial Correction

Monday 23 January 2023

EDUCATION

Topical Questions

The following is an extract from Education Questions on 16 January 2023.

Mike Amesbury (Weaver Vale) (Lab): James Kerfoot, the headteacher of Rudheath Senior Academy, which serves my constituents, has introduced free school meals for all pupils. Why does the Minister not do the same?

Nick Gibb: As I said, we are spending £1.6 billion each year on free school meals, which is targeted at the most disadvantaged children, but schools are able to use their pupil premium funding, which is worth £2.5 billion

a year to schools, if they wish to extend the coverage of free school meals to more pupils. As I said earlier, we extended free school meals to all pupils in infant schools in an early decision of the Conservative-led coalition Government.

[Official Report, 16 January 2023, Vol. 726, c. 23.]

Letter of correction from the Minister of State, Department for Education, the right hon. Member for Bognor Regis and Littlehampton (Nick Gibb):

An error has been identified in the response I gave to the hon. Member for Weaver Vale (Mike Amesbury).

The correct response should have been:

Nick Gibb: As I said, we are spending £1.6 billion each year on free school meals, which is targeted at the most disadvantaged children, but schools are able to use their pupil premium funding, which is worth **over £2.6 billion this year** to schools, if they wish to extend the coverage of free school meals to more pupils. As I said earlier, we extended free school meals to all pupils in infant schools in an early decision of the Conservative-led coalition Government.

ORAL ANSWERS

Monday 23 January 2023

	<i>Col. No.</i>		<i>Col. No.</i>
WORK AND PENSIONS	729	WORK AND PENSIONS—continued	
Cost of Living: Impact on People with a Disability	741	Social Security Payments: Cost of Living.....	731
Cost of Living: Impact on People with Parkinson's Disease.....	737	State Pension Age: Women	738
Cost of Living: Pensioners	742	Support for Care Leavers: Housing.....	736
Incentivising Return to the Labour Market.....	734	Supporting People into Work: Childcare Costs	740
Job Vacancies: Watford	739	Topical Questions	744
Local Housing Allowance	743	Unemployment: Mental Ill Health	729
Pension Credit.....	735	Universal Credit Recipients.....	739
		Universal Credit: Vaccine Damage Payment Awards.....	742

WRITTEN STATEMENTS

Monday 23 January 2023

	<i>Col. No.</i>		<i>Col. No.</i>
HEALTH AND SOCIAL CARE	15WS	TRANSPORT	18WS
Mental Health: Capital Investment and Rapid Review	15WS	Draft Road Vehicles (Authorised Weight) (Amendment) Regulations 2023	18WS
Mental Health: Expected Spend.....	16WS		
HOME DEPARTMENT	17WS		
Control of Explosives Precursors and Poisons	17WS		

MINISTERIAL CORRECTION

Monday 23 January 2023

	<i>Col. No.</i>
EDUCATION	7MC
Topical Questions	7MC

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**not later than
Monday 30 January 2023**

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CONTENTS

Monday 23 January 2023

Oral Answers to Questions [Col. 729] [see index inside back page]

Secretary of State for Work and Pensions

Ministerial Appointments: Vetting and Managing Conflicts of Interest [Col. 751]

Answer to urgent question—(Jeremy Quin)

Prepayment Meters [Col. 760]

Answer to urgent question—(Graham Stuart)

Personal Statement [Col. 769]

Northern Ireland Budget Bill [Col. 771]

Allocation of Time motion—(Stuart Anderson)—agreed to

Motion for Second Reading—(Mr Steve Baker)—agreed to

Read a Second time

Considered in Committee

Not amended, further considered; read the Third time and passed

Petition [Col. 826]

Housing Association Tenants: Complaints Mechanisms [Col. 827]

Debate on motion for Adjournment

Written Statements [Col. 15WS]

Ministerial Correction [Col. 7MC]
