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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Tuesday 24 January 2023

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH AND SOCIAL CARE

The Secretary of State was asked—

Ambulance Services: Strikes

1. **Jack Lopresti** (Filton and Bradley Stoke) (Con): What steps he is taking to ensure that ambulance services continue to operate during strikes. [903217]

The Secretary of State for Health and Social Care (Steve Barclay): We have introduced a range of contingency measures, such as the provision of military personnel, who are available to assist with the driving of ambulances, and community first responders, who can help before ambulances arrive on the scene.

Jack Lopresti: Will my right hon. Friend join me in thanking call handlers at the South Western Ambulance Service NHS Foundation Trust—and the public—for halving the number of 999 calls to the trust over the last month, and reducing average call answering times by 95%, to just three seconds? Will he also join me in expressing dismay at the approach taken by the Leader of the Opposition during the most recent session of Prime Minister's Question Time in seeking to sow fear in the hearts of my constituents and others for his own narrow political gain?

Steve Barclay: I am happy to join my hon. Friend in paying tribute to the work of call handlers at the South Western Ambulance Service, and to the staff there as a whole. He is right to draw attention to the improved performance that we have seen in recent weeks, and also right to point out that all parts of the United Kingdom have faced considerable challenges, particularly over the Christmas period when we saw a significant spike in flu levels.

Rachael Maskell (York Central) (Lab/Co-op): We have just heard in the Health and Social Care Committee that on strike days there was a drop in service demand, but also value added by the increased clinical support, resulting in better and more cost-effective decisions. Why does that happen on strike days rather than on every single day of the year?

Steve Barclay: We are taking a number of steps to improve performance, and not just on strike days—but I thought the hon. Lady was going to refer to the comment that she made about those on her own Front Bench, when she said:

“I think what our health team need to do is really spend more time in that environment with clinicians to really understand what drives them.”

We on this side of the House are spending a significant amount of time with clinicians, and it is important that those on the hon. Lady's Front Bench do so as well.

NHS Workforce: Retention and Recruitment

2. **Janet Daby** (Lewisham East) (Lab): If he will bring forward a plan to increase (a) retention and (b) recruitment of NHS staff. [903218]

6. **Jim Shannon** (Strangford) (DUP): What steps he is taking to ensure that gaps in the NHS workforce are filled. [903222]

21. **Karl McCartney** (Lincoln) (Con): What progress he has made on increasing the number of doctors and nurses in the NHS. [903240]

The Secretary of State for Health and Social Care (Steve Barclay): The long-term workforce plan that is being developed by NHS England will help to ensure that we have the right staff numbers with the right skills to deliver high-quality services in the future.

Janet Daby: Is the Secretary of State fully aware that under this Government every part of the NHS is in crisis? Are the Government satisfied with the fact that, as medical students in their second year told me recently, the shortage of staff on hospital wards and the pressures on those wards are affecting their training? The students also told me that they had little aspiration to work as junior doctors in the UK after qualifying, because of the acute strain on the NHS and because they felt undervalued. Does the Secretary of State know about this, and what is he going to do about it?

Steve Barclay: We see a considerable number of applications for medical undergraduate places, far in excess of the number of places available. We have boosted the number of places—[*Interruption.*] The hon. Member for Ilford North (Wes Streeter) chunters from the Opposition Front Bench, but when I was last in the Department and the Chancellor had my role, we increased the number of medical undergraduate places by 25%. Indeed, we have more doctors and nurses than we had last year, and 3.5% more full-time equivalent staff: we have over 42,000 more people working in the NHS than we had last year.

Jim Shannon: The British Heart Foundation has reported that by the end of August 2022 a record 346,000 people were waiting for heart care. Despite the best efforts of NHS staff, workforce shortages are affecting primary and secondary care services. Can the Secretary of State explain how the Government's comprehensive NHS workforce plan will address specific gaps in the workforce, especially those in cardiology services?

Steve Barclay: The hon. Gentleman has raised an important issue. I think that, in particular, we should look at our approach to major conditions, and I will say more about our thinking in that regard at the start of topical questions. I also think that we need to look at the issue of heart conditions in the context of the wider

debate about excess deaths; we know that there is a particular issue in the 50 to 64-year-old cohort. As well as providing those extra doctors and clinicians—and from next autumn we will also have the additional medical doctor degree apprenticeship route—we need to look at methods of upstream testing, particularly in respect of heart conditions.

Karl McCartney: In reference to my right hon. Friend's earlier answers, we are keen to see the success of the new Lincoln medical school leading to more locally trained NHS professionals working across Lincolnshire. What more can the Government do to remove barriers to entry to ensure that anyone who can do so is able to train to become a doctor, nurse, dentist or dental nurse in our NHS, specifically in Lincoln and Lincolnshire?

Steve Barclay: My hon. Friend raises an important point on two levels. The first relates to how we boost recruitment in areas such as Lincolnshire, and the new medical school in Lincoln will play a key part in that. The second relates to how we increase the retainability of staff in those parts of the country, and having more on-the-job training and apprenticeships is a key way of doing that. That is why things like the new medical doctor degree apprenticeship will be particularly relevant to cohorts of the population in areas such as Lincoln.

Mr Louie French (Old Bexley and Sidcup) (Con): One of the biggest issues my local hospitals raise with me in outer London is the impact of Sadiq Khan's ultra-low emission zone expansion, with nurses and other staff facing charges of £12.50 per shift or £25 if they are working nights. Given that 50% of London's emergency service workers live outside the capital, does the Minister agree that the Mayor and the Labour party should stop ignoring Londoners and drop their ULEZ tax rate?

Steve Barclay: My hon. Friend raises an important point about the additional costs that the London Mayor is imposing not just on NHS staff but on all staff working in the capital, in contrast to the approach the Chancellor has taken to energy support to help staff across the workforce, including in the NHS, with the cost of living.

Sir Gary Streeter (South West Devon) (Con): Most of the GP practices in South West Devon report to me that their biggest challenge is recruiting new doctors. Does my right hon. Friend have an estimate of the number of young doctors finishing their training this year who are likely to want to become GPs, and can he reassure us that that is a greater number than the number who are likely to retire in the next 12 months?

Steve Barclay: My hon. Friend raises two important themes. The first relates to how many are in training, and I think it is around 4,000. We have boosted the number of GP training places and we have looked at medical schools as a specific issue. Also, he will have seen some of the changes being made around pensions in order to better retain staff, mindful of those clinicians who are leaving the profession, and further discussions are taking place with Treasury colleagues in that regard.

Helen Morgan (North Shropshire) (LD): In Shropshire there are 14% fewer GPs and 29% fewer GP partners than in 2019, yet in the period from April to November 2022, they provided 6% more appointments. It is this

additional workload that is causing burnout in GP practices and a flight from the profession. What is the Secretary of State doing to improve the retention of GPs as well as recruitment?

Steve Barclay: It is important to look at the number of doctors in general practice, and those numbers are up. There are 2,298 more than there were in September 2019, so we are increasing the number of doctors. What is also important is getting the right care at the right time within primary care, which is about the wider workforce—the paramedics, the mental health support and others working in primary care—and there are an extra 21,000 there. This is enabling GPs to see more patients a day and allowing more patients to get the right primary care, perhaps not from a doctor but from others who can offer specialised support.

Eddie Hughes (Walsall North) (Con): One of the best ways to improve recruitment and retention is to make sure that staff have an excellent working environment, which is why I campaigned for a new urgent and emergency care department at Walsall Manor Hospital. I was successful, and it is opening in March. Will one of the ministerial team join me to celebrate this success?

Steve Barclay: I welcome my hon. Friend's drawing attention to the investment that has been made, which is in no small part due to his campaigning and championing his constituents, as he does so assiduously. I think the Minister of State, Department of Health and Social Care, my hon. Friend the Member for Colchester (Will Quince) has plans to join him to mark the opening of that important facility, which shows our investment in the estate within the NHS.

Mr Speaker: There will be a 24-hour service at Chorley as well, I hope.

Gareth Thomas (Harrow West) (Lab/Co-op): One way to improve retention and recruitment of NHS staff at Northwick Park Hospital, which serves my constituency and which I believe the Secretary of State visited last Thursday, would be to invest in doubling its intensive care beds. Did the Secretary of State discuss that issue with the chief executive of Northwick Park when he visited last week? Will he tell us when he might be able to announce funding for the new 60-bed unit that Northwick Park needs?

Steve Barclay: The hon. Gentleman is right to highlight the importance of bed capacity at Northwick Park, but my discussions with the chief executive were more in the context of how step-down capacity will relieve pressure on A&E. The hon. Gentleman will know that Northwick Park has one of the busiest, if not the busiest, A&Es in London on many days, and the chief executive spoke to me about the value of adding extra bed capacity from a step-down perspective, much more so than from an intensive-care perspective. If there are specific issues for intensive care, I am happy to follow them up with the hon. Gentleman.

Mr Speaker: I call the shadow Minister.

Dr Rosena Allin-Khan (Tooting) (Lab): In mental health we rely on staff, not shiny machinery, so why is the Secretary of State rehashing old announcements and scrapping plans? It is because the Government have

run out of ideas. Labour has a plan. We will recruit 8,500 more mental health professionals, ensuring a million more patients get treated every year. We will double the number of medical school places. We will train 10,000 extra nurses and midwives every year, and we will focus on retaining the fantastic staff we already have. Where is the Government's plan? We have had our plan for two years, but they are binning theirs.

Steve Barclay: It is slightly odd for the hon. Lady to talk about a plan when she does not agree with the plan of the shadow Health Secretary, the hon. Member for Ilford North (Wes Streeting). He plans to use the private sector, which he describes as “effective and popular,” whereas the hon. Lady said:

“In my own brief in mental health we have use of the private sector, which ultimately often lets patients down.”

First, the hon. Lady does not agree with the shadow Secretary of State. [*Interruption.*] The hon. Lady chunters, but she asked about a plan when she does not agree with her own Secretary of State.

Secondly, the hon. Lady talked about shiny new equipment. I am delighted that she allows me to draw the House's attention to yesterday's announcement of a fleet of 100 new mental health ambulances, which will relieve pressure on A&E. I am delighted that she gave me an open door to highlight that investment, which is part of our £2.3 billion investment in mental health.

Women's Health Strategy for England

3. **Ellie Reeves** (Lewisham West and Penge) (Lab): What recent steps he has taken to implement the women's health strategy for England. [903219]

22. **Alex Davies-Jones** (Pontypridd) (Lab): What recent steps he has taken to implement the women's health strategy for England. [903241]

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): Last summer we published the first Government-led women's health strategy for England, which sets out our 10-year ambition to boost the health and wellbeing of women and girls and to improve how the health and care system listens to them. I am pleased that we have set out the first eight priorities for the first year of the women's health strategy, and that we are already delivering on many of them.

Ellie Reeves: After 13 years of Conservative Government, more than half of maternity units now consistently fail to meet safety standards. Almost 40,000 women now wait over a year for gynaecological treatment, up from just 15 women 10 years ago. Women in the poorest areas are dying earlier than the average female in almost every comparable country. At every stage of a woman's life, her health is being compromised. When will these failures be reversed, and when will we see real investment in the NHS workforce and in women's health?

Maria Caulfield: I am sorry that the hon. Lady does not welcome our announcement of this country's first women's health strategy, which is putting women as a priority at the heart of the health service.

We have eight priorities for this year. We are rolling out women's health hubs around the country as a one-stop shop to make healthcare more accessible to

women. We are improving women's health provision by setting out a women's health area, with reliable information, on the NHS website. We are working with the Department for Work and Pensions to support women's health in the workplace. We are recognising pregnancy loss by developing the first ever pregnancy loss certificate for babies who are born and lost before 24 weeks. We are improving and standardising access to in vitro fertilisation for same-sex couples around the country. And we are launching the first ever hormone replacement therapy prepayment certificate in April. That is some of the work we are doing, and I am disappointed the hon. Lady does not recognise that effort.

Alex Davies-Jones: A stated intention of the women's health strategy is to explore mechanisms to publish national data on the provision and availability of IVF, on which there has since been no Government progress. This issue affects families and would-be parents across the country. We know all too well that a postcode lottery exists, and it is just not good enough. Will the Minister support my private Member's Bill to address this issue, which is due to have its Second Reading on 24 March?

Maria Caulfield: I pay tribute to the hon. Lady for the work she is doing in this space. I was in the Chamber when she presented her Bill last week and I can reassure her that, as part of the work we are doing with integrated care boards, we are collating and publishing data on the commissioning of fertility services, so that women in each part of the country can not only see what services are available to them, but compare what is being offered locally. That is happening in England; I cannot comment about what is being done in Wales. Let me also say that the Human Fertilisation and Embryology Authority is publishing data about add-ons, which I know is a particular interest of hers. We want to make sure that that information is available on the NHS, so that women can make an informed decision.

Chloe Smith (Norwich North) (Con): I welcome that update, and the tone and, as always, the calm confidence with which the Minister provides it. Does she agree with me and with the Chancellor that the NHS has to help people back into work?

Maria Caulfield: I thank my right hon. Friend for her kind words. I absolutely agree on that, which is why helping women back into work and dealing with their health issues in the workplace is one of the first eight priorities of the women's health strategy. We are working with colleagues in the Department for Work and Pensions on that. Last night, I had a roundtable with tech and STEM—science, technology, engineering and maths—employers, and they were desperate to keep their women in the workforce and to recruit more. Whether we are talking about young women who need support as they go through endometriosis or IVF treatment, or older women who are dealing with the menopause, we are absolutely committed to supporting women's health needs in the workplace.

Mr Philip Hollobone (Kettering) (Con): I welcome the recent announcement of enhanced breast cancer facilities at Kettering General Hospital. Is that not just the sort of extra investment we need to improve the delivery of women's health services?

Maria Caulfield: I thank my hon. Friend, who has always been campaigning for better health services in Kettering. Let me reiterate what he has just said: that announcement followed the announcement last week of £10 million for NHS breast screening services, to provide 29 new mobile units and static breast care units across England.

Mr Speaker: I call the shadow Minister.

Feryal Clark (Enfield North) (Lab): The women's health strategy was an opportunity to fundamentally change the inequalities women face. Women were promised a clinical women's health lead in the NHS, yet a former Health Minister, the hon. Member for Sleaford and North Hykeham (Dr Johnson), admitted that there has not even been a discussion about establishing the role. Women in east Kent were promised change after the damning review of local maternity services, yet the Care Quality Commission is now threatening the trust there with enforcement action. Time after time, women's voices are at best being ignored and at worst being silenced. So I ask the Minister: when will this Government stop letting women down with empty promises? Is the women's health strategy worth the paper it was written on?

Maria Caulfield: Perhaps the shadow Minister will reflect on her comments when she receives the "Dear colleague" letter later today outlining the eight priorities areas for our first year of the strategy, with work such as the prepayment certificate for hormone replacement being done already; it is launching in April and saving women hundreds of pounds on the cost of HRT. May I say that I am gobsmacked by the Labour party's position on this? Not only does it struggle most days to define what a woman actually is—for reference, it is a female adult human—but it cannot stand up for women either. There was no greater example of that than what we saw in this Chamber last week, when Labour Members were heckling the hon. Member for Canterbury (Rosie Duffield) and intimidating my hon. Friend the Member for Penistone and Stocksbridge (Miriam Cates). Come back to us when the Labour party is reflecting on the behaviour of its own MPs before dictating to us.

Mr Speaker: Let me just remind people: these are questions to the Government.

Access to GPs

4. **Mohammad Yasin** (Bedford) (Lab): What steps he is taking to help improve access to GPs. [903220]

The Secretary of State for Health and Social Care (**Steve Barclay**): We recognise that increased demand has had an impact on GP services. That is why we are investing at least £1.5 billion to create an additional 50 million GP appointments by 2024.

Mohammad Yasin: There is a clear failure to invest in critical infrastructure across the primary care estate, for example, in modernising in-patient mental health services and GP hubs. To make matters worse, Government bureaucracy is holding up capital funding allocations. My constituents deserve better community care and hospitals need relief, so when will the Government finally release the funding to build the facilities desperately needed in Bedford and Kempston?

Steve Barclay: We have literally just heard in this questions session from my hon. Friend the Member for Walsall North (Eddie Hughes) about the investment the Government are making in infrastructure across the NHS. That is why we have also, alongside the investment we are making in primary care, invested in the new hospitals programme, as part of this Government's commitment to the NHS estate.

Dame Caroline Dinenage (Gosport) (Con): Since the beginning of January, Gosport patients have learnt that one of our GP practices is threatened with closure, while another is about to merge with an already very subscribed group of practices. Partners are retiring, with no replacements. Will the Secretary of State confirm what he is doing to ensure that my constituents can access a GP? Will he please meet me to discuss this issue?

Steve Barclay: My hon. Friend raises an important point, and we are investing over a fifth more than in 2016, as part of our wider investment programme. I am very keen to work with her on the role of her ICB. It was set up operationally last summer, and its role is to commission primary care services for the community and to assess the needs of her Gosport constituents. I am very happy to work with her and her ICB on the issues she raises.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Hull has the second highest ratio of GPs to patients in the country. Even though GPs see 46 people a day on average, it is clear that demand for their services outstrips supply. Of course the Labour Government will have a plan to resolve this, but in the meantime will the Secretary of State look at giving women direct access to specialist nurses and services, such as endometriosis or menopause specialists, to prevent them from having to go via their GP each time they need renewed treatment and updated medication?

Steve Barclay: First, that is exactly what the women's health strategy is doing through designing women's health hubs. It is exactly why we are appointing a wider portfolio of roles into primary care. The hon. Lady says that Labour has a plan, but Labour's plan is to divert £7 billion out of primary care property, which will not improve services for women and will actually impede the ability to deliver exactly the sort of services she is calling for.

Paul Maynard (Blackpool North and Cleveleys) (Con): Thornton Cleveleys will see a 17% increase in new patients registering for primary care in the next five years, exceeding the physical capacity. Cost-effective solutions have been found, but the obstacle is the integrated care board, which keeps changing its mind as to whether money is or is not available. The clock is ticking on the need for this new capacity. Will the primary care Minister meet me to resolve this impasse and get the ICB to sort its act out?

Steve Barclay: My hon. Friend brings welcome transparency to the issue. The Under-Secretary of State for Health and Social Care, my hon. Friend the Member for Harborough (Neil O'Brien) was listening intently, and is nodding his head about meeting him to discuss it.

Access to NHS Dentistry

5. **Peter Aldous** (Waveney) (Con): What steps he is taking to improve access to NHS dentistry. [903221]

20. **Gill Furniss** (Sheffield, Brightside and Hillsborough) (Lab): What recent assessment he has made of the adequacy of access to NHS dentistry. [903238]

The Parliamentary Under-Secretary of State for Health and Social Care (Neil O'Brien): The Government are working to improve access. We have made initial reforms to the contract and created more unit of dental activity bands to better reflect the fair cost of work and to incentivise NHS work. We have introduced a new minimum UDA value to help sustain practices where they are low, and we are allowing dentists to deliver 110% of their UDAs for the first time to deliver more activity. Those are just the first steps; we are planning wider reforms.

Peter Aldous: On 20 October, the House passed a motion highlighting the continuing crisis in NHS dentistry and calling on the Government to report to the House in three months' time on their progress in addressing this crisis. That time has now elapsed. I am grateful to the Minister for that update, but can he confirm that the Government will be producing a comprehensive strategy for the future of NHS dentistry, and can he inform the House when it will be published?

Neil O'Brien: It was very useful to meet my hon. Friend the other day, who is a great expert on this issue. As he knows, we are working at pace on our plans for dentistry. As well as improving the incentives to do NHS work, we are working on the workforce to make it easier for dentists to come to the UK. We laid draft secondary legislation in October to help the General Dental Council with that. We are working on our plans for a centre for dental development in Ipswich and elsewhere in the east of England, as he knows. Although we have not yet set a date to set out the next phase of our plans, my hon. Friend knows from our meeting that this is a high priority area for us and that we are working on it at pace.

Gill Furniss: I was contacted recently by my constituent Helen, who said:

"I don't know what to do. I have phoned 25 dental practices today and been told the same thing each time: all we can do is put you on a 3 year waiting list."

What does the Minister say to Helen and the thousands who, like her, cannot access an NHS dentist? When will he get a grip on this crisis?

Neil O'Brien: We are the first to say that the current situation is not satisfactory. That is why we invested an extra £50 million in the last quarter of last year, and it is why we are working at pace. Let us be clear: dentistry has not been right since Labour's 2006 contract, and until we fix the fundamentals of that and the problems set up by the Opposition, we will not tackle the underlying problem.

NHS Beds: Alexandra Hospital

7. **Rachel Maclean** (Redditch) (Con): What steps his Department is taking to increase the number of NHS beds available in the Alexandra Hospital in Redditch. [903223]

The Minister of State, Department of Health and Social Care (Helen Whately): Right now, we are putting an extra £750 million into our health and social care system to free up beds in hospitals. Looking ahead, we will shift the dial on the decades-old problem of delayed discharge by properly planning for discharge, making more care available at home, and joining up health and social care in a way that has never been done before. That is how we are freeing up beds in hospitals such as the Alexandra in Redditch.

Rachel Maclean: I thank the Minister for that answer. In Worcestershire, we warmly welcome the £2.6 million that has been allocated as our share of the discharge fund. Will the Minister set out when my constituents who use the Alexandra will start to see these changes flowing through? What practical changes will they see and what impact will there be on waiting times and waiting lists?

Helen Whately: I thank my hon. Friend for her excellent and important question about her local share of the £750 million of extra funding for discharge this winter. I can tell her that, in Worcestershire, money is already going into extra placements in homecare, community care and care homes, and into providing practical support to help people when they get home from hospital, in partnership with the voluntary sector. I assure her that we will publish the spending plans for her area and the rest of the country shortly.

Excess Deaths: Policy Implications

8. **Debbie Abrahams** (Oldham East and Saddleworth) (Lab): What assessment he has made of the implications for his policies of the number of excess deaths in 2022. [903224]

13. **Alex Cunningham** (Stockton North) (Lab): What assessment he has made of the implications for his policies of the number of excess deaths in 2022. [903229]

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): Excess deaths data are published on the gov.uk website, which was most recently updated on 12 January. They show that causes of death from conditions such as ischemic heart disease contributed to excess deaths in England in the past year.

Debbie Abrahams: The UK's all-cause mortality for working-age people was 8.3% above the average for the previous five years and the fifth highest in Europe. On top of that, excess deaths are disproportionately experienced by the most deprived and by people of African, Caribbean and Asian descent. Given that these figures are driven by structural inequalities, and that those inequalities are getting worse—the richest 1% have bagged nearly twice as much wealth as the remaining 99% in the past two years—does the Minister think that it is appropriate to recommend that people pay for their GPs?

Maria Caulfield: The Government are not recommending that people pay for their GPs. In fact, we are investing more in primary care than ever before, unlike the shadow Secretary of State who wants to dismantle the GP system and privatise the healthcare system as well. I think the hon. Lady needs to have a conversation with those on her own Front Bench. Not only did the shadow Secretary of State insult primary care teams for running

up their vaccination programme, calling it “money for old rope”, but we are the ones who are investing in primary care services and making them more accessible to people.

Alex Cunningham: According to Cancer Research and Action on Smoking and Health, smoking costs the NHS in Stockton £9 million a year and social care £5 million a year, and it costs some £47 million in lost productivity, unemployment and premature deaths. Assuming that one day soon we will get the Government to back a control plan, will Ministers ensure that it includes the desperately needed funding for local smoking cessation services?

Maria Caulfield: Local decisions on public health are taken by local commissioning groups and local authorities, and it is for each local area to decide how it spends the money on public health.

Esther McVey (Tatton) (Con): The chief medical officer recently warned that non-covid excess deaths are being driven in part by patients not getting statins or blood pressure medicines during the pandemic. However, when looking at the data on statins on OpenPrescribing.net, which is based on monthly NHS prescribing, there appears not to be a drop, so where is the evidence? If there is none, what is causing these excess deaths? Will the Minister commit to an urgent and thorough investigation on the matter?

Maria Caulfield: We are seeing an increase in excess deaths in this country, but we are also seeing that in Wales, in Scotland, in Northern Ireland and across Europe. There is a range of factors. As we saw, there was an increase in December in the number of people being admitted with flu, covid and other healthcare conditions. That was seen not just in this country, but across Europe.

Andrew Bridgen (North West Leicestershire) (Ind): The Office for National Statistics has not issued mortality data by vaccination status since 31 May last year. Will the Minister confirm that her Department has collected that data for the rest of 2022 and inform the House when it will be published?

Maria Caulfield: I am happy to write to the hon. Gentleman with that information. However, I must be clear that we planned for an increase in admissions this winter. That is why we got on and delivered on our plans for 7,000 extra beds, and why we brought forward our flu and covid vaccination programme and lowered the age of eligibility. There are a number of factors, and they are the same factors that have driven excess deaths across the United Kingdom and across Europe.

Mr Speaker: I call the shadow Minister.

Andrew Gwynne (Denton and Reddish) (Lab): There were 50,000 more deaths than we would otherwise have expected in 2022. Excluding the pandemic, that is the worst figure since 1951. The Health Secretary—part man, part ostrich—says he does not accept those figures, but as many as 500 people are dying every week waiting for essential care, and we are still getting the same old Tory denial and buck-passing. In her answer, will the

Minister finally take some responsibility, accept the ONS excess deaths figure, and recognise the damage that she and her Government are doing to our NHS?

Maria Caulfield: I prefer to deal with facts rather than—[*Interruption.*] *The BMJ* has ranked the UK mid-table in Europe for mortality figures, which makes it comparable with Italy. In fact, Germany has higher excess deaths, at 15.6%, as do Finland, at 20.5%, and Poland, at 13.3%. However, if the hon. Gentleman wants to hear about what is happening in Labour-run Wales, the statistics available on the gov.wales website show that Wales, in December, had the highest number of red calls ever and that only 39.5% received a response within eight minutes—the lowest figure on record. Those are clinical reasons for excess deaths, not political ones. Perhaps the hon. Gentleman needs to recognise that fact.

Impact of Brexit: Recruitment

9. **Alison Thewliss (Glasgow Central) (SNP):** What recent assessment he has made of the potential impact of the UK's departure from the EU on recruitment in the health and social care sector. [903225]

15. **David Linden (Glasgow East) (SNP):** What recent assessment he has made of the potential impact of the UK's departure from the EU on recruitment in the health and social care sector. [903231]

The Minister of State, Department of Health and Social Care (Helen Whately): We have record numbers of staff in the NHS in England. We are on track to hit our target of 50,000 more nurses since 2019. Speaking of 50,000, there are more than 50,000 more people working in social care since 2016. We are boosting the home-grown workforce, recruiting from the EU and welcoming health and social care workers from all around the world.

Alison Thewliss: It is undeniable that EU-trained medics and social care staff face extra bureaucracy and higher costs as a direct result of Brexit, making working and staying in the UK a much less attractive option. Given the pressures on all four NHSs and the social care sector, we cannot afford to turn anybody away right now, so what discussions has the Minister had with the Scottish Government about removing the barriers that the hostile environment places on people who want to come here, work and contribute to our NHS and social care sector in Scotland?

Helen Whately: Of course the hon. Lady would like to make everything about either Brexit or the Union—or, most often, both—but the fact is that a doctor, nurse or care worker from the EU who wants to work here can do so. We are also welcoming people from the rest of the world, and there are 12,000 more staff in the NHS in England from EU and European economic area countries since the referendum.

David Linden: In the Baillieston area of my constituency, one of the biggest issues people raise with me is the difficulty in accessing GPs. Part of the problem is that we do not have enough GPs. The Royal College of General Practitioners shows that 49% of EU-trained medics experienced issues with their visas, which led

17% of them to think of leaving the UK altogether. When will the Minister grasp this issue, speak to the Home Office and get rid of the hostile environment that means many of my constituents do not get access to the GPs they need?

Helen Whately: If the hon. Gentleman had been listening to earlier questions, he would have heard about the increased number of GPs in England, with more than 2,000 more GPs now working in England. Coming to the question of the NHS in Scotland, which is of course run by the SNP-led Scottish Government, I have heard that NHS Scotland is “haemorrhaging” staff, in the words of the chair of the British Medical Association in Scotland.

Mr Speaker: I call the SNP spokesperson.

Martyn Day (Linlithgow and East Falkirk) (SNP): With more than 4,000 fewer specialist doctors from the EU or the European Free Trade Association in the UK than in pre-EU referendum trends, there is clear evidence that shutting off free movement is a totally unnecessary barrier to recruitment for our care and health services. Have the Minister and Secretary of State made representations to the Cabinet to discuss the disastrous effects of Brexit on the UK?

Helen Whately: Yet again, an hon. Member from the SNP thinks it is all to do with Brexit, when the facts show that that is simply not the case. As I said a moment ago, 12,000 more staff from EU and EEA countries are working in the NHS in England since the referendum. However, I point the hon. Gentleman yet again towards his own party's record in government in Scotland and the problem of the NHS in Scotland haemorrhaging staff.

Covid-19 Backlog: Elective Care

10. **Paul Bristow** (Peterborough) (Con): What recent progress he has made on tackling the covid-19 backlog in elective care. [903226]

The Minister of State, Department of Health and Social Care (Will Quince): Since the publication of the elective recovery delivery plan, the NHS has virtually eliminated two-year waits for treatments and is making progress on tackling the next ambition of ending waits of over 18 months by April. To support those efforts, NHS England recently wrote to providers mandating action on 18-month waits. We agreed that appointments must be scheduled as soon as possible to enable that target to be met.

Paul Bristow: The people of Peterborough are looking forward to their new NHS community diagnostic centre supplying an extra 67,000 tests, scans and checks each and every year, but that will shine a light on the need to power through our covid elective backlog. At the Royal Free Hospital, many cases that were previously treated as elective overnight stays are now treated as day cases, improving patient experience and increasing capacity. How will the Minister ensure that such innovation is spread across the NHS?

Will Quince: My hon. Friend is absolutely right to raise this issue, and to highlight the difference being made by the 89 community diagnostic centres that have already been rolled out and the importance of getting up to 160 centres as quickly as possible. He is right that such innovations, including CDCs, surgical hubs, telemedicine and, of course, using spare capacity in the private sector, are helping us to tackle the longest waits and reduce the covid backlogs, and I very much thank him for his support in that endeavour.

Stephanie Peacock (Barnsley East) (Lab): There are almost 20,000 people on the waiting list for treatment at Barnsley Hospital, but at the beginning of this month, 98% of the hospital's beds were occupied. How does the Government expect that hospital to solve the treatment backlog when it simply does not have the resources?

Will Quince: We are increasing capacity by introducing an additional 7,000 beds and the £500-million discharge fund. In addition to that, an extra £250 million was announced in January. Over and above that, alternative capacity is being created through the independent sector, we are engaging with patients on choice, and we are working with the most challenged trusts. Of course, I understand the impact that this has on patients, and we are working hard to address the backlog.

Mr Speaker: I call the shadow Minister.

Liz Kendall (Leicester West) (Lab): Ministers will never deal with the record waits for NHS treatment until they stop older people being stuck in hospital because they cannot get decent social care in the community or at home. Does the Minister understand that this is not just about getting people out of hospital, but about preventing them from being there in the first place? Is he aware that more than half a million people now require social care but have not even had their needs assessed or reviewed? Where on earth is the Government's plan to deal with this crisis, which is bad for older people, bad for the patients waiting for operations and bad for taxpayers?

Will Quince: As I said, we are creating 7,000 additional general and acute beds. We are investing £500 million in adult social care specifically for discharge, and that goes up to £600 million next year and £1 billion the year after. There is also an extra £250 million. The hon. Lady asks specifically about adult social care. That is exactly why the Chancellor announced £7.5 billion in the autumn statement—the largest investment in social care ever.

GP Appointments: Chesterfield, Derbyshire and England

11. **Mr Toby Perkins** (Chesterfield) (Lab): If he will make an assessment of the adequacy of GP appointment availability in (a) Chesterfield constituency, (b) Derbyshire and (c) England. [903227]

The Parliamentary Under-Secretary of State for Health and Social Care (Neil O'Brien): In November, there were 13.9% more appointments in general practice across England as a whole than in the same month before the pandemic. In Derby and Derbyshire, there were 16.6% more appointments. Our GPs are doing more than ever, and,

compared with 2015-16, we are investing a fifth more in real terms. But we know that demand is unprecedented, and we are working to further support our hard-working GPs.

Mr Perkins: I thank the Minister for that answer. We know that there are GP appointment difficulties everywhere, but we also know that it is much more difficult in more deprived communities. Social Market Foundation research shows that GPs in more deprived communities have twice as many patients on their books than those in more affluent areas. This means that, in addition to the greater health inequalities in those communities, people are finding it very difficult to get appointments, including at the Royal Primary Care practice in Staveley. Why should patients in more deprived communities be expected to tolerate far greater difficulties in getting GP appointments than those in more affluent areas?

Neil O'Brien: In Derby and Derbyshire, for example, there are 495 more doctors and other patient-facing staff than in 2019. Step 1 is to have more clinicians, which we are doing through that investment. The hon. Member raises a point about Carr-Hill and the funding formula underlying general practice. There is actually heavy weighting for deprivation, and the point he raises is partly driven by the fact that older people tend not to live in the most deprived areas, and younger people tend to live in high IMD—index of multiple deprivation—areas. That is the reason for the statistic he used. Funding is rightly driven by health need, which is also heavily driven by age. We are looking at this issue, but the interpretation he is putting on it—that there is not a large weighting for deprivation—is not quite right.

Maggie Throup (Erewash) (Con): In south Derbyshire there are now 133 more full-time equivalent clinical staff in general practice than in 2015. That includes nurses, physios and clinical pharmacists. What more is my hon. Friend doing to encourage more people to book an appointment with the most appropriate healthcare professional, rather than simply defaulting to booking a GP appointment?

Neil O'Brien: That is an excellent question. As well as having an extra 495 staff across Derby and Derbyshire, it is crucial that we use them effectively by having good triage. That is why we are getting NHS England to financially support GPs to move over to better appointment systems. That is not just better phone systems, but better triage.

Topical Questions

T1. [903242] **Justin Madders (Ellesmere Port and Neston) (Lab):** If he will make a statement on his departmental responsibilities.

The Secretary of State for Health and Social Care (Steve Barclay): I am pleased to announce that we will be developing and publishing a major conditions strategy. Around 60% of disability-adjusted life years in England are accounted for by just six conditions: cancer, cardiovascular disease, chronic respiratory disease, dementia, musculoskeletal disease and mental health. An increasing number of us live with one or more of these conditions. Tackling them is a significant opportunity to improve the lives of millions of people and to support our goal to improve healthy life expectancy.

This work will bring together our existing commitments to develop plans for mental health, cancer, dementia and health disparities, and our new strategy will shift our focus on to integrated, whole-person care, with a focus on prevention, early detection and the use of innovative technology to improve patient outcomes. It will also improve how the NHS functions, relieving pressure on hospitals, promoting integration and putting us on a sustainable long-term footing.

We look forward to involving partners in the NHS, the charitable and voluntary sector and industry in developing this important work. Further detail about the strategy is included in my written statement published today. The statement also confirms that we will publish a suicide prevention plan this year, building on the important work of my predecessor, my right hon. Friend the Member for Bromsgrove (Sajid Javid), and I look forward to updating the House in due course.

Justin Madders: During the passage of the Health and Care Bill in 2021, safe staffing levels in the NHS came up, and the Government told us then that they “do not believe that there is a single ratio or formula that could calculate what represents safe staffing.”—[*Official Report, Health and Care Public Bill Committee*, 27 October 2021; c. 773.]

Is the truth not that the Strikes (Minimum Service Levels) Bill is not about safe staffing levels, but about preventing nurses, doctors and paramedics from exercising their fundamental right to withdraw their labour, because they have lost all confidence in this Government?

Steve Barclay: The hon. Gentleman is right to say that it is a fundamental right that people are able to strike, and the legislation will balance that right, in the same way that other countries in Europe do, with minimum safe staffing levels. That is something that the French, the Italians and many other European countries have, and the Bill is simply bringing the NHS into line with other health systems.

T3. [903244] **Sarah Atherton (Wrexham) (Con):** Wrexham Maelor Hospital was built in 1934 and is no longer fit for purpose. It has been divided and sub-divided with modular add-ons. It is a labyrinth of rooms, ageing departments and corridors. I trained there as a nurse in 1990 and returned during covid, and there has been little improvement. It is no longer fit for a new city. Healthcare is devolved in Wales. The Welsh Labour Government have received the largest funding settlement since devolution began, so will the Minister agree that Welsh Labour needs to listen to the people of Wrexham and build us a new hospital?

Steve Barclay: My hon. Friend makes an extremely powerful point. I hope the Labour-run NHS in Wales takes heed of her comments. She brings professional experience to this issue and is absolutely right that there needs to be investment in the NHS estate in Wales.

Mr Speaker: I call the shadow Secretary of State.

Wes Streeting (Ilford North) (Lab): Labour founded the NHS to be free at the point of use, and we want to keep it that way. Given that the Prime Minister has advocated charging for GP appointments, and one of the Secretary of State's predecessors has urged him to charge for A&E visits, will he take this opportunity to rule out any extension to user charging in the NHS?

Steve Barclay: I can see from your reaction, Mr Speaker, and the reaction of colleagues in the House, that that is a misrepresentation of the Prime Minister's position. For the majority of its existence, the NHS has been run by Conservative Governments. We remain committed to treatment free at the point of use. That is the Prime Minister's position and the Government's position.

Wes Streeting: I note that the Secretary of State did not rule out any future extension of user charging, and I am sure that patients will have noticed too. Given that the chief executive of NHS England has said that the NHS needs to expand training; that many of the Secretary of State's own Back Benchers are echoing Labour's calls to double the number of medical school places; and that he has no plan whatsoever to expand NHS medical school training places, nursing and midwifery clinical training places, to double the number of district nurses qualifying, or to provide 5,000 more health visitors, is it not time for the Conservatives to swallow their pride, admit that they have no plan and adopt Labour's workforce plan instead?

Steve Barclay: I am not surprised that the hon. Gentleman wants to misrepresent the Government's plan, not least because his own plan is disintegrating before his own Front Bench. The hon. Member for York Central (Rachael Maskell), who spoke earlier, contradicted his point. Not only have the hon. Gentleman's Front-Bench colleagues contradicted it; even the deputy chair of the British Medical Association has said that Labour's plan would create higher demand and longer waiting times. I am not surprised that the hon. Gentleman does not want to talk about his own plans anymore; that is why he has taken to distorting ours.

Paul Holmes (Eastleigh) (Con): Eastleigh, Hedge End and the villages have many vibrant pharmacies, but it is disappointing that Lloyds has closed two branches in my constituency. I welcome the additional £100 million that this Government are investing in community pharmacies, but can my right hon. Friend confirm how that funding will cut NHS waiting times and, more importantly, reverse the trend of closures?

The Parliamentary Under-Secretary of State for Health and Social Care (Neil O'Brien): My hon. Friend is right. Although pharmacies are private businesses, we invest £2.5 billion in the clinical services they provide. We put in another £100 million in September so that they can provide more services. The number of community pharmacists is up by 18% since 2017, and we have introduced the pharmacy access scheme to ensure that we support pharmacies in areas where there are fewer of them. Clearly, the solution is for pharmacies to do more clinical work, take the burden off GPs and provide accessible services. That is exactly what we will keep growing.

Mr Speaker: I call the Scottish National party spokesperson.

Martyn Day (Linlithgow and East Falkirk) (SNP): When I brought up pension tax rules in November, the Secretary of State agreed that pensions were an important issue and said that he would meet the Chancellor later that day. Can he give an update on the progress that his Cabinet colleagues are making to provide a permanent solution that will help retain NHS staff?

Steve Barclay: Those discussions are ongoing with my right hon. Friend the Chancellor. The hon. Gentleman will know that we made progress in the summer on a couple of areas in relation to pensions, and my right hon. Friend is having further discussions with us in that context.

Dr Luke Evans (Bosworth) (Con): I declare an interest as a GP and the immediate family of a GP and doctors. GPs are working incredibly hard in tough times. It is true that supply has gone up, but so too has demand. Change needs to happen in primary care, but one of the bedrocks is the GP partnership model. Does this Government agree?

Neil O'Brien: Unlike the Opposition, we do not regard GPs' finances as murky and we do not want to go back to Labour's policy of 1934 by trying to finish off the business that even Nye Bevan thought was too left-wing. We do not believe in nationalising GPs; we believe in the current model. *[Interruption.]* We do not believe that people with a problem should immediately go to hospital, driving up costs and undoing the good work of cross-party consensus in the last 30 years. A plan that was supposed to cause a splash has belly-flopped.

Mr Speaker: Mr O'Brien, when I move on, I expect you to move on with me. I have all these Back Benchers to get in. I do not need the rhetoric; I want to get Members in—I want to hear them, not you.

T2. [903243] **David Linden (Glasgow East) (SNP):** The UK has the sixth largest and richest economy in the world, yet data from the Food Foundation shows that in September 2022, 9.7 million people on these islands lived in food insecurity. That kind of malnutrition does not have a good impact on the health service. When will Ministers pick up the phone or nip along the corridor to the Department for Work and Pensions and tell it to drop its punitive sanctions regime, which pushes so many people into poverty and so many problems on to the NHS?

Neil O'Brien: We are concerned about the exact same issues. The £900 cost of living payment for 8 million households is how we are trying to address this. It is also why we are bringing in the largest ever increase in the national living wage for 2 million workers.

Priti Patel (Witham) (Con): The Secretary of State is well aware of the challenges facing Essex mental health care and the independent inquiry there into so many patients who have died. Can he tell the House and my constituents what steps he is taking to make this a statutory inquiry?

Steve Barclay: My right hon. Friend raises an extremely grave and serious issue that I know is of concern to a number of colleagues. Following representations from parliamentary colleagues, I had discussions with the chair of the inquiry, and I then with the chief executive and leadership team, in terms of the level of engagement with the inquiry. The Under-Secretary of State for Health and Social Care, my hon. Friend the Member for Harborough (Neil O'Brien), and I are closely involved in that issue, and I am happy to have further discussions with my right hon. Friend.

T4. [903245] **Stephen Morgan** (Portsmouth South) (Lab): While the Government have slashed medical school places by a third, Labour is committed to doubling the number of places in order to train a new generation of NHS staff. Will the Minister support me in backing the University of Portsmouth's bid for a much-needed medical school for my city?

Steve Barclay: The hon. Gentleman is just factually wrong. We have increased medical undergraduate places by a quarter—I was in the Department at the time the decision was taken—so he is wrong on the facts. We also need to look at new ways of getting medics in and having more diverse recruitment in relation to social profile. That is why the apprenticeship route is an extremely important one that I am keen to expand.

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

Steve Brine (Winchester) (Con): The Select Committee looks forward to hearing about the major conditions strategy and engaging with it, as I hope Ministers will engage with our major prevention inquiry, launched last week. One of our national newspapers has contacted 125 acute trusts and asked them about visiting rights. Some 70% of them still have some form of restrictions in place, most commonly limiting the time that people can spend with their loved ones and the number of people who can sit by the bedside. On 19 May last year, the chief of NHS England said that we should return to pre-pandemic levels—

Mr Speaker: Order. The hon. Gentleman may be the Chair of the Select Committee, but I have to get other people in—it is not just his show.

The Minister of State, Department of Health and Social Care (Will Quince): I thank my hon. Friend for his question. National NHS guidance is absolutely clear: providers are expected to facilitate visiting for patients in hospital wherever possible and to do so in a risk-managed way. It is up to individual providers—they do have discretion—but I understand the benefit that this brings to patients. It is a very important factor, and I will meet NHS England to discuss this further.

T5. [903246] **Kim Johnson** (Liverpool, Riverside) (Lab): According to a recent Care Quality Commission report, black people experiencing mental health crisis are 11 times more likely to be sectioned and to receive restrictive and violent community treatment orders. How will the Minister tackle these inequalities and implement the recommendations in the report?

The Parliamentary Under-Secretary of State for Health and Social Care (Maria Caulfield): I thank the hon. Lady for her question. She is right that black and ethnic minority groups are more likely to be detained under the Mental Health Act 1983. We are planning to reform the Mental Health Act. There has been pre-legislative scrutiny, and I hope that when we reform that Act there will be an improvement in those figures.

Kelly Tolhurst (Rochester and Strood) (Con): The Kent and Medway integrated care board reported that we had an increase of over 230,000 in the number of GP appointments offered to patients between September

2020 and September 2022. However, Medway has some of the lowest numbers of GPs per head in the country, and demand has increased. What support is the Department giving to the ICB to further increase access to GP appointments in Medway?

Steve Barclay: I welcome the increase in appointments and the numbers that my hon. Friend has drawn to the House's attention. There is targeted funding of up to £20,000 for areas that are having difficulty recruiting; I am happy to discuss with her how we ensure that Medway can adequately access that fund.

T6. [903247] **Jessica Morden** (Newport East) (Lab): Why are the Government continuing to delay their consultation on the regulation of physician associates? Constituents who are physician associates point out that they could be doing much more to perform vital duties and relieve pressure in our hospitals, which, I am sure the Secretary of State would agree, we desperately need.

Steve Barclay: I agree that that is an important issue and I am keen to expedite it; we are having urgent discussions about how we maximise the use of physician associates. The hon. Lady raises an important point that we are discussing with the devolved Administrations, because it applies across the United Kingdom. I am keen to move quickly on that important area.

Anna Firth (Southend West) (Con): "The Future of Pharmacy" report was published yesterday and highlighted again the funding pressures on the sector, including for the brilliant Belfairs Pharmacy in Leigh-on-Sea, which asks whether the Minister will urgently consider writing off the £370 million of covid loans given to pharmacies during covid-19.

Neil O'Brien: We are working to increase the amount of funding going into pharmacies so that they can do more clinical services. I will look closely at the issue that my hon. Friend raises.

T7. [903248] **Matt Western** (Warwick and Leamington) (Lab): Last week, the Government decided to mothball the covid-19 testing facility in Leamington, which will leave up to 670 people without a job. The lab reputedly cost more than £1 billion—perhaps the Minister could confirm—and when the investment was made, I was promised that it would be used for other purposes, such as pathological testing and other diagnostics. Why is that not happening?

Maria Caulfield: As the hon. Gentleman knows—we discussed the issue over the telephone last week—the decision was taken to wind down the Rosalind Franklin Laboratory because the number of PCR tests has reduced significantly and NHS laboratories can take that capacity. There is a residual service and additional use of the laboratory is being considered.

Martin Vickers (Cleethorpes) (Con): I recently met a dentist in my constituency whose practice group operates over 19 sites where the rate for units of dental activity ranges from £25 to £36. He is convinced that there needs to be a uniform UDA rate to attract NHS dentists to areas such as Cleethorpes. Can the Minister consider that?

Neil O'Brien: Absolutely; we are looking at that issue. We have already brought in a new minimum UDA value, and we would like to deliver more. We will look at measures to encourage people to work in areas with the greatest shortages.

T8. [903249] **Jim Shannon** (Strangford) (DUP): On World Cancer Day 2022, the then Secretary of State for Health and Social Care, the right hon. Member for Bromsgrove (Sajid Javid), announced a 10-year cancer plan to make us a world leader. Today, cancer services are buckling under immense pressure. Can the Minister confirm that the strategy will be fully resourced and will she commit to working with cancer charities to ensure that it is delivered?

The Minister of State, Department of Health and Social Care (Helen Whately): Right now, we are seeing more people come forward for cancer diagnosis or to be given the all-clear. We are supporting services with an extra £8 billion for elective recovery. Cancer is an important part of our major conditions strategy, which the Secretary of State just announced, because we are determined to include patients' cancer outcomes.

Lucy Allan (Telford) (Con): In today's *Shropshire Star*, my local paper, there is an eight-page spread on what is happening to healthcare in Shropshire, which is described as a war zone. Will the Secretary of State meet me and other Shropshire MPs to discuss the challenges we face?

Steve Barclay: I am happy to meet my hon. Friend to discuss the issues in Shropshire. I draw her attention to the fact that we have more doctors, more nurses and more funding going into the NHS, and more people are being treated.

T9. [903250] **Dr Rupa Huq** (Ealing Central and Acton) (Ind): In the light of the Government's welcome announcement of the Strathdee rapid review of in-patient mental health services, can we revisit West London NHS Trust's decision to make the covid closure of the Wolsey wing permanent, which leaves Ealing, the third biggest borough in London, with no acute mental health beds for under-65s?

Maria Caulfield: Local healthcare decisions are made by local commissioning groups, but I am happy to raise that on behalf of the hon. Lady. We are putting an additional £2.3 billion a year into expanding and transforming mental health services in the community and patient services.

James Morris (Halesowen and Rowley Regis) (Con): Although I welcome the new investment in emergency mental health services that was announced this week, does the Secretary of State agree that we must not lose sight of the fact that we need a long-term plan for the transformation of mental health services so that we achieve parity of esteem between mental and physical health in the NHS?

Steve Barclay: I do agree. That is why the long-term plan signalled the importance of mental health and the parity of which my hon. Friend speaks. It is also why, as the Under-Secretary of State for Health and Social

Care, my hon. Friend the Member for Lewes (Maria Caulfield), has said, additional funding is being targeted at mental health—the extra £2.3 billion a year from 2024—signalling this Government's commitment to mental health, as he will have seen with the announcement on mental health ambulances this week.

T10. [903251] **Liz Twist** (Blaydon) (Lab): Suicide rates in England are as high now as they were 20 years ago, yet the written ministerial statement today simply says that a strategy will be published later this year. Saving deaths by suicide cannot wait. When exactly will the suicide prevention strategy be produced?

Steve Barclay: What we have signalled, and I agree with the hon. Member on this, is the importance of the suicide prevention plan. It is something my predecessor, my right hon. Friend the Member for Bromsgrove (Sajid Javid), highlighted. I am keen to work with him and Members across the House on that. I set out in the written ministerial statement today not a specific date, but our commitment to a bespoke plan, and I am very happy to work with her and other Members on that.

Jack Brereton (Stoke-on-Trent South) (Con): Current plans for community diagnostic hubs in North Staffordshire would see only a single facility, which is meant to serve over half a million people. That is totally insufficient, so will the Secretary of State look at my suggestion that there should be two of these facilities in North Staffordshire?

Will Quince: I am very happy to meet my hon. Friend to discuss that further.

Richard Burgon (Leeds East) (Lab): Will the Secretary of State for Health—today, on the record—condemn the call from his predecessor to impose charges on visits to the GP or to A&E?

Steve Barclay: I am not sure how many times one needs to say the same point. The Government's position on this is clear: we are committed to treatment free at the point of use. That is the Government's position, and it has been throughout the NHS's history, the majority of which has been under Conservative Governments.

Mr Philip Hollobone (Kettering) (Con): How many operations have been lost to strike action in the NHS so far?

Will Quince: On an average strike day, I believe it is about 2,500.

Charlotte Nichols (Warrington North) (Lab): The most recent figures published by the UK Health Security Agency show that, last year, the rate of syphilis cases reached its highest since 1991 and the total number of cases hit its highest since 1948. That shocking increase in syphilis transmission is just one reason why we need the Government to set out their vision for sexual and reproductive health in their long-overdue sexual and reproductive health action plan. Can I therefore ask the Minister to set out when the plan will be published and what she is doing to stop the spread of syphilis?

Maria Caulfield: Can I just reassure the hon. Lady that we take sexual health services very seriously? Local authorities in England have received more than £3 billion from Government to support those services. We have

produced a number of plans to improve sexual and reproductive health, from the HIV action plan in 2021 to the women's health strategy, which focuses on sexual health as well.

Maggie Throup (Erewash) (Con): The all-party group for diagnostics will hold its inaugural meeting on 8 February, and plans to conduct a short inquiry with the aim of providing a blueprint for how community diagnostic

centres should operate in the longer term. As part of the inquiry, will my right hon. Friend commit to meeting members of the group to discuss what more the Government can do to maximise the role of diagnostics in addressing the pressures on the NHS?

Steve Barclay: I am very happy to give my hon. Friend that commitment. She is absolutely right to highlight the centrality of diagnostics and its importance in our overall plan to get elective numbers down.

Unaccompanied Asylum-seeking Children

12.38 pm

Caroline Lucas (Brighton, Pavilion) (Green) (*Urgent Question*): To ask the Home Secretary if she will make a statement on what steps she is taking to find missing unaccompanied asylum-seeking children and to keep them safe.

The Minister for Immigration (Robert Jenrick): The rise in small boat crossings has placed a severe strain on the asylum accommodation system. We have had no alternative but to temporarily use specialist hotels to give some unaccompanied minors a roof over their heads while local authority accommodation is found. We take our safeguarding responsibilities extremely seriously and we have procedures in place to ensure all children are accommodated as safely as possible while in those hotels. This work is led on site by personnel providing 24/7 supervision, with support from teams of social workers and nurses. Staff, including contractors, receive briefings and guidance on how to safeguard minors, while all children receive a welfare interview, which includes questions designed to identify potential indicators of trafficking or safeguarding risks. The movements of under-18s in and out of hotels are monitored and recorded, and they are accompanied by social workers when attending organised activities.

We have no power to detain unaccompanied asylum-seeking children in these settings and we know some do go missing. Over 4,600 unaccompanied children have been accommodated in hotels since July 2021. There have been 440 missing occurrences and 200 children remain missing, 13 of whom are under 16 years of age and only one of whom is female.

When any child goes missing, a multi-agency missing persons protocol is mobilised alongside the police and the relevant local authority to establish their whereabouts and to ensure they are safe. Many of those who have gone missing are subsequently traced and located. Of the unaccompanied asylum-seeking children still missing, 88% are Albanian nationals, with the remaining 12% from Afghanistan, Egypt, India, Vietnam, Pakistan and Turkey.

As I have made clear repeatedly, we must end the use of hotels as soon as possible. We are providing local authorities with children's services with £15,000 for eligible young people they take into their care from a dedicated UASC—unaccompanied asylum-seeking children—hotel, or the reception and safe care service in Kent.

I fully understand the interest of the hon. Member for Brighton, Pavilion (Caroline Lucas), and indeed the whole House, in this issue and I am grateful for the opportunity to address it. I assure the House that safeguarding concerns are, and will remain, a priority for me and for my Department as we deliver the broader reforms that are so desperately needed to ensure we have a fair and effective asylum system that works in the interests of the British people.

Caroline Lucas: This is horrific. Vulnerable children are being dumped by the Home Office, scores of them are going missing, and I can tell the Minister that there is nothing "specialist" about these hotels. We are not

asking him to detain children; we are asking the Home Office to apply some basic safeguarding so that we can keep them safe. Does he know how many have been kidnapped, trafficked, put into forced labour—where are they living, are they allowed to leave, are they in school? He should know because the Home Office is running these hotels. It has told me it is commissioning everything from social work to security, but it is still unclear whether it is prepared to take legal as well as practical responsibility.

Meanwhile, these children are in legal limbo. I was told before Christmas that Government lawyers were deliberating over their ultimate legal responsibility. We need to know the outcome today: what is it? We need to know why successive Home Secretaries have played into the hands of criminal gangs.

The Minister will talk of new money being given to local authorities, but where will they get the foster care capacity, which he knows is in seriously short supply? Brighton and Hove City Council has been raising concerns about the dangerous practice of using these hotels for 18 months, and as the hon. Member for Hove (Peter Kyle) has made clear on many occasions—I pay credit to him for his tireless work on this—it was entirely foreseeable that children were at risk of being snatched, abducted and coerced by criminals.

Has the Minister taken up offers of help from charities working with children? What is the response to the migration watchdog's finding that some staff in these hotels were not DBS—disclosure and barring service—checked? What role is the Children's Commissioner playing? Why is not Ofsted inspecting these hotels regularly? Will he commit to publishing regular data on missing children—how long they have been missing, whether they are still missing, when they went missing? Where is the special operation to find the missing children? This feels like the plight of the girls in Rotherham who were treated like they did not matter and, frankly, it is sickening. Lastly, the use of these hotels must stop—when will that actually happen?

The staggering complacency and incompetence from the Home Office are shameful. We need immediate answers and an urgent investigation, and we need to ask how many more children are going to go missing before we see some action.

Robert Jenrick: If the hon. Lady has not visited the hotel in her constituency, or indeed in her neighbouring constituency, I would be happy to organise that. I spoke with the chief executive and director of children's services of Brighton and Hove City Council yesterday to ask for their reflections on the relationship with the Home Office and the management of the hotel. We have a good relationship with that council and I want to ensure that that continues.

As regards the level of support provided in that hotel, and indeed others elsewhere in the country, it is significant. On any given day, there will be a significant security presence at the hotel. Those security guards are there to protect the staff and the minors and to raise any suspicious activity immediately with the local police. I have been assured that that does happen in Sussex. A number of social workers are on site 24/7. There are also nurses on site and team leaders to manage the site appropriately. So there is a significant specialist team provided in each of these hotels to ensure that the young people present are properly looked after.

[Robert Jenrick]

The report by the independent chief inspector of borders and immigration in October last year—I believe that Ofsted was involved in the inspection—did find unanimously that the young people reported that they felt safe, happy and treated with respect. Now, that does not mean that we have any cause to be complacent, because it is extremely concerning if young people are leaving these accommodation settings and not being found. I have been told that any young person leaving one of these hotels and not returning is treated in exactly the same way as any young person of any nationality or immigration status who goes missing anywhere else in the country and that the police follow up as robustly as they would in any other circumstances. That is quite right, because we have a responsibility to any minor, regardless of why they are here in the United Kingdom.

Working with police forces and local authorities, we have created a new protocol, known as “missing after reasonable steps”, in which further action is taken to find missing young people. That has had significant success: I am told that it has led to a 36% reduction in the number of missing people occurrences. We will take further steps, as required, to ensure that young people are safe in these hotels and not unduly preyed on by the evil people smuggling gangs that perpetuate the trade.

The key task ahead of us—other than deterring people from making dangerous crossings in the first place, of course—is to ensure that these young people are swiftly moved out of hotels, as the hon. Lady rightly said, and into more appropriate settings in local authorities. Since being in position I have reviewed the offer that we have for local authorities and significantly enhanced it. From next month—this has already been announced—any local authority will receive a one-off initial £15,000 payment for taking a young person from one of these hotels into their care in addition to the annual payment of about £50,000 per person. That is a significant increase in the amount of financial support available to local authorities.

The hon. Lady is right to say that money is not the only barrier to local authorities, because there are significant capacity issues including a lack of foster carers, a lack of trained social workers and a lack of local authority children's home places. Those are issues that the Department for Education is seeking to address through its care review. The best thing that any of us can do as constituency Members of Parliament who care about this issue is speak to our local authorities and ask them whether they can find extra capacity to take more young people through the national transfer scheme so that we can close these hotels or, at least, reduce reliance on them as quickly as possible.

Tim Loughton (East Worthing and Shoreham) (Con): I share the concern about the story, but it is not new news. Last year, the Home Office came in front of the Home Affairs Committee to be interrogated about this, and there was a particular problem with the hotel in Hove, which instigated the story in *The Observer* at the weekend, because the Home Office did not tell the local council when it was putting children there in the first place. However, there have not been any reports to Sussex police of children being snatched and abducted by gangs outside.

There are two questions that the Minister may like to clear up. First, there is a grey area over who is responsible as the safeguarding body for children in hotels. Is it the Home Office or the local authority? There seem to be different stories. Secondly, is he using specialist refugee children's charities, which have welfare and safeguarding training, to look after children in the hotels and ensure that they are not being taken advantage of, as he has done at Dover and other ports of entry? Those children are not criminals, and we cannot put them in a secure facility. They are free to come and go, but we need people keeping a special eye on them.

Robert Jenrick: I am grateful to my hon. Friend for those questions. He is right to make the final point, which is that these are not secure locations. Young people are not detained in them. We do not have the legal powers to do that and I do not think any right hon. or hon. Member from across the House would wish us to do that. It is inevitable that some young people will choose to leave these settings, as, very sadly, they do from local authority care homes, but that is not to diminish or renege on our responsibility to reduce that as far as we possibly can.

We have relationships with charities and the voluntary sector. I will happily take up with the Department whether there is more we can do there. We have made good use of those relationships in other settings, such as hotels for adults and Manston. As I said earlier, there is a very significant amount of specialist support in the hotels. I specifically asked the officials running them what we would find on any given day. It is several security guards, a number of nurses and a number of social workers, as well as team leaders running the operation. So they are well staffed by well-trained and professional individuals who are drawn from other settings where they are used to looking after vulnerable young people.

Lastly, on the first point my hon. Friend made, there is a challenge around the legal status of a local authority with respect to these hotels. Our objective is to reduce demand for hotels as fast as possible, so that young people are in this accommodation for a very short period of time while we get them to local authorities where they can be cared for properly in accordance with the law.

Mr Speaker: I call the shadow Secretary of State, Yvette Cooper.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The report from Sussex police is that one in four unaccompanied children in a Home Office hotel have gone missing—one in four—and that around half of them are still missing. It would appear from the figures the Minister has given that that means one hotel accounts for 40% of the missing children.

A whistleblower is reported as saying:

“Children are literally being picked up from outside the building, disappearing and not being found. They're being taken from the street by traffickers”.

Greater Manchester police warned that asylum hotels and children's homes are being targeted by organised criminals. There is a pattern here. The gangs know where to come to get the children—often, likely because they trafficked them here in the first place. There is a

criminal network involved and the Government are completely failing to stop it. They are letting gangs run amok. Last year, there was only one—just one—conviction for child trafficking, even though it is now believed to involve potentially thousands of British children, as well as the children targeted here.

Where is the single co-ordinated unit involving the National Crime Agency, the Border Force, the south-east regional organised crime unit and local police forces to hit the gang networks operating around this hotel and across the channel? Why are the Government still refusing to boost the National Crime Agency? Why have they repeatedly ignored the warnings about this hotel and unregulated accommodation for 16 and 17-year-olds being targeted by criminal gangs?

It is unbelievable that there is still no clarity on whether the Home Office or the council is legally responsible for these children. Will the Home Office now agree to immediately end the contract with this hotel and move the children out to safer accommodation? Will it set up a proper inquiry and team to pursue the links between organised crime, trafficking and the children in these hotels? This is a total dereliction of duty that is putting children at risk. We need urgent and serious action to crack down on these gangs, and to keep children and young people safe.

Robert Jenrick: I gave the figures the Home Office has at the start of this urgent question. Of the 4,600 unaccompanied children who have been accommodated in hotels since July 2021, 440 have gone missing at one point and 200 remain missing, so I am afraid the statistics the right hon. Lady quotes are not those that I have been given by the Home Office.

On press reports that individuals have been abducted outside the hotel, those are very serious allegations. I specifically asked the officials who run the hotel whether they have seen evidence of that, and I also asked the senior leadership of Brighton and Hove Council. I have not been presented with evidence that that has happened, but I will continue to make inquiries. Senior officials from my Department are meeting the Mitie security team in the coming days to ask them whether they have seen any occurrences, whether the individual quoted in the press as a whistleblower raised issues with Mitie, and, if they did, why those issues were not subsequently passed on to the Home Office. The right hon. Lady has my assurance that I will not let the matter drop. I am also going to meet a number of staff who work at the site in the coming days to take their opinions and reflections.

On the broader point the right hon. Lady makes about our policy, she is incorrect when she says the NCA is insufficiently financed. The Prime Minister announced at the end of last year that we would step up NCA funding. In fact, I visited the NCA just last week to be briefed on the work it is doing upstream throughout Europe and into Turkey, Iraq and a number of other countries. There is very significant activity happening to tackle the evil people-smuggling gangs.

The problem the right hon. Lady has is that she does not support any of the measures the Government bring forward to stop the trade. She votes against every Bill we bring forward to try to address this challenge. There

is nothing compassionate about allowing insecure borders and allowing growing numbers of people, including young people, to cross the channel. She will have an opportunity to put her money where mouth is when we bring forward further legislation in the weeks ahead.

Edward Timpson (Eddisbury) (Con): What assessment has my right hon. Friend's Department made of the availability of specialist foster carers able to accommodate unaccompanied asylum-seeking children? In light of the Abdulrahimzai case reported today, can he reassure the House that foster carers are provided with the information and support they need to keep both themselves and any young person in their care safe?

Robert Jenrick: My hon. and learned Friend raises a very important issue. There is, as he knows as well as almost anyone in this House, a lack of capacity in relation to specialist foster carers. That is why the Department for Education conducted its care review, is considering the findings, and will be bringing forward recommendations in due course. Most young people in the hotels we are discussing today are older—predominantly 16 and 17-year-olds—so it is about a national lack not only of foster care capacity, but of supported accommodation and the kind of settings that a 17-year-old, for example, might be placed in for a relatively short period of time before they move forward with their life. Those issues are very important to us, which is why, for my part, I have made available significantly increased funding for local authorities so they can, for example, use that money to procure more supported accommodation.

On the case my hon. and learned Friend referred to, that is a truly shocking case. We are reviewing how it has happened and how the individual was able to enter the UK posing as a minor. We will learn the lessons and set out more in due course.

Mr Speaker: I call the SNP spokesperson.

Alison Thewliss (Glasgow Central) (SNP): It is completely unacceptable that vulnerable young people who need care and support continue to vanish under the Home Office's watch. The Children's Commissioner for England made her concerns clear on the safeguarding of these young people. Has the Minister met the Children's Commissioner for England? Has he considered an equivalent to the Scottish Guardianship Service, which provides personalised and sustained support to unaccompanied refugee children? Would that be a useful model to keep young people safe?

Sussex police say 76 children are unaccounted for in this case. The Minister said that 440 children had gone missing and that 200 remained unaccounted for across the UK. Is he certain of those figures, and will he provide regular updates to the House on the number of children missing and still unaccounted for? Will he end the practice of putting children in hotels, a practice that many stakeholders and whistleblowers have repeatedly flagged as dangerous and putting children at risk?

Robert Jenrick: I want to end the practice of putting children in hotels, but the key to that is stopping people crossing the channel in the first place. If we continue to have tens of thousands of people, including very significant numbers of minors, crossing the channel every year, I

[Robert Jenrick]

am afraid that there is no choice but to accommodate people for a short period of time in hotels before they can flow into better accommodation within local authorities.

The hon. Lady and others across the House should appreciate that this is a national emergency. It is part of a global migration crisis, and we need to take the most robust action we can to deter people from making the journey, or I am afraid that we will find this problem magnified in the years to come. That is why we have taken the steps that we have in the recent past; that is why the Prime Minister set out his plan at the end of last year; and that is why we will shortly be bringing forward legislation, which I hope the hon. Lady and her colleagues will support.

I will certainly look into the Scottish guardianship model that the hon. Lady raises, but as I have said many times, it remains true that as a proportion of its population Scotland takes far fewer unaccompanied asylum-seeking children than England. One practical step that she could take would be to encourage the SNP Government and local authorities in Scotland to play a fuller part in ensuring that these young people are given the care and attention they deserve.

Kit Malthouse (North West Hampshire) (Con): I know that the Minister cares profoundly about the fate of these children, and it is reassuring to hear of the assertive action taken by local authorities and police when they go missing. However, if dozens of children had been going missing from, say, boarding schools across the country, I have no doubt that there would be a national mobilisation involving the NCA and indeed the National Police Chiefs' Council. Could the Minister enlighten us as to what the national response in British policing looks like at the moment? Does he feel that more could be done to address this systemic problem, not least given the possible links to serious and organised crime?

Robert Jenrick: My right hon. Friend is absolutely right that, as I made clear earlier, we should treat any child who goes missing with the same focus and intensity of effort, regardless of their background, nationality and immigration status. That is exactly what happens in this case. If a young person leaves a hotel—for example, the one that we are discussing this afternoon—and does not return within four hours, they are immediately recognised as a missing person. The local police—in this case, Sussex—are contacted, and the case is treated with all the same effort as it would be for any other individual.

That is why a significant proportion of these young people have, fortunately, been found and returned to care. But too many have not, so I think my right hon. Friend makes a valid point that we should be working with local police forces and others to see whether the procedures that we have in place are sufficient or whether we need to go further. That work was done last year, and it led to the new protocol that I described earlier. From the numbers that I have received, that has made an impact: occurrences have reduced by about a third, but if there are further steps that we should be taking, we will do so.

This is a broader challenge, because the numbers going missing from these settings are, sadly, not dissimilar from the numbers going missing from local authority children's homes. We should be applying all our learnings from this to local authority settings as well.

Mr Speaker: I call the Chair of the Home Affairs Committee.

Dame Diana Johnson (Kingston upon Hull North) (Lab): In July last year, the Home Affairs Committee raised our serious concerns about unaccompanied asylum-seeking children going missing from hotels. I can assist the Minister: the Home Office's permanent secretary, Sir Matthew Rycroft, told the Committee that

"broadly speaking...it is the Home Office"

that acts as the safeguarding authority for a child placed in a hotel.

We called on the Government to

"provide a clear timeline for ending the accommodation of unaccompanied children in hotels."

May I press the Minister on that today, because it has not been forthcoming so far? Given the Home Office's clear child safeguarding responsibilities, can we have a clear commitment today from the Minister as to the date by which it will end the clearly unsafe and unsatisfactory placement of unaccompanied asylum-seeking children in hotels?

Robert Jenrick: I respect the right hon. Lady and her Committee, but it is not as simple as my being able to set a date by which these hotels will close, because we have to be honest with ourselves about the challenge that we face as a country. There are hundreds, if not thousands, of young people crossing the channel on small boats every year. What we need to do is flow those young people as swiftly as possible into local authority care, but if local authorities do not have the capacity to take them immediately, we have to bear in mind that we can detain somebody for only 24 hours—or now 96 hours, with the recent legal change that we have made. In a relatively short timeframe, we have to have a short period of bridging accommodation. For as long as the challenge remains as pronounced as it is today, we will need that.

The task for us is twofold. The first part is to work with local authorities and provide the incentives for them to boost their own capacity. The other is to deter people from making the crossing in the first place. We are trying to do everything within our power to do so, including by making further legislative changes, but until we beat this trade, there will be young people placed in this position.

Sir John Hayes (South Holland and The Deepings) (Con): The particular vulnerability of children in distress touches our hearts and must move us to further action, as my right hon. Friend says. Will he tell the House when the legislation that he has described will come before us? Will he implore all those who share my compassion and concern for these desperate children to support that legislation without equivocation? Unless we deal with this problem at root, the sheer scale of it will overwhelm our capacity nationally or locally to protect these children. It is as simple as that.

Robert Jenrick: My right hon. Friend is absolutely right. This is a symptom—a very serious and disturbing symptom—of the problem, which is the people-smuggling gangs luring tens of thousands of people, a significant proportion of whom are minors, across the channel. We have to do everything we can to deter those people and break the business model of the people smugglers. That is what we are determined to do, and that is the purpose of the legislation that we will bring forward very shortly. My right hon. Friend and others have only a short period to wait until we present it to the House. I hope it will have broad support, because if we do not address the problem, all the evidence suggests that in the years to come we will find it magnified, with tens of thousands of people, if not hundreds of thousands, attempting to make the crossing.

Stella Creasy (Walthamstow) (Lab/Co-op): The Minister says that safeguarding these children is a priority for him. He will know that since October last year, I have been asking to see the safeguarding requirements that he has placed on the private companies involved in running these hotels for both unaccompanied and accompanied children. I understand now why he was so reluctant to give that information: when I finally used a freedom of information request to get it, there was no mention at all of requiring these private companies, which are making millions of pounds running these places, to do anything about modern slavery or human trafficking—not one word.

Let us be clear. It does not matter whether these children are Albanian, Syrian, Pakistani or Iranian. It does not matter whether they are boys or girls. They are children. Will the right hon. Member now use his authority as the Minister responsible to require these companies to have a duty to prevent human trafficking and modern slavery? Will he finally make sure that, for all the money they are making out of this, they do something to protect these children? It is on his watch that these children are going missing, and it was on his watch that he missed out that requirement from the contract.

Robert Jenrick: The hon. Lady and I have met to discuss the issue on a number of occasions. We take this very seriously. We have asked all our providers, of course, to take their responsibilities for safeguarding seriously. We have a safeguarding hub in the Home Office and we work closely with the local authorities, which also have a duty to support people in their care.

The hotels that we are discussing today are not run by private providers. There are providers that support us in terms of security arrangements, but these hotels are run by the Home Office, so the hon. Lady is not correct to say that they are run by external providers. But that does not change the reality that, as I have said on a number of occasions, we should take the care of these minors as seriously as we would take that of our own children. I hope that I have given her the assurance that we do.

Damien Moore (Southport) (Con): Does my right hon. Friend agree that to place vulnerable asylum-seeking children in the care of local authorities whose Ofsted rating is inadequate is a dereliction of not only our international but our moral obligations?

Robert Jenrick: That is an important point. We want to place these minors in the care of local authorities, and, of course, we want to place them in the care of local authorities with good track records of looking after young people. I presume that my hon. Friend is referring to his own local authority, Sefton Council. If there are concerns about its performance, he should bring them to my attention and, in particular, to the attention of my right hon. Friend the Secretary of State for Education.

Peter Kyle (Hove) (Lab): Thank you for allowing me to contribute, Mr Speaker; I appreciate it.

The community that I represent was given just a couple of hours' notice that 96 unaccompanied children were to be placed in a hotel in that community. I visited the hotel within days and have visited it many times since, so I am able to say that it is ignorant to suggest that these are specialist facilities.

In those ensuing days, I saw for myself, having met the children who were there, that some of them were extremely vulnerable—vulnerable emotionally and vulnerable, should they leave the premises, to being coerced into crime—so I contacted the council, the police, social services and the Minister's Department, the Home Office. The only organisation that responded effectively, in my view, and with the kind of seriousness that one would expect, was Sussex police, but it lacked the facilities, the resources and the powers to do the job that needed to be done. It is incorrect to say that these children are not being coerced into crime, because just last year Sussex police pursued a car that had collected two of them from outside the hotel. When the officers managed to get the car to safety, they released the two children and arrested one of the drivers, a gang leader who was there to coerce the children into crime.

The uncomfortable truth for us is that if one child related to one of us in this room went missing, the world would stop, but in the community that I represent, a child did go missing; then five went missing, then a dozen went missing, then 50 went missing, and currently 76 are missing—and nothing is happening. My question to the Minister is this: the next time I visit the hotel, in the coming days, what will be different there from what went before? If nothing is different, children will continue to go missing.

Robert Jenrick: Perhaps the hon. Gentleman and I should visit the hotel and see its facilities together, as I am due to visit it in the coming days. According to the assurances that I have had, when we visit the hotel—if the hon. Gentleman does visit it—he will see that there are several security guards who immediately raise with the police any suspicious activity that they find, and also a number of nurses and social workers, so there is a strong set of support staff on site. He will also see that there are robust procedures for signing in and out when young people want to leave the facility, and that as soon as any concern is raised that someone has not returned within the agreed time, Sussex police are alerted and the usual procedures are followed.

However, I take the hon. Gentleman's remarks very seriously, and will continue to listen to him. If he would like to meet me and discuss this, I should be happy to do so, because it is in all our interests to ensure that this never happens again.

Rachel Maclean (Redditch) (Con): The Minister is demonstrating a great deal of seriousness and compassion in gripping this very concerning situation, but does he agree that the best way in which to safeguard these children is to prevent them from crossing in the first place? Does he also agree that it is both concerning and shameful that Opposition Members are standing up to speak having failed to back legislation that will do that, and will, furthermore, enable us to test the age of these children? Does he agree that it is vital for us to know that they are in fact children, and not dangerous criminals? Does he, like me, hope that the next time he introduces legislation, we will strengthen our sovereign borders, as we as a country have a right to do?

Robert Jenrick: My hon. Friend is entirely right. This is a serious issue, but it is also a symptom of the problem of people smugglers bringing very large numbers of people across the channel, and we must tackle that with the most robust response possible. However, the Opposition continually oppose any effort by us to strengthen our borders.

We will be introducing further legislation, and, as my hon. Friend knows, we are reviewing whether we can adopt a more scientific approach to the verification of ages, as is being done by a number of our European counterparts. It is right for us to do that, because any adult who poses as a child coming into this country poses a serious risk to the young people alongside whom they then live, whether in these hotels or in any other setting.

Lloyd Russell-Moyle (Brighton, Kemptown) (Lab/Co-op): Locally, I am afraid, my council also does not have a grip on this serious situation. It is out of its depth and, unfortunately, it is in a legal limbo. Past child protection scandals have shown us that all agencies must take both joint and separate responsibility for the protection and safeguarding of children, so this process cannot continue—the process of the Home Office pointing at the council, the council pointing at the Home Office, and nothing being done.

At the centre of this is the fact that Home Office is moving children into our local authority in a way that is wholly outside the law. The Home Secretary's failure to enforce mandatory requirements to transfer children into foster care is creating an unregistered children's home in our area, and that is counter to law. The children's home, by the way, is owned by a man called Hoogstraten who changed his name to Adolf, so we can guess where his sympathies lie. May I ask this Home Office Minister what statutory powers he is using to transfer children into an unregistered children's home in Hove?

Robert Jenrick: Let me say first that there is no pitting of the Home Office against the local authority. The Home Office is working closely with Brighton & Hove City Council, and we have a good working relationship. My officials speak regularly to those at the council, and, having spoken to the chief executive and the director of children's services, I can say that they too feel that the relationship is working. We also work closely with other partners, including Sussex police. Can we do more to strengthen those relationships?

Perhaps we can, and that is exactly what we intend to do in order to prevent any of these instances from happening again in the future.

As for the hon. Gentleman's ideal solution, we are in agreement. We both want to see the number of hotels of this kind reduced and, ultimately, to see them closed, through better use of the national transfer scheme. However, that does require local authorities to come forward and offer places. We have therefore provided significant financial support, so there should be no financial barrier to local authorities' investment in more accommodation and, indeed, more social workers and supporters.

Mr Speaker: Order. We need to speed up both questions and answers, because a great many Members still need to get in.

Damian Collins (Folkestone and Hythe) (Con): As my right hon. Friend has said, effective co-ordination between police, local authorities and healthcare providers within communities where hotels are being used to provide asylum accommodation is very important. A meeting of that kind in Folkestone and Hythe has been organised for this coming Friday. If the Minister cannot attend the meeting through virtual participation, can he at least ensure that relevant Home Office officials are there to answer questions about policy and also to co-ordinate with the local authorities?

Robert Jenrick: I will certainly arrange that. As my hon. Friend knows, Kent has borne a particular burden in this regard, so it is right for us to do everything we can to support it and his constituents.

Mr Alistair Carmichael (Orkney and Shetland) (LD): The only surprising aspect of this whole sorry affair is the fact that anyone is surprised by it. Young people are placed in totally unsuitable accommodation, and are then left there while the Home Office fails to process applications for them and, indeed, for all asylum seekers. This was always going to happen. On 16 December the Minister announced a £15,000 extra funding package for local authorities, which is due to expire at the end of February. Is he telling us today that that additional money—not the standard money—will continue after 28 February?

Robert Jenrick: Before I arrived at the Department in the summer there was already an initial payment to local authorities, which I believe was £6,000 or thereabouts. That did ensure that more local authorities came forward, but, given the scale of the challenge that we have been discussing today, I took the view that it needed to be more, which is why we made this more generous offer available. We have operated it as a pilot to establish whether it encourages more local authorities to come forward. I am receiving advice in respect of the number of local authorities that have taken up that offer, and before it is closed we will decide whether it was successful enough to warrant its continuation. However, I am open to continuing it further into the future.

Mr Tobias Ellwood (Bournemouth East) (Con): Given some of the horrors of war that asylum seekers can witness, they can become desensitised to the difference between right and wrong and, without intervention, could pose a threat to society. Can I ask for a formal

Home Office investigation into the Afghan asylum seeker Abdulrahimzai, who murdered Tom Roberts in Bournemouth last year? Abdulrahimzai had a criminal record for murder in Serbia and a criminal record for drugs in Italy. He then threatened his foster carer here in the UK and bluffed his way into our asylum system, posing as a minor. So many red flags were missed that could have revealed what a threat to society this individual was, and there are lessons to be learned. Please will the Minister launch an investigation?

Robert Jenrick: My right hon. Friend is right to say that this is a terrible case, and our thoughts are with the family and friends of Thomas Roberts. As he will know, sentencing has yet to take place but we will be investigating the full circumstances surrounding the case so that we can ensure that we learn all the lessons. One that we will certainly take forward is, as I said earlier, a more robust method for assessing the age of those coming into the country, taking advantage of modern scientific methods.

Tahir Ali (Birmingham, Hall Green) (Lab): One child missing is one child too many. It is horrendous that these children have left their home country seeking safety in the UK, only to be put at serious risk because of the incompetence of the Home Office and its failure to ensure basic safety in hostels. Can the Minister explain to the House what measures are in place to safeguard children and adult asylum seekers to ensure that no refugee needs to face such preventable dangers?

Robert Jenrick: These young people are not being put at risk primarily by the Home Office; they are being put at risk by dangerous people smugglers and criminals—those who smuggle them into the country and those who might exploit them when they are here. Our efforts are focused on protecting the young people in the hotels, as I described earlier, and we are also doing everything we can to fight the people smugglers, whether upstream or here in the United Kingdom, through working with the National Crime Agency and the security services and police forces.

Andrew Bridgen (North West Leicestershire) (Ind): Does my right hon. Friend concede that unaccompanied minors in our asylum seeker system are being targeted by criminal gangs and does he agree that we need more resources to tackle the organised criminals who are causing this problem, in order to resolve it?

Robert Jenrick: It is wrong to generalise about where all the missing young people go. Some leave hotels to meet up with familial contacts, but my hon. Friend is right to say that others are drawn into criminality at the behest of people smugglers and trafficking gangs. We are working with the NCA, with police forces and with immigration enforcement to bear down on those gangs. One element of that is the work we are now doing to significantly increase the amount of immigration enforcement activity occurring in the UK, including raids on illegal employers such as construction sites, car washes and care homes, so that we can find the illegal employers, issue them with penalties and deter them from taking this kind of activity.

Florence Eshalomi (Vauxhall) (Lab/Co-op): I am a bit troubled, listening to the Minister, because how can he claim that this is a robust vetting procedure when there

are still 76 young people missing? This story is yet another failure and a stain on the Home Office. This was entirely avoidable. We have heard stories about the security and safety failings at the hotels. Many of those who are missing are teenagers—young people who are at the prime age to be groomed by the criminals who target 16 and 17-year-olds. Does the Minister accept that it was a mistake not to ban the placement of 16 and 17-year-old children in unregulated accommodation? What will he do to end this practice?

Robert Jenrick: I am not sure what the hon. Lady is suggesting. If we did not use these hotels, which have a range of security and support staff available to them, is she suggesting that we put them in hotels with adults? *[Interruption.]* She says, from a sedentary position, regular hotels—

Florence Eshalomi indicated dissent.

Robert Jenrick: No one would want to do that. The only alternative to using these settings is for young people to go into good quality, permanent local authority support, and I have already said that we have made available substantial financial incentives for local authorities to do that. The best thing that we can do is to encourage our own local authorities to take part in the national transfer scheme and ensure that there is a better solution.

Mr Philip Hollobone (Kettering) (Con): It is totally right that unaccompanied asylum-seeking children should be safeguarded in the most appropriate settings. It is totally wrong that there are all-too-frequent reports of young adult asylum seekers claiming to be children in their asylum claims. Other countries employ far more scientific methodology to establish the age of a child who will not reveal their true age. Will the Minister urgently bring forward such measures to the House so that they can be approved and introduced?

Robert Jenrick: My hon. Friend is correct. We recently published a report from the Age Estimation Science Advisory Committee on scientific methods to assess the age of asylum seekers and resolve age disputes. These practices are widely used across Europe, including in Denmark, Norway and Sweden. We are considering that report and we will set out further details in due course, because we need to address this challenge.

Hywel Williams (Arfon) (PC): I declare that I am a former childcare social worker, a former social work educator and a member of various committees of the British Association of Social Workers. I am unclear from the Minister's answers so far: is he saying that qualified and trained social workers are available on every site, 24 hours a day?

Robert Jenrick: Yes.

Andy Slaughter (Hammersmith) (Lab): We persuaded the Home Office that the accommodation in which it placed asylum seekers in my constituency was below acceptable standards, and it moved them earlier this month. However, it failed to give the asylum seekers any notice or tell them where they were going, and some absconded out of fear of that. Will the Minister look at

[*Andy Slaughter*]

the poor standards and poor treatment of asylum seekers by the Home Office and its contractors, which is at the root of this problem?

Robert Jenrick: As the hon. Member may recall, one of my first priorities was to ensure that the Home Office engaged better with local authorities, and although there is always room for improvement, the level of engagement is now enhanced from where it was at the end of last year. I continue to push officials to do more and to give local authorities more notice, either of new hotels opening up or of changes to the hotels. I have also recently met the providers and told them that we expect these hotels to be run professionally and appropriately with decent standards of accommodation and food, and that we will be making unannounced visits to the hotels to ensure that those standards are upheld. If the hon. Member has any matters he wants to bring to my attention, he should please do so.

Olivia Blake (Sheffield, Hallam) (Lab): I would like to ask a question about the funding for local authorities. Does the Minister realise that the average cost of a local government place is nearly £5,000 a week, so £65,000—both the £50,000 and the £15,000 that he mentioned—would only cover up to 13 weeks? And that is only for those who are lucky enough to have a local authority placement. If they have to go to the private sector, it costs up to £20,000 a week, which would give a coverage of only three and a quarter weeks from the money that is being provided. Will the Minister meet officials in the Department for Levelling Up, Housing and Communities and urgently come up with a solution that will work for these children so that everyone can take their safeguarding responsibilities seriously and no more children will go missing?

Robert Jenrick: I have met representatives of local authorities, London Councils and the Local Government Association to raise this issue. They made the points that many Members across the House have made about the lack of general capacity in this area and the cost of providing this care. We worked with DLUHC in providing the package that has just been made available, and we will learn the lessons from that and make any changes that we need to, so that there is a fair package of support for those authorities that support the national transfer scheme.

Helen Hayes (Dulwich and West Norwood) (Lab): We know that 200 children across the country are missing from accommodation for which the Minister is responsible. That is nearly seven classrooms of children, or about an entire year group in many secondary schools across the country. The complacency of this Government is disgraceful. Where is the cross-departmental ministerial taskforce with the Department for Education and DLUHC to ensure a day-by-day focus on this issue, to ensure accountability and to drive urgent improvements in the safeguarding of children?

Robert Jenrick: I share the hon. Lady's concern and I have already set out the steps that we have taken so far to ensure that the hotels have significant support attached to them, and the work that we are doing to ensure that local authorities can make more placements available in

the future. I can assure her that we are working with all those Government Departments and with the police to ensure that any young person who goes missing is tracked as far as we can, and certainly to the same standard we would expect for any of our own children.

Kenny MacAskill (East Lothian) (Alba): I welcome the Minister's clarification, but our obligations go beyond simply providing safe and secure accommodation. It has been a few years since I met unaccompanied asylum seekers who were unable to obtain the education maintenance allowance because they could not access a bank account, due to the complexities and what they were required to provide. Those complexities may have been resolved, but others will have arisen. Can he assure me that, as well as safe and secure accommodation, such complexities will be looked at so that unaccompanied asylum seekers can develop and flourish while they are in our care, whether or not they ultimately remain in this country?

Robert Jenrick: We take all those things into account, which is why we want to ensure that young people get into local authority care, where they can access education. If the hon. Gentleman has any suggestions from his own experience, I would be pleased to read about them and to take action accordingly.

Zarah Sultana (Coventry South) (Lab): These revelations, once again, expose shocking neglect by the Home Office, which is failing in its basic duties to unaccompanied children who have often experienced war and persecution. As charities and campaign groups have warned, housing children in hotels without basic safeguarding measures is unlawful. More than 136 children have been reported missing from one hotel alone, with 76 still unaccounted for. Does this scandal not show it is time for a fundamental change in the Home Office's attitude, from one that portrays people seeking asylum as invaders and denies them their basic rights, to a humane approach that cares for those seeking sanctuary?

Robert Jenrick: We do care for these young people, and we take our responsibilities to them very seriously. I have set out the safeguarding procedures we have in place, and we are always keen to learn how we can improve them. The key task ahead of us is to reduce the number of people crossing the channel. I hope that the hon. Lady will support the measures we take in the years ahead, because an attitude of open borders and unlimited migration will only lead to more young people being placed in these difficult settings.

Claire Hanna (Belfast South) (SDLP): Our focus today is the acute child protection issues flowing from the chaos that the Home Office has allowed to develop in the asylum system. Many children in my constituency, and in many others, have their needs and rights overlooked every day, including their right to education, their right to a space to play and their right to live a normal family life. As we are hearing again today, the widespread use of hotels and other inappropriate contingency accommodation is a symptom of the Home Office implying that, because it does not like an issue, it will just go away. The need for international protection is a reality in this world, and the Government have a legal and moral duty to respond appropriately. Is it not

time for the Home Office, instead of demonising asylum seekers, to get a grip of the processing issues, create safe routes and provide a system that is both humane and cost-effective?

Robert Jenrick: We are putting in place a comprehensive plan to reduce the backlog of cases, and good progress is already being made. With regard to safe and legal routes, this country is a world leader on resettlement schemes. More people entered the United Kingdom last year for humanitarian purposes than in any year since the second world war—people from Ukraine, Hong Kong, Syria and Afghanistan. It is simply untrue to say that we do not take those responsibilities seriously. We think it is naive to believe that a safe and legal route would stop people crossing the channel, as no evidence supports that. We want a position based on deterrence, such as our proposed Rwanda scheme, which will come forward as soon as possible.

Ms Marie Rimmer (St Helens South and Whiston) (Lab): The former Prime Minister, the right hon. Member for Maidenhead (Mrs May), raised concerns about safeguarding at the border, and the independent chief inspector of borders and immigration raised concerns about safeguarding in the hotels. Action has been taken but, frankly, it is insufficient to mitigate the risk to these children, who are being kidnapped to be used in crime—there is no doubt about that.

Local authorities do not have the resources or the social workers. My local authority is recruiting 20 social workers from South Africa, as it takes time to train social workers here. The police do not have the resources to give the necessary focus to this issue. It is important that we efficiently and effectively use the resources we have, and the only way to do that is to set up a taskforce that is accountable at local level. I do not doubt the Minister's commitment to these people, but we are not using our resources efficiently or effectively.

Robert Jenrick: I respect the hon. Lady's long experience in local government. I appreciate the challenges faced by local councils, which is why we brought forward this enhanced financial package. We will learn from whether it is having the desired effect, and I am very happy to speak to her about the experience in her constituency.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Minister did not answer the hon. Member for East Worthing and Shoreham (Tim Loughton) or the Chair of the Home Affairs Committee, my right hon. Friend the Member for Kingston upon Hull North (Dame Diana Johnson), so does he accept that the Home Office has the key responsibility around safeguarding, and that legally enforceable duties come with that responsibility?

Robert Jenrick: The settled position is for a young person to move into local authority care, and for that local authority to accept responsibility for them in the usual way. While a young person is in a bridging hotel, the legal position is that the local authority has responsibility, but we appreciate that a great burden is being placed on a small number of local authorities. For that reason, the Home Office steps up and provides all the support required in and around the hotels.

Cat Smith (Lancaster and Fleetwood) (Lab): Since the Minister has been on his feet responding to this urgent question, a BBC breaking news alert has highlighted BBC research on a children's home in which children's concerns were ignored. This urgent question is about asylum-seeking children, but children's voices seem to be missing in all this. He said he will meet many of the adults involved when he goes to the Sussex hotel later this week, but will he commit to hearing directly from the asylum-seeking children about their experiences and concerns?

Robert Jenrick: The hon. Lady makes an important point, and of course I will do that. The evidence from the ICIBI's report of October 2022 is that the young people it spoke to said that their needs were being catered for and that they felt they were happy, safe and treated with respect. Of course, I will do everything I can to satisfy myself that the arrangements are appropriate.

Andrew Gwynne (Denton and Reddish) (Lab): In his answer to my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), the Minister basically said that local authorities have corporate parental responsibility for these children in hotels. If that is the case, I am afraid that the Home Office package for local government is woefully inadequate, as he will know from his days as Secretary of State for Housing, Communities and Local Government. It is his current Department's duty to protect these children as refugees, so will he tell the House today how many National Crime Agency officers are working on the serious issues of child trafficking and disappearance from hotels?

Robert Jenrick: To clarify, I did not say that we expect the local authorities that host these hotels to provide such services. I said that while individuals are in bridging hotels, there may be a technical and legal position, but the Home Office appreciates the pressure on those local authorities due to having a hotel, which we do not want to be a permanent fixture. That is why we are putting in place all this support to meet the needs of individuals and the local authority's associated costs.

I met the NCA only last week. This is now one of its most significant priorities, and a very large number of its personnel are engaged in tackling organised immigration crime, including people trafficking and modern slavery.

Patrick Grady (Glasgow North) (SNP): Positive Action in Housing has highlighted the case of a family with a four-month-old child near Glasgow who, as a result of trying to claim asylum through a safe and legal route, were evicted from their accommodation and left in the street for hours in sub-zero temperatures. Does that case and what is happening in Brighton not show that creating a hostile environment for immigrants, refugees and asylum seekers is still the Government's policy? Does it not also show that it does not work and needs to change?

Robert Jenrick: Those are the hon. Gentleman's words, not mine. We want to distinguish between people who come to this country fearing persecution or fleeing war or human rights abuses, and those who come here for economic purposes. Conservative Members are capable of making that important distinction. Where people are coming here on small boats with no genuine right to

[Robert Jenrick]

asylum and gaming the system, it is absolutely right that we take a robust line. It is also appropriate that we bear down on illegal employers, using a range of measures through our compliant environment, because those are the very people who are perpetuating this evil trade by giving work to these individuals in car washes and care homes and on construction sites.

Munira Wilson (Twickenham) (LD): In the Minister's answers to various Members, there seems to have been a lot of verbal gymnastics about the legal status of either the Home Office or local authorities in respect of these children. Will he clarify it for the record: will the Home Office take legal responsibility for these children until they are properly placed in local authority care? Why will the Home Office not take on corporate parenting responsibilities? Regardless of where these children have come from, how they got here or what gender they are, these are vulnerable children who need our protection.

Robert Jenrick: The hon. Lady may know the recent history of this issue, which is that previously young people were primarily placed in Kent and it took legal responsibility. The numbers arriving in Kent were sufficiently high that Kent chose to walk away from that responsibility, and we understand the reasons behind that. Since then, where children are not placed immediately within a local authority, we have had no choice but to stand up these hotels. As I said in answer to an earlier question, that means that the Home Office provides all the support services that are required. We are considering the proposal made by a number of organisations about acting as corporate legal guardians of the young people and we will make a decision on that in due course.

Jim Shannon (Strangford) (DUP): I thank the Minister for his answers. Obviously, he is trying hard to address the issue. Last Friday, I attended the launch of a new website for Bees Nees, a phenomenal early years centre in Newtownards, where the joy on the children's faces was real. I was struck by the responsibility to ensure that asylum-seeking children are given the gift of learning and education. What has the Minister put in place, along with other Departments, to see to their educational needs, and to acknowledge that the asylum process can take over a year—time that cannot be undone in a child's life?

Robert Jenrick: Under-18s do receive access to education. Clearly, that is best provided when they are able to be in a local authority setting, which is why we want to get young people out of the hotels as quickly as possible. We work with local authorities and provide them with the support that is required so that they can provide education until these individuals' cases are decided.

Equal Marriage: Church of England

1.42 pm

Mr Ben Bradshaw (Exeter) (Lab) (*Urgent Question*): To ask the Second Church Estates Commissioner if he will make a statement on the outcome of the meeting of Church of England bishops on equal marriage in the Church of England.

The Second Church Estates Commissioner (Andrew Selous): Mr Speaker, as you know, I offered to make a statement to the House yesterday but was advised that a response to an urgent question would be preferable.

Last Friday, the bishops of the Church of England published a pastoral letter and draft resources that will enable same-sex couples to come to a Church of England church to give thanks for their civil marriage or civil partnership, and to have a service in which there would be prayers of dedication, thanksgiving and blessing for the couple. The bishops also apologised for the rejection, exclusion and hostility that LGBTQI+ people have faced in some of our churches. The bishops are united in condemning homophobia, and urged churches to welcome same-sex couples “unreservedly and joyfully”. I am pleased to speak for a Church that has the humility to apologise and admit when it has behaved badly.

The bishops recognise that for some—including many in the Chamber today—these proposals do not go far enough, and that for others they will have gone too far. In order to change canon law on the doctrine of holy matrimony, there has to be a two-thirds majority in the House of Bishops, the House of Clergy and the House of Laity of the General Synod, which is itself a devolved body of this Parliament, and the vast majority of whose members are elected. There is not currently a two-thirds majority in the General Synod to change canon law on the doctrine of holy matrimony. Should the General Synod take a different view at some point in the future, it will bring forward legislation to this Parliament in the usual way, in the form of Church Measures. Parliament would not need to initiate legislation to change the Church's practice on marriage.

It is also important to remember that this House approved measures in the Marriage (Same Sex Couples) Act 2013 to ensure that conscience and freedom of religion were protected for all faiths, including the Church of England. Freedom of religion and belief must apply here in the United Kingdom as well as around the world. We do not want to be in a position where churches are forced to follow the directives of Government or Parliament on matters of doctrine. The General Synod will consider these proposals next month, from 6 to 9 February, after which the bishops will reflect on the views expressed before commending the prayers of love and faith and agreeing to new pastoral guidance. The Church will also engage further in the areas of singleness, friendship, community and household, and will offer resources to affirm covenanted companionship or friendship, where two people make a commitment to a deep and lasting friendship, which could be in a non-sexual relationship.

I ask the House to understand that different views on these matters are held with great integrity and that, as a Church, it is welcome that we are in a position where many can say, “I totally disagree with you and I love you dearly as you are my sister or brother in Christ.”

That is a model we should try to emulate in our Parliament. Our proposals will allow clergy and laity to follow their consciences before God, in their understanding of holy scripture as to whether they use the prayers provided.

Mr Bradshaw: Thank you, Mr Deputy Speaker, for allowing this urgent question, and I am grateful to the hon. Member for South West Bedfordshire (Andrew Selous) for his reply. Will he explain to Parliament how continuing to discriminate against lesbian and gay Anglicans in England is compatible with the unique duty of the established Church to serve everyone? How sustainable is it when gay Anglicans in Scotland—and soon in Wales—may marry in church, but our constituents in England may not? What consideration was given to the suggestion by his predecessor, Sir Tony Baldry, that those parishes that wish to conduct same-sex weddings should be able to do so but no parish should be compelled to do so, and why was that suggestion rejected?

How does the bishops' statement sit with the Church's mission to appeal more to minorities and young people, given that most young people find the position of the Church incomprehensible? How meaningful is an apology for historical homophobia and discrimination when that discrimination continues? Will the hon. Gentleman explain the status of these prayers for blessing being proposed? As I understand it, they will bless the individuals but not their relationship—why not?

What will happen to clergy in same-sex relationships, because that is not at all clear from the bishops' statement? What would be the consequences for a gay Anglican priest married in Scotland who then applied for a job in England? What about the celibacy rule as it affects the clergy? There is nothing about the physical expression of love or intimacy in this statement. What consideration has been given to potential complexities involving the monarch, as head of the Church of England, when teaching and practice varies across the UK and Church rules in England diverge from the law.

Finally, what can the hon. Gentleman say to reassure Parliament that the bishops are not allowing policy to be dictated by a minority of very vocal Anglicans in England and in some overseas provinces, while neglecting their primary duty to serve all of God's people in England?

Andrew Selous: I have the greatest respect for the right hon. Gentleman, with whom I have discussed these issues privately on a number of occasions. I will do my very best to answer his questions, although he did pose me quite a number so I may have to get back to him in writing on some. It is the case that there has been a distinction in civil law and Church law about marriage for some time, so that is nothing new.

With regard to the different constituent parts of the United Kingdom, the right hon. Gentleman is correct that in the Episcopal Church in Scotland it is possible for same-sex couples to be married. The Church of England is now moving to the same position as the Church in Wales, in offering blessings. My understanding is that the Church of Ireland does not actually allow either of those two possibilities. As I said in my initial response, these matters are up to the Synod of the Church of England, which is a democratically elected body, just like this Parliament—it is in fact a devolved body of this Parliament, set up by Parliament to take

decisions. The vast majority of Synod members are elected. As the right hon. Gentleman will know, there are three Houses—the House of Bishops, the House of Laity and the House of Clergy—and it is up to members in the Synod to decide and take action on these matters.

The right hon. Gentleman talks about the prayers. I do not know if he has had an opportunity to read them. For the convenience of the House, I will put a copy of the prayers and the response from the bishops in the Library of the House. They are very beautiful. I commend all hon. Members who are interested to find some time to read them. The bishops will reflect on the debate in the General Synod between 6 and 8 February and make a formal commendation of the prayers to the Church.

The bishops will also be getting together in a smaller group to bring forward new pastoral guidance to replace the old “Issues in Human Sexuality”, which is now about 30 years out of date. I understand that that work will happen at pace. The right hon. Gentleman may know that we do not take away the living from any priest depending on their sexuality or who they live with. A new pastoral consultative committee has been set up to revise that guidance at pace, and it work report back to the Church shortly.

Madam Deputy Speaker (Dame Rosie Winterton): I call the Father of the House.

Sir Peter Bottomley (Worthing West) (Con): The whole House should be grateful to the right hon. Member for Exeter (Mr Bradshaw) for the way he has raised this.

We recognise that our Second Church Estates Commissioner, my hon. Friend the Member for South West Bedfordshire (Andrew Selous), is a channel of peace rather than of conflict, but may I say to him, as I said to his predecessor over the appointment of women bishops, that this House will not put up with being held up by one third of one part of the General Synod?

Members may wish to look at the Library briefing from 11 August 2022 to see that the enabling Act of 1919, which established a General Synod as a way to stop Bills having to go through all the formal stages in the House of Commons, can be amended and that some recent legislation wrongly gave permission for flying bishops and people under them to refuse to recognise women ordained in the Church of England.

We are coming to a stage, on that and on this, where the Church of England needs to wake up. I commend to it the establishment of a commission similar to the Chadwick commission, and for it to ask itself how to get out of this dilemma. Does it want to solve it, or will it leave it to us to do that for it?

Andrew Selous: I have great respect, of course, for what the Father of the House says, and I know that many Members in this House take a close interest in what happens in the General Synod of the Church of England, but it goes equally the other way. Today I commit to the Father of the House, and to all right hon. and hon. Members here, to feed back to the General Synod fully and frankly not only the views of the House, as have been set out here, but the strength of feeling on these issues. That is my role as Second Church Estates Commissioner.

Jim Shannon (Strangford) (DUP): I thank the Second Church Estates Commissioner for his responses so far. Does he not acknowledge that protection for those who hold biblical beliefs regarding the definition of marriage is enshrined in legislation, and in particular that there would never be a case where Government instructed the Church on what to believe or how to express those beliefs unless they contravened the law? That being an absolute fact, does he agree that how the Church of England approaches marriage and blessings is a matter entirely for it and not for legislators in this place?

Andrew Selous: As I said in my opening statement, there is a range of views within the Church. We have seen just now that there is clearly a range of views within this House. The hon. Gentleman carries out in a very distinguished manner his role as chair of the all-party parliamentary group for international freedom of religion or belief, and he does that on behalf of Christians all around the world. I think part of the sense of his question is that we allow that same freedom of conscience to individual priests within the Church of England. There will be very many who rejoice at what the Church did last week and who will be providing these prayers, but there will be some—I think the hon. Gentleman was speaking for them—who will not feel able in their conscience and understanding of Holy Scripture to go forward.

It is also worth briefly reflecting on the point the hon. Gentleman made about the relationship between Parliament and the Church. If we look back at our history and perhaps at the founding of the United States of America, we can see that at times when Parliament has been over-involved in the life of the Church, it has led to some Christians feeling quite strongly about it. As I say, I am the servant of this House and I will reflect what has been said back to the Synod.

Chris Loder (West Dorset) (Con): I thank my hon. Friend for his response to the question from the right hon. Member for Exeter (Mr Bradshaw). I think it is right that there is a fine balance between equal marriage and freedom of religion in this debate. It is right that we have it, and I am pleased that those points are being made. However, I hope my hon. Friend will agree that the five years it has taken the House of Bishops to come to this conclusion—it is not even a conclusion at this stage—is far too long? Does he agree that our synodical arrangements are perhaps not fit for purpose and that we should look to reform them?

Can I briefly say to my hon. Friend that my real concern here is for those who are directly affected here and now: members of the clergy today who either are not allowed to get married, for fear of losing their job, or have to lie about it; or those who want to be a priest but are not permitted because they are already married? What exactly will my hon. Friend be able to take to the House of Bishops on this matter, and what advice will he be able to share with us from their conversation?

Andrew Selous: I am grateful to my hon. Friend, and I believe that I can reassure him. As I said earlier, the new pastoral guidance will take account of the major change that the Church of England made last week. That guidance will be put together at pace by a group of bishops and a wider group with a diverse range of lived

experience on these issues. On the changes that my hon. Friend seeks, I think I am able to say to him that he and others who are concerned will be pleased about the direction that this new pastoral guidance will go in.

Sir Chris Bryant (Rhondda) (Lab): There is an awful lot of pain. Imagine being a church warden. You turn up maybe every day of the week to open the church before the priest gets there to take the 8 o'clock service. On Sundays, you turn up a couple of hours beforehand to make sure the church is warm. You clean and iron the vestments, you make sure the church is prepared, and you count the collection at the end of the service. And you have fallen in love with somebody of your own sex. The place that you have devoted your life to—and your God—is that church, and that is the place you cannot get married. That is terribly, terribly painful.

I think that there is still a cruelty in what the bishops have brought forward. There is a sort of hypocrisy. I know that they are trying to square everything off, but in the end there is a hypocrisy that we will bless the individuals but not the relationship. You can have a sort of blessing of your relationship—a celebration—but you cannot be married; you cannot refer to the other person as your husband. Imagine being a priest and wanting to be able to marry your church warden to the person they love. Is there any biblical teaching that says this is wrong? Is there any, really? Did Jesus say a single word about same-sex relationships or marriage? I do not think he did. He said a great deal about love—God of love. St Paul said that, in Christ, there was neither male nor female, neither Jew nor Greek, and I think he would probably also have said, neither gay nor straight.

Andrew Selous: The whole House will have been deeply moved by what the hon. Gentleman has said. I get his passion and strength of feeling on the issue. I do not know whether he had a chance to see the Church of England press conference last Friday. The Archbishop of York was deeply moved by what the Church of England did last week, as in fact was the Archbishop of Canterbury, who mentioned a former member of his congregation who was gay and who later took his own life. What a terrible tragedy that was for the Archbishop of Canterbury and for many, many others.

In a sense, the Church of England—if it will forgive me for saying this—has almost managed to upset absolutely everyone because these proposals clearly do not go far enough for some. I just ask the House to understand that there are some who are deeply grieving and troubled because they believe that the proposals have gone too far. The hon. Gentleman is right: we read the same Bible. It is slightly strange, Madam Deputy Speaker, I do not even have a degree in theology and here I am, the only person in the whole Parliament who speaks for the Church of England. But I study the Bible, like the hon. Gentleman, and I know that good and true people can come to different conclusions about it. He will know that and respect that. I thank him for his gracious and very moving words.

Sir Desmond Swayne (New Forest West) (Con): Having been the Government Whip on the Equal Marriage (Same Sex Couples) Bill, I can say that this is a typical Church of England fudge, but all the more welcome for that because there are other fish that have to be fried, aren't there?

Andrew Selous: I do not take away for one moment the seriousness with which hon. Members on all sides of the House view this issue, and I see the numbers who have come in for this urgent question today. It is a deep and serious issue and I absolutely get that. My right hon. Friend is also right that the mission of the Church of England is to save souls, and we need to get on and do that as well.

Christine Jardine (Edinburgh West) (LD): I have grown up with a deep respect for the Church, but I have to say that the hon. Member for Rhondda (Sir Chris Bryant) spoke for a great many of us when he said that we cannot understand how a Church, and a faith so rooted in the belief of love and goodness, can still accept that it can make some of its own parishioners and its own clergy feel that they are somehow less worthy. I am afraid that I am one of those people who is less than happy with this, and feels that it sends the wrong message to an awful lot of people in this country about what the Church actually stands for and risks separating the Church from a great many people who might otherwise be part of it. Does not the hon. Gentleman agree?

Andrew Selous: I hear what the hon. Lady says. I just repeat the apology made by the bishops and the fact that the bishops welcome same-sex couples unreservedly and joyfully. Perhaps you will allow me, Madam Deputy Speaker, to quote briefly from something the Archbishop of York said. He said that the Church expresses its

“deep sorrow and grief at the way LGBTQI+ and those they love have been treated by the Church which, most of all, ought to recognise everyone as precious and created in the image of God. We are deeply sorry and ashamed and want to take this opportunity to begin again in the spirit of repentance which our faith teaches us.”

I know that that does not go far enough, but I ask the hon. Lady to recognise the spirit in which that statement was made and the fact that it was a big change, albeit not far enough for some, that the Church made last week.

Fiona Bruce (Congleton) (Con): I commend the exemplary way in which the Second Church Estates Commissioner is responding today and, indeed, the dedicated way in which he fulfils his role more widely. I also thank him for reassuring Members that he will convey the varying views of colleagues here on this issue, and I know that he knows my view on the issue. Again, more widely, I say to him that there are many here and outside this House who have invested a great deal in promoting freedom of religion or belief across the world and challenging abuses of it. In all conscience, we cannot do that in other countries if we do not also honour freedom of religion or belief at home. Does he agree?

Andrew Selous: I am grateful to my hon. Friend and thank her for her kind words about me. May I warmly reciprocate by recognising what she does in her incredibly important role as the Prime Minister’s envoy for freedom of religion and belief around the world? She is right that freedom of conscience is universal. I get the issue when that rubs up against the centrality of the issue we are discussing today for so many people. There is and will always be a tension, but I think that her words are wise and should be listened to by the House.

Cat Smith (Lancaster and Fleetwood) (Lab): I had not planned to speak in this urgent question. However, other contributions have spurred me to do so. I often do not participate in Church Commissioner-type questions because I am a member of the Methodist Church, and I would arrive at a slightly different conclusion, but it does strike me that, because we have an established Church in this country, it falls on all of us to take an interest in and to speak out on the issues of the Church. As a Christian, I know that God sent his own son to die on the cross for my sins and for the sins of all of us. That love is huge and incomprehensible. Love is such a beautiful thing and should be celebrated. Will the Second Church Estates Commissioner convey feelings that I would represent, which is that love should be celebrated in all its forms, and that our diversity in terms of human sexuality is not an accident—it is not a design fault by God—but something designed by God and therefore beautiful?

Andrew Selous: The Church of England recognises the huge privilege that it has in being the established Church and it does see it as its role to speak up for all Christian denominations and, in a sense, to hold the ring for all faiths within this country, as the Queen said very movingly at Lambeth Palace in 2012. So what the hon. Lady says from the point of view of the Methodist Church is an important contribution and I absolutely hear that. If she has a moment, I commend to her the prayers of love and faith—I shall put a copy in the Library of the House. They are beautifully written, they celebrate love and I think she will find much to commend in them, but I have listened carefully to what she has said and I thank her for it.

Robin Millar (Aberconwy) (Con): I thank my hon. Friend for his statement. I note that in it he spoke of both the vote of Synod and the strength of feeling, which I think is evident in the contributions. Does he agree that it is premature to have this conversation today, while the whole of Synod has not yet had a chance to express its own view on this question?

Andrew Selous: The General Synod of the Church of England is deeply respectful of Parliament, as it rightly should be, but I also ask hon. Friends and hon. Members across the House to give the General Synod time. It will have its own debate early next month, between 6 and 8 February, and that debate will be an impassioned one. I can assure hon. Members that many of the views that have been expressed here today will be expressed with equal passion and equally robustly at the General Synod, and I will ensure that Synod is well aware of the views of Parliament.

Wes Streeting (Ilford North) (Lab): Nothing made it harder for me to come out as a gay Anglican than the Church’s teaching on sexual orientation and human sexuality. In the end, I made the choice that I think many young gay Anglicans did—choosing to be myself and not to go to church. That is such a tragedy for so many, particularly young Anglicans across our country, and I fear that the prayers proposed by the bishops, however beautiful, do not go far enough to bridge that divide and close the distance between Christians and their God. So I urge them to think again and ask two things of the hon. Gentleman. First, this is an established Church; in fact this applies to all places of worship. I

[*Wes Streeting*]

would never cast my vote in a way that compelled any place of worship to perform same-sex marriage, because I believe in freedom of religious belief, but surely permissive legislation that enables places of worship, churches and priests to make that choice for themselves would be a different matter. Certainly I know where my vote would go on that. Secondly, seeing that the prayers are so beautiful, will they be said in the Chapel of St Mary Undercroft, in St Margaret's church or in Westminster Abbey?

Andrew Selous: I am deeply saddened that the hon. Gentleman felt he was no longer able to go along to his Church of England church. I know that what happened last week has not gone far enough, but I repeat that the Church now welcomes same-sex couples unreservedly and joyfully. On his last point, I have spoken to the Speaker's Chaplain, who, subject to the usual booking arrangements, is happy to say the prayers of dedication, thanksgiving and blessing for Members of this House in the crypt chapel of St Mary's here within the Palace. Within St Margaret's, that is a matter for the Dean of Westminster and I cannot speak on his behalf, but I am sure he will make his views known. I hear what the hon. Gentleman says about a permissive way forward on this matter; I commit to feed that through to the bishops and Synod and I thank him for making that point.

Peter Gibson (Darlington) (Con): I thank my hon. Friend for his reply to the urgent question. While I welcome the movement towards allowing blessings for same-sex couples to take place, is it not time that the Church of England celebrated every relationship and ended the two-tier system that labels gay people as second-class citizens?

Andrew Selous: Again, I thoroughly commend to my hon. Friend the prayers of love and faith that were written last week. Last week marked a major change for the Church of England: the Church has apologised for the way it has behaved in the past in making people of same-sex orientation not feel welcome within church and said that it welcomes them unreservedly and joyfully. The Church went a long way last week in hopefully getting rid of the feelings he expresses, but I accept from him, as from others here, that he would like the Church to go further.

Madam Deputy Speaker (Dame Rosie Winterton): I thank the Church Commissioner for answering the urgent question.

Probation Service: Chief Inspector's Reviews into Serious Further Offences

Madam Deputy Speaker (Dame Rosie Winterton):

Before I call the Minister, I point out that, with regard to the forthcoming statement, I understand that an appeal against sentence has been made in the case of Jordan McSweeney. That means that the case is covered by the House's sub judice resolution. Given the importance of the issues raised, I am content for the statement to go ahead, but I ask Members not to refer specifically to sentencing issues.

2.15 pm

The Minister of State, Ministry of Justice (Damian Hinds): Today the chief inspector of probation has published his independent review into the probation service's management of Jordan McSweeney, who brutally murdered Zara Aleena as she walked home after an evening out with friends. Today's report follows another independent review into the management of Damien Bendall, who murdered an entire family, killing pregnant Terri Harris, her two children, John Paul and Lacey, and Lacey's eleven-year-old friend, Connie Gent. Bendall also pleaded guilty to rape.

The thoughts of us all are with the families and friends of the victims. They have gone through and continue to go through the most unimaginable suffering, and the passage of time will never diminish the magnitude of their loss. Immediately upon learning that first Bendall and then McSweeney had been charged with murder while subject to probation supervision, Ministers asked the chief inspector to undertake independent reviews. Both reviews set out clear and serious failings by the probation service. I am profoundly sorry for those failings, and the Deputy Prime Minister and I are seeking opportunities to make apologies in person. It is incumbent on us now to do everything we can to ensure that those failings do not and cannot happen ever again.

The chief inspector's report is very clear: the level of risk posed by McSweeney and Bendall was not assessed properly by the probation service. If McSweeney had been assessed as posing a higher level of risk, he would have been more closely monitored by senior staff under more stringent licence conditions. If the report to the court had taken account of Bendall's known risks to women and young girls, he would not have been recommended for an electronically monitored curfew to the home of Terri Harris and her two young children.

These basic but fundamental flaws meant that the plans drawn up by the probation service to manage each offender's risk were not robust enough, and people were not properly protected. We are determined to make sure that those failings are not repeated. I will set out for the House the action this Government have already taken and the further action we will take to keep the public safe and to ensure that similar tragedies are prevented in future.

Jordan McSweeney sexually assaulted and killed 35-year-old Zara Aleena on 26 June, having been released from prison on licence on 17 June. At the point McSweeney was released, the probation service assessed him as presenting a medium rather than high risk of harm. The chief inspector finds that that assessment was flawed, based on the clear information and intelligence available to the probation service at the time.

A long criminal history showed offences escalating in severity and levels of violence. McSweeney had been in and out of prison on multiple occasions, including for breaching licence conditions after attacking a female acquaintance. At the time of Ms Aleena's murder, McSweeney was unlawfully at large after failing to attend three probation appointments, his licence having been revoked.

Had all of the information held on McSweeney been properly considered by the probation service at the time, his risk would have been set at a higher level. In particular, his risk of violence towards women would have been flagged as a concern. He would have been under more stringent licence conditions and monitored by a more senior member of probation staff. He would not have been given a third opportunity to attend an appointment with his probation officer, but would have been recalled to custody after his second missed appointment.

The chief inspector's review into Damien Bendall highlights similar serious failings. When Bendall killed Terri Harris and her unborn child, her children, and their friend Connie Gent, he was serving a 24-month suspended sentence order for arson and had previously been in prison for violent offences. As with McSweeney, the chief inspector found that the probation service's assessment and supervision of Bendall were unacceptable, with critical opportunities to correct errors missed at every stage.

Bendall's risk level was miscategorised at the point when he was sentenced for the arson offence. Indeed, the report produced for the courts to inform the sentencing decision was flawed. Given the known domestic violence concerns, the report should never have proposed that Bendall be curfewed to the home of Ms Harris and her children. The poor risk assessment meant that his case was handled by a less experienced member of staff who was inadequately supervised by a senior manager.

These were appalling crimes. In response, the chief probation officer has apologised to the victims' families for the unacceptable failings in these cases, and two members of staff involved in the Bendall case, and one in the McSweeney case, are subject to disciplinary proceedings. Apologies will not bring those loved ones back, but it is right that the probation service acknowledges and learns lessons from its mistakes so that they will not be made again. The probation service has accepted all the chief inspector's recommendations in each case and put in place robust action plans, which will strengthen probation practice to better protect the public. That includes better information sharing between police, probation and courts, and improving the quality of court reports and support for senior probation officers to manage complex teams and caseloads.

As of April last year, probation service staff must now gather domestic abuse information from police, and child safeguarding information in all cases, before making a recommendation to the court that an offender may be suitable for an electronically monitored curfew. Probation service staff are also required to ask for information from children's services in every case—regardless of the sentence—in which the offender has children, is in contact with children, is seeking contact with children, or presents a potential risk of harm to children.

We are funding an additional £5.5 million a year to recruit more probation staff who are specifically responsible for accessing domestic abuse information held by the police, and children's safeguarding information held by councils. We have introduced a new child safeguarding policy framework, setting out clear requirements and best practice to support staff. We have introduced a section on the offender management system that considers solely the wellbeing and safety of children, and senior probation officers must now record why they have allocated a case to a particular probation officer. That must include evidence that the senior probation officer has fully considered the complexity of the case, the risk that the offender poses, and the experience and workload of the probation staff member taking on the case.

More broadly, we have unified the probation service to raise standards. We recognise that the probation service needs more staff, and that is why we have invested heavily by injecting additional funding of more than £155 million a year to deliver tougher supervision of offenders, reduce caseloads and recruit thousands more staff to make the public safer. That has helped us to boost our number of trainee probation officers by 2,500 over the last two years, and we plan to recruit a further 1,500 by the end of the year ending in March.

Beyond our changes to probation, our parole reforms have public safety at their core. Our root-and-branch review of the parole system, which was published last year, set out changes that will increase ministerial oversight of release decisions for the most serious criminals. That will ensure that public protection is at the forefront of all parole decisions, so that the British people can have greater confidence in the system. We are making the release test more prescriptive, so that it is absolutely clear that prisoners should continue to be detained unless it can be demonstrated they no longer present a risk of further serious offending. For the most serious offenders—those sentenced for murder, rape, causing or allowing the death of a child, and terrorist offences—we want Ministers to have the power to refuse a release decision made by the Parole Board if they believe that the criteria for release have not been met. We have introduced greater scrutiny of Parole Board recommendations on open prison moves, and a more stringent test to be met before transferring a prisoner to open conditions. The Parole Board recommendation will be rejected if the criteria are not met.

Finally, I will address the issue of offenders who refuse to attend court for sentencing. I am sure that the whole House would agree that it is entirely unacceptable for criminals such as McSweeney, and Koci Selamaj, who murdered Sabina Nessa, to cower in court cells and refuse to come up for sentencing. That denies victims and their families the opportunity at least to look offenders in the eye as they deliver their victim impact statements and to know that those statements have been heard. To that end, we are looking at measures to make sure that criminals show their faces in court for sentencing.

The first duty of any Government is to keep the public safe. Our reforms of probation and parole have that principle at their heart. Nothing can bring back Zara Aleena, Terri Harris, John Paul Bennett, Lacey Bennett and Connie Gent, but it is absolutely vital that we do everything in our power to make sure that that kind of tragedy can never happen again. I commend this statement to the House.

2.25 pm

Steve Reed (Croydon North) (Lab/Co-op): I thank the Minister for advance sight of his statement and for accepting what Labour proposed a year ago on compelling offenders to attend court for sentencing. That is quite right, and he will have our support.

Today, our hearts go out once more to the families and friends of Zara Aleena, and of Terri Harris, her children John Paul and Lacey, and their friend Connie Gent. The long-standing failings in the probation service threaten public safety because dangerous offenders are not being properly supervised on release from prison. As a result, too many go on to commit serious further offences. High-risk offenders on probation commit on average six serious further offences every week.

The probation service is in freefall, and the failures stem from the Government's severe mismanagement of it. Their botched privatisation was described by researchers as an "unmitigated disaster", and their rushed renationalisation failed to correct the problems that they caused. The independent review details the severe failings that remain uncorrected in the probation service—failings for which this Government are responsible. The chief inspector notes:

"All the evidence shows that McSweeney should have been assessed, on release from prison, as high risk of serious harm", but that he was wrongly assessed as a medium risk because information about his behaviour was not shared across services. Planning for his release and supervision was catastrophically mismanaged as a result.

McSweeney's repeated failure to attend probation appointments should have triggered swift action. He was recalled to prison two days before he attacked Zara, but he was never arrested and brought in. If he had been, Zara would still be alive. The chief inspector of probation points to excessive workloads and high levels of staff vacancies in the probation services as an underlying cause. One probation officer told researchers:

"I do not consider that we are in a position to protect the public, but we will be the scapegoats when tragedies happen."

The fact is that the Government knew about all these problems but failed to act on them with urgency, so they must shoulder their share of responsibility. It is right that the chief probation officer has apologised, and although I appreciate what the Minister has said, will he accept responsibility and apologise not just for service's failure, but for the Government's failure to tackle the severe staff shortages and excessive caseloads that contributed to what went so tragically wrong? Will he give us a date by which the vacancies will be filled?

Information sharing across services would dramatically improve if data about any individual offender were held in one place, allowing for better-informed risk assessment and supervision. Why have the Government still not introduced that? Probation caseloads remain dangerously high, and are made worse by the high number of staff vacancies, so what assurance can the Minister offer the public that offenders on probation—who are on streets across Britain right now—are being safely supervised and monitored in a way that McSweeney and Bendall so tragically were not?

Damian Hinds: I thank the shadow Minister for what he says and the questions he has put. Everyone who has heard the horror of these brutal crimes has been deeply

affected, and I know that the hon. Members for Ilford North (Wes Streeting) and for Ilford South (Sam Tarry) and my hon. Friend the Member for North East Derbyshire (Lee Rowley) have been closely involved. Their whole communities have been deeply shaken and our country shocked. It is right that the shadow Minister asks the most exacting questions, and he is right to identify staffing challenges.

I absolutely acknowledge the fact that there have been staff vacancies in the service and case load matters. We are recruiting at pace, with extra funding of £155 million a year. We have boosted our staff complement over the past couple of years to a historic high, with 2,500 people having come into post and another 1,500 coming into post over the course of this planning year. To be clear, in any scenario and any staffing situation, these were unacceptable failings that I have outlined. I want the shadow Minister to know that the increase in resource and staffing is happening right now. Specifically to London, we have put some particular measures in place for London area probation around prioritising staff. Given the particularly high rates of vacancy in London, those measures are important.

The chief inspector does not link the failings that we have been talking about today in outlining these two awful cases with the transforming rehabilitation programme that the shadow Minister mentions. We think it is right to unify the service. Over many years, the probation service has gone through a number of different structures and forms. The voluntary and independent sector is still involved in aspects of service delivery, and we think that is right, but that is not really connected with the failings we are talking about in this case.

The shadow Minister mentioned the number of serious further offences, and every serious further offence is a serious matter. Mostly they are not of this order, of course, but they are still serious matters. I am afraid, given the cohorts of people we are talking about, that these serious further offences happen every year, regardless of who is in Government. It is incumbent on us to do everything we can to bear down on that number and to stop these terrible crimes happening. I take a moment to pay tribute to the thousands of dedicated staff working in probation offices up and down the country for whom that is their daily mission. We owe it to them, too, to make sure we make every possible effort to support them, and to make sure that systems and procedures are in place so that these terrible crimes cannot happen again. They are senseless killings that will be forever fixed in our minds, and I know that this House is united in our determination to protect women and girls and to stop these appalling crimes being repeated.

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

Sir Robert Neill (Bromley and Chislehurst) (Con): May I thank the Minister for his statement, for his courtesy in letting me know about it, for the tone he has adopted and for his swift action in relation to these dreadful and appalling cases? Perhaps the House will permit me to say that this is particularly frustrating for me, because in the Justice Committee's April 2021 report on the future of probation we listed a number of risks, including failures of information sharing, over-reliance on inexperienced and overworked officers, risks around

transition with the policy of reuniting the service—that policy is absolutely correct, but those risks were there—and concerns about the quality of reports made available to the courts and of information available to sentencers and for monitoring. All those risks were being set out then, and sadly the service did not act on them.

In light of that, as well as the steps that the Minister has taken, will he consider these things? Will he strengthen the abilities and resources of His Majesty's inspectorate of probation to enable it to follow up on its recommendations in the same way as the resources of His Majesty's chief inspector of prisons were increased to have dedicated follow-up teams to ensure that recommendations are swiftly acted on? Secondly, will the Minister make a special point of looking at a comprehensive workforce strategy for probation to ensure not only that we retain experienced officers, but that those who are recruited into this worthwhile and rewarding role are given support and training? Finally, will he also look to move away from the practice of having meetings between probation officers and clients by video? That was understandable during the pandemic, but it cannot be acceptable now, and it is one of the failings highlighted in this case.

Damian Hinds: I take seriously everything that the Chair of the Select Committee says, and we welcome the scrutiny of the Committee and the expertise that its members bring. I will look carefully at everything he has just said. Let me just make a couple of comments, if I may. First, the follow-up of recommendations obviously is important. Internally, HM Prison and Probation Service auditors will review the delivery of quality improvement plans, particularly in those areas. That goes beyond these two appalling cases to more generally where we know there have been problems that need to be addressed. I accept what he says about recommendations made in the past, but I reassure him that many of the things I have mentioned today are not things we are just committing to today, things that we say we will do in the future; these are things that are already happening and have been happening between these cases and today, or have been happening in the past few months.

Sam Tarry (Ilford South) (Lab): This morning I spoke with Zara Aleena's family. It seems weeks ago that I was sat in the Old Bailey to hear the sentencing of her murderer. It goes without saying that she will always be in the hearts of everyone in Ilford, who are devastated and so angry about this. Today's inspectorate report paints a sad but unfortunately unsurprising account of an institution that in my view is fundamentally broken.

In McSweeney's pathway to murder, there were significant delays in assigning the community offender manager. As a result, the probation service had only nine days to conduct an assessment that may have led to him being classified as high risk. It is now clear that the probation service, on the back of this report, failed to prepare for that release. It had not had adequate time to do so, and it only recalled him to custody once he had breached his parole. I wonder whether if at any point the probation service had been capable of doing its job, Zara would be alive today. Never again should the criminal justice system be allowed to fail so badly that women are left vulnerable to extremely dangerous men such as McSweeney. The chief inspector noted today

“a backdrop of excessive workloads and challenges in respect of staffing vacancies in the London region.”

The problem is that this was not just an individual failure; it was endemic in a system that is clearly dysfunctional.

I thank the Minister for the conversation we had ahead of this statement today. I firmly welcome the decision to compel offenders to be in the dock to look into the eyes of the families whose lives they have devastated. What funding and strategy will the Government put forward to expand the probation workforce, tackle excessive workloads and ensure the probation service has the capacity to properly supervise criminals in the community? Having spoken today to the general secretaries of Napo and the Professional Trades Union for Prison, Correctional and Secure Psychiatric Workers, will the Government consider having a royal commission to look into the absolutely sorry state of our criminal justice system from prisons to probation?

Damian Hinds: Again, I acknowledge what the hon. Gentleman says and what is in this report from the chief inspector about failings that happened. To be clear, these were unacceptable failings in any scenario, but just to reiterate, we are investing further in staffing in the probation service. We have had large numbers of people coming into the service over the past couple of years. As I mentioned a moment ago to the Chair of the Select Committee, my hon. Friend the Member for Bromley and Chislehurst (Sir Robert Neill), there has been some prioritisation towards areas with particular staffing challenges, and the London area, as the hon. Gentleman will know, is one of those. We have extended some of the London weighting to the area within the M25, because the truth is that the employment market and the graduate employment market are tough in the extended London area. I take very seriously everything that he says. I again say that day in, day out, colleagues in the probation service, who are dealing sometimes with very difficult people, are overwhelmingly doing a remarkable job, and it is incumbent upon us to make sure we do everything we can to support them in that important work and give them the best chance to succeed.

Theresa Villiers (Chipping Barnet) (Con): My constituent William Jones has a long and distinguished record in the probation service. On several occasions he has talked to me about his concerns, most recently in November when he highlighted the high vacancy rates in probation. That is echoed in a letter by the chief inspector of probation Justin Russell to the London probation service, expressing concern about vacancies across every role, with an overall vacancy rate of 43% in certain parts of London. That means that effective services simply cannot be delivered. In response to these appalling cases, can I urge the Minister to make sure that we recruit the probation staff we need and retain them in the service, to keep the public safe?

Damian Hinds: My right hon. Friend is absolutely correct. This is about not only recruiting talented and dedicated people but retaining them. I am focused on that and I know the service is as focused on that as it can be. On the overall position, as a London area MP my right hon. Friend is acutely conscious of all that needs to be done to make that happen. I want to reassure her of the commitment to do that.

Jess Phillips (Birmingham, Yardley) (Lab): The Minister lays out a world that I simply do not recognise in which, had there been this and that, people would have monitored the situation better. Every single day I handle cases of very serious, dangerous threats of violence. There is no monitoring of the most violent, well-known and prolific offenders of violence against women and girls in our country. These cases are by no means simply cases; they are part of a systemic problem. How many times have the Labour party and people like me called for some monitoring and offender management in these cases? I cannot sit through another statement about how agencies should be talking to each other. I have been hearing it for 20 years.

There is no monitoring. I spoke to Regan Tierney's father just this morning. Regan was killed by her ex-partner while he had been on probation for breaking her nose. He had stopped turning up and nobody bothered to tell her. That is a case I just happened across this morning without knowing I was coming to this statement. I come across such cases every single day. The Government promised to make violence against women and girls a strategic policing priority. Why have they not done it yet? It has been a year. I cannot listen any more to people saying, "If only this had happened, these people would be monitored." The truth is that we do not monitor these people in this country. We should stop pretending otherwise.

Damian Hinds: The hon. Lady speaks with great personal experience as well as passion, and always does on these topics. I wish it were not so. I wish she did not have to have all those experiences and hear from all those people as she does. Rightly because of the way that she channels these points into debate on the Floor of this House, people come to her. She does us a service by doing that.

The hon. Lady is right that levels of violence against women and girls are far too high. No woman and no girl should feel afraid as they walk the streets. That is something on which I believe everybody in this House concurs. She may argue the point and I respect that, but it is my absolute knowledge that tackling violence against women and girls is a top priority for the Government, the police and the justice system. Do we need to go further and faster? Of course we do, but I want her to know my personal commitment, as well as our collective.

Rob Butler (Aylesbury) (Con): These are extremely alarming cases. Like every other Member of this House, I extend my sympathies to the families and friends of the victims who died unnecessarily. I am quite sure that probation officers across the country will be appalled that this case has happened. We have to remember that the vast majority of probation officers work incredibly diligently and would be horrified that that happened on their watch.

I am pleased with what I have heard from the Minister about recruitment and retention. Retention is crucial. There is also an issue with decision making and the speed at which action is taken. Could my right hon. Friend could say a little more about what will be done on the recall process? When a decision has been made that an offender should be recalled, how quickly is that acted upon by the probation service and the police, to make sure that those identified as needing to return to prison are immediately returned?

Damian Hinds: My hon. Friend is characteristically precise about the issue that he identifies. Tragically, more leeway was given than would have been the case had the individual been categorised as high risk. There is also the question of the timeliness of the action to recall. We are making a specific systematic change to ensure that recalls are actioned swiftly, with a particular prompt to ensure that something cannot be delayed in the process.

Mr Alistair Carmichael (Orkney and Shetland) (LD): It is over 20 years since I left legal practice as a criminal court solicitor, so I hesitate to draw on my own experience, not least because it was in another jurisdiction. However, I strongly suspect that there was nothing in the reviews ordered by the Minister that he would not have heard in a slightly less sanitised version by spending some time in the Bar common room of any court or in any police station, probation office or social work office anywhere in this country.

The measures that the Minister refers to are, as far as they go, sensible and good. He is to be commended for taking them. However, when the next review comes—sadly, we know that there will be a next review—can we get away from the silent thinking that we just look at the probation service as if it stands in isolation? We have to look at the probation service, the criminal Bar, the prosecution service, the police and the education system, so that we stop treating the criminal justice system like the man who follows the elephants with the bucket and shovel every time the circus comes to town. We need to get to people at a stage in their life when we can make sure that they do not enter the criminal justice system in adulthood.

Damian Hinds: The right hon. Gentleman is absolutely right. He raised a number of points. In terms of link-ups, it is correct that we need to look outside the criminal justice system. One of the things I have outlined today is how we are now receiving intelligence not just on what people are convicted for or even formally accused of, but on child safeguarding issues, for example. We can do that only by working closely with children's services and local authorities. More broadly, his point about linking up with education, youth provision and so on is well made.

Kevin Brennan (Cardiff West) (Lab): I do not for one second doubt the Minister's sincerity, but I do doubt the veracity of the Government's position that they are doing everything in their power to ensure that this kind of tragedy can never happen again. Can he tell us whether, as we speak, there are any offenders out there who may have been categorised improperly, as happened in this case? Are there any of them walking around now with the capacity and the likelihood to commit that kind of horrendous crime?

Damian Hinds: We seek to ensure that the categorisation and risk assessment of every individual is as accurate as it can be. In truth, in humanity there is no neat high, medium and low distinction between different individuals. Those who have been relatively low risk can become relatively high risk. We see that with many people over time. I am focused on making sure that within the service, there is the facility, the information, the intelligence sharing and the joint working to make

sure that people can make the best possible assessments of risk and that we have the most appropriate regimes in place.

Andy Slaughter (Hammersmith) (Lab): I am sure the Minister will have read the reports on London probation services published last October and November, so he will know that the chief inspector found that three quarters of cases failed in their assessment of serious harm; that domestic abuse checks were not made in two thirds of cases where they should have been; and that more than 50% of practitioner posts are vacant. My probation service in Hammersmith and Fulham scored zero points, meaning that every service is inadequate—something the chief inspector said he never expected to see. In the light of this meltdown, which is the Government's responsibility, is the Minister's reaction not also inadequate?

Damian Hinds: The hon. Gentleman is right to identify the particularly serious findings on London probation services and his particular service in Hammersmith and Fulham. We published at the start of this month a comprehensive plan for addressing those issues. We had already been implementing a number of initiatives and programmes. A lot of it is to do with ensuring that we get the staffing up to where it needs to be. At the time of the London inspections, quite a large number of individuals had not been allocated to named officers and were instead coming through a central facility. All those cases are now allocated, ensuring that the multi-agency public protection arrangements are properly in place. There is an ongoing programme of surveilling progress in London to make sure we are delivering against the really important improvements that we know need to be made. Although we do not have the numbers yet, I expect that in the next set of statistics on recruitment, we will see an improvement in the London area.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I rise as the co-chair of the justice unions parliamentary group. The first recommendation of the chief inspector of probation's review into the case of Damien Bendall states that His Majesty's Prison and Probation Service should

"ensure that domestic abuse enquiries are carried out on everyone sentenced so that accurate risk assessments can be made and safe proposals are made in court reports".

The Minister has told us that domestic abuse inquiries are now being made in cases where electronically monitored curfews have been recommended, but the Government's action plan reveals that that first recommendation may never be extended to everyone who is sentenced if the Government decide that it is too expensive or key partner agencies do not want to do it. How does that reveal that domestic abuse and violence against women and girls is a top priority for this Government?

Damian Hinds: The probation service needs to look at everything about the individual in terms of their risk. The specific thing I was talking about earlier is that, before putting somebody in a domestic situation with an intimate partner with children, or saying that they can be in that situation, a series of mandatory additional checks need to be done around intelligence and their record on domestic abuse, safeguarding issues and the consent of the partner. That does not take away from the overall risk assessment of the individual, which should take into account all factors.

Kerry McCarthy (Bristol East) (Lab): I want to ask something specific about the statement. The Minister said that

"senior probation officers must now record why they have allocated a case to a particular probation officer".

That must include evidence of, among other things, the "experience and workload" of the probation staff member taking it on. Is that not predicated on the idea that there are plenty of staff to choose from who have the experience and are not swamped by their workload? He also talked about the plan to recruit a further 1,500 trainee probation officers by March this year. It is 24 January, and he said that the graduate market was very difficult, so I simply do not understand how he intends to do that.

Damian Hinds: On the first point, the hon. Lady is right about the need to manage workloads and ensure they are reasonable. That is very closely linked to her second question. I did not mean to imply that the 1,500 people were going to be recruited between 24 January and 31 March. It is within the planning year or the fiscal year. Government years, like company years, tend to run 2020-21, 2021-22 and so on. We are now in the year 2022-23, which will end at the end of March, so we expect the figure to be 1,500 for the year ending March 2023. I hope that that clarifies the point.

Nick Smith (Blaenau Gwent) (Lab): My hon. Friend the Member for Croydon North (Steve Reed) identified the issue of poor data management of high-risk former offenders. What are the Government doing about that?

Damian Hinds: Data management goes to the heart of record management. We have talked a lot about how we share intelligence and information, and how to make it better. Of course, how we manage it internally is also very important and something I take a close interest in. The systems we use should be straightforward to use and not overly onerous. Ideally, a record-keeping system should also make us think as we use it and should raise questions. I am told that the systems do that. I am sure there is more we can do. I mentioned some changes we are making to OASYS, to ensure that it includes information specifically about risks to children.

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

BILL PRESENTED

CLIMATE EDUCATION BILL

Presentation and First Reading (Standing Order No. 57)

Nadia Whittome, supported by Philip Dunne, Mr Robin Walker, Darren Jones, Greg Clark, Caroline Lucas, Layla Moran, Mhairi Black, Rebecca Long Bailey, Zarah Sultana, Clive Lewis and Jeremy Corbyn, presented a Bill to require matters relating to climate change and sustainability to be integrated throughout the curriculum in primary and secondary schools and included in vocational training courses; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 24 March, and to be printed (Bill 233).

Defamation, Privacy, Freedom of Expression, Data Protection, Legal Services and Private Investigators

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

2.55 pm

Bob Seely (Isle of Wight) (Con): I beg to move,

That leave be given to bring in a Bill to make provision about defamation; to make provision about costs awarded in civil cases; to make provision about the application of the rights to privacy and to freedom of expression in civil cases on matters of public interest; to make provision about the regulation of lawyers acting in civil cases; to make provision about data protection; to make provision for the regulation of private investigators; to make provision for the purpose of reducing the use of lawsuits for strategic purposes; and for connected purposes.

The Bill will make it more difficult to introduce legal actions known as strategic lawsuits against public participation, or SLAPPs. I will define them, explain why they are bad and then give some examples. SLAPPs are lawsuits with little legal worth that are designed to silence media, campaign groups or individuals by crippling them financially or wearing them down in endless lawsuits. Firms that offer SLAPPs have made themselves wealthy by effectively attacking a free media, freedom of speech and legitimate corporate due diligence. The wider package around this offer includes not only lawyers but legal support services—a euphemistic term for private eyes, cyber-hackers and PR types—so that these unethical law firms offer a one-stop shop to spy, snoop, smear and sue. As a business model, it is a form of legalised intimidation and, effectively, legal gangsterism.

The SLAPPs business model is the means by which bad actors—organised crime, authoritarian states and their oligarch proxies, and corrupt corporations—intimidate good actors, whether we agree with them or not, including the media, campaigners, think-tanks and publishers. I have been accused of criticising either lawyers or the law, but the opposite is the truth. I think that English common law is one of the great achievements of civilisation. The legal industry is, justifiably, a prized part of London and our soft power, but the SLAPPs culture undermines that great tradition and the good reputation of London.

I will give a few examples, some well-known and some less so. Nuisance lawsuits, or SLAPPS, are brought on three grounds: libel, data privacy and the right to private life. The worst example in recent years, without doubt, is the multiple lawsuits against HarperCollins and Catherine Belton for the bestseller “Putin’s People”. John Kelly of Harbottle & Lewis represented Roman Abramovich. Geraldine Proudler of CMS represented Mikhail Fridman and Petr Aven. Carter-Ruck represented the oil firm Rosneft. Schillings—allegedly one of the pioneers of the SLAPPs business model—sent threats from a now-sanctioned individual, Alisher Usmanov. These noxious lawsuits were almost entirely motivated by the oligarchs’ wish to curry favour with President Vladimir Putin. There has been no clearer case in recent times of the proactive abuse of the law on behalf of a murderous foreign dictator. We know that Olswang—now CMS—also shamefully acted, via an intermediary, for a major Russian organised crime group against Bill Browder.

Less well-known cases include *Gubarev v. Orbis*. Gubarev, a minigarch, allegedly allowed the Russian intelligence services, the GRU, to use his servers to

interfere in the US elections. He was then allegedly ordered again by the GRU to sue. Not only was the law firm involved, McDermott Will & Emery, likely working indirectly for the Russian secret services, but it was caught illegally sharing the trial’s Zoom session with persons unknown in Russia. Unethical, incompetent and illegal—quite an afternoon’s work for an upmarket law firm.

Dmitry Leus intimidated Chatham House into removing his name from a recent kleptocracy report in a case that could have cost half a million pounds. I do not know why Chatham House did not talk to MPs, but it has set a poor precedent in not fighting.

Perhaps the most surreal case is that of Putin’s ally Yevgeny Prigozhin, head of the infamous Wagner Group. He planned to sue Bellingcat founder Eliot Higgins over allegations that he was head of the Wagner Group, despite him boasting of being head of the Wagner Group. My advice to Discreet Law, which acted for him, is to find less indiscreet clients if they are going to sue someone for attempting to tell the truth.

Maltese journalist Daphne Galizia faced 47 lawsuits when she was murdered. Mishcon de Reya sought to financially destroy her while others were plotting her death. I find it extraordinary that Mishcon de Reya was not accused of a simple criminal case of harassment against that brave female journalist. Indeed, in all those cases, one wonders at the conniving silence of the Bar Council, the Law Society and the Solicitors Regulation Authority, which seems to spend very little time regulating.

Bad actors have also threatened our Government investigators such as the Serious Fraud Office and the National Crime Agency, sometimes by using the threat of judicial review—our Government are being cowed by SLAPPs. I find all those actions appalling. Against our free media and the freedom of speech, those high-price law firms—through naivety, poor judgment or simple greed—are becoming a fifth column. They are the tools by which the enemies of law-governed states, whether criminals, oligarchs, their fellow travellers or foreign fascists, undermine our society and its values. I wish they would reconsider their behaviour.

The abuse of data protection laws is also being used as a weapon. Specifically, data subject access requests are being fired at journalists and investigators with increasing regularity. DSARs rack up costs and challenge the process, not the truth; the publication does not have to be proven. Above all, they prevent due diligence by UK firms, which allows bad actors into our legal and financial systems.

My Bill will provide a public figure defence on libel and data subject access requests. It will limit the financial and psychological costs that a meritless SLAPP can impose on a defendant and will introduce sanctions against those who abuse our courts. It will dismiss such claims before costs accrue, which will undermine the ability of SLAPPs and lawyers to intimidate. Central to the Bill is an early dismissal mechanism to prevent SLAPPs reaching trial. SLAPPs will be seen as an abuse of the legal process in relation to any public expression on a matter of public interest. Only if a claim is likely to succeed, or where there is public interest, will it proceed, so it must have legal merit. Other measures limit the ability of the claimant to drive up costs, including legal support services.

The Bill will also reform the private investigator world. A recent report by the Bureau of Investigative Journalism and *The Sunday Times* found that cyber hack-for-hire gangs, often instructed by private investigators linked to law firms, targeted businesses, Government officials and journalists. Hon. Members have also been targeted, including me. Other services include bribing witnesses, hunting dissidents and spying on journalists, such as the *Financial Times* reporter Tom Burgis, who linked the law firm Quinn Emanuel to intimidatory spying practices in testimony to the Foreign Affairs Committee.

Indeed, the Kazakh mining giant, Eurasian Natural Resources Corporation, which has a frankly appalling record, used Taylor Wessing in the UK and Boies Schiller Flexner in the US to go after Burgis. A libel claim was brought in the UK alleging that Burgis’ book “Kleptopia” implied that ENRC was involved in the murder of three people. The case was thrown out, which is a perfect example of a company’s lawyer shooting the company in its reputational foot.

There is hope. In the US, Donald Trump recently had a SLAPP thrown out; he and his lawyers were fined \$1 million for even bringing the case—God bless America. If it can happen there, it should happen here. If we fined lawyers engaged in SLAPPs—dare I call them SLAPPers?—£1 million every time they brought in a SLAPP, we would quickly send the industry packing and, God forbid, some of them would have to make an ethical living.

If the Government are not intending to bring in a separate SLAPPs Bill, will they support my work and the work of others to do that? SLAPPs are corrupting. They attack our free press, the freedom of speech and due diligence, and they damage rather than enhance our legal reputation. As with Russian oligarchs, action should have been taken decades ago; we have had 20 years of SLAPPs. The Bill limits legal bullying for the public good, a free media and freedom of speech, and puts justice at the heart of our legal system.

Question put and agreed to.
Ordered,
That Bob Seely, Mr David Davis, Liam Byrne, Stella Creasy, Sir Iain Duncan Smith, Dame Margaret Hodge, Tim Loughton, Simon Fell, Sir Chris Bryant, Dame Angela Eagle and Graham Stringer present the Bill.

Bob Seely accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 24 March; and to be printed (Bill 232).

ECONOMIC CRIME AND CORPORATE TRANSPARENCY BILL (PROGRAMME) (NO. 2)

- Ordered,*
- That the Order of 13 October 2022 (Economic Crime and Corporate Transparency Bill: Programme) be varied as follows:
- (1) Paragraphs (4) and (5) of the Order shall be omitted.
 - (2) Proceedings on Consideration and Third Reading shall be taken in two days in accordance with the following provisions of this Order.
 - (3) Proceedings on Consideration—
 - (a) shall be taken in the order shown in the first column of the following Table, and
 - (b) shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Proceedings	Time for conclusion of proceedings
New Clauses and new Schedules relating to Parts 1, 2 and 3; amendments to Parts 1, 2 and 3.	The moment of interruption on the first day.
The moment of interruption on the first day.	One hour before the moment of interruption on the second day.

(4) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the second day.—(Andrew Stephenson.)

Economic Crime and Corporate Transparency Bill

[1ST ALLOCATED DAY]

Consideration of Bill, as amended in the Public Bill Committee

[Relevant documents: the Eleventh Report of the Treasury Committee of Session 2021-22, Economic crime, HC 145, and the Government Response, Session 2021-22, HC 1261; the oral evidence taken before the Business, Energy and Industrial Strategy Committee on 8 November 2022, on Fraudulent company registrations: Economic Crime and Corporate Transparency Bill, HC 862; the letter from UK Finance to the Chair of the Business, Energy and Industrial Strategy Committee relating to Fraudulent company registrations and the Economic Crime and Corporate Transparency Bill, dated 21 December 2022; and the letter from the Minister for Business, Energy and Corporate Responsibility to the Chair of the Business, Energy and Industrial Strategy Committee relating to the Economic Crime and Corporate Transparency Bill, dated 28 December 2022.]

New Clause 8

DISQUALIFICATION FOR PERSISTENT BREACHES OF COMPANIES LEGISLATION: GB

“(1) Section 3 of the Company Directors Disqualification Act 1986 (disqualification for persistent breaches of companies legislation) is amended as follows.

(2) In subsection (1), for the words from ‘provisions of the companies legislation’ to the end substitute ‘relevant provisions of the companies legislation (see subsection (3B))’.

(3) In subsection (2), for ‘such provisions as are mentioned above’ substitute ‘relevant provisions of the companies legislation’.

(4) In subsection (3)—

(a) for ‘provision of that legislation’ substitute ‘such provision’;

(b) after paragraph (a) (but before the ‘or’ at the end of that paragraph) insert—

‘(aa) a financial penalty is imposed on the person in respect of such an offence by virtue of regulations under—

section 1132A of the Companies Act 2006, or

section 39 of the Economic Crime (Transparency and Enforcement) Act 2022,’

(5) After subsection (3A) insert—

‘(3B) In this section “relevant provisions of the companies legislation” means—

(a) any provision of the companies legislation requiring any return, account or other document to be filed with, delivered or sent, or notice of any matter to be given, to the registrar of companies,

(b) sections 167M and 167N of the Companies Act 2006 (prohibitions on acting as director where identity not verified or where there has been a failure to notify a directorship), and

(c) sections 790LM and 790LN of the Companies Act 2006 (persons with significant control: ongoing duties in relation to identity verification).’

(6) For subsection (4A) substitute—

‘(4A) In this section “the companies legislation” means—

(a) the Companies Acts,

(b) Parts A1 to 7 of the Insolvency Act 1986 (company insolvency and winding up), and

(c) Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 (registration of overseas entities).”—(Kevin Hollinrake.)

This new clause replicates the effect of the amendments made by clauses 41(2) and 102(2) (which are left out by Amendments 7 and 15) and contains changes to ensure that a person can be disqualified for breaches of obligations under Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 etc.

Brought up, and read the First time.

3.7 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kevin Hollinrake): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dame Rosie Winterton): With this it will be convenient to discuss the following:

Government new clause 9—*Disqualification on summary conviction: GB.*

Government new clause 10—*Disqualification for persistent breaches of companies legislation: NI.*

Government new clause 11—*Disqualification on summary conviction: NI.*

Government new clause 12—*A limited partnership’s registered office: consequential amendments.*

Government new clause 13—*Removal of limited partnership from index of names.*

Government new clause 15—*Reports on the implementation and operation of Parts 1 to 3.*

New clause 16—*Reporting requirement (objectives)—*

“(1) The Secretary of State must publish an annual report assessing whether the powers available to the Secretary of State and the registrar are sufficient to enable the registrar to achieve its objectives under section 1081A of the Companies Act 2006 (inserted by section 1 of this Act).

(2) Each report must make a recommendation as to whether further legislation should be brought forward in response to the report.

(3) Each report must provide a breakdown of the registrar’s annual expenditure.

(4) Each report must contain the details of the steps the Registrar has taken to promote the registrar’s objectives under this Act; and

(5) Each report must provide annual data on the number of companies that have been struck-off by the registrar, the number and amount of fines the registrar has issued, and the number of criminal convictions made, and of cases of suspected unlawful activity identified by the registrar as a result of the registrar’s powers as set out in this Act.

(6) Each report must provide annual data on the number of cases referred by the registrar to law enforcement bodies and anti-money laundering supervisors.

(7) Each report must provide annual data on the total number of company incorporations to the registrar, and the number of company incorporations by authorised corporate service providers to the registrar.

(8) Each report must detail all instances in which exemption powers have been used by the Secretary of State, as introduced by this Act.

(9) The first report must be published within one year of this Act being passed.

(10) A further report must be published at least once a year.

(11) The Secretary of State must lay a copy of each report before Parliament.”

This new clause creates an obligation on the Secretary of State to submit an annual report to Parliament on progress of the reforms in this Bill, data on the register, breaches, use of exemption powers by the Secretary of State and penalties imposed.

New clause 17—Checks on persons with significant control status—

“(1) The Companies Act 2006 is amended as follows.

(2) After section 790LP (Offence of failing to comply with sections 790LI to 790LN) insert—

‘790LQ Duty to check person of significant control status

- (1) This section applies when a registrable person’s identity is verified under section 1110A(1) and a risk assessment carried out under section 1062A(1A) has identified a matter of concern in relation to the registrable person.
- (2) The registrar must take steps to ensure that the registrable person whose identity is being verified is a person with significant control over the company.

790LR Duty of registrar to cross-check identity of person with significant control

- (1) This section applies where—
 - (a) the registrar has received—
 - (i) the information required by subsection (6) of section 853G (Duty to deliver shareholder information: certain traded companies), or
 - (ii) relevant membership information as required by subsection (2) of section 49 (Membership information: one-off confirmation statement) of the Economic Crime and Corporate Transparency Act 2023; and
 - (b) the risk assessment carried out under section 1062A(1A) has identified a matter of concern in relation to any of the information in paragraph (a).
- (2) The registrar must carry out a further assessment to establish whether the people notified to the registrar as persons with significant control of the company are not people notified to the registrar as holding at least 5% shares of the company, and that the reason for the discrepancy is that the company is involved in economic crime.
- (3) If following the assessment required by subsection (2) the registrar considers that there is a real risk that the people notified to the registrar as persons with significant control of the company are not people notified to the registrar as holding at least 5% shares of the company, the registrar must carry out the check required by subsection (4).
- (4) If this subsection applies, the registrar must take steps to ascertain whether the people notified to the registrar as persons with significant control of the company are people notified to the registrar as holding at least 5% shares of the company.”

This new clause creates a duty on the registrar to check whether the person declared as the “person of significant control” (PSC) does indeed have significant control of a company, by cross checking company records, on a risk-based approach.

New clause 18—Disclosure of control of 5% or more of shares in a public company—

“(1) This section applies to shareholdings in public companies as defined by section 4 of the Companies Act 2006.

(2) A person who controls 5% or more of the shares in a public company must declare this fact to the registrar.

(3) The duty in subsection (2) applies whether the person controls the shares directly or indirectly.

(4) The registrar may impose a penalty on any person who fails to comply with the duty in subsection (5).

(5) Subsection (6) applies where—

- (a) a person has made declaration under subsection (2), and

- (b) the registrar has identified a matter of concern under subsection 1062A(1A) of the Companies Act 2006 in relation to the person or the declaration.

(6) The registrar must—

- (a) verify the identity of the person, and
- (b) verify the number of shares the person claims to control.”

This new clause requires any person holding 5% or more shares in a public company to declare this fact, and empowers the registrar to penalise non-compliance.

New clause 19—Risk-based examination of accounts of dissolved companies—

“(1) The Companies Act 2006 is amended as follows.

(2) After section 1062A (analysis of information for the purposes of crime prevention and detection) insert—

‘1026B Risk-based examination of accounts of dissolved companies

- (1A) In a case where the registrar’s risk assessment under section 1062A(1A) has identified a matter of concern in relation to a dissolved company, the registrar must examine the accounts of the dissolved company with a view to establishing whether any economic crime has been committed.
- (1B) The registrar must share details of any evidence gathered under subsection (1A) with the relevant law enforcement agencies.”

This new clause creates new duties for the registrar to examine the accounts of dissolved companies with a view to establish whether an economic crime has been committed, using a risk-based approach.

New clause 20—Fees and penalties—

“(1) Section 1063 (Fees payable to registrar) of the Companies Act 2006 is amended in accordance with subsections (2) to (4).

(2) Before subsection (1) insert—

- ‘(A1) The registrar must charge a fee of £100 for the incorporation of a company.
- (B1) The Secretary of State must once a year amend the fee in subsection (A1) to reflect inflation.’

(3) In subsection (1)—

- (a) after ‘fees’ insert ‘other than the fee in subsection (A1)’;
- (b) in paragraph (a) after ‘functions’ insert ‘other than the incorporation of a company’.

(4) In subsection (5), in paragraphs (a) and (b) after ‘regulations’ insert ‘or subsection (A1)’.

(5) The Secretary of State must lay before Parliament a report examining the case for fees paid under section 1063 of the Companies Act 2003 being paid into a fund established for the purposes of tackling economic crime.

(6) The report must also examine the case for penalties received by the registrar under section 1132A of that Act being paid into the same fund.

(7) The report must be laid before Parliament within six months of this Act being passed.”

This new clause raises the fee to incorporate a company to £100 (amended annually for inflation), and requires the Secretary of State to report on the case for these fees, along with penalties received by the registrar, to be paid into a fund to be used for tackling economic crime.

New clause 22—Person convicted under National Minimum Wage Act not to be appointed as director—

“(1) The Company Directors Disqualification Act 1986 is amended as follows.

(2) After Clause 5A (Disqualification for certain convictions abroad) insert—

‘5B Person convicted under National Minimum Wage Act not to be appointed as director

- (1) A person may not be appointed a director of a company if the person is convicted of a criminal offence under section 31 of the National Minimum Wage Act 1998 on or after the day on which section 32(2) of the Economic Crime and Corporate Transparency Act 2022 comes fully into force.
- (2) It is an offence for such a person to act as director of a company or directly or indirectly to take part in or be concerned in the promotion, formation or management of a company, without the leave of the High Court.
- (3) An appointment made in contravention of this section is void.”

This new clause would disqualify any individual convicted of an offence for a serious breach of the National Minimum Wage Act 1998, such as a deliberate refusal to pay National Minimum Wage, from serving as a company director.

New clause 24—Application for administrative restoration to the register—

“In section 1024 of the Companies Act 2006 (application for administrative restoration to the register), for subsection (3) substitute—

- “(3) An application under this section may only be made by a former director, former member, former creditor or former liquidator of the company.”

This new clause would make it possible for a creditor or liquidator to apply to restore a company administratively.

New clause 34—Report on the authorisation of foreign corporate service providers—

“(1) Within six months of the day on which this Act is passed, the Secretary of State must publish a report on the authorisation of foreign corporate service providers.

(2) The report in subsection (1) must include but is not limited to—

- (a) the number of authorised corporate service providers with a head office based in a territory outside the United Kingdom,
- (b) the number of foreign corporate service providers authorised as set out in section 1098I(1) of the Companies Act 2006, and
- (c) the number of foreign corporate service providers identified in subsection (2)(b) by territory.”

This new clause creates an obligation for the Secretary of State to publish a report into the number of Authorised Corporate Service Providers with a head office based outside the United Kingdom and the number of foreign corporate service providers authorised by the regulations set out in new section 1098I(1) of the Companies Act 2006.

New clause 35—Supervisory functions of registrar—

“(1) The Companies Act 2006 is amended as follows.

(2) After section 1081A (inserted by section 1 of this Act) insert—

‘1081B Supervisory functions of registrar

- (1) The registrar must carry out supervisory duties, and must uphold standards and compliance with money laundering and terrorist financing legislation.
- (2) The Secretary of State must ensure that the registrar has adequate resources to enable them to carry out this new role.”

This new clause seeks to make the Registrar an AML supervisor in their own right.

New clause 36—Integrity of the register—

“(1) The registrar must ensure that information set out in the register prior to the provisions of this Act coming into force is accurate, up to date, and meets the requirements set out in the Act.

(2) The duty under subsection (1) includes ensuring that each entry lists the unique identification number of the Director of a company.

(3) The registrar will also make an annual report to Parliament on the status of its work to update existing company registrations.

(4) The report under subsection (3) must include—

- (a) information on how many existing company registrations the registrar has evaluated to check the accuracy of the information provided, and
- (b) details of how many existing company registrations have still to be evaluated by the Registrar to check the accuracy of the information provided.”

This new clause seeks to ensure that existing company registrations contain accurate, up to date information. It also imposes a requirement for the Registrar to update Parliament on the progress of updating the register.

New clause 37—Prevention of continued trading for companies repeatedly declared insolvent—

“(1) A company may not be registered under the Companies Act 2006 if, in the opinion of the registrar, it is substantially similar to a company which has been subject to winding up procedures under the Insolvency Act 1986 on more than three occasions in the preceding five years.

(2) For the purposes of subsection (1), ‘substantially similar’ can include, but may not be limited to, a company having the same or similar—

- (a) name;
- (b) registered office;
- (c) proposed officers; or
- (d) principal business activities

as another company.”

This new clause seeks to prevent companies from repeatedly becoming insolvent and then continuing to carry on the same business activities through a new company (the practice of “phoenixing”).

New clause 38—Bar on directors in breach of duties receiving public funds—

“(1) A company with a director or directors which are in breach of the general duties outlined in Chapter 2 of the Companies Act 2006, or who have been found to have committed statutory breaches of employment law or avoided taxation, may not receive Government provided funds or financial support, unless subsection (2) applies.

(2) A company whose director or directors meet the criteria outlined in subsection (1) may receive Government provided funds or financial support if such funds or support are provided solely and specifically for the direct benefit of the company’s employees.”

This new clause seeks to prevent directors who fail to comply with their duties as a company director or with employment law provisions and/or tax obligations from being able to access funds in instances where these funds are for the benefit of the company and not the company’s employees.

Amendment 104, in clause 1, page 2, line 13, at end insert—

“Objective 5

Objective 5 is to act proactively by—

- (a) making full use of the information, intelligence and powers available to the registrar in order to identify issues of concern, and
 - (b) sharing information about any issues of concern with relevant public bodies and law enforcement agencies.
- (4) In this section, an ‘issue of concern’ includes—
- (a) inaccurate information,
 - (b) information that might create a false or misleading impression to members of the public,
 - (c) an unlawful activity.”

This amendment would insert a fifth objective requiring the registrar to act proactively.

Government amendments 1 to 9.

Amendment 108, in clause 62, page 46, line 41, at end insert

“and that the individual has signed a confirmation statement stating whether they already have a unique ID on the register.”

This amendment would add a requirement on ACSPs to confirm the individual they’re verifying has signed a confirmation statement stating whether they already have a unique ID on the register.

Amendment 101, page 46, line 41, at end insert—

“(2A) No verification statement may be made by an authorised corporate service provider until—

- (a) the Treasury has laid before Parliament a report confirming that the Treasury’s reform of the UK’s anti-money laundering supervisory regime, as set out in the document entitled ‘Review of the UK’s AML/CFT regulatory and supervisory regime’ published by the Treasury in June 2022, has been completed and implemented; and
- (b) the registrar has put in place a risk-based approach to review the work of authorised corporate service providers which includes spot checks of providers’ data to ensure providers are properly and accurately carrying out processes to verify identification documents and other data submitted by authorised corporate service providers.”

This amendment would ensure that Corporate Service Providers are not authorised to carry out ID verification until the consultation on anti-money laundering supervision announced by the Government is completed and implemented.

Amendment 103, in clause 63, page 52, leave out from line 20 to line 4 on page 53, and insert—

“1098H Duty to provide information

(1) The registrar must carry out a risk assessment in relation to any authorised corporate service provider to establish whether the verification of identity by the authorised corporate service provider is likely to give rise to a risk of economic crime.

(2) If the risk assessment identifies a real risk of economic crime, the registrar may—

- (a) require an authorised corporate service provider to provide information to the registrar; or
- (b) require a person who ceases to be an authorised corporate service provider by virtue of section 1098F—
 - (i) to notify the registrar;
 - (ii) to provide the registrar with such information relating to the circumstances by virtue of which the person so ceased as may be requested by the registrar.

(3) The registrar may require information to be provided on request, on the occurrence of an event or at regular intervals.

(4) The circumstances that may be specified under section 1098F(2) or 1098G(1) (ceasing to be an authorised corporate service provider and suspension) include failure to comply with a requirement under subsection (1)(a).

(5) A person who fails to comply with a requirement to provide information under this section commits an offence.

(6) An offence under this section is punishable on summary conviction by—

- (a) in England and Wales a fine;
- (b) in Scotland and Northern Ireland a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.”

This amendment creates an obligation on the registrar to carry out a risk assessment to establish whether the identity checks carried out by authorised corporate service providers are accurate and valid.

Government amendment 10.

Amendment 105, in clause 66, page 55, line 14, leave out “power” and insert “a duty”.

This amendment would ensure that all directors would be issued with a unique director identifier to be used for all their directorships regardless of whether they or an ACSP form the company.

Amendment 106, page 55, line 18, at end insert—

“(iii) To link the unique identifier to the person and to any other entries they have on the register under the same name or a different name.”

This amendment would allow the registrar to link all unique identifiers to any other entries the person has on the register whether under the same name or a different name.

Government amendments 11 and 12.

Amendment 102, in clause 89, page 68, line 37, at end insert—

“(1A) As part of the risk-based approach under subsection (1), the registrar must carry out a risk assessment to identify where the information it holds might give rise to a matter of concern.

(1B) Where the assessment identifies a matter of concern, the registrar must—

- (a) carry out whatever further analysis it considers necessary; and
- (b) share any evidence of unlawful activity it identifies with the relevant law enforcement agency.

(1C) For the purposes of this section, a ‘matter of concern’ includes—

- (a) inaccurate information;
- (b) information that might create a false or misleading impression; or
- (c) evidence of economic crime.”

This amendment requires the registrar to carry out a risk assessment of the information it holds, and act on any matters of concern identified.

Government amendments 13 to 38.

Amendment 107, in clause 136, page 123, line 28, at end insert

“and,

- (d) be published on the registrar’s website and remain published on the registrar’s website for a minimum of 20 years from the date on which it was first published.”

This amendment would require the limited partnership dissolution notice to be published on the registrar’s website and remain published for a minimum of 20 years.

Government amendments 39 to 43, 52 and 53.

Amendment 109, in schedule 2, page 172, line 40, at end insert—

“167GA Unique identification number for directors

(1) On receipt of notification of a person becoming a director, the registrar must allocate that director a unique identification number, unless such a number has already been allocated to that person.

(2) Any information supplied to the registrar under or by virtue of this Act about a person who has been allocated a unique identification number under subsection (1) must include that number.

(3) The Registrar should ensure existing registrations allocate a unique identification number to Directors.”

Government amendment 54.

Amendment 111, page 174, line 38, at end insert—

“167KA Limit on number of directorships held

(1) Where notice has been given to the registrar that a person (P) has become a director, the registrar may determine that P may not hold that directorship.

(2) The registrar may make a determination under subsection (1) if the registrar considers that P holds an excessive number of directorships.

(3) The factors that the registrar may take into account in making a determination under subsection (1) are the experience, expertise and circumstances of P, as well as the nature of the industry/company they are operating within and the time commitment their role as a director requires.

(4) If the registrar makes a determination under subsection (1), P may not hold office as a director of the company.”

Amendment 110, page 174, line 41, after “167G,” insert “167GA”.

This amendment would provide for penalties to apply to anyone failing to provide their unique identification number to the registrar.

Government amendments 55 and 56.

New clause 26—*Beneficial owners in overseas territories*—

“(1) The Sanctions and Anti-Money Laundering Act 2018 is amended as follows.

(2) In section 51, after subsection (5) insert—

“(5A) The Secretary of State must ensure that the Order in Council under subsection (2) above comes into effect on date no later than 30 June 2023.”

This new clause would amend the Sanctions and Anti-Money Laundering Act 2018 to ensure that an Order in Council requiring open registers of beneficial ownership in the British Overseas Territories comes into force no later than 30 June 2023.

Government amendments 50 and 51.

Kevin Hollinrake: It is a pleasure to speak to the Government’s amendments to the Economic Crime and Corporate Transparency Bill. I know that all hon. Members agree with its core ambition to bear down on the kleptocrats, criminals and terrorists who abuse our open economy and, critically, to strengthen the UK’s reputation as a place where legitimate business can thrive.

Catherine West (Hornsey and Wood Green) (Lab): I want to say at the beginning of proceedings how fantastic it is to have a Minister who deeply cares about the topic—we are expecting significant movement on amendments. On the UK’s reputation, Transparency International and other non-governmental organisations do important work in this area, including finding out about companies such as the Azerbaijani kleptocrats’ laundromat that had a slush fund of £2.9 billion, and its malign influence particularly on the Ukrainian war. Does he agree that it is not a moment too soon for the Government to tackle such issues?

Kevin Hollinrake: The hon. Lady gives me a significant reputation to live up to. She is right, however, that some of the things that we have seen, not least with regard to the Ukraine war, have been the catalyst for much of this overdue legislation. We are keen to bring forward exactly the measures she refers to.

The Bill contains a very considerable package of measures to deliver on our ambition. It includes the largest reform of the UK’s company registration framework in 170 years. Crucially, it provides transparency, exactly as the hon. Lady says, and affords and enables scrutiny. There are significant penalties—indeed, criminal penalties—for those, both individuals and their advisers, who seek to avoid that scrutiny. It also provides significant new powers for law enforcement and the private sector to protect the UK from fraud, international money laundering, illicit Russian finance and terrorist financing.

It is for this reason that I want to record my sincere thanks to all the right hon. and hon. Members who served on the Public Bill Committee. We had very constructive, frank and open debate—which I think should be welcomed on both sides and from both different perspectives—and really diligent scrutiny of the Bill. Their work has very much helped us to ensure that this legislation does not fall short of its important aims, and indeed has been improved as a result.

Layla Moran (Oxford West and Abingdon) (LD): May I echo the voices of those saying how delightful it is to see the Minister at the Dispatch Box? I shall not say more than that.

On a similar matter, the Minister may be aware of the revelations this morning from openDemocracy about the UK Government helping the head of the Wagner group circumvent sanctions already imposed on it to sue a British journalist working for Bellingcat. Is he aware of this story, has an investigation been done into this story, and would he take this opportunity to condemn what would seem to be very egregious in that—how shall I put it—these are sanctions we have imposed, yet we are somehow not imposing them in practice? This is not right.

Kevin Hollinrake: I think it would be wrong to make any representations on any particular case, but seeking to enable somebody to avoid sanctions is entirely unacceptable, clearly. I am sure that those allegations will be looked into very carefully. We should definitely make sure that those are properly reviewed before we come to any firm conclusions, but in essence I agree with the principle behind the hon. Member’s statement.

Liam Byrne (Birmingham, Hodge Hill) (Lab): Will the Minister give way?

Kevin Hollinrake: I will make a little progress, if I may. I appreciate that there are a large number of Government amendments, hence the need to make some progress. I would like to reassure the House that they are intended to ensure that the measures in the Bill will work as intended, and in most cases they reflect issues raised in Committee.

I will briefly summarise our amendments relating to parts 1 to 3 of the Bill. First, and importantly, our new clause 15 requires the Government to publish an annual report on the implementation and operation of parts 1 to 3, which includes reforms to Companies House.

Dame Margaret Hodge (Barking) (Lab): Will the Minister give way?

Kevin Hollinrake: I will give way to the right hon. Member on that point, because her many speeches in Parliament have led to some of the changes we have made.

Dame Margaret Hodge: I am very grateful that the Government have listened to our representations on accountability. I would simply say to the Minister that there is also a new clause down on this issue—new clause 16, put together by Back Benchers from across the House and members of the all-party parliamentary groups—which has more detail. Would he be willing to incorporate the detail of that amendment into his new

clause? At the moment, his new clause 15 seems a little vague, and we would just like to button it down a bit better.

Kevin Hollinrake: Again, we discussed this at length in Committee. The right hon. Member's perspective is that we should be very prescriptive about how the registrar—Companies House—should operate and set out specific things it should do. We would prefer those at Companies House to do what they think is right. They are the experts at making sure the register is accurate, and we have given them the resources to do it, which is crucial. I think it is wrong to specify exactly how the registrar should do its job. We are parliamentarians, not experts in registers and Companies House.

Dame Margaret Hodge: I am extremely grateful to the Minister for giving way again. This is not telling Companies House what to do; it is the information that Parliament would want to hear. I think that, in discussions with him, he actually suggested we set out in greater detail the sorts of areas we wanted to cover, and that is what we have attempted to do in our new clause. It is not a question of instructing Companies House; it is a question of enabling Parliament to really hold Companies House to account on the breadth of issues for which it will be responsible.

Kevin Hollinrake: I am happy to respond to the right hon. Member's new clause later when we have debated it. I have read it, and it sets out some interesting ways of doing this. I absolutely agree with the principle of Parliament holding Companies House to account, which is why we want it to report annually on the implementation and operation of this legislation. That is how I think we should do it. I think we want the same thing, and I am happy to have an ongoing discussion with her. Many of the things she has listed in her new clause are already reported on by Companies House, so I think it is important that we do not overly prescribe how Companies House should operate, in my view.

3.15 pm

Liam Byrne: Let me echo the wide welcome that the Minister has received at the Dispatch Box. Has he had a chance to reflect on how the report that parliamentarians need actually stretches beyond the compass of Companies House to the business of tackling economic crime more generally? After this morning's revelations, for example, it was said that a junior official in the Office of Financial Sanctions Implementation was the individual who signed off the new flexibility for one of Putin's warmongers to fly over London lawyers in an attempt to silence English journalists in English courts. That is surely a matter of concern to the Minister and to all parliamentarians, and that is the kind of issue that could be surfaced in a more wide-ranging and forensic report, if he were able to publish it.

Kevin Hollinrake: Again, I think it would be wrong to comment on individual cases, but I take the right hon. Member's point. In general terms, the UK sanctions regulations permit the OFSI to license reasonable legal fees. That is clearly something on which officials make decisions, rather than Ministers—I think it is important to say that—and the merits of any case are for the appropriate court to judge. However, he has certainly campaigned extensively for making sure that people

cannot close down the raising of understandable concerns. In essence, I absolutely support that and the work on SLAPPs—strategic lawsuits against public participation—to which my hon. Friend the Member for Isle of Wight (Bob Seely) referred in introducing his ten-minute rule Bill earlier. So that is work in progress, rather than anything that relates specifically to this legislation.

We are taking a power to expand the registrar's data-sharing ability. That will future-proof the legislation and provide scope to expand the data-sharing gateway, if needed. We are also strengthening the range of sanctions for non-compliance with the register of overseas entities. Our new clause 8 will mean that a director can be disqualified if they breach an obligation under part 1 of the Economic Crime (Transparency and Enforcement) Act 2022, ensuring a consistent approach to tackling non-compliance between that Act and the Companies Act 2006. Following discussions in Committee, we are also removing the power to exempt certain individuals from identity verification requirements, having concluded that it is not essential.

As well as those important amendments, we are making improvements to the limited partnership reforms. We will ensure that a limited partnership's dissolution and deregistration is transparent and properly drawn to the attention of the public. There will be a legal requirement for these to be published on the Companies House website as well as in the *Gazette*. Again, this was discussed by Opposition Members in Committee.

Peter Dowd (Bootle) (Lab): I understand that every year there are about 1,200 disqualifications of unfit directors. Does the Minister have any indication of how that number may expand? We have the qualitative element. How about the quantitative element?

Kevin Hollinrake: I did not quite hear the hon. Member's whole point. Is it about the quality and quantity of information in Companies House?

Peter Dowd: No. There are about 1,200 disqualifications a year. How many more does the Minister believe may arise from this new legislation?

Kevin Hollinrake: We do not have the data to be able to say. It obviously depends on numerous factors. As I say, we are keen to give Companies House the resources it needs, which it currently does not have, to undertake this work. In many ways, this will prove a deterrent against people registering a company for nefarious purposes, rather than necessarily lead to many more disqualifications. It is the transparency element and the scrutiny that is the ultimate deterrent against using these corporate vehicles for the wrong purpose.

Partners of limited partnerships will also have to notify the registrar about a dissolution within 14 days of becoming aware, ensuring that the register can be kept up to date and accurate. New clause 12 clarifies the interactions of the limited partnership reforms with regulation of UK investment funds. That will ensure that the measures work as intended.

Amendments 30, 31 and 32 give the Northern Ireland Department for the Economy and Scottish Ministers powers to petition the courts to wind up a limited partnership registered in their jurisdictions, ensuring a cohesive approach across the devolved nations.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I join others in welcoming the Minister to his place.

Two of my constituents have lost their entire life savings as a result of Harewood Associates, a property investment company that went into administration having offered unregulated loan notes to the public. I therefore commend new clause 19. But in the meantime, I would appreciate it if the Minister could advise me on what course of action I might take to pursue that case further.

Kevin Hollinrake: It sounds like a matter for the Financial Conduct Authority, which does not directly relate to my portfolio, but that would be my first call as a constituency Member of Parliament. The case the right hon. Lady raises sounds very distressing for her constituents. If I can help in any way I will of course be happy to do so.

Mary Robinson (Cheadle) (Con): I congratulate my hon. Friend on bringing this Bill forward and welcome him to his place. He knows of my concern that whistleblowing is not mentioned in the Bill, yet whistleblowers are key to exposing the type of crime we are talking about. In the implementation of the Bill, will he reconsider the role of whistleblowers and recognise how important their role is in this space? Will he also look at examples of good practice from around the world because existing whistleblowing laws—I know he agrees—are not fit for purpose?

Kevin Hollinrake: That may not be part of this Bill, but it is part of my portfolio, I am pleased to say. My hon. Friend and I have worked together to further the cause of whistleblowers on many occasions. I am keen to bring that forward quickly. We have work under way now that will lead to a review. I am keen to complete that work quickly and come up with some firm recommendations. I am also keen to look at international examples of best practice. She is keen to have an office for the whistleblower, for example. It is right to look at other jurisdictions to see how that is working elsewhere, which can inform our work. I am keen to make significant changes as quickly as possible.

I shall draw my comments to a close and listen to the rest of the debate. I am interested to hear about the amendments tabled by Members on both sides of the House. I am sure today's debate will be as well considered and beneficial as those on the Bill thus far. I hope Members on both sides of the House will continue to support the measures in parts 1, 2 and 3, so that we can deliver these much-anticipated and much-needed reforms. They will help to protect our constituents and the country, and ensure that the UK remains a great place for legitimate businesses to thrive.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): It is a pleasure to follow the Minister and to speak to our amendments.

The Labour party has supported this important Bill's passage in a cross-party spirit through Second Reading and Committee. I pay particular tribute to my right hon. Friends the Members for Barking (Dame Margaret Hodge) and for Member for Birmingham, Hodge Hill (Liam Byrne) for their contributions during our proceedings. May I add my words of support? The Minister has a long track record on these issues and a reputation

through the all-party group on anti-corruption and responsible tax and other campaigns, which I hope bodes well for further progress and amendments to the Bill. However, it was frustrating that in Committee the Government did not accept a number of amendments tabled by the Opposition and other Members that would have significantly strengthened the Bill even further. The Minister did agree to keep some issues under review, which we will pick up on today.

This long overdue second economic crime Bill is an opportunity to finally end Britain's role as a global hub for dirty money, and to support honest businesses to trade and flourish, with better standards and more transparency, helping to level the playing field for businesses and co-operatives. I echo the Minister's words on the importance of that in tackling terrorism, economic crime and illicit finance, and in cleaning up our economy in the way we all want to see.

The amendments we have tabled seek to ensure that the Bill goes further in areas including reporting and parliamentary scrutiny, strengthening the objectives of the registrar to see a more proactive role in preventing and detecting economic crime, and tightening up the authorisation and supervision of corporate service providers. Amendments scheduled for tomorrow include provisions on the failure to prevent economic crime and director liability.

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): Is the hon. Lady aware that many stakeholders strongly feel that the Bill's powers require further development to be effective? Does she agree that a statutory review process set out in the Bill would be good practice and should be implemented?

Seema Malhotra: I thank the hon. Lady for her comments. She is alluding to a theme that goes through the Bill: we cannot expect this to suddenly be the answer to everything, so we have to keep it under review and to have the mechanisms for that review, including effective information coming to Parliament.

The Minister has just spoken to the Government's amendments. We are pleased to see that there have been some concessions following Committee. The Government have tabled about 25 amendments that remove powers to exempt directors from identity verification requirements. That is a huge concession by the Government to a central question asked by us in Committee about the completeness of the legislation, the extent of the Secretary of State's powers and the challenge required for parliamentary oversight. The extent of these powers risked riding a coach and horses through the defences against economic crime that we are seeking to build through the legislation. But even after those amendments, a number of Henry VIII powers are left unchecked. I am sure that will be debated in the other place.

The next welcome concession is Government new clause 15, which imposes a duty on the Secretary of State to prepare and lay before Parliament reports about the implementation and operation of parts 1 to 3. That significant step, however, is surprisingly weak as regards setting any expectations of what Parliament would expect to see in the report. That is why my hon. Friend the Member for Aberavon (Stephen Kinnock) and I tabled new clause 16, which has cross-party support and is similar to amendments tabled by colleagues in Committee. Under our amendment, the purpose of

the report would be clearer and stronger. We would have an annual report with an assessment as to whether the powers available to the Secretary of State and the registrar were sufficient to enable the registrar to achieve her objectives under proposed new section 1081A of the Companies Act 2006, which is inserted by clause 1.

Catherine West: My hon. Friend is making an excellent speech and pushing for even better legislation. Does she agree that that particular proposal would lead to a change in culture, which is what we really need? That annual reporting system would lift the game and improve the culture of the way business is done in this regard.

Seema Malhotra: My hon. Friend is absolutely right. The amendment would do two things. It would change the culture of how Parliament operates and plays a role in tackling economic crime. It would also shift the culture based on our expectations of business, how business should behave and how directors should be held to account, as well as shift the culture in Companies House and the work of the registrar. For all those reasons, it is an important area for development.

Liam Byrne *rose*—

Seema Malhotra: Before returning to our new clause 16, I will briefly take an intervention from my right hon. Friend.

Liam Byrne: My hon. Friend is making a brilliant speech. Does she agree that it is vital that we have a much more wide-ranging report on the nature of economic crime? We know that 10 different agencies are responsible for policing economic crime, and we learned in Committee that the Bill's provisions would not have stopped an individual such as Alisher Usmanov from buying a multimillion-pound London mansion only to be sanctioned a little later on. These are exactly the crimes that need to be brought to the House's attention so that we can keep economic crime legislation up to date and not have to wait for 170-year cycles before we make substantial reform.

3.30 pm

Seema Malhotra: My right hon. Friend is right about keeping our legislation up to date. He says that with great authority. We must recognise that those who seek to perpetuate economic crime are always innovating, and unless we are aware and informed, we will not move our legislation and processes on with that. There is also a vital point about the information that comes to the House. Today, we are debating reporting and information. There will be further debate tomorrow about the appropriateness of the structures through which that information is assessed.

New clause 16 seeks to specify further some of the information that should be brought forward and, crucially, calls for a detailing of instances—or maybe even numbers, depending on the reasons—in which exemption powers under the Bill are used by the Secretary of State. The Minister will be aware of the concerns that we raised in Committee about the need for Parliament to have transparency even on the number of uses of exemption powers under the Bill.

Dame Margaret Hodge: My hon. Friend is making an excellent contribution to the debate. The point is that the Government's new clause 15 simply reflects reporting

on the process of implementation—[*Interruption.*] That is how I read it, and that is how the Minister spoke to it. If I am wrong, I am happy to be corrected. Through new clause 16, we are trying to hold the whole of Companies House's works to account and ensure that it delivers what we have in mind in being at the front end of fighting economic crime through the data that it collects.

Seema Malhotra: My right hon. Friend is absolutely right. We should be ambitious for the registrar and for Companies House in tackling economic crime and being a beacon around the world for how a nation should do that. She makes an important point about where the new clause goes further than the Government's proposal. Along with the report and the data in it, importantly, there would be recommendations about whether further legislation should be brought forward in response to that report and the information in it. That is extremely important, because that is where Parliament will have to make choices about whether it chooses to take further action.

Issues of concern that the report may draw attention to, and which we could encourage the registrar to look at, could include investigations of unusual patterns of directorships and companies registered at one address. All of that would also enable Parliament to hold Companies House to account for its performance. We are willing to work with the Minister to strengthen the Government's new clause so that it becomes more purposeful and effective—and, in doing so, collectively achieve the outcomes that we intend for the Bill.

I turn to further amendments tabled by Labour Front-Bench Members. New clause 22 seeks to disqualify any individual convicted of a serious breach of the National Minimum Wage Act 1998, such as a deliberate refusal to pay the national minimum wage, from serving as a company director in future. In Committee, the Minister stated that it was

"right to identify the scale and nature of the problem before we legislate".—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 3 November 2022; c. 240.]

He said that he was "keen to do so." He also said:

"There have been 16 people convicted under the National Minimum Wage Act 1998. I want to do some further research on that to see what has happened to those people and their director qualification or disqualification. That might inform debate more clearly."—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 3 November 2022; c. 233.]

Since then, we have not heard a satisfactory answer to the central question: should an individual convicted of an offence for a serious breach of the National Minimum Wage Act 1998, such as a deliberate refusal to pay the national minimum wage, be prevented from serving as a company director?

Mr Jonathan Djanogly (Huntingdon) (Con): Is not the point that if someone is convicted of a criminal offence, the court automatically has the power to disqualify them, and that by not being prescriptive in legislation, we ensure that the judge in a particular case has more leeway than perhaps the hon. Lady would give him?

Seema Malhotra: I thank the hon. Member for his intervention. Perhaps he is missing some of our argument around the central question, because it does not happen

[Seema Malhotra]

in all cases. We have not received any further information on the work and research that the Minister started during Committee on what happens with those directors, which he committed to follow up.

In our view, new clause 22 would strengthen the Bill. We are talking about people whom we hope to have trust in to undertake their responsibilities as a director. The Bill introduces a substantial amount of regulation about who can and cannot serve as a company director as a result of criminal or potentially criminal practices, so this feels like the right place for consideration of such a measure. I would be grateful for the Minister's response. I am happy to give him forewarning that, subject to his response, we may well press the new clause to a vote.

New clause 24 calls for a creditor or liquidator to be able to apply to restore a company to the register administratively. Currently, if creditors, former creditors or liquidators wish to apply to restore a company, that is done through the court in what is often a complex and costly procedure that may well take 12 to 18 months or longer. In Committee, the Minister said that there ought to be a basis for a "less cumbersome" process for creditors and particularly for liquidators. We agree. Currently, when companies are struck off the register—that happens on average to about 400,000 companies a year—little is done to check whether fraud has occurred. As a side issue, the Minister may helpfully confirm whether directors of companies that have been struck off will also be subject to verification checks so that we do not have a period through which they may escape ID verification as Companies House looks to undergo those checks with existing directors.

The key issue is that unscrupulous directors can misappropriate the strike-off process to avoid scrutiny and rack up debts or sell company assets ahead of the company dissolution, absconding with the proceeds. The Minister said he appreciated the case for widening access to the less cumbersome process of administrative restoration, and he undertook to consider the matter further. If he does not agree to our new clause 24, I would be grateful if he would commit to bringing forward proposals during the passage of the Bill. This is a window of opportunity that we should not miss.

On new clause 34, the processes set out in the Bill rely on effective ID verification of company directors. There has been a debate as to whether that should be done in-house. The Government have chosen to use a model whereby authorised corporate service providers are trusted to undertake ID verification on behalf of Companies House and effectively certify that through a confirmation statement. The debate is ongoing on how that introduces risk into the process. Indeed, if the registrar can do only part of the verification and we need to use authorised corporate service providers, that only works if the ACSPs are known, trusted and effectively regulated.

New clause 34 seeks transparency reporting on the involvement of foreign corporate service providers in the two main routes by which they may be authorised to conduct ID checks and to incorporate a company in the UK that is registered with Companies House. Such a company being registered could have an office address in the UK; a postal address in the UK, with all the risks we debated in Committee; or an address abroad as an overseas company. The directors of the company registered

in Companies House by the foreign corporate service provider may be living abroad and may never come to the UK. New clause 34 seeks to create an obligation for the Secretary of State to publish a report, first, into the number of authorised corporate service providers with a head office based outside the UK, by which we mean where the authorised UK subsidiary supervised by His Majesty's Revenue and Customs is beneficially owned by a company that is outside the UK; and secondly, on the number of foreign corporate service providers authorised by regulations set out in proposed new section 1098I(1) of the Companies Act 2006, which is amended by clause 63.

Clause 63 enables the Secretary of State, by regulations, to authorise a person abroad to become a foreign authorised corporate service provider

"even if the person is not a relevant person as defined by regulation 8(1) of the Money Laundering Regulations".

For example, they could be a lawyer or an art dealer. They would therefore not be supervised. Proposed new section 1098I(2) specifies that a

"relevant regulatory regime" means a regime that, in the opinion—

I stress, in the opinion—

"of the Secretary of State, has similar objectives to the regulatory regime under the Money Laundering Regulations".

However, it does not specify any transparency on how that conclusion is reached. Clause 63 is a risk for a backdoor route to the authorisation of foreign corporate service providers—

Kevin Hollinrake *indicated dissent.*

Seema Malhotra: It is a risk—the Minister is shaking his head, so I am going to repeat it—for a backdoor route to the authorisation of foreign corporate service providers in a high-risk territory that falls outside money laundering regulations.

Kevin Hollinrake *rose—*

Seema Malhotra: I will just complete my point and then bring the Minister in if he wishes to intervene. I would be grateful if he could confirm why that is in the Bill in that way, and the extent of the safeguards that are in place. He will, I am sure, be mindful of the need for trust and confidence, and for transparency on who our corporate service providers are and for whom they are undertaking ID verifications, which we are then expected to trust. Subject to the Minister's response, we intend to press this transparency reporting new clause 34 to a Division.

Kevin Hollinrake: I am grateful to the hon. Lady for giving way. It is not a backdoor to try to get around the legislation. I cannot think why she would think we would write 309 pages of legislation and then create a purposeful backdoor. On the reason for the measure, imagine an international free trade agreement, not with a high-risk jurisdiction—why would we do that?—but where the international partner had an anti-money laundering regime that we felt was equivalent to our own. We might consider it in that context. In no way, shape or form is this about creating a backdoor, and we would very much expect this sort of thing to be in the annual report to Parliament on the implementation and operation of the Bill.

Seema Malhotra: I am grateful to the Minister for his intervention, and for setting out the context and the Government's intention behind clause 63. However, there is a difference between the intention behind the clause and how it could be used. I think it would be worth while for the Government to seek further legal advice on how the clause could be used, because legislation is not just about how Ministers intend to use powers today, but about how they could be used tomorrow. With the succession of Secretaries of State that we have had, some of whom may perhaps be—how shall I put this? Well, I shall not go any further, because I think the House understands. There are those who have been in such a position and whose judgment may be questioned a little more than that of others in this House.

3.45 pm

It is important that legislation be about not what is or might be intended, but what might be done by a future Secretary of State using their powers without the required accountability to this House. The wording used in the Bill is

“in the opinion of the Secretary of State”,

but there is a lack of clarity about how such an opinion might be reached. I have talked to lawyers, who note that the mechanism could be used to create an agreement with a high-risk jurisdiction. It is not specified that that must happen under future free trade agreements. I encourage the Minister to look again at whether the clause's implementation should be tightened.

I turn to the role of the registrar. Amendment 104 would insert a fifth objective into clause 1, requiring the registrar “to act proactively”. The amendment reflects the concern expressed in evidence to the Bill Committee that the objectives in clause 1 seem

“like a ridiculously low bar.”—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 25 October 2022; c. 63, Q136.]

Our amendment would change the focus of those objectives from minimising risk to proactively seeking to identify suspect uses of the register for criminal purposes and to act accordingly. It would be a strong enabler of the risk assessment-based approaches to detecting and preventing economic crime that are set out in the important amendments tabled by the hon. Member for Barrow and Furness (Simon Fell) and my right hon. Friend the Member for Barking (Dame Margaret Hodge), among others.

Dame Margaret Hodge: Does my hon. Friend agree there can be absolutely no objection to that approach? In the Minister's opening remarks, he said that the reforms will give Companies House much more proactive capability. If the Minister sees that, and if we want that, what on earth is the objection to putting it in legislation so that Companies House knows darn well that that is what we expect of it?

Seema Malhotra: The Minister has heard what my right hon. Friend says. If that is what Parliament wishes and intends, we should have the courage to put it in the Bill. The amendments tabled by my right hon. Friend and by the hon. Member for Barrow and Furness and others—including new clauses 17 and 19 and amendments 102 and 103—are important, and we support what they are calling for. Separately, we strongly encourage the Minister to look at amendment 101.

Catherine West: Does my hon. Friend believe that this afternoon's debate has covered the important area of phoenix companies and consumer protection? There is clearly a role for the registrar in detecting fraud and ongoing recidivism.

Seema Malhotra: That is part of what we seek, but there is further to go. I know that amendments tabled by other colleagues also draw on the issue of phoenixing and the importance of preventing it. Checks on directors of companies that have been struck off and measures addressing the ease of administrative restoration are tools that we could employ to tackle phoenixing and protect customers along with other businesses and creditors.

Amendments 105 and 106 draw on a wider theme, which is that what we want in the Bill is duties, not powers. We want to see a clear outcomes focus. We want to legislate for things to be done, not for the potential for the registrar to do things—a very important distinction. First, amendment 105 specifies that it should be a duty, not a power, for the registrar to allocate a unique identifier to a director. Secondly, amendment 106 states that the registrar should ensure that the same unique identifier is used for that person in

“any other entries they have on the register under the same name or a different name.”

Thirdly, through amendment 108, we want to reduce the risk to the integrity of the register by tightening up the arrangements for the confirmation statement. A proposed director must confirm in writing either that they already have a unique director ID with the register under the same or a different name and state what it is, or that they do not yet have a unique ID. If an individual chooses to go by a different name, or may have dual citizenship and use a different passport for ID, or may even have a fake birth certificate suggesting a different date of birth, how will the registrar know? This is a protection for the system in the event that an individual is subsequently found to have lied about their identity.

I suspect that, broadly, we are in the same place when it comes to what is intended to happen through this legislation, but it would be helpful if the Minister could confirm that by answering a couple of questions. First, does he expect the registrar, under the arrangements that he has proposed, to issue a unique ID to each new director and to existing directors on the database, and should we understand that, for all intents and purposes, the power will operate in practical terms as if it were a duty? Secondly, in a search on the Companies House website, will clicking on a director's name bring up all their directorships, linked internally by the unique ID, even if they go by different names in different companies? Perhaps the Minister would like to intervene in response to those two points.

Kevin Hollinrake: That is exactly how it will work.

Seema Malhotra: I thank the Minister for his confirmation. The legislation is not as tight as we would like it to be, but if he puts his intentions on record, that does take us a step further.

Amendment 107 would require a limited partnership dissolution notice to be published on the registrar's website and to remain published for a minimum of 20 years. The Minister has previously said that he would like to explore with Companies House the feasibility and costs associated with introducing that requirement.

[Seema Malhotra]

I should be grateful if he confirmed that he has concluded those discussions, and tell us what decision he has reached.

New clause 20, which we support, concerns resourcing. It would raise Companies House fees to £100 to help to properly fund the fight against crime. The current fee of just £12 makes this country the sixth cheapest place in the world in which to set up a company. The Treasury Select Committee recommended a fee of £100. Will the Minister tell us what his plans are? Having a plan to resource Companies House is fundamental to achieving the goals of the Bill.

I thank Scottish National party Members for their amendments, whose arguments are similar to ours. In particular, we support new clause 36 and amendment 109, which deal with reporting and unique IDs—although we think that some minor changes might be made to new clause 36—and would also support any attempt to push them to a vote.

New clause 26, which is being debated today but will be subject to a decision tomorrow, would amend provisions in the Sanctions and Anti-Money Laundering Act 2018 to require the introduction of open registers of beneficial ownership in each of the UK's overseas territories. There should be no double standards in the legal requirements for transparency of beneficial ownership across different parts of the UK, including the overseas territories. We have witnessed too many scandals involving money being laundered through territories for whose administration the UK is ultimately responsible to accept the idea that we must simply leave them to their own devices. According to the spin that the Government chose to put on the wording of the 2018 Act, its obligation had been met simply by the publication of a draft Order in Council, regardless of when, or even whether, such an order might actually come into force. The result is that we are here yet again, nearly five years later, still discussing how to ensure the implementation of registers to the same standards across all the UK's territories. Surely it should not have been beyond the wit of Ministers, even in this Government, to have sorted this out by now. [Interruption.] With the exception of the Minister who is present today.

Dame Margaret Hodge: My hon. Friend is raising a really important point, which has been put into some question by a judgment of the European Court of Justice by an action relating to a shell company in Luxembourg. I know that this is not entirely in the Minister's control but it is particularly important because, although the Crown dependencies agreed in 2018 or 2019 to publish registers of beneficial ownership, we never passed the legislation because we got their agreement verbally. I am really concerned that they will now go back on that in the light of that judgment. It will be interesting to hear the Minister's views on that.

Seema Malhotra: I thank my right hon. Friend for her intervention and for the discussions that we had on this matter prior to the Report stage.

In summary, this legislation is essential, but as we have heard from across the House today, there are still areas in which it must go further if we are to catch up after years of being on the back foot on economic crime

due to years of inaction. These are thoughtful and purposeful amendments that will improve the Bill, and I look forward to the Minister's response.

Harriett Baldwin (West Worcestershire) (Con): I rise to speak to new clause 20 and the amendments tabled in the name of my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom). I very much welcome the progress that has been made in today's legislation and the fact that this Minister is the person responsible for taking it through, given that he used to be one of my colleagues on the Treasury Committee and is a signatory to the report on economic crime that we put out last year.

It is clear from the work that we have all done on economic crime how important the reform of Companies House is to achieving this. We have all heard horror stories of people who have stolen other people's identities and successfully set up businesses at Companies House, and of people who have shut down one business then immediately started up another one with a different name. Clearly the reform of Companies House, as taken forward by this important piece of legislation, will make economic crime much more difficult in the United Kingdom, which is something that everyone should welcome. In the report on economic crime that the Treasury Committee put out last year, we called for resources to be put into this important work. Clearly it cannot be done without those resources, and it will be interesting to hear from the Minister today about his discussions with Companies House and his estimate of the resources required.

New clause 20 proposes a fee for new businesses of £100 rising with inflation, which would give Companies House more resources to undertake this important work and, importantly, keep its budget increasing along with inflation. I acknowledge that we do not want to set a fee at a level that could act as a deterrent to anyone starting up a small business, but the work that we did last year in the Committee suggested that the current levels of fees, benchmarked against international comparators, were very low. It was clear that we needed more resources to enable us to understand the identity of those who are establishing businesses in this country, so we pulled a number out of thin air.

I acknowledge that the figure of £100 was pulled out of thin air, although I think we probably also got evidence recommending it, but I think it is a reasonable and plausible amount at which to start these discussions. I know that the Minister is as keen as those of us who have signed this amendment to see a fee established that will ensure that the regime at Companies House has sufficient resources to manage the budget. We know that software upgrades cost money and, as we all experience rising economic crime in this country, it is important that we do everything we can to ensure that Companies House has the resources to undertake this important work.

4 pm

Kevin Hollinrake: My hon. Friend is making some valid points, as I would expect from the Chair of the Treasury Committee.

The Treasury Committee's report does not say that we should adopt a fee of £100, but that

"A fee of £100 would not deter genuine entrepreneurs".

I agree, but, as my hon. Friend says, the figure has been pulled out of thin air. It depends on what principle we follow, and the Government's position is that Companies House needs to set out exactly what resources it needs to be able to perform its obligation to implement the objectives, from which we can decide how much money we need to raise. We will then look at the fees charged by Companies House. Members on both sides of the House have mentioned the incorporation fee, but an annual fee might raise more money. More work is needed with Companies House to consider this in the round before we come to a settled position. I would therefore rather not specify £100 in the Bill, for all those reasons.

Harriett Baldwin: I think I heard the Minister acknowledge that Companies House needs more resources, and that those resources should be raised not through a one-off fee when setting up a business but through ongoing registration fees. I also think I heard him say that he rather likes our proposal to increase the fees every year to reflect inflation. I think he substantially agrees with the thesis of new clause 20, so this is a great opportunity for him to endorse it so that Companies House is able to start budgeting right away.

I heard the Minister make the valid point that he wants to ensure the budget is worked from the bottom up, and that an arbitrary number should not be put into legislation. I have sympathy for his point of view, but I want him to understand the urgency of the matter. I want him to appreciate that we have waited long enough for this Bill, and that the Treasury Committee will therefore not allow this measure to be kicked into the long grass. We will continue to scrutinise progress, and we expect that progress to be urgent and rapid.

Dame Margaret Hodge: At this point in the cycle, I cannot believe there is not a resource budget. Even within the constraints of the Bill, there should be a budget because the negotiations will be starting. It would be interesting if the Minister could reveal that figure.

My second point, with which the Minister might agree, is that we so under-resource the enforcement of existing anti-money laundering regulations in this country that, even if this figure of £100, which the Treasury Committee and other Committee came up with, proved too much, which I doubt, setting up an economic crime fighting fund would mean that other enforcement agencies, such as the National Crime Agency and the Serious Fraud Office, could use those resources to provide better defences against economic crime.

Harriett Baldwin: The right hon. Lady makes some excellent points. Once the Minister does this work, it may well turn out that £100 is a good starting point. Other things are budgeted for, and I understand the budget for the work that is under way is £20 million for the financial year just ended. A further £63 million is expected to be needed up to 2024-25 and was allocated in the last spending review.

Forgive me if I am cynical about the budgets for public sector computer procurement projects, as they sometimes come in somewhat over budget. I urge the Minister in his response to new clause 20 to make sure that he can move swiftly to change the amount that it costs to set up a business, while making sure that it remains competitive in terms of economic parameters.

It is not every day that Back Benchers say to Ministers, "Here's some more money for you. We think this is going to make the UK much safer and a centre that is less vulnerable to economic crime." That is the purpose behind our support for this new clause.

Mr Djanogly: Is the point not also that if we raise the fees, rather than their falling to the general taxpayer, those who use the service would actually be paying?

Harriett Baldwin: That is my point—my hon. Friend has made it much better than I was. This is an offer to the Minister for a significant increase in the budget of one of the agencies for which he is responsible, Companies House, and it would be feasible without putting any further burden on the hard-pressed taxpayer. That is why I support the new clause and why I am looking forward to the Minister accepting the principle of it. I acknowledge that we may be talking about plus or minus a few quid around that £100, but that is a good starting point.

Alison Thewliss (Glasgow Central) (SNP): I am glad to rise on this auspicious day to discuss this auspicious Bill. Today is auspicious not just because we have this Bill back in the House today, but because it is my mum's 70th birthday. I am sure all Members from across the House would like to wish her many happy returns. [HON. MEMBERS: "Hear, hear!"] Thank you.

The Bill presents a significant opportunity for the Government, and for all of us, in tackling economic crime across these islands. We have tabled many different amendments during the Bill's various stages, including yet more today, but we very much encourage the Government to look at these amendments in good faith. As Ministers and anybody looking at the amendment paper will see, they are very much cross-party amendments. There is a lot more we agree with in the amendments to this Bill than I have seen in respect of just about any other Bill that has come before this House. The Government would do well to reflect on quite how cross-party the amendments are—there is very little to choose between us.

I pay tribute to the right hon. Member for Barking (Dame Margaret Hodge) for the important work she has done in her all-party group, which has been significant in bringing so much cross-party agreement together on the direction of travel here. I hope very much that the Minister will be listening to her, as we all will be, when she speaks later, because the amount of work that has gone into considering what would make the Bill stronger is significant; it is not a light job that has been done there. The Bill would be strengthened all the more if these amendments were accepted.

Clive Efford (Eltham) (Lab): I pay tribute to the Minister for the work he has done on this issue when he was one of us on the Back Benches. When the hon. Lady was speaking about the cross-party nature of the amendments, I could not help but think that if the situation were slightly different, the Minister's name would be on those amendments.

Alison Thewliss: Yes. I have remarked in Committee, as the Minister will well remember, on the number of occasions when he agrees with himself, but not as a Minister. It is a curious situation and I will return to that when we get to the part of the Bill with which he is most associated.

[Alison Thewliss]

As the Minister said, and as we all acknowledge, there is a lot here that we can agree on. It is unfortunate that more of the amendments have not been taken on board, because gaps remain in the Bill. We are all concerned that there will not be another opportunity to look at these issues again in this detail; unfortunately, parliamentary time does not work like that, so getting it right this time is important. We could get it right today or tomorrow, or if the Lords come forward with some useful amendments—as little as I like to give credit to the unelected peers along the hall, if amendments are tabled there, I would encourage the Government to accept them and make sure that they are acknowledged.

SNP Members have tabled a number of amendments, where we seek to create a unique identifier for directors; to put a limit on the number of directorships an individual can hold; to prevent directors in breach of their duties from taking public funds; and to prevent the practice of phoenixing, which causes so much harm to many of our constituents. It is not often talked about in the same bracket as economic crime generally, but phoenixing causes huge distress. My hon. Friend the Member for Paisley and Renfrewshire North (Gavin Newlands) will certainly return to this point in his remarks later.

Government new clause 8, on persistent breaches of companies legislation and the disqualification of company directors, is very important, because we have seen numerous reports in the press of people who repeatedly breach the law. There are huge issues of enforcement, and I intend to address those too. The Bill should include consequences for people who breach the rules.

I wonder what the House and the Minister think about a compliance case raised earlier today by Tortoise. It mentioned Balshore Investments Ltd Gibraltar, which in 2017 listed itself at Companies House as a person of significant control of a different company, Crowd2Fund. Its name was then removed in 2020, and that removal was backdated to 2016. In 2022 two directors, named on the register as Nadjat Al Zahawi and Hareth Nadhim Al Zahawi, were named as PSCs of Crowd2Fund.

Graham Barrow has told Tortoise that the retrospective changing of directors means that Balshore's filings

"leave a huge gap of six years when, despite Balshore owning 40 per cent of Crowd2Fund, no declaration of the underlying owners of Balshore has been made, as required by UK law".

This is a very interesting and topical case. I wonder what the consequences might be for, and what might befall, those who fail to comply with company law in this way under the new legislation.

Government new clause 15 is important in ensuring that this House is accountable on the measures within the Bill. I think that is fine as far as it goes, but Labour's new clause 16 would go much further. It is important that the Minister looks at these measures and asks, "What does the House need to know?" Yes, there will be reports, but there is a good deal more detail in new clause 16, and I think it is important to look at that and think, "Actually, this is what the House might find useful and interesting to look at as regards the effectiveness of the Bill."

Liam Byrne: Does the hon. Member agree that waivers for warlords is exactly the kind of information that the House would be interested in, to understand how effectively we are prosecuting economic crime and how well our sanctions are actually biting?

Alison Thewliss: The right hon. Member makes an incredibly important point. The case reported in the press today shows people getting around the rules that we set up for very important reasons—the House should be aware of these things. This information should not have to be squirreled out by investigative journalists—as wonderful and well informed as they are. It should come to the House as a right. It should not have to be exposed. It is something we should know as elected Members in this Parliament.

On new clause 17, on PSC status and verification, it is incredibly important that there are cross-checks on identity and that we understand who those people are. One of the big holes in the system now is the lack of cross-checking and ensuring that the rules are being followed. We must ask Companies House to be more inquisitive of the information it receives, and I think new clause 17, tabled by the hon. Member for Barrow and Furness (Simon Fell), would have that effect. It is very important that Companies House has a risk-based approach to looking at organisations and ensures that what is there is actually factual.

Moving to new clause 19, on the accounts of dissolved companies, Graham Barrow, who is the expert on many things to do with Companies House and to whom we are all very grateful, pointed out in evidence to the Bill Committee that there is such thing as a burner company, whereby a company is set up without there being a real intention of it becoming a real, live company out there trading in the world. It is set up and then disposed of, without the obligation to file any accounts, because that is done within the timescale.

New clause 19 would go some way to dealing with those burner companies. If somebody is setting up and dissolving companies—on and off, on and off all the time—it can be difficult under the current system to know that that is happening. If there is a means of examining the accounts—if those accounts exist—of dissolved companies, it might be easier to track them and establish whether any economic crime is involved within them.

As Graham Barrow often points out, companies are being set up in their hundreds every day by organisations that do not really exist—organisations with suspicious names and suspicious addresses. Hundreds of them are registered to one tiny shop or a post office box somewhere. That has to be stamped out. This is the opportunity to do so. We do not know what those companies are for, why they exist, what they will be used for, and whether it will be our constituents who will lose out as a result.

4.15 pm

Peter Dowd: I thank the hon. Lady for giving way and wish many happy returns to her mother.

The hon. Lady may recall the passage of the Criminal Finances Act 2017, during which we talked about enforcement and regulatory agencies having the resources to do their job, and us giving them the resources, and the finances, to do it. Does she agree that, following the Economic Crime (Transparency and Enforcement) Act 2022, and the Criminal Finances Act, this Bill, yet again, does not give those agencies the resources, capacity and wherewithal to do the job properly?

Alison Thewliss: I agree. The hon. Gentleman is anticipating my moving on to new clause 20, which talks to some of those issues in great detail, and a very good amendment it is, too. We have talked about whether the fee of £100 is arbitrary, a finger in the wind. But it is a figure that we can put in the Bill to say, “Let’s start here”. It gives Companies House the resource with which it can do work.

It was pointed out by some of those who gave evidence to the Bill Committee that, if we are seeking to clamp down on those hundreds of companies being set up every day at £12 a pop, we need to replace that money with legitimate money; £100 would go some way to dealing with that gap and that discrepancy. We need to ensure that that money goes to increasing the staff at Companies House, and the capacity, ability and expertise of the people Companies House hires, because much of this is becoming incredibly technical. It is important that it has the resource to do that. All the agencies involved need that money, but Companies House, as the front door to a lot of this stuff, needs to be properly resourced to be able to do that.

I note that the Minister talked about not wanting to put in legislation the sum of money that that fee would require, but that is not quite how other parts of the system work. I have sat on Statutory Instrument Committees that set the value of passport fees. I understand that the House sets the value of visa fees. Therefore, within the immigration system, the House decides what that fee is and sets that fee. Yet it is not deciding to do so for companies.

I do not know whether the Minister intends the matter of setting a fee—at £100, or whatever it might be—to come before an SI Committee at some point, but that is not what the Bill says he is going to do. It is important to recognise that, in one area of government, the Government are setting a fee and deciding how much people should pay for things and that other parts of the system should have cost recovery. The visa fee goes way above cost recovery; the passport fee perhaps less so. We are talking about £75.50 for a passport, compared with £12 to register a company and £1,538 for a visa. Those things are not quite the same. The company fee could bear being significantly higher than the £12 it is at the moment, and there is a place in legislation where we could set that because that is what the Government do in other areas of legislation.

New clause 22 tabled by the Official Opposition—entitled “Person convicted under the Minimum Wage Act not to be appointed as director”—is laudable in its aims because the people flouting the rules should not get to be company directors. Being a company director is a privilege, not a right. For those people who have been convicted of not complying with the legislation, it is perfectly reasonable that they could be disqualified for a serious breach of the National Minimum Wage Act 1998. It is reasonable to disqualify them.

On the issue of trust and company service providers, there is more that the Bill should and must do. It is unfortunate that the consultation on the Office for Professional Body AML Supervision is still ongoing, I understand, or certainly not concluded, because that should form part of this Bill. It has been widely acknowledged that OPBAS is not effective and is not working as the Government intended, but the Government do not yet know what they are going to do, how they

will fix OPBAS, whether it will require further legislation in this House, whether it will involve stripping OPBAS of its AML supervision responsibilities and duties and, if it does, where those responsibilities will lie.

Our suggestion in new clause 35 is to make Companies House the AML supervisor in its own right. I have asked various questions on why the Government do not believe that Companies House should be an anti-money laundering supervisor. It seems to us on the SNP Benches that, if Companies House is the front door for every company registered in the United Kingdom, it should be liable for anti-money laundering regulations. If we are asking banks and other institutions to look at that, why not the Government agency responsible for the registration of every company on these islands?

That would give Companies House more duties and stop the flow of guff companies, terrible information and people who seek to defraud our constituents at the front door. It seems bizarre to me that the Government would not want to shut the front door firmly in the face of the crooks and the people who want to do that. There is also more that could be done, as mentioned in some of the Labour amendments, on the duty and powers of Companies House. We think Companies House should have powers, and not only powers, but duties—it should have to do those things.

I do not see why there is ambiguity in this legislation. If the Government are saying Companies House should do it, they should make Companies House do it, rather than leaving it up to interpretation or somebody’s decision further down the line. They should make Companies House do it. We all know that, if we are not forced to do a thing, we might not do a thing. We might not do the dishes, or the laundry, but if we are forced to, we certainly will. There is more that can be done to shut the door and tighten the regulations.

Through our amendments, we also seek to tighten the integrity of the register. That includes new clause 36 and our amendment 109. They reflect Labour’s amendment 103 and some of the other amendments that speak to the importance of identification numbers and the integrity of the register itself.

Much of the evidence we heard in the Bill Committee, as well as at various APPG events and other online events, indicates that the register as it stands is full of absolute guff. It has had—*[Interruption.]* The Minister waves the legislation, but the difficulty is that he is not intending to fix all that guff. He is allowing that guff to live on the register forever, because there is not enough in the Bill about the retrospective action Companies House has to take, looking through all the hundreds and thousands of companies that, over many years, have been allowed to filter on to the register unheeded.

Graham Barrow’s Twitter account is full every single day of companies being registered with information that is absolute rubbish. We must have a means of putting a duty and an obligation on Companies House to go back through the register, to clear it out and to say, “There’s no point having that stuff on there, because it is in effect meaningless and it’s gumming up the system for those who want to use the register in legitimate ways.”

We must be able to keep a check on Companies House: that is why new clause 36 says that it should seek to ensure that registrations contain accurate, up-to-date information and that it comes back to update Parliament

[Alison Thewliss]

on its progress updating that register. We cannot expect these things to happen overnight, because it is a big register and there is an awful lot on it, but we must ensure that it is accurate. If it is not, there are very real consequences for our constituents, as Graham Barrow pointed out. People have found themselves being defrauded when their names, their addresses or both have been used inaccurately. Those people have been chased or pursued by criminals and all kinds of things have happened to them because of fraudulent information on the Companies House register.

Someone may not even find out that their name has been used fraudulently. If they have a name such as James Smith, they may never find out. There are only three Alison Thewlisses on the register, but they are all me. There should be one identification—I should not be on the register as three people—and that is why we seek a unique identifier to track people throughout their lives. If someone's name has been registered and used without their knowledge, with an address that is not theirs—a mailbox perhaps—they may not find out about it but may end up being liable for the actions of the fraudsters, so a lot more can be done on that.

We are also seeking through amendment 111 to limit the number of directorships that people can have. People may have multiple directorships, but is the director of 300 companies really able to do that job properly? Probably not. Those are probably not real companies and that person is probably not acting as a proper director. Again, on the Companies House register, many people are registered for hundreds of companies. As a red flag in the system, that should stand out to Companies House, which should be able to ask, “Is this person a real director?” and do more investigation. Our amendment would encourage that.

I am quite pleased to see that Government amendments 30 and 32 would give Scottish Ministers the power to present a petition to wind up Scottish limited partnerships, which have been comprehensively abused for several years now. That has been a real problem, and giving Scottish Ministers the power to do something about it is important. Although they are called “Scottish limited partnerships”, they have in practice very little to do with the Scottish Government, who can do little about them at the moment, so that is an important power. I am grateful to Michael Clancy of the Law Society of Scotland, who I hope is correct in his belief that that is a practical and useful measure. Will the Minister outline whether he has had any further discussions with Scottish Ministers, and how he thinks the power would work in practice?

I am prepared to leave my remarks at that—I appreciate that other Members want to get in and discuss other things—but I will leave the Minister with a quote from a Bill Committee evidence session on 25 October. Bill Browder, who has been a great champion of corporate transparency and standing against corruption internationally, told the Committee:

“You can write as many great laws as you want—there is some good stuff in this law, and good stuff in the previous laws—but if no one is going to enforce it, then you are never going to change the risk-reward and people are going to carry on doing stuff. All this will continue, and I will sit here 10 years from now making the same allegations about how this is a centre of money

laundering.”—[Official Report, Economic Crime and Corporate Transparency Public Bill Committee, 25 October 2022; c. 69, Q144.]

Nobody wants to be sitting here in 10 years—well, certainly not those of us on the SNP Benches—seeing money laundering going on unabated. We want the Government to take the opportunity that the Bill presents to close loopholes. To get that right, and get it right now, they should take the advice and knowledge that Members from across the House, and external organisations, have brought to the Bill. If the Government make the amendments and fix the Bill, they will have cross-party support for it.

Mr Deputy Speaker (Mr Nigel Evans): Before I call Dame Andrea Leadsom, I remind everybody that a number of cases are still before the courts, and we do not know all the cases that there are. Even though the sub judice rule does not apply when we are legislating, Mr Speaker has urged caution for those live cases. If Members could do us a favour and look up cases that they intend to mention, that would be really useful.

Dame Andrea Leadsom (South Northamptonshire) (Con): It is a pleasure to follow the hon. Member for Glasgow Central (Alison Thewliss). I agree with much of what she said, particularly about this House wishing her mum a very happy 70th birthday.

I also pay tribute to the Under-Secretary of State for Business, Energy and Industrial Strategy, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake). I find it amazing that he has only recently become a Minister, as he has been such a stalwart and incredibly diligent in promoting better performance by the banking and business sectors. It is great to see him in his rightful place at the Dispatch Box.

I rise to speak to new clause 20, in the name of my hon. Friend the Member for Barrow and Furness (Simon Fell), and to the two amendments I tabled that, very annoyingly, have not been selected, which are to do with phoenixing. I agree in general terms with the thrust of the debate: for reform of Companies House to be effective, it needs to be required to do new things. It is not enough to facilitate things; it needs to be given new duties and therefore the resources to be able to fulfil those duties. I can tell the House that in the brief time I spent as the Secretary of State for Business, Energy and Industrial Strategy, I had discussions with the excellent team of civil servants who are looking at company law reform, corporate governance and the Insolvency Service, and it is true to say, I am afraid, that they were not invited to go and talk to Ministers terribly often. They were definitely a bit of a Cinderella out there in BEIS, and this incredibly important area needs much more focus.

4.30 pm

While this excellent Bill will take us much further forward, there are some areas in which we could and should, even at this late stage, do better. One area I am particularly keen to focus on is phoenixing. That is defined by the Insolvency Service as

“the practice of carrying on the same business or trade successively through a series of companies where each becomes insolvent...in turn. Each time this happens, the insolvent company's business, but not its debts, is transferred to a new, similar ‘phoenix’ company.”

A number of colleagues across the House have raised phoenixing. It is appalling, and I am sure that you, Mr Deputy Speaker, also have constituents who have been to see you about double glazing businesses that come and flog some double glazing, take the deposit and then do not deliver anything. A few weeks later, the person is thinking, “Hang on a minute. Where are they?” They try to get in touch with the company and no one answers the phone. A few months later they start writing furious letters to the company. Perhaps they go and see their MP, as people have with me, and say “What is going on here?” The MP writes on their behalf and they still get nowhere. As things stand, the only recourse that person has is to go to the small claims court or the insolvency practitioner. Unfortunately, if it is a few hundred quid, the chances are that the person will not have the time, inclination or additional money to get satisfaction, so they just write it off. That is its own reward to those phoenix companies, so they just do it again and again. That is what we find time and time again.

Companies House can look at somebody who opens a business in the name of Fred Smith Ltd and then the next day Fred Smith and Sons Ltd, and the next day Fred Smith Incorporated or whatever it might be, in order to steal someone’s money and then set up in a new name. But the reality is that it does not look at it, because it is so commonplace and it does not have the resources. I urge the Minister to listen carefully to what colleagues around the House are saying and to create some new duties.

I certainly agree with my hon. Friends the Members for West Worcestershire (Harriett Baldwin) and for Barrow and Furness that there should be duties on Companies House to investigate directors who start up in one name and then move on to a very similar name. Indeed, the Minister or the House should set a fee to provide Companies House with the resources it needs to carry out those investigations.

In my amendments I have looked at this from the other end of the telescope, saying that there should be a duty on Companies House to investigate and that Companies House should then set out to the Minister what resources it needs. The Minister should then respond to its demand for more resources and set the fee at the appropriate level. We should do it that way round, rather than having this mythical £100 fee, which then provides the resources, but could be used for who knows what.

I am the chairman of the 1922 Back-Bench committee on BEIS, and we had an inquiry recently into how the Government support enterprise. We heard from a number of small business founder-owners. Particularly for young women setting up an online business, a sum of £100 would be quite a problem for them in trying to incorporate their company. It may well be that £100 is in fact too much money and would be a deterrent, particularly to young entrepreneurs and in some cases female entrepreneurs, in getting their company incorporated with Companies House. The amount would be better set by Companies House itself to pay for a new duty to investigate, in particular, scams and phoenixing companies. I am grateful for the opportunity to contribute to the debate, and I urge the Minister to look carefully at things that are quite unanimous across the House.

Dame Margaret Hodge: I welcome the Minister to his place. I enjoyed working with him for a number of years on the Back Benches. We have co-operated well, and I look forward to that co-operation continuing now that he is a Minister. I am pleased to be working closely with his successor at the all-party parliamentary group on fair business banking, the hon. Member for Barrow and Furness (Simon Fell), who has tabled a number of the amendments put forward by the APPG.

I join others in welcoming the Bill. I welcome the fact that we are having this debate. This could be legislation that fundamentally transforms the landscape that has enabled economic crime to flourish in the UK. It could be the moment when we, in Britain, through the decisions that we make here in Parliament, give a message loud and clear to the world that there will be zero tolerance of money laundering fraud and other economic crime in our country. It could be the moment when, by acting against economic crime, we lay the foundations that would enable our financial sector, and with it our economy, to flourish and grow. As I have often said, we will never achieve sustained economic growth on the back of dirty money, but we could achieve it as a trusted jurisdiction that openly and firmly rejects illicit finance. It could be all of those things.

The Bill before us is welcome; it enables us to have these debates and to legislate, but in its current form it fails in too many ways. First, as it currently stands, I fear that it cannot achieve its stated purpose. Omissions and loopholes mean that there is a real danger that we could be setting up a new Companies House that will fail. One library filled with dud information will simply replace another. Secondly, in my view and that of the all-party parliamentary group on anti-corruption and responsible tax, which we will certainly make clear in tomorrow’s debates on new clauses, the Bill is too cautious and unambitious in its scope. It fails seriously to tackle the challenge that we in Britain face because of the exponential growth of economic crime. It is worth the House remembering what that is. Every year, economic crime costs this country somewhere in the region of £300 billion. That is a conservative estimate—in fact, I think it is a gross underestimate. That is 14.5% of GDP.

To look at just the fraud element of that, reported fraud affects one in 11 adults. I have been a victim of fraud that I have never reported, and we all know that there are victims of fraud who do not report it. One in 11 adults are affected, so this is a massive issue. That figure of £300 billion is double what we spend on the NHS. We are talking about mega sums that get lost in the UK economy every year and impact on all sorts of things: the quality of our public services, the raising of taxes, the economy as a whole and the reputation of the UK. There is an endless impact, and we have to tackle it.

I ask the Minister, as we did in Committee, to put aside the natural instinct to resist amendments tabled by Back Benchers. Our purpose is simply to strengthen the Bill, so that when it is passed, it can support our shared mission across the House to eradicate money laundering, fraud and other economic crime. I urge him and the Government to support our amendments, and I hope that Members in the other place will reflect on our debates today and in Committee when they consider the Bill in detail over the coming weeks.

[*Dame Margaret Hodge*]

I welcome the new clause that the Minister has tabled in relation to the accountability of Companies House. However, if he were to accept new clause 16, tabled by my hon. Friend the Member for Feltham and Heston (Seema Malhotra), it would improve what he wants to do and the information that we in Parliament expect to receive about the performance of Companies House.

I warmly support all the new clauses tabled by members of the all-party group. As the right hon. Member for South Northamptonshire (Dame Andrea Leadsom) said, those measures would strengthen the duties of Companies House, which is really important; giving powers is one thing, but duties really matter. Those duties would ensure that we can validate the information contained in Companies House and that it has the integrity it needs to fulfil the purpose for which it is intended.

I look forward to tomorrow's debate on important issues such as the reforms to corporate criminal liability, the strengthening of support for whistleblowers, tackling the growing problems associated with SLAPPs and introducing new powers that could help us to seize as well as freeze the assets that the Government control from people they have sanctioned.

I will focus my comments today on two sets of amendments that we in the all-party group are convinced are necessary to ensure that the reforms work and that the appropriate resources are in place to properly fund the reforms. Otherwise, our legislation is in danger of simply gathering dust on the shelves of the Library.

Kevin Hollinrake: I am always interested in what the right hon. Lady has to say. We have shown that we are willing to engage with her suggested amendments, although we perhaps draft them in a different way, and the debate we had in Committee has been useful and fruitful for both sides.

On the question of duties, which my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom) also referred to, I point Members to clause 1. It is very clear that the registrar

“must... seek to promote the following objectives.”

The first is to ensure that documents are delivered to the registrar. The second is to ensure that the documents delivered are accurate. The third is to ensure that those documents do not create a “false or misleading impression”, and the fourth is to minimise the extent to which companies and others carry out unlawful activities. That is a duty—the registrar must do those things—so Members' concerns should be assuaged by that clause.

Dame Margaret Hodge: It is an important clause—I agree with the Minister on that—but equally, if we introduce a duty to ensure that persons with significant control of companies are who they say they are, it will strengthen the Bill. It will not undermine or contradict any of its clauses; it will simply strengthen it. With all my experience in this House as both a Minister and a Back Bencher, I know that if we are not very specific about what we place in legislation, we come back to it in subsequent years and regret that lack of determination. We see that particularly in our attempts to fight economic crime; so many times we think we have achieved something, then we come back and find it has not worked.

I turn to the first set of amendments that we in the all-party parliamentary group think are necessary, many of which have been tabled by the hon. Member for Barrow and Furness. We have tabled several amendments to create new duties on Companies House, rather than giving it powers, the most critical of which is about corporate service providers. If the Minister does not accept that, I predict that we will end up creating another database that is infected with falsehoods and errors, and will simply reinforce in people's minds across the globe the growing acceptance that the UK is the best place to hide and launder dirty money.

4.45 pm

The Government propose that the verification of data of our companies should not be carried out by Companies House staff, but should be outsourced to company service providers and other professionals. I do not entirely agree, but I accept that it is the Government's right to determine that. If those professionals are to be responsible for the utterly crucial tests of verifying the identity of a company's beneficial owner and the legitimacy of the address—all that important stuff—we must have confidence and trust in their honesty and integrity. We must ensure that they are properly supervised and checked and that, where necessary, they are disciplined by their professional organisation and stopped from acting in a professional capacity.

Let us take an honest look at where we are today. About half the companies registered at Companies House are established through trust and company service providers, but the “National risk assessment of money laundering and terrorist financing 2020” says that trust and company service providers present the “highest risk” to the effectiveness of AML regulations. There are too many bad apples among that group of professionals—it is not just a few.

I will talk about the Danske Bank scandal, in which the Minister has consistently expressed great interest and concern. Corrupt trust and company service providers played a key role in enabling massive sums—I have seen figures from £200 billion to £236 billion—to be laundered out of places such as Russia and Azerbaijan into jurisdictions such as the UK, the USA and others.

Peter Dowd: The disease of not listening troubles me. I am not saying that the Government are not listening, but they are not listening enough. On my right hon. Friend's point, there are still thousands of properties in London and across the country that have unknown offshore owners and we do not know where the money comes from. Will the Bill, or its previous incarnations, do anything to resolve that issue? I am not convinced that it will.

Dame Margaret Hodge: My hon. Friend makes an important point, because we legislated last year to create a register of properties that are owned through corporations in foreign jurisdictions, but I understand that Companies House is having real difficulty in establishing it, because it is very difficult for it to assess the real beneficial owners of trusts and companies incorporated somewhere such as the British Virgin Islands. That is why the amendments tabled by the Labour Front Bench to ensure that company service providers are located here so that we have better control and supervision are hugely important.

Last week, as I am sure the Minister saw, Danske Bank agreed to forfeit \$2 billion in the US courts as part of an agreement to resolve the criminal liabilities facing it. On top of that, civil litigation has led to a fine of more than \$400 million and individual employees could yet be charged by the US courts. That is massive. It is worth reflecting on the words used in that court verdict, including that

“Danske Bank, the largest bank in Denmark, deliberately disregarded U.S. law of which it is well aware, facilitated the laundering of criminal and suspicious proceeds through the United States, and placed the U.S. financial network at risk, all in the name of its bottom line.”

The judgment also says that it

“lied and deceived U.S. banks to pump billions of dollars of suspicious and criminal funds through the U.S. financial system... If you want to use the U.S. financial system, you must play by the rules. If you don't, we will hold you accountable.”

Kevin Hollinrake: The right hon. Member is raising a very important case, which she rightly says I have referred to on many occasions, and I welcome that fine. One of the things I know she will be debating tomorrow is corporate criminal liability, which I think would have a profound effect on companies willing to turn a blind eye to that, as Danske Bank did.

May I raise a couple of points about what the right hon. Member said earlier? It is always the Government's position on this Bill that any overseas company service provider needs a UK branch and needs to be regulated by a money laundering supervisor. That is not something we were asked to do, but something we very much wanted to do.

On the point made by the hon. Member for Bootle (Peter Dowd), which the right hon. Member mentioned, about the register of overseas entities, the onus is on the entity itself to register the person who is the enterprise's beneficial owner. If it does not do so—and it has to be done by the end of this month—it cannot sell or lease the property, and there are sanctions available such as fines, or potentially criminal prosecutions can be taken forward. That is the method of making sure we have such information.

Dame Margaret Hodge: On the last point, the Minister is right that such companies cannot sell or lease the property, but I think it is probably almost impossible to verify whether the data they provide is accurate, because it is based on the incorporation of an entity in a foreign jurisdiction. That is the problem, and as I understand it from discussions I have had with those at Companies House, it is a problem it is currently facing.

I think the Minister and I would both wholeheartedly endorse the words of the court in the United States—I hope he would; I am sure he would—but let us start by recognising the truth. UK limited liability partnerships and companies were the preferred vehicle for all those clients, most of whom were not Latvian at all but were called non-resident clients—the Russian kleptocrats, drug smugglers, people smugglers and all those sorts of people—who used the Latvian branch of Danske Bank. It was UK company formation agents who worked closely with that Danske Bank branch in setting up those shell British registered companies.

To give one example in today's context, it was a UK registered company, registered by a UK company service provider that set up Lantana Trade with an address in

Harrow, and that company then set up a bank account in the Latvian branch of Danske Bank. According to the whistleblower in the Danske Bank case, the real beneficial owner of that company, which of course has now been dissolved—surprise, surprise—was Igor Putin, Putin's cousin. The real purpose of setting up that company was to launder money stolen from Russian citizens out of Russia, and our company service providers facilitated that.

We know from an analysis of the FinCEN files submitted to various Committees by the people we have mentioned before—Simon Bowers and Richard Brooks, two very good investigative journalists—that the UK stood out in the FinCEN files as the jurisdiction where there was the largest concentration of companies about which suspicious activity reports had been filed. Over 3,000—3,267—shell companies revealed in the FinCEN files were UK companies. We know that just four of the largest company formation agents in the UK were associated with over half of those 3,267 companies, and they were named in those leaks. We also know that an address in Potters Bar was used by over 1,000 companies featured in that body of leaks. So again, company service providers facilitated the creation of companies that then appeared in that massive FinCEN leak.

My final example comes from a story last week in *The Guardian* and concerns the infamous Mr Usmanov, the Putin ally whose wealth is said to amount to £14 billion—I have seen different figures in different publications. He claims to have divested himself of most of his UK assets before he was sanctioned on 3 March last year, seven days after Russia invaded Ukraine, but ever more evidence is emerging suggesting that while he has created companies and trusts, using our company service providers to do so, with nominee owners, nominee trustees, nominee shareholders, nominee directors, he remains the real beneficial owner and controller of his assets.

This concerns not just his homes—Beechwood house in Highgate, said to be worth over £80 million, or the 16th century Sutton Place estate in Surrey—but his investment in Everton football club, now bottom of the league. He claims to have sold his interest in the club to his friend and long-time colleague Farhad Moshiri. Our professionals helped to structure these transfers of assets; our company service providers were involved. Yet when Everton was interviewing potential managers after 2016—after he claims to have sold his interests, but before he was sanctioned—Usmanov was always there. According to *The Guardian*, one candidate to become Everton manager said Usmanov stated during the interview that he owned the club, and another candidate said Usmanov left him with the impression the club belonged to the tycoon. Even Frank Lampard said that when he attended his interview

“Mr Usmanov was on Zoom call with Mr Moshiri”.

I have chosen just three examples, but there are too many bad apples among our company service providers, the people we are proposing to entrust with providing verified, reliable data for the new Companies House register.

We also know that, as colleagues have mentioned, the current system for supervision is broken. The Treasury commissioned a report that found that 81% of the bodies responsible for the legal and accountancy sectors were not supervising their members effectively on anti money-laundering regulations.

Catherine West: My right hon. Friend is making an excellent speech. Does she agree that the US model is worth looking at? Law enforcement agencies that are successful get a percentage of the proceeds of their success back to recycle to employ more people to do more enforcement. It is a virtuous circle, whereas our rather hands-off approach is perhaps less effective.

Dame Margaret Hodge: My hon. Friend is absolutely right and I will refer to that a little later in my contribution.

There is another report on HMRC's supervision of company service providers. It looked at 672 of the company service providers and only 95—14%—were found to be compliant with checking that AML regulations were enforced by their members. More than half—352—were non-compliant, but only a third of those 352 were ever deemed to be non-compliant and were pursued through the courts; they received an average fine of £8,000.

This litany of ills demonstrates why we need to sort out the supervision of company service providers before we enact the legislation, and that is why our amendments in the name of the hon. Member for Barrow and Furness are so important. We need to be certain that the company service providers have been properly checked and supervised before we let them loose on verifying data for the new register.

The Treasury is already reviewing the supervision mechanism. I saw just recently that consultation on that review will start in the second quarter of 2023. What I am saying to the Minister is: where there is a political will, there is a political way. There is absolutely no reason why the review should not be completed and implemented concurrently with implementation of the legislation contained in the Bill. By putting that in the Bill, we would make certain—with my greatest love for every civil servant in the country—that that gets enacted. If we do not do that, we will end up with another dud register. We are giving him and the Government a pragmatic and practical suggestion that will simply make the Bill work as it is intended.

5 pm

Nigel Mills (Amber Valley) (Con): We have wrestled with a similar issue on tax agents, where it has become clear that people are filing tax returns on behalf of their clients when they are neither competent nor perhaps have the right ethics to hold that power. However, it becomes hard to sort that out once they are existing in the system and filing returns. Does the right hon. Member agree that it would be much better to get only the right people authorised in the first place and that, by doing that up front, we would not have to come back afterwards to try to kick off people who have a heavy investment in carrying on?

Dame Margaret Hodge: The hon. Member makes a valid point, as he always does. That is a parallel argument for ensuring proper supervision and regulation and then checking and disciplining people in a professional capacity so that we get rid of the bad apples right across the piece. I was thinking about lawyers, because I think that only one case has been taken by the Solicitors Regulation Authority against one firm of solicitors on implementation of AML regulation. It is pathetic how little has been done in that context.

I turn briefly to the resourcing of the regulatory enforcement agencies and new clause 20. Our failure properly to resource these agencies is a disgrace. We should all share blame for where we are to date. In the USA, Biden sees economic crime as a security issue. As we now know from Russian activity in relation to the invasion of Ukraine, it is a security issue, and yet, if we look at our records, expenditure in the USA is going up by 31%, whereas here in the UK it has been cut by 4%. That is absolutely crazy. The Americans are much more aggressive and assertive in pursuing economic crime in both the civil and criminal courts. There is the Danske bank case, and there is the HSBC case that involved the Mexican drug cartel—the Minister will know about that. In America, in 2012, HSBC was fined \$1.4 billion. In Britain, by 2021—nine years later—we managed a fine of only £64 million. Let us also look at the case of Standard Chartered—a UK bank. There again, the USA fined it \$842 million. What we did in the UK? A fine of £102 million.

Let us look at the implementation of the Bribery Act 2010—legislation that we all think is working quite well—with a “failure to prevent” duty in it. In the UK, we have seen 99 criminal convictions since its introduction. In America, where there is a similar legislative framework, 236 criminal convictions—more than twice as many—have been completed.

Despite our timid approach to pursuing economic crime, and despite our pathetic response, it still pays to pursue it. In the five years between 2016 and 2021, the enforcement agencies brought in £3.9 billion to Treasury coffers. So it is not just a good thing for all those other arguments we have given; it also helps to support the public finances.

It is pointless passing laws and then failing to agree appropriate funding that would enable the Government to put those laws into practice. Our amendments aim to do just that, at—I stress this fact, which I think the hon. Member for West Worcestershire (Harriett Baldwin) mentioned—no cost to the taxpayer. We are doing it through raising the fees, which do not appear on the public sector borrowing requirement. We are not doing it by demanding any bit of public sector funding towards that cost.

It is absurdly low, whatever Members feel, to pay £12 to set up a company. To put that into context—this is a figure I used in Committee, but I will share it with the House—it costs £1,220 to get a visa for a skilled farm worker. We have just got the priorities completely, crazily wrong. If we look at the cost of incorporating a company across the world, even in those jurisdictions that are not the best, the British Virgin Islands charges £1,000 to set up a company and Jersey charges £425 to set up a company. In America, it varies from \$570 to \$1,400. Luxembourg—not my favourite jurisdiction—charges €1,100. It is only Greece and Slovenia who charge less than the UK.

We propose £100. That is a figure slightly imagined rather than grounded in fact, but it is the figure the Treasury Committee chose and the figure that the House of Lords' Committee on fraud put forward, so we thought it was a better one. I do not accept that it is a barrier to any business, whether it is run by women or men. I just do not accept that argument at all. If you are setting up a business and you do not have £100, you have to question, whatever the nature of the business, the motivations for establishing it.

Liam Byrne: Does my right hon. Friend agree that if the Minister does not agree with new clause 20, he is in effect asking for powers without giving the House any confidence that we can actually summon the resources to implement those powers if we so grant them?

Dame Margaret Hodge: Absolutely. The Minister always assures us that he will be on top of it, but he will not be there forever, much as he might like to be. We therefore have to embed these issues in legislation, otherwise we will never to the position where funding for the enforcement of economic crime will be a priority for a Government of any colour. That is why setting it here is really important. I have to say to the Minister that I just do not believe that the figures are not around. I think that by this stage in the cycle, he will have figures that demonstrate how much is required. If we have more duties, it may go up. That is not a bad thing, because if it goes up it means we will be more effective at policing the system, and therefore preventing and detecting.

Nigel Mills *rose—*

Kevin Hollinrake *rose—*

Dame Margaret Hodge: I will give way to the hon. Member for Amber Valley (Nigel Mills) and then I will give way to the Minister.

Nigel Mills: I am not sure I should pull rank on the Minister, but I am grateful to the right hon. Lady. Does she agree that it is not just the set-up fee we need to get at the right level, but the ongoing annual registration fee? Ensuring companies have the correct records on an ongoing basis is as important as having them on day one. There is probably a lot more money to be raised for Companies House with an annual fee, rather than a one-off at the start.

Dame Margaret Hodge: If that has been proposed, it has not been proposed in the Bill. I am not hostile to that; it is a perfectly good suggestion. At the moment, all we have is a fee which we are trying to tie to inflation so it does not get caught up in annual arguments over priorities in the Budget. However, if there is a proposal, it would have been nice to see it. If there is a proposal to fund it in a different way, that would be great.

Kevin Hollinrake: My hon. Friend the Member for Amber Valley (Nigel Mills) has made absolutely the right point: as I said earlier, there are annual fees as well as incorporation fees, and we should look at both elements.

On the question of specifying a fee in the Bill, as the right hon. Member for Barking (Dame Margaret Hodge) says, we do not even know yet what duties will be required of the registrar, because the Bill has not yet passed through both Houses. The registrar may end up having more duties that will cost more to perform, so it is impossible to say right now what resources she will need. As the right hon. Lady says, we may discover further down the line that more will be required, so why would we set out the fee in the Bill rather than in regulations, where we can vary it more easily?

Dame Margaret Hodge: My simple response to the Minister is to invite him to share with us the current budget estimate for Companies House, if the Bill is

enacted in its present form, and to tell us what that will mean. I just cannot believe that the information is not in the mix somewhere, but the Minister is not choosing to share it with us Back Benchers at this point.

Kevin Hollinrake *indicated dissent.*

Dame Margaret Hodge: Well, an estimate must be available, because we know where we are in the cycle. We know that somewhere or other this is being discussed. If the estimate changes, there is nothing to stop us changing the new clause at a later date.

More importantly, if 100 quid is too much, if the registrar does not need that much, or if the Minister wants to change the law and move from charging a fee on incorporation to charging an annual fee, I can see the logic of that, but presumably he would still have to come back to the House to put that in legislation—

Kevin Hollinrake: In regulations.

Dame Margaret Hodge: Okay. But if the fee is too much, I still suggest that the Minister looks at subsections (5), (6) and (7) of new clause 20. We hope that he will set up an economic crime fund. Any surplus that results from raising the fee to 100 quid could then be well used by the NCA, the Serious Fraud Office or another agency with access to the fund. Our new clause would ensure that the money is ringfenced for use against economic crime, rather than being taken away by the Treasury and used for other purposes.

We also suggest that the Minister comes back to us on the issue of penalties to fund the fight against economic crime. Since 1984, all forfeiture proceeds in the USA have gone to an assets forfeiture fund. Just think what it will do with the \$2 billion it has got out of the Danske Bank criminal settlement! We do not have that system in the UK: at the moment, something like 40% of the current fines and penalties go towards fighting economic crime. That is too little: it should be 100%.

There are precedents. The Information Commissioner has announced a new arrangement with the Department for Digital, Culture, Media and Sport whereby it can retain the money that it accesses through penalties to support its arguments and its work against the big tech companies. The Gambling Commission accepts contributions to compensate victims or payments to charity, rather than imposing a fine: that is another ringfencing hypothecation. Ofwat's penalties levied against Southern Water were used to reimburse customers.

I have spoken for too long, Mr Deputy Speaker, but I have focused on two of the issues that I consider most critical among today's group of amendments. That is not to say that the others do not matter—they do—but these are practical, common-sense proposals that are supported by the all-party group, and I know from conversations with Members that they command wide support across the Chamber. There is no badge of honour for Ministers in the Government if they fail to listen to their Back Benchers.

More importantly, we have to make this reform work. If we ignore these proposals, we will risk consigning much of the reform to the dustbin. The fight against economic crime is utterly vital. We all know that this is a once-in-a-generation opportunity. We know what the problems are, and we know that the solutions are multifaceted and complex. For heaven's sake, let us

[*Dame Margaret Hodge*]

work together and do what we can to make these reforms effective, efficient and fit for purpose. In that spirit, I will wait for the Minister to cheer me up by saying that he will accept these amendments from by Back Benchers of all political parties.

Simon Fell (Barrow and Furness) (Con): I rise to speak to new clauses 17, 18, 19, 101, 102 and 103 in my name, and to support new clause 20 in the name of my friend the right hon. Member for Barking (*Dame Margaret Hodge*). I am grateful to her and to members of the all-party groups on anti-corruption and responsible tax and on fair business banking for their support. I should say that I do not plan to press any of those new clauses to a vote today.

The Bill is the second part of a package designed to prevent the abuse of the UK's corporate structures and to tackle economic crime. It is a good Bill which will go a long way towards achieving its aims, and I certainly welcome the Government new clauses and amendments, but we have to go beyond "good". Those who seek to exploit our open economy and our corporate structures to enrich themselves—whether organised criminal gangs, fraudsters, kleptocrats or even terrorists—are better than "good". They are singularly motivated to find opportunities to enrich themselves and their clients, and to abuse our systems in doing so. They are good at it because it is a profitable endeavour for them, and because it is unfortunately too easy for them to exploit the systems in which we operate.

5.15 pm

Companies House is, of course, one of those systems. Supposedly the first line of defence against the abuse of our corporate structures as vehicles for criminality, it is in reality ill equipped for the scale of the onslaught that it faces. Because those who seek to use our structures against us are so very good at it, we must push back, and we must do so robustly. These new clauses seek to provide the tools to do just that, turning Companies House into a resourced, proactive agent that prevents and detects economic crime.

The University of Portsmouth estimates that economic crime costs the UK economy £350 billion every year. I know that we often have a race to the bottom in this place, but I think I am slightly topping the figure given earlier by the right hon. Member for Barking. In any event, these are not small sums. However, although economic crime represents such a high cost and such a threat to the UK's economic system and our national security, we spend the equivalent of just 0.042% of our GDP on funding core national-level economic crime enforcement bodies, and although it is the single largest crime type in England and Wales, constituting 40% of all crime, less than 1% of law enforcement resource is dedicated to tackling it. We have to change that.

The common-sense fixes proposed in the new clauses are designed to close loopholes in existing legislation and create new obligations for the registrar to verify, proactively and on the basis of a risk-based approach, the accuracy of the data that companies submit. Allied to new clause 20, those new clauses obligate Companies House to perform checks and resource them, as well as providing the wider economic crime-fighting community with the funding that it requires.

New clause 17 requires the registrar to cross-check statements attesting to the identity of the person of significant control against company records in order to verify the status of beneficial owners. That is in line with the latest recommendations from the Financial Action Task Force. The power to reject documents, require information, remove documents or rectify the register is already in the Bill, so the new clause does not require the creation of additional powers; rather, it requires the registrar to use them more proactively. This obligation should come into force only when the registrar determines that there is sufficient risk, according to a risk-based assessment that the registrar must carry out. It is not good enough to verify the ID of the individual purporting to be the company's owner, but not their status as the owner of the company. That leaves in place the risk that frontpeople and nominees will continue to be put forward as the "owners" of companies, despite real control being held elsewhere.

Members may ask why this matters. The Azerbaijani laundromat used a series of UK shell companies to launder more than \$2.9 billion. Those funds were used to silence journalists and buy influence, among other purposes. Of the four companies involved in slushing money, all had one thing in common: the beneficial owners and directors listed were not real. In one instance, more than \$1.7 billion was transferred to a man who was listed as a director, but was a modest driver in Baku and had no idea of the transactions being conducted in his name.

New clause 18 requires any person holding 5% or more of the shares in a public company to disclose their shares, and creates a duty for the registrar to check that a person does indeed hold 5% or more by cross-checking company records on the basis of a risk-based approach. As Duncan Hames of Transparency International said in Committee, when the Bill comes into force there will be a risk that

"shareholder information will become the poor relation on the company register."—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 27 October 2022; c. 91.]

That is of particular concern in circumstances in which companies claim not to have a person of significant control, and shareholder information becomes the next most useful source when it comes to understanding who is really behind some of these businesses.

The lack of transparency over who owns and controls UK-registered companies makes it entirely possible to obfuscate and hide criminally obtained money. The current state of shareholder data in Companies House information about shareholders of UK companies is difficult to access. For most companies, the information is spread over multiple PDF documents spanning several years. This means that there is no single place where we can go to see an up-to-date picture of a company's shareholders, never mind a single place where all companies' shareholders are listed so that we can see the connections between them. Where it can be found, shareholder information is also extremely limited, often with just a name given for either a person or a company. No additional information is required that would clarify who that person is and, unlike with company directors, there is no information on address, month or year of birth, nationality or country of incorporation. This makes it impossible to know with any certainty exactly who the shareholders are.

Shareholder information is also not verified. Neither Companies House nor the third-party agents setting up companies there need to verify that their company's shareholders are who they say they are. This reduces the reliability of shareholder information published by Companies House and in turn the accuracy of Companies House data as a whole. To give an example of why this matters, in September last year, Companies House registered Atlas Integrate Services LLP, which declared a person of significant control whose date of birth showed her to be just two months old at the time. In her two months, she had apparently found the time not only to get started in the business but to get married, as she was listed as "Mrs". Cases such as these make a mockery of Companies House and the notion that the information there is reliable.

New clause 19 creates an obligation for the registrar to examine the accounts of dissolved companies with a view to establishing whether economic crime has been committed, using a risk-based approach. Removing the ability for companies to go bust one day and reappear the next with a very similar name and very similar directors is one of the most important issues in tackling economic crime. This practice—the presence and disappearance of corporate entities—is often referred to as phoenixing, and it is linked to a good deal of fraud, as my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom) so eloquently laid out earlier.

Beyond fraud, dissolution is used by criminals to move dirty money through UK companies and evade investigation by law enforcement. The new clause would ensure that Companies House does effective due diligence to examine accounts to investigate whether fraud has occurred and actively pass information on to the relevant authorities if a company is dissolved. I am a pragmatist and I do not expect Companies House to check the accounts of every single dissolved company. The new clause takes a similarly pragmatic approach to fighting fraud and economic crime. Companies House should use a risk-based approach and investigate only when red flags are raised.

This matters. In the case of the Troika laundromat, billions of dollars flowed into Europe through lightly regulated UK companies with bank accounts in the Baltic region. More than 1,000 limited liability partnerships incorporated at Companies House handled transactions totalling an estimated \$13 billion. Most of the money flowed into the companies via Lithuania's now-defunct Ukio Bank. Several companies connected to the Troika laundromat were found to have abused Companies House processes through the striking-off process or the filing of dormant company accounts.

One UK-based company connected to the scheme was found to have made payments totalling £360 million despite having filed identical accounts each year and declared itself as dormant. Another UK company handled over £150 million-worth of transactions after applying for the company to be struck off. For example, Roberta Transit LLP never filed accounts at Companies House after it was set up in 2007. A year later, the agents who acted as members applied for it to be struck off. The application stated that the LLP had not traded or carried on business in the previous three months. However, the data shows that its bank accounts handled \$36 million-worth of transactions over that period and \$139 million

in the three months after the strike-off application. Stranger Agency LLP was another Ukio customer, dissolved in 2014 but not linked to Troika. It filed identical accounts each year, telling Companies House that it was

"dormant throughout the current year and previous year".

However, the data shows that it made payments totalling €421 million during that same period.

New clause 101 will ensure that corporate service providers are not authorised to carry out ID verification until the consultation on anti-money laundering supervision promised by the Government is completed and implemented. As the right hon. Member for Barking said, a 2021 review of the professional body supervisors responsible for the legal and accountancy sectors found that 81% of them were not supervising their members effectively. Half of the supervisors were found not to be ensuring that their members were taking timely action to improve their anti-money laundering procedures, and a third of the supervisors were found not to have effective separation between their advocacy and regulatory functions, creating a conflict of interest.

These are very real problems that the Government have identified. If we hope to deter, identify and prosecute those who seek to abuse our economic system for their own ends, we must tighten up our AML regime and ensure that those performing ID verification are well equipped to do so. Given the evidence and the Government's assessment of our existing supervisory framework, the consistent thing to do would be to pause any expansion of outsourced IDV checks until supervision improves.

Amendment 102 would establish the risk-based approach used by the registrar to decide when to carry out certain duties, such as the "person with significant control" checks I mentioned earlier.

Amendment 103 builds on amendment 101 by creating an obligation on the registrar to check whether the identity checks carried out by authorised corporate service providers are accurate and valid, based on a risk-based approach. Amendment 103 empowers Companies House to request and review documents for ID checks done by authorised corporate service providers. As I have outlined, ID verification is an essential safeguard that ensures our companies register is accurate and reliable. The amendment is designed to address the loophole introduced by the Bill that will allow authorised corporate service providers to carry out ID verification unchecked.

As it stands, ACSPs will simply have to submit a document saying that a person is who they say they are. No actual proof will need to be submitted to support the accuracy of that statement. Amendment 103 empowers Companies House to check ACSPs' homework, if it determines that a person poses a real risk of money laundering. This is a common-sense solution. I recognise that systematically carrying out IDV checks would be too onerous, so once again it is left to the registrar to determine where the risks are and to use the verification powers on a risk-based approach.

This matters, so tightening up the regime is crucial. I have already mentioned Atlas Integrate Services LLP and its two-month-old company director, but she is not alone. Some 4,000 beneficial owners are listed as being under the age of two, including one who has yet to be born. Although an entrepreneurial toddler can technically be listed as a beneficial owner, it seems impossible that

they could be exercising effective control over a company. That said, my one-year-old seems to have effective control over my family.

In addition, it is worth noting that five beneficial owners control more than 6,000 companies registered at Companies House, raising the question of whether some of them are simply stooges put in place by the real owners. Trust or company service providers pose a particularly high risk of money laundering due to their role in setting up shell companies, but they rarely see fines above £1,000 for such activity. Approximately half the corporate entities in the UK are established through TCSPs, a practice that continues despite 2020's national risk assessment finding that they carry one of the highest risks of money laundering.

It is simply intolerable that people abuse our economy to fund criminality, to give succour to kleptocrats or even to support terrorism. We have the capacity to make it much harder for them to do so. This Bill is an important part of our arsenal, but I return to my opening point: being good simply will not cut it. The people who abuse our economy and our corporate entities have every incentive to continue doing so and to innovate around any tweaks we put in place, which is why we have to use every tool available to tighten this regime to a point where the effort of abusing Companies House is simply not worth it.

My amendments and new clause 20 are a glimpse of the improvements we need to make to get us there. Put simply, these amendments would give Companies House the tools to proactively monitor registrations and to identify and defend against economic crime.

I am grateful to the Minister for his kind and thorough engagement on these issues amendments. I hope he will bring his deep knowledge and pragmatism to those points when the Bill reaches the other place. He was a doughty champion before assuming office, and I am certain he will remain so now that he has a firm grip on the levers of power.

I fear that I have already taken up too much of the House's time, so I will end there.

Liam Byrne: I wholeheartedly agree with the content, sentiment, analysis and explanation that the hon. Member for Barrow and Furness (Simon Fell) gave the House. Like him, and like my right hon. Friend the Member for Barking (Dame Margaret Hodge), I very much welcome the Bill coming to the House and to its Report stage. The Bill is overdue, but it is also underpowered. It is therefore open to improvement, which is why I hope the Minister will be listening so carefully to the debate on these amendments.

5.30 pm

As I have said, the Minister is a very lucky Minister. Very few people in this House can have campaigned on an issue for so long, then been handed their dream job by the Prime Minister and then secured parliamentary time for sweeping legislative reform that puts more power into their hands and those of the agencies for which they are responsible. If that was not good enough, the Minister then has a chorus line of Members of Parliament tipping up to the House to offer not to cut his budget but to increase it, to provide him with the resources he needs to fulfil the ambitions of this job. Let us be clear: there will be no progress on tackling economic

crime unless we give the enforcement agencies more money. Frankly, money is the root of all progress in this area, and at the moment, although Companies House may get new powers from the Bill, it does not get the resources it needs. That is why the changes set out in new clause 20 are so important.

Many right hon. and hon. Members have rehearsed the rationale for the Bill, and I just want to add a couple of words on that. One relates to the autopsy on tackling economic crime that we conducted at the witness stage of this Bill. Secondly, I want to celebrate the Minister for Security, the right hon. Member for Tonbridge and Malling (Tom Tugendhat), who is not in his place, for some of the work he did as Chair of the Foreign Affairs Committee, in order to underline how this is a shared agenda right across the House, supported by hon. Members in all parts of it.

My right hon. Friend the Member for Barking eloquently set out, as she has for some years, the sheer staggering scale of the scandal of economic crime in this country. We have become almost immune to the stories about the Russian laundromat and the Azerbaijan laundromat, but hundreds of billions of pounds being laundered through UK corporate structures is a matter of shame and scandal for this country. Bill Browder, that doughty fighter, said in the public witness sessions that he simply could not believe that he had been campaigning around the world for things such as Magnitsky sanctions for a long time but the real scandal was that here in this country, despite the hundreds of billions laundered out of Russia through this country, there had been only one successful prosecution for money laundering relating to that smuggling of money away from the Russian people. That is an appalling track record of prosecution in this country, and all of us in this House are united in an ambition to fix that.

We then heard from the policing agencies. We heard from the City of London police and from some of our economic crime fighters, who went on the record time and time again to say that they did not have the resources to do the job. So the size of the scandal is well established and a police force that is telling us loud and clear, in public, in this House, that it does not have the resources to do the job. We then heard from representatives of Companies House, in a hearing held in November, on the record, that even though we were only months away from a new financial year, they had not yet submitted their budget requests to the Treasury. The Minister has not told us what those budget requests look like today, even though the next fiscal statement is scheduled for just 50 days' time. So I hope that when the Minister winds up he can give us a degree of reassurance that a budget is ready and ready to go, because, having been a Chief Secretary, I can tell him that if he is not on the front foot in arguing for the budgets he needs, he is going to get taken to the cleaners.

One of the most alarming bits of evidence that we concluded with in the Public Bill Committee sessions came from the independent reviewer of terrorism legislation. He painted for us a realistic scenario that could well have been a storyline from "Gangs of London", whereby economic criminals team up with weapons suppliers to bring serious amounts of weaponry into this country and into the hands of organised criminal groups. The independent reviewer of terrorism legislation was frankly amazed that this has not happened already, but it

underlines how, as my right hon. Friend the Member for Barking said, economic crime is a national security issue and we should be treating it as such.

None of these problems is a secret. The Minister for Security, who is not in his place, did the House a great service as Chair of the Foreign Affairs Committee in overseeing two reports, the last of which was on illicit finance. I want to remind the House of some of the report's conclusions. First, it concluded that

"assets laundered through the UK are financing President Putin's war in Ukraine."

That is how bad the enablers in this country are. Secondly, it said that

"the Government appear to lack a grip on both the enablers of potential sanctions targets and, crucially, their proxies to whom wealth is transferred."

The result was a conclusion from the Foreign Affairs Committee calling on the Government to substantially increase funding and expert resources for key law enforcement agencies.

The report went on to talk about how, as my right hon. Friend the Member for Barking shared with the House, the UK spends a grand total of 0.042% of GDP on tackling economic crime. Money laundering prosecutions are going so well that they have actually dropped by 35% in the last five years. Convictions by the Serious Fraud Office are on a notable downward trajectory. The Atlantic Council, for heaven's sake, has said that the UK is now

"in severe danger of being shown to be a paper tiger"

because our enforcement of the sanctions against economic crime is so weak. The report concluded:

"we repeat the call for a substantial increase in funding and export resourcing for the National Crime Agency, Serious Fraud Office and other responsible agencies."

In that context, two points are important in the basket of new clauses we are debating this afternoon. First, it is essential that Ministers come to the House each year with an assessment of how the Government are doing in policing the sin of economic crime. That cannot simply be constrained to the performance of Companies House. It has to be a report on the economic crime system. The proof of the need for that was given to us by openDemocracy this morning. I am, as are many Members here, enormously grateful to Jim Fitzpatrick for the courage he has shown in bringing together a story that shows that this country is actually providing sanction waivers for warlords. We have given the green light to Putin's chef, Prigozhin, to hire London lawyers to fly to St Petersburg to prepare a case in English courts to silence English journalists.

I have gone through the email traffic that is the background of the story. It includes lawyers, some based in London, debating how to attack Eliot Higgins—not Bellingcat, because the individual is always more vulnerable than the company—and how they are going to make sure the assets are assessed to ensure maximum damage can be done to Bellingcat. We gave the green light for those lawyers to fly to St Petersburg to have that conversation. We gave them a waiver on a sanctions exemption.

The Office of Financial Sanctions Implementation—an agency in the Treasury—is frankly not joined up with the rest of Government or the economic crime system. That is an appalling system failure, which I hope the House will have a chance to debate in some depth over

the days to come. It underlines why we need in this legislation a stipulation, requirement or demand on Ministers to come forward and bring us a comprehensive analysis each year of how the economic crime system is performing and of the new sins for which new laws are required in order to police them.

The second point is on resourcing. We have all heard loud and clear today about how the economic crime system lacks money. I hear and sympathise with the Minister's argument that £100 is not the right figure—that it might need to go up, that it should not be a one-off and that it should be planned annually. I suppose all those arguments would carry more weight with the House this afternoon if we had on the table an analysis of how much the economic policing system actually needs and how the Minister will assemble that money in 50 days' time for the Budget and the beginning of the new financial year.

However, the truth is that we do not have that. We have not had any sign of it, and we have been hunting for it pretty systematically before Report. We are now in January and it is still not there, so the House is right to be pretty alarmed that the money that is needed will not go into economic crime policing over the year to come. The intention of Members of this House is not to force the Minister's hand; it is to empower him in his conversations with the Treasury, which will no doubt be difficult, but in which we hope he will prevail.

Let me conclude with two points, which have stood out for me in the debates that we had in the Bill Committee and today's debate on Report. We are a small, open country with a very big financial services system. Working in that system are millions of people who are honest, work hard, do their best and pay their taxes. Indeed, I was very happy to work in that sector, at Rothschild, for several years before I was elected to this House. But if this country continues to neglect our defences against economic crime, those financial services will go elsewhere. In a very real sense, as Thomas Gresham once put it, bad money will drive out good, and the price will be paid by millions of hard-working people in the financial services sector of this country.

The Minister has campaigned on this issue for so long, and all of us salute him for that work, but he has now signed up to fight this inferno as a Minister, asking to be armed only with water pistols. That is not brave or heroic. That is an approach that is doomed to failure. Even at this late stage, we urge the Minister to change course, because policing on a shoestring is policing that is hamstrung. It is no good having Ministers who are clear-sighted about the risk but half-hearted about the response. When police are too weak, it generally means that criminals are too strong, and the economic criminals who exploit this country have been too strong for too long.

Mr Jonathan Djanogly (Huntingdon) (Con): This is a first-rate piece of legislation, which is both timely and important in the ongoing fight against economic crime. I join many others in the House in saying that it is good to see presenting the Bill a Minister who has long engaged with these issues. There have been many excellent and important contributions during the debate.

Much of the Bill, particularly part 1, develops themes that were debated during the Companies Act 2006. That Act itself was formulated on the basis of many

[Mr Jonathan Djanogly]

years of consultation. It was the right hon. Member for Barking (Dame Margaret Hodge) who took the Bill through the House. I think it was the longest Bill ever—it may still be the longest Act ever. I had the pleasure of being the shadow Department of Trade and Industry Minister at the time. We proceeded on the Bill mainly in a spirit of co-operation, as I recall, so, it is very appropriate that today, some 17 years later, we are not only co-signing amendments to develop this workstream further, but talking almost one after the other, just like old times. Today, once again, the right hon. Lady made a very important contribution. I say “workstream” because this is an area, like so many, where development of the law is required because of changes that have taken place through technology and practice, both of criminals and regulatory gaps or inaction.

For instance, in 2006, paper registers maintained by companies were the norm, particularly for small companies. People simply did not think of identification verification in the way that is now commonly accepted. Therefore, moves in the Bill, for instance to require directors and those delivering documents to have their IDs verified and to provide for registers to be held centrally, are not only better to stop fraud, but more transparent and accessible and, frankly, are now the contemporary norm.

The general mood at the time of the 2006 Act was, I would say, broadly deregulatory, which is fundamentally why the then Conservative Opposition were able to work very well with the then Labour Government on that Act. It must be said that that was well before 42% of all UK crime was fraud related, as it is now. Of course, there will always be a trade-off between absolute ease of doing business and upping levels of regulatory checks, but for the most part this Bill has got it right in improving protections against fraud while measuring the mood of business.

5.45 pm

I would sound a cautionary note that, while this place can create as many new offences as we like, a point other hon. Members have made, if they are not enforced and resourced, nothing will happen. The Companies Act 2006 is packed with criminal offences, most of which have hardly ever been prosecuted—I would wager that many of them have never been prosecuted at all. I heard the Minister read out a list earlier of “must dos” for the role of Companies House, but without management and funding, he should not assume that it is all just going to happen.

Enforcement costs money and lack of resource has historically hindered investigation as much as prosecution. I appreciate and welcome the fact that the Government’s intention to change the role of Companies House from a plain registry to a semi-regulator is being backed up with more money, and I was interested to hear the Minister’s view earlier on new clause 20, which proposes charging a £100 incorporation fee. He was clearly open to reviewing the level of fees based on need.

The Companies Act proposal for a very low fee was to encourage global people to set up companies in the United Kingdom rather than elsewhere. I appreciate that point, but, first, the fee should have kept up with inflation and, secondly, even at £100 it would not constitute a huge sum to set up a company. Also, importantly,

there are no proposals to raise the minimum capital requirements for new companies, which would present a bigger obstacle to new business formation than a reasonable fee—a fee that could go towards enforcement, as my hon. Friend the Member for West Worcestershire (Harriett Baldwin) described.

There is no doubt in my mind that the challenge facing Companies House in terms of culture change with this new legislation is not insignificant and will need some serious managing and monitoring by Ministers. New clause 16, which suggests that the Government publish an annual report on the reforms proposed by this Bill, is a good one. This is for the most part not a Bill of grand designs or massive innovation; it is moving forward on necessary protections in a measured and forensic way.

As the right hon. Member for Birmingham, Hodge Hill (Liam Byrne) said, realistically it is unlikely that the necessary tweaking will end on the day the Bill is enacted, and reviews are therefore a very good idea. Government new clause 15 is welcome recognition of that, although I am not sure why Ministers want to restrict the reports to only parts 1 and 3 of the Bill. I hope that those reports do not simply look at how we can introduce ever tighter checks. The reports should also review how checks can be done with minimum regulation and maximum efficiency to avoid red tape clogging up business. I appreciate that that is easier said than done, and will require ongoing vigilance and full consultation with practice lawyers and other practitioners.

Clause 63, providing for authorisation of corporate service providers, is novel and a significant move from existing company law. However, given the potential for mischief happening with companies being incorporated for illegal reasons, it must be the right way to go. Amendment 103 forces the registrar to carry out risk assessments to establish whether the verification of the ID by the provider

“is likely to give rise to a risk of economic crime.”

I am not sure that the wording of the amendment is perfect, but the principle seems sound if we are to have active enforcement. The idea of having unique identities for people dealing with the register will be a significant help to stopping the very real problem of impersonation and companies being hijacked by imposters. However, getting the system working will require a good push, so I will be interested to hear the Minister’s reaction to amendment 105, which would basically make such a system a duty rather than just something that could be done.

Most of the points that I make today are of what I would call the fine-tuning variety. As I have said, the nature of this worthy Bill means that more fine-tuning will be needed as we go along. An acknowledgment of that from the Minister would be appreciated.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I rise to speak to new clauses 37 and 38. May I start by informally correcting the record? The *Hansard* report of the Committee stage noted that I had said, “The Bill is excellent”, and indeed, the Minister jumped on that—unsurprisingly, given those comments—when he responded to my contribution. Perhaps characteristically, I had mumbled, “The intent of the Bill is excellent.” And it is no doubt excellent in places, but as it stands, it is a good Bill that could be made excellent with further provisions.

The Minister has—certainly from an Opposition point of view—gone through what amounts to an extended honeymoon period, given the acclaim with which he has been addressed by Members from across the Chamber. Like those who are more expert in the general area addressed by the Bill, and its provisions, I absolutely do not doubt the Minister's intent, but in the end, he will be measured by the final Act and its implementation.

I accept that the Government have made a big concession on directorate exceptions, but many of the areas to which Opposition parties sought to draw the Government's attention in Committee remain unchanged or not strong enough—the Minister himself campaigned on some of them just a few weeks prior to the Bill. In the end, 69 pages were added to what is now quite a hefty Bill, but some areas of Companies House policy remain largely unaddressed. The one I will focus on—and the subject of new clause 37—is phoenixing.

The right hon. Member for South Northamptonshire (Dame Andrea Leadsom), who is no longer in her place, described phoenixing for us, so I do not have to. I am sad to see that her amendment 112, which I sponsored, has not made the final agenda, but new clause 37 is, in many ways, wider than her amendment. My hon. Friend the Member for Glasgow Central (Alison Thewliss) made the point about how serious phoenixing is to all our constituents. As laudable and important as the aims of the Bill are, many of the issues that it addresses do not impact day to day on the vast majority of our constituents, whereas issues such as phoenixing do.

As I have said, I accept the laudable intentions behind the Bill, which contains provisions on unique identifiers and so on that would help to block some of the more obvious means of phoenixing—as we discussed when we took oral evidence and throughout our line-by-line scrutiny—but my view, and that of many others, is that we are missing a golden opportunity to fully address phoenixing and tighten up all parts of the regulation relating to Companies House. The genesis of new clauses 37 and 38 is, as I mentioned in Committee, a specific director and company that, unfortunately, harmed hundreds of my constituents and thousands across Scotland and the UK.

New clause 37 would stop those who have burned through multiple limited companies, leaving a trail of destruction in their wake with little or no recourse for the authorities. It would deal with the worst of those culprits by specifying those who are

“subject to winding up procedures under the Insolvency Act 1986 on more than three occasions in the preceding five years”,

so we have gone for the particular egregious end of phoenixing. It would not prevent those who have no nefarious or ill intent but find that their company is unsuccessful, even on more than one occasion. It would not apply automatically to any individual who hits the three winding-ups limit. It would only allow the registrar to act if there were grounds to do so.

Around 10 years ago a company called Home Energy and Lifestyle Management Systems, controlled and operated by a man called Robert Skillen, went door-to-door in my constituency offering solar panels and home insulation as part of the now scrapped UK Government green deal scheme. Hundreds of my constituents and thousands across the UK are still paying the price to the tune of thousands of pounds each. Skillen was able to wind up

HELMS, move on to his latest venture with millions in his back pocket and face no consequences whatsoever for his personal actions. There are thousands of individuals like him with a long track record of extracting maximum value from scams via limited companies and then setting up shop for a new crack at the very same thing, having defrauded thousands of people. Skillen even had the cheek to set up a company to assist those who had been defrauded by his previous company to receive compensation, from which he would receive a cut. It is extraordinary.

That type of individual is currently beyond the reach of the law, so hopefully provisions such as the new clause would assist with that. Mr Skillen was fined £200,000 by the Information Commissioner's Office and £10,500 by the then Department of Energy and Climate Change, but the fact is that he only paid £10,000 of that £200,000 before winding the company up. That led the ICO to lobby the Government to enable it to fine individuals such as Mr Skillen up to half a million pounds. In respect of cases such as Mr Skillen and many others who make sharp practice look easy and do so without any care or remorse, the new clause would act as a deterrent to the manipulation of company registration for personal gain and prevent those who have used multiple company identities for malfeasance or sinister purposes from continuing that pattern of behaviour ad nauseam.

I stress that the point of the new clause is not to prevent those who have genuinely unsuccessful businesses from starting afresh. The registrar should be able to separate those cases from those of people with evil intent. Companies House already has the ability to disqualify directors, and the new clause would simply allow it to consider slightly wider grounds on which such a disqualification could rest. It would help put an end to the cases that every Member of this House will no doubt have encountered in their constituencies of companies taking payment for goods and services, shutting up shop with the cash pocketed and popping up again under a different name, but carrying out exactly the same work.

As it stands, there is no prohibition on being a director of a new company while another director is subject to insolvency procedures, as far as I am aware, unless the Minister can tell us differently. I have looked through the Bill and there are no provisions within the current Bill that would change that situation. In Committee, the Minister said, in responding to the new clause we were discussing at the time, that he was

“keen to look at not just phoenixing but other types of situation where people deliberately take risks like that that have devastating consequences for consumers and businesses in our constituencies.”—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 29 November 2022; c. 601.]

Moreover, he said:

“There is a wider issue...Certainly, a piece of work is needed to look at this in detail.”—[*Official Report, Economic Crime and Corporate Transparency Public Bill Committee*, 29 November 2022; c. 602.]

Can he tell us what work that is? When might it be brought forward? If it is not dealt with in the Economic Crime and Corporate Transparency Bill, then where? I hope that Members in the other place will give phoenixing the attention that it demands.

Alison Thewliss: My hon. Friend is making a good case on the impact of phoenixing on individuals and our constituents. Is he aware also of cases where companies

[*Alison Thewliss*]

have employed subcontractors, they have done all the work and then the company goes bust before they have been paid? Does he agree that it is important that the Bill tackles that kind of practice, too, which can put those subcontractors at risk of going bust?

Gavin Newlands: I absolutely agree with my hon. Friend. Subcontractors also come to us with these issues. As well as the customer or consumer, there are currently no protections for those subcontractors at the end of the day. New clause 37 would go some way to addressing that.

I will deal with new clause 38 in short order. It proposes to turn off the tap of public funding to those who have failed to discharge their duties to their company's staff under the Companies Act 2006. I mentioned Mr Skillen; a local constituent got in touch to tell me that he is back in business. The company that he is currently a director of is in receipt of public funds. Mr Skillen is a director of four limited companies, each one coming after winding up a firm. Those companies are interlinked via control and ownership structures. Through that, Government loan funding was applied for and granted just before Mr Skillen became a director and owner of a large chunk of the new enterprise.

6 pm

New clause 38 would simply prevent those who have failed to discharge their duties from receiving public money or support for any company for which they are listed as a director. Mr Skillen's modus operandi was to misuse and mis-sell under the Government's green deal scheme. He has popped up in a company benefiting from taxpayer funding that is also involved in energy business. It is simply not good enough that policy interventions intended to promote a wider economic strategy, be it local or national, are manipulated and used by spivs who are able to hide behind company registration and face no barriers to their actions from the registrar, short of the nuclear option of being barred from acting as a director.

We have seen a number of cases, the most high profile being P&O, in relation to which Mr Hebblethwaite told a joint sitting of Select Committees of this House that he broke the law and would do it again. British Airways breached its duties as employers and breached employment law—its chief executive happily admitted to breaking the law. Such blatant and open law breaking cannot be rewarded with taxpayer support. The new clause will ensure that those breaching laws that are meant to protect workers cannot then dip into the same workers' pockets for financial support. That would not impact on workers because, despite the answer the Minister gave in Committee, any such funding such as the furlough scheme would not be affected by the new clause.

Kevin Hollinrake: It is always a pleasure to follow the hon. Member for Paisley and Renfrewshire North (Gavin Newlands), who referenced many of our debates in Committee. I thank hon. Members on both sides of the House for their kind words about my role in the Department and in taking forward this legislation. Let me first say that any reports of the death of my ambition in this area have been greatly exaggerated.

I will aim to respond to as many points as possible in the time allocated by my hon. Friends the Whips. Today we have seen broad agreement across the House on the importance of accountability to Parliament on the implementation of the reforms. I thank the hon. Member for Feltham and Heston (Seema Malhotra) for new clause 16 on this topic, and for her work in Committee. As she might understand, I feel that the new clause would duplicate the Government's new clause 15, which would require the Government to produce for Parliament an annual report on the implementation operations of parts 1 to 3 until 2030.

I believe that the Government's amendment is broader and capable of providing more information to assist parliamentary scrutiny. I welcome the suggestion in some areas of reporting that may be of interest. However, I do not believe that setting a prescriptive list of those in advance is the best way of achieving our intent. I fully subscribe to the view that no one goes to work to do a bad job, and I have every confidence that the registrar, given the requirements on her to oversee the integrity and accuracy of the register, will do that well and will ensure that those measures are reported to Parliament. I therefore respectfully ask the hon. Lady for Feltham and Heston not to press her amendment.

Seema Malhotra: I thank the Minister for giving way. Would he commit to a meeting with the right hon. Member for Barking (Dame Margaret Hodge) and me on this issue? It is not the case that my new clause duplicates the Government's new clause. The new clauses are very complimentary and there is more to be done to make sure that we get this right.

Kevin Hollinrake: I am always happy to have a meeting with the hon. Lady—we met only last week to discuss her amendments and the Government amendments. Some of the things in her new clause are already reported to Parliament, such as the number of businesses struck off the register. It is important that we do not duplicate in this legislation things that are already being done, but I am always happy to have a meeting with her.

Seema Malhotra: The Minister has made the point today and in Committee about this data being collected and reported elsewhere, but that should make it easier to have a more comprehensive report, so that all the information on economic crime is in one place. Perhaps that is something we can pick up in the meeting that he has kindly agreed to.

Kevin Hollinrake: I am happy to have a meeting with the hon. Lady to discuss the different things that she thinks should be reported. Clearly, the annual report should be comprehensive and cover many of the matters that she raises.

Much has been made about creating duties and obligations for Companies House. As my hon. Friend the Member for Huntingdon (Mr Djanogly) said, we should not assume that these things will happen by right. Oversight by Ministers, Parliament, public and press is needed to ensure that these measures are properly implemented. Companies House is an Executive agency of my Department, and I can commit that it will be obliged by the Government to deliver on the policy intent and resourced to do so, which I will talk about in a second. Government new clause 15 is not just about process; it will ensure that Parliament is provided with

reassurance on the further work that will be required after Royal Assent, such as the laying of secondary legislation or the development of IT.

Alison Thewliss: The Minister talks about the need for secondary legislation. Does he have an idea of the timescale for that coming before the House, so that we know how long it will be before things actually happen?

Kevin Hollinrake: I cannot give a fixed timescale for the regulations, but clearly the quicker we get the Bill to Royal Assent, the better. I am sure that the hon. Lady will assist with that; she has been very co-operative in the past, despite the lengthy debates we have had about various matters.

The Opposition's new clause 16 would require the report to set out the number of fines issued by the registrar. Companies House not only already does that but goes much further, publishing annual data on the fines issued by the registrar broken down by type of company. For example, in the last financial year, 171 penalties of £1,500 were issued to companies registered in England and Wales for filing their accounts up to three months late.

I can reassure Members that it is the Government's policy to issue unique identifiers to all individuals who will be required to verify their identity. That includes new and existing directors of companies, as well as anyone filing information with Companies House. These unique identifiers will mean that Companies House can link an individual's verified identity across multiple data points, roles and company associations, to enable users of the register to search for an individual and find all relevant records.

Alison Thewliss: I made the point earlier about my name appearing in three places on the register, with three different addresses where I have lived at different points of my life. How will Companies House tell me that my entries have been consolidated, and how will it contact me?

Kevin Hollinrake: As the hon. Lady knows, the unique identifier will not be public, because we think that could increase the chances of fraud. It is already possible to search the Companies House database to a certain extent; for example, if she searches my name, my previous directorships all link together. We intend to improve the database by linking the hon. Lady's name, year and month of birth, address and any other companies she may be associated with. That will link those records, to give a holistic overview of her company associations.

Seema Malhotra: Of course, the Minister will not want accounts to be inadvertently linked where there may be two people with the same name and, possibly, date of birth. Has he had any discussions with Companies House about writing to current directors to ask them to confirm whether they are on the register with any past addresses, to speed up the linking with the unique ID at the back end?

Kevin Hollinrake: That is an operational matter for Companies House; it is not for me as the Minister. The registrar clearly has a responsibility to ensure the integrity of the database, and how she seeks to do that will be up to her.

Amendment 101 is clearly key. The Government are committed to ensuring that the checks carried out by ACSPs are robust. ACSPs will be required to carry out checks to at least the same standard as the registrar, who will be able to query any suspicious information. The registrar will establish a robust scrutiny process with AML supervisors for onboarding ACSPs. If necessary, she can suspend or de-authorise an ACSP to exclude it from forming companies. The vast majority of accountants, lawyers and other agents who make filings on behalf of companies operate to high standards. It would be disproportionate to block them all from making such filings while the Treasury works through the reform of the supervisory regime—something that we all clearly want it to get right.

New clause 34 requires the Government to report on the number of foreign corporate service providers that have been registered at Companies House. Clause 63 gives the Secretary of State the power to permit the authorisation of foreign corporate service providers subject to equivalent AML regimes abroad. That is obviously in the context of a potential trade deal that is not currently on the table.

On amendment 104, tabled by the hon. Member for Feltham and Heston, I cannot agree with this fifth objective for the registrar. The Bill already places a legal duty on the registrar to seek to promote the objectives, which inherently demands proactivity. Tentative use of her powers would result in the registrar being in danger of failing to satisfy the duty.

On the accuracy of existing data, I thank the hon. Member for Glasgow Central (Alison Thewliss), whose new clause 36 would have the registrar ensure the accuracy and veracity of all register information prior to the commencement of the Bill's reforms. Clearly, that constitutes many millions of pieces of information, with many thousands being added every day—the analogy of painting the Forth bridge springs to mind. If we were to do what she asks and the registrar were to fulfil the requirements of the new clause, it is unlikely that the beneficial reforms of the Bill would ever be realised, because of the duty it would place on the registrar.

Dame Margaret Hodge: Will the Minister give way?

Kevin Hollinrake: I have been told that I need to make progress, but I thank the right hon. Lady—my former partner in fighting economic crime—for her amendment on Companies House fees, which is clearly key. It is critical that the registrar is sufficiently funded to carry out her duties.

The right hon. Member for Birmingham, Hodge Hill (Liam Byrne) is wrong to say that the Bill does not provide extra resources to Companies House to implement the measures, because clause 90 sets out exactly what areas will be taken into account when fees are set. The Bill gives the Government more flexibility to increase the fees and charges by broadening the range of functions that can be funded through those fees. The Government are reviewing funding arrangements in the context of the reforms and are committed to ensuring that Companies House is fully resourced to perform its new role and functions. As I said earlier, Companies House levies a range of fees, not just the up-front charge on incorporation, and I confirm that we are exploring a range of options about how fees will evolve.

[Kevin Hollinrake]

New clause 22, on the national minimum wage, tabled by the hon. Member for Feltham and Heston, seeks to ban those convicted under the National Minimum Wage Act 1998 from being appointed as directors. The national minimum wage enforcement team at HMRC, whose resources have been doubled over the last six years, as have the penalties for non-compliance, already refers appropriate cases to the Insolvency Service, which, as part of its normal remit, considers director disqualifications where appropriate. Indeed, three people were disqualified in 2021 for such transgressions.

I thank my hon. Friend the Member for Barrow and Furness (Simon Fell) for his new clause 18, which would require a person who controls more than 5% of the shares in a public company to disclose that information to the registrar. I very much note his concerns about shareholder transparency. However, we must balance transparency concerns and the benefits of having additional information against imposing undue burdens on businesses.

6.15 pm

Dame Margaret Hodge: Will the Minister give way?

Kevin Hollinrake: Very briefly, and just to the right hon. Lady.

Dame Margaret Hodge: Will the Minister accept any of the amendments or new clauses brought forward by Back Benchers today?

Kevin Hollinrake: As the right hon. Lady knows, new clause 15, which we tabled today, is based on some of the debate we had and the ideas she brought forward in Committee. So I say to her that she should keep bringing forward the ideas, and we will certainly consider them.

The Companies Act already requires traded companies to maintain up-to-date lists of their shareholders and report any changes in shareholders above 5% on an annual basis.

New clause 37—and indeed amendment 112—on phoenixing, which was debated by the hon. Member for Paisley and Renfrewshire North (Gavin Newlands), requires the registrar to block the registration of companies that share common characteristics with more than three companies wound up in the preceding five-year period. Successive companies being wound up in this manner is known as phoenixing. We feel there are provisions that will be implemented through this Bill that will provide safeguards against such behaviour. Suitable coverage is already provided by the existing rules, and there are new powers in the Bill that give the registrar of companies a power to compel people to provide information in the context of the examination of information on the register, and to interrogate and share that data with other authorities.

Gavin Newlands: Will the Minister give way briefly?

Kevin Hollinrake: I am sorry, but I must conclude. I do apologise.

To conclude there, I thank all the Members who have spoken in today's debate for their insights, and I am sorry if I have not spoken to their points directly. I call on the House to support the Government amendments, and I hope that the explanations I have given provide

reassurance that their amendments are not needed to make the Bill and the implementation of the reforms effective.

Question put and agreed to.

New clause 8 accordingly read a Second time, and added to the Bill.

New Clause 9

DISQUALIFICATION ON SUMMARY CONVICTION: GB

“(1) Section 5 of the Company Directors Disqualification Act 1986 (disqualification on summary conviction) is amended as follows.

(2) In subsection (1), for the words from ‘provision of the companies legislation’ to ‘the registrar of companies’ substitute ‘of the relevant provisions of the companies legislation’.

(3) For subsection (3) substitute—

‘(3) Those circumstances are that, during the 5 years ending with the date of the conviction, there have been no fewer than 3 relevant findings of guilt in relation to the person.

(3A) For these purposes, there is a relevant finding of guilt in relation to the person if —

- (a) the person is convicted of an offence counting for the purposes of this section (including the offence of which the person is convicted as mentioned in subsection (2) and any other offence of which the person is convicted on the same occasion),
- (b) a financial penalty of the kind mentioned in section 3(3)(aa) is imposed on the person, or
- (c) a default order within the meaning of section 3(3)(b) is made against the person.’

(4) In subsection (4), omit paragraph (b) and the ‘and’ before it.

(5) For subsection (4A) substitute—

‘(4A) In this section “relevant provisions of the companies legislation” has the meaning given by section 3(3B).’—(Kevin Hollinrake.)

This new clause replicates the effect of the amendments made by clauses 41(3) and 102(3) (which are left out by Amendments 7 and 15). The restructuring of the material is in consequence of NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 10

DISQUALIFICATION FOR PERSISTENT BREACHES OF COMPANIES LEGISLATION: NI

“(1) The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) is amended as follows.

(2) In Article 6 (disqualification for persistent breaches of companies legislation)—

(a) in paragraph (1), for the words from ‘provisions of the companies legislation’ to the end substitute ‘relevant provisions of the companies legislation (see paragraph (3ZA))’;

(b) in paragraph (2), for ‘such provisions as are mentioned in paragraph (1)’ substitute ‘relevant provisions of the companies legislation’;

(c) in paragraph (3), after sub-paragraph (a) (but before the ‘or’ at the end of that sub-paragraph) insert—

‘(aa) a financial penalty is imposed on the person by the registrar in respect of such an offence by virtue of regulations under—

section 1132A of the Companies Act 2006, or

section 39 of the Economic Crime (Transparency and Enforcement) Act 2022;’

(d) after paragraph (3) insert—

‘(3ZA) In this Article “relevant provisions of the companies legislation” means—

- (a) any provision of the companies legislation requiring any return, account or other document to be filed with, delivered or sent, or notice of any matter to be given, to the registrar,
- (b) sections 167M and 167N of the Companies Act 2006 (prohibitions on acting as director where identity not verified or where there has been a failure to notify a directorship), and
- (c) sections 790LM and 790LN of the Companies Act 2006 (persons with significant control: ongoing duties in relation to identity verification).’;

(e) for paragraph (3A) substitute—

‘(3A) In this Article “the companies legislation” means—

- (a) the Companies Acts,
- (b) Parts 1A to 7 of the Insolvency (Northern Ireland) Order 1989 (company insolvency and winding up), and
- (c) Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 (registration of overseas entities).’

(3) In Article 25A (application of Order to registered societies), in paragraph (2)(c), for ‘Articles 6(1) and 8(1)’ substitute ‘Article 6(3ZA)(a)’.

(4) In Article 25B (application of Order to credit unions), in paragraph (3)(b), for ‘Articles 6(1) and 8(1) references’ substitute ‘Article 6(3ZA)(a) the reference.’—(Kevin Hollinrake.)

This new clause replicates the effect of the amendments made by clauses 42(2) and 103(2) (which are left out by Amendments 8 and 16) and contains changes to ensure that a person can be disqualified for breaches of obligations under Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 etc.

Brought up, read the First and Second time, and added to the Bill.

New Clause 11

DISQUALIFICATION ON SUMMARY CONVICTION: NI

“(1) Article 8 of the Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) (disqualification on summary conviction) is amended as follows.

(2) In paragraph (1), for the words from ‘provision of the companies legislation’ to ‘the registrar’ substitute ‘of the relevant provisions of the companies legislation’.

(3) For paragraph (3) substitute—

‘(3) Those circumstances are that, during the 5 years ending with the date of the conviction, there have been no fewer than 3 relevant findings of guilt in relation to the person.

(3A) For these purposes, there is a relevant finding of guilt in relation to the person if —

- (a) the person is convicted of an offence counting for the purposes of this Article (including the offence of which the person is convicted as mentioned in paragraph (2) and any other offence of which the person is convicted on the same occasion),
- (b) a financial penalty of the kind mentioned in Article 6(3)(aa) is imposed on the person, or
- (c) a default order within the meaning of Article 6(3)(b) is made against the person.’

(4) Omit paragraph (4).

(5) For paragraph (4A) substitute—

‘(4A) In this Article “relevant provisions of the companies legislation” has the meaning given by Article 6(3ZA).’—(Kevin Hollinrake.)

This new clause replicates the effect of the amendments made by clauses 42(3) and 103(3) (which are left out by Amendments 8 and 16). The restructuring of the material is in consequence of NC10.

Brought up, read the First and Second time, and added to the Bill.

New Clause 12

A LIMITED PARTNERSHIP’S REGISTERED OFFICE: CONSEQUENTIAL AMENDMENTS

“(1) Regulation 2 of the Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773) (interpretation) is amended as follows.

(2) In paragraph (1)—

- (a) at the end of paragraph (a) of the definition of ‘EEA AIF’ insert ‘(but see paragraph (1A) if the AIF is a limited partnership)’;
- (b) at the end of the definition of ‘Gibraltar AIF’ insert ‘(but see paragraph (1A) if the AIF is a limited partnership)’;
- (c) at the end of paragraph (b) of the definition of ‘UK AIF’ insert ‘(but see paragraph (1A) if the AIF is a limited partnership)’;

(d) at the appropriate places insert—

“‘established’: a reference to the place where an AIF is established (however expressed) is, in relation to an AIF that is a limited partnership, a reference to—

- (a) the country in which the AIF is authorised or registered, or
- (b) if the AIF is not authorised or registered, the country in which it has its principal place of business;’;

“‘limited partnership’ means a limited partnership registered under the Limited Partnerships Act 1907;’.

(3) After paragraph (1) insert—

‘(1A) In the application of the definition of “EEA AIF”, “Gibraltar AIF” and “UK AIF” to an AIF that is a limited partnership, a reference to the AIF’s registered office is to be read as a reference to its principal place of business.’—(Kevin Hollinrake.)

This new clause would mean that whether or not a limited partnership is an EEA AIF, Gibraltar AIF, UK AIF or established in the UK does not change solely because it complies with the new requirement introduced by clause 112 of the Bill to have a registered office in the UK.

Brought up, read the First and Second time, and added to the Bill.

New Clause 13

REMOVAL OF LIMITED PARTNERSHIP FROM INDEX OF NAMES

“After section 26 of the Limited Partnerships Act 1907 (inserted by section 138 of this Act) insert—

‘26A Removal of limited partnership from index of names

(1) The registrar must remove a limited partnership from the index of names as soon as reasonably practicable if the registrar—

- (a) becomes aware that the limited partnership is dissolved (whether on the receipt of a notice under section 18, the publication of a dissolution notice under section 19(6) or otherwise), or
- (b) publishes a deregistration notice under section 26 in respect of the limited partnership.

(2) If the registrar removes a limited partnership from the index of names, the registrar must include a note in the register of limited partnerships stating either—

- (a) that the limited partnership has been removed from the index of names because of its dissolution, or

- (b) that the limited partnership has been removed from the index of names because of its deregistration under section 26.
- (3) The registrar must also publish a notice of the removal in the Gazette if the limited partnership is removed from the index of names other than following the publication of a dissolution notice under section 19 or a deregistration notice under section 26.
- (4) Notes included in the register of limited partnerships in accordance with subsection (2) are part of the register of limited partnerships.
- (5) A note may be removed if it no longer serves any useful purpose.
- (6) In this section “the index of names” means the index kept by the registrar under section 1099 of the Companies Act 2006.”—(Kevin Hollinrake.)

This new clause requires the registrar to remove a limited partnership from the index of names as soon as practicable following dissolution or deregistration. The registrar must place a note in the register when a limited partnership is so removed and publish a notice in the Gazette in certain circumstances.

Brought up, read the First and Second time, and added to the Bill.

New Clause 15

REPORTS ON THE IMPLEMENTATION AND OPERATION OF PARTS 1 TO 3

“(1) The Secretary of State must—

- (a) prepare reports on the implementation and operation of Parts 1 to 3, and
- (b) lay a copy of each report before Parliament.

(2) The first report must be laid within the period of 6 months beginning with the day on which this Act is passed.

(3) Each subsequent report must be laid within the period of 12 months beginning with the day on which the previous report was laid.

(4) But the duty to prepare and lay reports under subsection (1) ceases with the laying of the first report on or after 1 January 2030.”—(Kevin Hollinrake.)

This new clause imposes a duty on the Secretary of State to prepare and lay before Parliament reports about the implementation and operation of Parts 1 to 3.

Brought up, read the First and Second time, and added to the Bill.

New Clause 22

PERSON CONVICTED UNDER NATIONAL MINIMUM WAGE ACT NOT TO BE APPOINTED AS DIRECTOR

“(1) The Company Directors Disqualification Act 1986 is amended as follows.

(2) After Clause 5A (Disqualification for certain convictions abroad) insert—

“5B Person convicted under National Minimum Wage Act not to be appointed as director

(1) A person may not be appointed a director of a company if the person is convicted of a criminal offence under section 31 of the National Minimum Wage Act 1998 on or after the day on which section 32(2) of the Economic Crime and Corporate Transparency Act 2022 comes fully into force.

(2) It is an offence for such a person to act as director of a company or directly or indirectly to take part in or be concerned in the promotion, formation or management of a company, without the leave of the High Court.

(3) An appointment made in contravention of this section is void.”—(Seema Malhotra.)

This new clause would disqualify any individual convicted of an offence for a serious breach of the National Minimum Wage Act 1998, such as a deliberate refusal to pay National Minimum Wage, from serving as a company director.

Brought up, and read the First time.

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

The House divided: Ayes 232, Noes 296.

Division No. 151]

[6.20 pm

AYES

Abbott, rh Ms Diane (Proxy vote cast by Chris Elmore)	Doogan, Dave
Abrahams, Debbie	Dorans, Allan (Proxy vote cast by Brendan O'Hara)
Ali, Rushanara	Doughty, Stephen
Ali, Tahir	Dowd, Peter
Allin-Khan, Dr Rosena	Eagle, Maria
Amesbury, Mike	Eastwood, Colum
Anderson, Fleur	Edwards, Jonathan
Ashworth, rh Jonathan	Efford, Clive
Barker, Paula	Elmore, Chris
Beckett, rh Margaret	Eshalomi, Florence
Begum, Apsana	Evans, Chris
Benn, rh Hilary	Farron, Tim
Betts, Mr Clive	Farry, Stephen
Black, Mhairi	Fellows, Marion
Blackford, rh Ian	Ferrier, Margaret
Blackman, Kirsty	Flynn, Stephen
Blake, Olivia	Foord, Richard
Bonnar, Steven	Fovargue, Yvonne
Bradshaw, rh Mr Ben	Foxcroft, Vicky
Brennan, Kevin	Foy, Mary Kelly
Brock, Deidre	Furniss, Gill
Brown, Alan	Gardiner, Barry
Brown, Ms Lyn	Gibson, Patricia
Brown, rh Mr Nicholas	Gill, Preet Kaur
Bryant, Sir Chris	Glindon, Mary
Buck, Ms Karen	Grady, Patrick
Burgon, Richard	Grant, Peter
Butler, Dawn	Green, Sarah
Byrne, rh Liam	Greenwood, Lilian
Cadbury, Ruth	Griffith, Dame Nia
Callaghan, Amy (Proxy vote cast by Brendan O'Hara)	Gwynne, Andrew
Cameron, Dr Lisa	Haigh, Louise
Campbell, rh Sir Alan	Hamilton, Fabian
Campbell, Mr Gregory	Hamilton, Mrs Paulette
Carmichael, rh Mr Alistair	Hanna, Claire
Champion, Sarah	Hardy, Emma
Chapman, Douglas	Harman, rh Ms Harriet
Charalambous, Bambos	Harris, Carolyn
Cherry, Joanna	Hayes, Helen
Cooper, Daisy	Healey, rh John
Cooper, rh Yvette	Hendrick, Sir Mark
Cowan, Ronnie	Hendry, Drew
Coyle, Neil	Hillier, Dame Meg
Crawley, Angela	Hobhouse, Wera
Creasy, Stella	Hodge, rh Dame Margaret
Cruddas, Jon	Hodgson, Mrs Sharon
Cryer, John	Hollern, Kate
Cummins, Judith	Hopkins, Rachel
Cunningham, Alex	Hosie, rh Stewart
Daby, Janet	Huq, Dr Rupa
David, Wayne	Hussain, Imran
Davies-Jones, Alex	Jardine, Christine
Day, Martyn	Jarvis, Dan
Debbonaire, Thangam	Johnson, rh Dame Diana
Dhesi, Mr Tanmanjeet Singh	Johnson, Kim
Dixon, Samantha	Jones, Darren
Docherty-Hughes, Martin	Jones, Sarah
Dodds, Anneliese	Keeley, Barbara
Donaldson, rh Sir Jeffrey M.	Kendall, Liz
	Khan, Afzal

Kinnock, Stephen
 Kyle, Peter
 Lake, Ben
 Lammy, rh Mr David
 Law, Chris
 Leadbeater, Kim
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lightwood, Simon
 Linden, David
 Lloyd, Tony (*Proxy vote cast
by Navendu Mishra*)
 Lockhart, Carla
 Long Bailey, Rebecca
 Lucas, Caroline
 Lynch, Holly
 MacAskill, Kenny
 MacNeil, Angus Brendan
 Madders, Justin
 Mahmood, Mr Khalid
 Malhotra, Seema
 Maskell, Rachael
 Mc Nally, John
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McKinnell, Catherine
 McLaughlin, Anne
 McMahon, Jim
 Mearns, Ian
 Mishra, Navendu
 Monaghan, Carol
 Moran, Layla
 Morden, Jessica
 Morgan, Helen
 Morgan, Stephen
 Morris, Grahame
 Murray, Ian
 Murray, James
 Newlands, Gavin
 Nichols, Charlotte
 Nicolson, John (*Proxy vote
cast by Brendan O'Hara*)
 Norris, Alex
 O'Hara, Brendan
 Olney, Sarah
 Onwurah, Chi
 Oppong-Asare, Abena
 Osborne, Kate
 Oswald, Kirsten
 Owatemi, Taiwo
 Owen, Sarah
 Peacock, Stephanie
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess

Phillipson, Bridget
 Powell, Lucy
 Qaisar, Ms Anum
 Qureshi, Yasmin
 Rees, Christina
 Reeves, Ellie
 Reeves, rh Rachel
 Reynolds, Jonathan
 Rimmer, Ms Marie
 Robinson, Gavin
 Rodda, Matt
 Saville Roberts, rh Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Siddiq, Tulip
 Slaught, Andy
 Smith, Alyn
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh John
 Stevens, Jo
 Stringer, Graham
 Sultana, Zarah
 Tami, rh Mark
 Tarry, Sam
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, rh Nick
 Thompson, Owen
 Thomson, Richard
 Thornberry, rh Emily
 Timms, rh Sir Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twist, Liz
 Vaz, rh Valerie
 Webbe, Claudia
 West, Catherine
 Western, Andrew
 Western, Matt
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Whitley, Mick
 Williams, Hywel
 Wilson, Munira
 Wilson, rh Sammy
 Winter, Beth
 Wishart, Pete
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Ayes:
 Gerald Jones and
 Colleen Fletcher

NOES

Adams, rh Nigel
 Afolami, Bim
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Ansell, Caroline
 Argar, rh Edward
 Atherton, Sarah
 Atkins, Victoria
 Bacon, Gareth
 Badenoch, rh Kemi
 Bailey, Shaun
 Baillie, Siobhan
 Baker, Mr Steve
 Baldwin, Harriett

Barclay, rh Steve
 Baynes, Simon
 Bell, Aaron
 Beresford, Sir Paul
 Berry, rh Sir Jake
 Bhatti, Saqib
 Blackman, Bob
 Blunt, Crispin
 Bottomley, Sir Peter
 Bradley, Ben
 Brady, Sir Graham
 Braverman, rh Suella
 Brereton, Jack
 Bridgen, Andrew
 Brine, Steve
 Bristow, Paul
 Britcliffe, Sara
 Browne, Anthony
 Bruce, Fiona
 Buchan, Felicity
 Buckland, rh Sir Robert
 Burghart, Alex
 Burns, rh Conor
 Butler, Rob
 Cairns, rh Alun
 Carter, Andy
 Cartlidge, James
 Cash, Sir William
 Cates, Miriam
 Caulfield, Maria
 Chishti, Rehman
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Mr Simon
 Clarke, Theo (*Proxy vote cast
by Mr Marcus Jones*)
 Clarke-Smith, Brendan
 Clarkson, Chris
 Clifton-Brown, Sir Geoffrey
 Coffey, rh Dr Thérèse
 Colburn, Elliot
 Collins, Damian
 Costa, Alberto
 Courts, Robert
 Coutinho, Claire
 Cox, rh Sir Geoffrey
 Crabb, rh Stephen
 Crosbie, Virginia
 Crouch, Tracey
 Davies, rh David T. C.
 Davies, Gareth
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davison, Dehenna
 Dinage, Dame Caroline
 Djanogly, Mr Jonathan
 Donelan, rh Michelle
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, Sir James
 Duguid, David
 Duncan Smith, rh Sir Iain
 Eastwood, Mark
 Edwards, Ruth
 Ellis, rh Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Eustice, rh George
 Evans, Dr Luke
 Evennett, rh Sir David
 Fabricant, Michael
 Farris, Laura
 Fell, Simon
 Firth, Anna
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George
 Freer, Mike
 French, Mr Louie
 Fuller, Richard
 Fysh, Mr Marcus
 Garner, Mark
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Girvan, Paul
 Glen, rh John
 Goodwill, rh Sir Robert
 Graham, Richard
 Gray, James
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Grundy, James
 Gullis, Jonathan
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Harrison, Trudy
 Hart, rh Simon
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Heapey, rh James
 Henry, Darren
 Hinds, rh Damian
 Hoare, Simon
 Holden, Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, Paul
 Huddleston, Nigel
 Hughes, Dr Neil
 Hughes, Eddie
 Hunt, Jane
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sajid
 Jayawardena, rh Mr Ranil
 Jenkin, Sir Bernard
 Jenkinson, Mark
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, Fay
 Jones, Mr Marcus
 Jupp, Simon
 Kawczynski, Daniel
 Kearns, Alicia
 Keegan, rh Gillian

Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Kwarteng, rh Kwasi
Lamont, John
Leadsom, rh Dame Andrea
Levy, Ian
Lewer, Andrew
Lewis, rh Brandon
Lewis, rh Sir Julian
Loder, Chris
Logan, Mark (*Proxy vote cast
by Mr Marcus Jones*)
Longhi, Marco
Lopez, Julia
Lopresti, Jack
Lord, Mr Jonathan
Loughton, Tim
Mackinlay, Craig
Macleane, Rachel
Mak, Alan
Malthouse, rh Kit
Mangnall, Anthony
Mann, Scott
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Karl
McVey, rh Esther
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Millar, Robin
Milling, rh Amanda
Mills, Nigel
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Mordaunt, rh Penny
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mullan, Dr Kieran
Mumby-Croft, Holly
Mundell, rh David
Murrison, rh Dr Andrew
Neill, Sir Robert
Nici, Lia
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Paisley, Ian
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Percy, Andrew
Philp, rh Chris
Poulter, Dr Dan
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Quince, Will
Randall, Tom
Redwood, rh John
Rees-Mogg, rh Mr Jacob
Richards, Nicola

Richardson, Angela
Robinson, Mary
Ross, Douglas
Rowley, Lee
Russell, Dean
Rutley, David
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Seely, Bob
Selous, Andrew
Shapps, rh Grant
Sharma, rh Sir Alok
Shelbrooke, rh Alec
Simmonds, David
Smith, rh Chloe
Smith, Henry
Smith, rh Julian
Smith, Royston
Solloway, Amanda
Spencer, Dr Ben
Spencer, rh Mark
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, rh Bob
Stewart, Iain
Streeter, Sir Gary
Stuart, rh Graham
Sturdy, Julian
Sunderland, James
Swaine, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Tugendhat, rh Tom
Vickers, Martin
Villiers, rh Theresa
Walker, Sir Charles
Walker, Mr Robin
Wallace, rh Mr Ben
Warman, Matt (*Proxy vote
cast by Mr Marcus Jones*)
Watling, Giles
Webb, Suzanne
Whately, Helen
Wheeler, Mrs Heather
Whittaker, Craig
Whittingdale, rh Sir John
Wiggin, Sir Bill
Wild, James
Williams, Craig
Williamson, rh Sir Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob
Zahawi, rh Nadhim

Tellers for the Noes:
Robert Largan and
Steve Double

Question accordingly negated.

New Clause 34

REPORT ON THE AUTHORISATION OF FOREIGN CORPORATE SERVICE PROVIDERS

“(1) Within six months of the day on which this Act is passed, the Secretary of State must publish a report on the authorisation of foreign corporate service providers.

(2) The report in subsection (1) must include but is not limited to—

- (a) the number of authorised corporate service providers with a head office based in a territory outside the United Kingdom,
- (b) the number of foreign corporate service providers authorised as set out in section 1098I(1) of the Companies Act 2006, and
- (c) the number of foreign corporate service providers identified in subsection (2)(b) by territory.”—(*Seema Malhotra.*)

This new clause creates an obligation for the Secretary of State to publish a report into the number of Authorised Corporate Service Providers with a head office based outside the United Kingdom and the number of foreign corporate service providers authorised by the regulations set out in new section 1098I(1) of the Companies Act 2006.

Brought up, and read the First time.

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

The House divided: Ayes 234, Noes 291.

Division No. 152]

[6.37 pm

AYES

Abbott, rh Ms Diane (<i>Proxy vote cast by Chris Elmore</i>)	Cooper, Daisy
Abrahams, Debbie	Cooper, rh Yvette
Ali, Rushanara	Cowan, Ronnie
Ali, Tahir	Coyle, Neil
Allin-Khan, Dr Rosena	Crawley, Angela
Amesbury, Mike	Creasy, Stella
Anderson, Fleur	Cruddas, Jon
Ashworth, rh Jonathan	Cryer, John
Barker, Paula	Cummins, Judith
Beckett, rh Margaret	Cunningham, Alex
Begum, Apsana	Daby, Janet
Benn, rh Hilary	David, Wayne
Betts, Mr Clive	Davies-Jones, Alex
Black, Mhairi	Day, Martyn
Blackford, rh Ian	Debbonaire, Thangam
Blackman, Kirsty	Dhesi, Mr Tanmanjeet Singh
Blake, Olivia	Dixon, Samantha
Bradshaw, rh Mr Ben	Docherty-Hughes, Martin
Brennan, Kevin	Dodds, Anneliese
Brock, Deidre	Donaldson, rh Sir Jeffrey M.
Brown, Alan	Doogan, Dave
Brown, Ms Lyn	Dorans, Allan (<i>Proxy vote cast by Brendan O'Hara</i>)
Brown, rh Mr Nicholas	Doughty, Stephen
Bryant, Sir Chris	Dowd, Peter
Buck, Ms Karen	Eagle, Maria
Burgon, Richard	Eastwood, Colum
Butler, Dawn	Edwards, Jonathan
Byrne, rh Liam	Efford, Clive
Cadbury, Ruth	Elmore, Chris
Callaghan, Amy (<i>Proxy vote cast by Brendan O'Hara</i>)	Eshalomi, Florence
Cameron, Dr Lisa	Evans, Chris
Campbell, rh Sir Alan	Farron, Tim
Campbell, Mr Gregory	Farry, Stephen
Carmichael, rh Mr Alistair	Fellows, Marion
Champion, Sarah	Ferrier, Margaret
Chapman, Douglas	Flynn, Stephen
Charalambous, Bambos	Foord, Richard
Cherry, Joanna	Fovargue, Yvonne
	Foxcroft, Vicky

Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Gill, Preet Kaur
Girvan, Paul
Glindon, Mary
Grady, Patrick
Grant, Peter
Green, Sarah
Greenwood, Lilian
Griffith, Dame Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hamilton, Mrs Paulette
Hanna, Claire
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendrick, Sir Mark
Hendry, Drew
Hillier, Dame Meg
Hobhouse, Wera
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Huq, Dr Rupa
Hussain, Imran
Jardine, Christine
Jarvis, Dan
Johnson, rh Dame Diana
Johnson, Kim
Jones, Darren
Jones, Sarah
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen
Lake, Ben
Lammy, rh Mr David
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony (*Proxy vote cast
by Navendu Mishra*)
Lockhart, Carla
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacAskill, Kenny
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Maskell, Rachael
Mc Nally, John
McCarthy, Kerry
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison

McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Mishra, Navendu
Monaghan, Carol
Moran, Layla
Morden, Jessica
Morgan, Helen
Morgan, Stephen
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John (*Proxy vote
cast by Brendan O'Hara*)
Norris, Alex
O'Hara, Brendan
Olney, Sarah
Onwurah, Chi
Oppong-Asare, Abena
Osborne, Kate
Oswald, Kirsten
Owatemi, Taiwo
Owen, Sarah
Peacock, Stephanie
Pennycook, Matthew
Perkins, Mr Toby
Phillips, Jess
Phillipson, Bridget
Powell, Lucy
Qaisar, Ms Anum
Qureshi, Yasmin
Rees, Christina
Reeves, Ellie
Reeves, rh Rachel
Reynolds, Jonathan
Rimmer, Ms Marie
Robinson, Gavin
Rodda, Matt
Saville Roberts, rh Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Siddiq, Tulip
Slaughter, Andy
Smith, Alyn
Smith, Cat
Smith, Jeff
Smith, Nick
Smyth, Karin
Spellar, rh John
Stephens, Chris
Stevens, Jo
Stringer, Graham
Sultana, Zarah
Tami, rh Mark
Tarry, Sam
Thewliss, Alison
Thomas, Gareth
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Thornberry, rh Emily
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie

Webbe, Claudia
West, Catherine
Western, Andrew
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa
Whitley, Mick
Williams, Hywel
Wilson, Munira

Wilson, rh Sammy
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Gerald Jones and
Colleen Fletcher

NOES

Adams, rh Nigel
Afolami, Bim
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah
Atkins, Victoria
Bacon, Gareth
Bailey, Shaun
Baillie, Siobhan
Baker, Mr Steve
Baldwin, Harriett
Barclay, rh Steve
Baynes, Simon
Bell, Aaron
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Blunt, Crispin
Bottomley, Sir Peter
Bradley, Ben
Braverman, rh Suella
Brereton, Jack
Bridgen, Andrew
Brine, Steve
Bristow, Paul
Britcliffe, Sara
Browne, Anthony
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Burns, rh Conor
Butler, Rob
Cairns, rh Alun
Carter, Andy
Cartlidge, James
Cash, Sir William
Cates, Miriam
Caulfield, Maria
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Simon
Clarke, Theo (*Proxy vote cast
by Mr Marcus Jones*)
Clarke-Smith, Brendan
Clarkson, Chris
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Coutinho, Claire
Cox, rh Sir Geoffrey

Crabb, rh Stephen
Crosbie, Virginia
Crouch, Tracey
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davison, Dehenna
Dinenage, Dame Caroline
Djanogly, Mr Jonathan
Donelan, rh Michelle
Dowden, rh Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Dunne, rh Philip
Eastwood, Mark
Edwards, Ruth
Ellis, rh Michael
Ellwood, rh Mr Tobias
Elphicke, Mrs Natalie
Eustice, rh George
Evans, Dr Luke
Evennett, rh Sir David
Fabricant, Michael
Farris, Laura
Fell, Simon
Firth, Anna
Fletcher, Katherine
Fletcher, Mark
Fletcher, Nick
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, rh Lucy
Freeman, George
French, Mr Louie
Fuller, Richard
Fysh, Mr Marcus
Garnier, Mark
Ghani, Ms Nusrat
Gibb, rh Nick
Gibson, Peter
Glen, rh John
Goodwill, rh Sir Robert
Graham, Richard
Gray, James
Green, Chris
Green, rh Damian
Grundy, James
Gullis, Jonathan
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark

Harris, Rebecca
Harrison, Trudy
Hart, rh Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heappey, rh James
Henry, Darren
Hinds, rh Damian
Hoare, Simon
Holden, Mr Richard
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Adam
Holmes, Paul
Howell, Paul
Huddleston, Nigel
Hudson, Dr Neil
Hughes, Eddie
Hunt, Jane
Hunt, Tom
Jack, rh Mr Alister
Javid, rh Sajid
Jayawardena, rh Mr Ranil
Jenkin, Sir Bernard
Jenkinson, Mark
Jenrick, rh Robert
Johnson, Dr Caroline
Johnson, Gareth
Johnston, David
Jones, Andrew
Jones, rh Mr David
Jones, Fay
Jones, Mr Marcus
Jupp, Simon
Kawczynski, Daniel
Kearns, Alicia
Keegan, rh Gillian
Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Kwarteng, rh Kwasi
Lamont, John
Leadsom, rh Dame Andrea
Levy, Ian
Lewer, Andrew
Lewis, rh Brandon
Lewis, rh Sir Julian
Loder, Chris
Logan, Mark (*Proxy vote cast
by Mr Marcus Jones*)
Longhi, Marco
Lopez, Julia
Lopresti, Jack
Lord, Mr Jonathan
Loughton, Tim
Mackinlay, Craig
Macleane, Rachel
Mak, Alan
Malthouse, rh Kit
Mangnall, Anthony
Mann, Scott
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Karl
McVey, rh Esther
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Millar, Robin
Milling, rh Amanda

Mills, Nigel
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Mordaunt, rh Penny
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mullan, Dr Kieran
Mumby-Croft, Holly
Mundell, rh David
Murrison, rh Dr Andrew
Neill, Sir Robert
Nici, Lia
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Percy, Andrew
Philp, rh Chris
Poulter, Dr Dan
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Quince, Will
Randall, Tom
Redwood, rh John
Rees-Mogg, rh Mr Jacob
Richards, Nicola
Richardson, Angela
Robinson, Mary
Ross, Douglas
Rowley, Lee
Russell, Dean
Rutley, David
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Seely, Bob
Selous, Andrew
Shapps, rh Grant
Sharma, rh Sir Alok
Shelbrooke, rh Alec
Simmonds, David
Smith, rh Chloe
Smith, Greg
Smith, Henry
Smith, rh Julian
Smith, Royston
Solloway, Amanda
Spencer, Dr Ben
Spencer, rh Mark
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, rh Bob
Stewart, Iain
Streeter, Sir Gary
Stuart, rh Graham
Sturdy, Julian
Sunderland, James
Swayne, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly

Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Tugendhat, rh Tom
Vickers, Martin
Villiers, rh Theresa
Walker, Sir Charles
Walker, Mr Robin
Wallace, rh Mr Ben
Warman, Matt (*Proxy vote
cast by Mr Marcus Jones*)
Watling, Giles
Webb, Suzanne
Whately, Helen

Wheeler, Mrs Heather
Whittaker, Craig
Whittingdale, rh Sir John
Wiggin, Sir Bill
Wild, James
Williams, Craig
Williamson, rh Sir Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob
Zahawi, rh Nadhim

Tellers for the Noes:
**Robert Largan and
Steve Double**

Question accordingly negated.

New Clause 36

INTEGRITY OF THE REGISTER

“(1) The registrar must ensure that information set out in the register prior to the provisions of this Act coming into force is accurate, up to date, and meets the requirements set out in the Act.

(2) The duty under subsection (1) includes ensuring that each entry lists the unique identification number of the Director of a company.

(3) The registrar will also make an annual report to Parliament on the status of its work to update existing company registrations.

(4) The report under subsection (3) must include—

- (a) information on how many existing company registrations the registrar has evaluated to check the accuracy of the information provided, and
- (b) details of how many existing company registrations have still to be evaluated by the Registrar to check the accuracy of the information provided.”—(*Alison Thewliss.*)

This new clause seeks to ensure that existing company registrations contain accurate, up to date information. It also imposes a requirement for the Registrar to update Parliament on the progress of updating the register.

Brought up, and read the First time.

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

The House divided: Ayes 233, Noes 290.

Division No. 153]

[6.51 pm

AYES

Abbott, rh Ms Diane (*Proxy
vote cast by Chris Elmore*)
Abrahams, Debbie
Ali, Rushanara
Ali, Tahir
Allin-Khan, Dr Rosena
Amesbury, Mike
Anderson, Fleur
Ashworth, rh Jonathan
Barker, Paula
Beckett, rh Margaret
Begum, Apsana
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, rh Ian
Blackman, Kirsty
Blake, Olivia
Bradshaw, rh Mr Ben
Brennan, Kevin

Brock, Deidre
Brown, Alan
Brown, Ms Lyn
Brown, rh Mr Nicholas
Bryant, Sir Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Callaghan, Amy (*Proxy vote
cast by Brendan O'Hara*)
Cameron, Dr Lisa
Campbell, rh Sir Alan
Campbell, Mr Gregory
Champion, Sarah
Chapman, Douglas
Charalambous, Bambos
Cherry, Joanna
Cooper, Daisy

Cooper, rh Yvette
Cowan, Ronnie
Coyle, Neil
Crawley, Angela
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Daby, Janet
David, Wayne
Davies-Jones, Alex
Day, Martyn
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Dixon, Samantha
Docherty-Hughes, Martin
Dodds, Anneliese
Donaldson, rh Sir Jeffrey M.
Doogan, Dave
Dorans, Allan (*Proxy vote cast
by Brendan O'Hara*)
Doughty, Stephen
Dowd, Peter
Eagle, Maria
Eastwood, Colum
Edwards, Jonathan
Efford, Clive
Elmore, Chris
Eshalomi, Florence
Evans, Chris
Farron, Tim
Farry, Stephen
Ferrier, Margaret
Fletcher, Colleen
Flynn, Stephen
Foord, Richard
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Gill, Preet Kaur
Girvan, Paul
Glindon, Mary
Grady, Patrick
Green, Sarah
Greenwood, Lilian
Griffith, Dame Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hamilton, Mrs Paulette
Hanna, Claire
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendrick, Sir Mark
Hendry, Drew
Hillier, Dame Meg
Hobhouse, Wera
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Huq, Dr Rupa
Hussain, Imran
Jardine, Christine
Jarvis, Dan
Johnson, rh Dame Diana
Johnson, Kim
Jones, Darren
Jones, Gerald
Jones, Sarah
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen
Lake, Ben
Lammy, rh Mr David
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony (*Proxy vote cast
by Navendu Mishra*)
Lockhart, Carla
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacAskill, Kenny
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Maskell, Rachael
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Mishra, Navendu
Monaghan, Carol
Moran, Layla
Morden, Jessica
Morgan, Helen
Morgan, Stephen
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John (*Proxy vote
cast by Brendan O'Hara*)
Norris, Alex
O'Hara, Brendan
Olney, Sarah
Onwurah, Chi
Oppong-Asare, Abena
Osborne, Kate
Oswald, Kirsten
Owatemi, Taiwo
Owen, Sarah
Peacock, Stephanie
Pennycook, Matthew
Perkins, Mr Toby
Phillips, Jess
Phillipson, Bridget
Powell, Lucy
Qaisar, Ms Anum

Qureshi, Yasmin
Rees, Christina
Reeves, Ellie
Reeves, rh Rachel
Reynolds, Jonathan
Rimmer, Ms Marie
Robinson, Gavin
Rodda, Matt
Saville Roberts, rh Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Siddiq, Tulip
Slaughter, Andy
Smith, Alyn
Smith, Cat
Smith, Jeff
Smith, Nick
Smyth, Karin
Spellar, rh John
Stephens, Chris
Stevens, Jo
Stringer, Graham
Sultana, Zarah
Tami, rh Mark
Tarry, Sam
Thewliss, Alison

Thomas, Gareth
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Thornberry, rh Emily
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie
Webbe, Claudia
West, Catherine
Western, Andrew
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa
Whitley, Mick
Williams, Hywel
Wilson, Munira
Wilson, rh Sammy
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
**Peter Grant and
Marion Fellows**

NOES

Adams, rh Nigel
Afolami, Bim
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah
Atkins, Victoria
Bacon, Gareth
Badenoch, rh Kemi
Bailey, Shaun
Baillie, Siobhan
Baker, Mr Steve
Baldwin, Harriett
Barclay, rh Steve
Baynes, Simon
Bell, Aaron
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Blunt, Crispin
Bradley, Ben
Braverman, rh Suella
Brereton, Jack
Bridgen, Andrew
Brine, Steve
Bristow, Paul
Britcliffe, Sara
Browne, Anthony
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Burns, rh Conor
Butler, Rob
Cairns, rh Alun
Carter, Andy

Cartlidge, James
Cash, Sir William
Cates, Miriam
Caulfield, Maria
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Simon
Clarke, Theo (*Proxy vote cast
by Mr Marcus Jones*)
Clarke-Smith, Brendan
Clarkson, Chris
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Courts, Robert
Coutinho, Claire
Cox, rh Sir Geoffrey
Crabb, rh Stephen
Crosbie, Virginia
Crouch, Tracey
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davison, Dehenna
Dinenage, Dame Caroline
Djanogly, Mr Jonathan
Donelan, rh Michelle
Dowden, rh Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Dunne, rh Philip
Eastwood, Mark

Edwards, Ruth
 Ellis, rh Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Eustice, rh George
 Evans, Dr Luke
 Evennett, rh Sir David
 Fabricant, Michael
 Farris, Laura
 Fell, Simon
 Firth, Anna
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George
 French, Mr Louie
 Fuller, Richard
 Fysh, Mr Marcus
 Garnier, Mark
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Glen, rh John
 Goodwill, rh Sir Robert
 Graham, Richard
 Gray, James
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Grundy, James
 Gullis, Jonathan
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Harrison, Trudy
 Hart, rh Simon
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Heappey, rh James
 Henry, Darren
 Hinds, rh Damian
 Hoare, Simon
 Holden, Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, Paul
 Huddleston, Nigel
 Hudson, Dr Neil
 Hughes, Eddie
 Hunt, Jane
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sajid
 Jayawardena, rh Mr Ranil
 Jenkin, Sir Bernard
 Jenkinson, Mark
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, Fay
 Jones, Mr Marcus
 Jupp, Simon
 Kawczynski, Daniel
 Kearns, Alicia
 Keegan, rh Gillian
 Knight, rh Sir Greg
 Kniveton, Kate
 Kruger, Danny
 Lamont, John
 Leadsom, rh Dame Andrea
 Levy, Ian
 Lewer, Andrew
 Lewis, rh Brandon
 Lewis, rh Sir Julian
 Loder, Chris
 Logan, Mark (*Proxy vote cast
by Mr Marcus Jones*)
 Longhi, Marco
 Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig
 Maclean, Rachel
 Mak, Alan
 Malthouse, rh Kit
 Mangnall, Anthony
 Mann, Scott
 Marson, Julie
 May, rh Mrs Theresa
 Mayhew, Jerome
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McVey, rh Esther
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Millar, Robin
 Milling, rh Amanda
 Mills, Nigel
 Mohindra, Mr Gagan
 Moore, Damien
 Moore, Robbie
 Mordaunt, rh Penny
 Morris, Anne Marie
 Morris, James
 Morrissey, Joy
 Mullan, Dr Kieran
 Mumby-Croft, Holly
 Mundell, rh David
 Murrison, rh Dr Andrew
 Neill, Sir Robert
 Nici, Lia
 Nokes, rh Caroline
 Norman, rh Jesse
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Pawsey, Mark
 Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Philp, rh Chris
 Poulter, Dr Dan
 Pow, Rebecca
 Prentis, rh Victoria
 Pursglove, Tom
 Quin, rh Jeremy
 Quince, Will
 Randall, Tom
 Redwood, rh John

Rees-Mogg, rh Mr Jacob
 Richards, Nicola
 Richardson, Angela
 Robinson, Mary
 Ross, Douglas
 Rowley, Lee
 Russell, Dean
 Rutley, David
 Sambrook, Gary
 Saxby, Selaine
 Scully, Paul
 Seely, Bob
 Selous, Andrew
 Shapps, rh Grant
 Sharma, rh Sir Alok
 Shelbrooke, rh Alec
 Simmonds, David
 Smith, rh Chloe
 Smith, Greg
 Smith, Henry
 Smith, rh Julian
 Smith, Royston
 Solloway, Amanda
 Spencer, Dr Ben
 Spencer, rh Mark
 Stephenson, rh Andrew
 Stevenson, Jane
 Stevenson, John
 Stewart, rh Bob
 Stewart, Iain
 Streeter, Sir Gary
 Stuart, rh Graham
 Sturdy, Julian
 Sunderland, James
 Swayne, rh Sir Desmond
 Syms, Sir Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, rh Anne-Marie
 Trott, Laura
 Tugendhat, rh Tom
 Vickers, Martin
 Villiers, rh Theresa
 Walker, Sir Charles
 Walker, Mr Robin
 Wallace, rh Mr Ben
 Warman, Matt (*Proxy vote
cast by Mr Marcus Jones*)
 Watling, Giles
 Webb, Suzanne
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, Craig
 Whittingdale, rh Sir John
 Wiggin, Sir Bill
 Wild, James
 Williams, Craig
 Williamson, rh Sir Gavin
 Wood, Mike
 Wragg, Mr William
 Wright, rh Sir Jeremy
 Young, Jacob
 Zahawi, rh Nadhim
Tellers for the Noes:
 Robert Largan and
 Steve Double

Question accordingly negated.

7.3 pm

Proceedings interrupted (Programme Order, this day).

*The Deputy Speaker put forthwith the Question necessary
for the disposal of the business to be concluded at that
time (Standing Order No. 83E).*

Clause 5

PROPOSED OFFICERS: IDENTITY VERIFICATION

Amendments made: 1, page 3, line 22, leave out from “1110A)” to end of line 28.

This amendment and Amendments 2, 4, 5, 6, 9, 10, 11, 12, 14, 52, 53 and 55 remove the powers to exempt directors from identity verification requirements, and make consequential changes.

Amendment 2, page 3, line 34, leave out from “statement” to “, and” in line 36 and insert

“, in respect of any individual who became a director of the company on its incorporation, confirming that the individual’s identity is verified (within the meaning of section 1110A of the Companies Act 2006)” —(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 20

REGISTRAR’S POWER TO CHANGE NAMES CONTAINING COMPUTER CODE

Amendment made: 3, page 13, line 11, at end insert—

“(4) In section 1081 (annotation of the register), in subsection (6), after ‘subsection (2)’ insert ‘or of any other enactment’.” —(Kevin Hollinrake.)

The registrar must place a note in the register of any decision to change a company name that contains computer code. It is implicit that the note forms part of the register. But section 1081(6) spells out the point expressly for some notes. The amendment extends it to cover all notes.

Clause 39

PROHIBITION ON DIRECTOR ACTING UNLESS ID VERIFIED

Amendments made: 4, page 27, line 13, leave out from “1110A” to end of line 1600.

See Member’s explanatory statement for Amendment 1.

Amendment 5, page 27, line 19, leave out from “1110A” to end of line 22.

See Member’s explanatory statement for Amendment 1.

Amendment 6, page 27, leave out lines 40 and 41.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 41

CONSEQUENCE OF BREACHING PROHIBITION ON ACTING AS DIRECTOR: GB

Amendment made: 7, page 28, line 29, leave out clause 41.—(Kevin Hollinrake.)

This amendment leaves out clause 41, the effects of which are incorporated in NC8 and NC9.

Clause 42

CONSEQUENCE OF BREACHING PROHIBITION ON ACTING AS DIRECTOR: NORTHERN IRELAND

Amendment made: 8, page 29, line 17, leave out clause 42.—(Kevin Hollinrake.)

This amendment leaves out clause 42, the effects of which are incorporated in NC10 and NC11.

Clause 62

PROCEDURE ETC FOR VERIFYING IDENTITY

Amendment made: 9, page 46, line 24, leave out “to 1110C” and insert “and 1110B”.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 64

GENERAL EXEMPTIONS FROM IDENTITY VERIFICATION: SUPPLEMENTARY

Amendment made: 10, page 53, line 29, leave out clause 64.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 69

DELIVERY OF DOCUMENTS: IDENTITY VERIFICATION ETC

Amendments made: 11, page 57, line 32, at end insert—

“(4A) The Secretary of State may by regulations make provision requiring a statement delivered to the registrar under subsection (3)(b) or (4)(d) to be accompanied by additional statements or additional information in connection with the subject-matter of the statement.”

See Member’s explanatory statement for Amendment 1.

Amendment 12, page 57, line 33, leave out “or (2)(d)” and insert “, (2)(d) or (4A)”.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 91

DISCLOSURE OF INFORMATION

Amendment made: 13, page 70, line 17, at end insert—

“(c) to a person of a description, and for a purpose, specified in regulations made by the Secretary of State for the purposes of this paragraph.

(1A) Regulations under subsection (1)(c) are subject to affirmative resolution procedure.”—(Kevin Hollinrake.)

Under new section 1110G of the Companies Act 2006 the registrar can only share information with a public authority or for purposes connected with the exercise of the registrar’s functions. The amendment confers a regulation-making power to authorise the registrar to disclose information to other people or for other purposes.

Clause 98

OVERSEAS COMPANIES: IDENTITY VERIFICATION OF DIRECTORS

Amendment made: 14, page 75, line 17, leave out from “1110A” to end of line 20.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 1.

Clause 102

FINANCIAL PENALTIES AND DIRECTORS’ DISQUALIFICATION: GB

Amendment made: 15, page 78, line 27, leave out clause 102.—(Kevin Hollinrake.)

This amendment leaves out clause 102, the effects of which are incorporated in NC8 and NC9.

Clause 103

FINANCIAL PENALTIES AND DIRECTORS’ DISQUALIFICATION: NI

Amendment made: 16, page 79, line 8, leave out clause 103.—(Kevin Hollinrake.)

This amendment leaves out clause 103, the effects of which are incorporated in NC10 and NC11.

Clause 108

MEANING OF “LIMITED PARTNERSHIP”

Amendments made: 17, page 85, line 16, after “Act” insert

“(for the only circumstances in which a firm can cease to be registered as a limited partnership under this Act while remaining a firm see section 26 (voluntary deregistration))”.

This amendment clarifies the relationship between being registered as a limited partnership under the LPA 1907 and being deregistered under new section 26 of that Act.

Amendment 18, page 85, line 19, leave out from “(3)(a),” to the end of line 20 and insert

“for ‘registered in the United Kingdom’ substitute ‘(within the meaning of section 3 of the Limited Partnerships Act 1907)’”—(Kevin Hollinrake.)

This amendment makes the meaning of “limited partnership” in section 1099 of the Companies Act 2006 consistent with the meaning given by the LPA 1907.

Clause 117**OFFICERS OF GENERAL PARTNERS**

Amendments made: 19, page 95, line 3, leave out from “8K(1)(a)” to end of line 7 and insert “to (c).”

This amendment and Amendments 20, 21, 22, 23, 24, 25, 26, 27, 33, 40 and 41 remove the powers to exempt the registered officer of a corporate general partner from identity verification requirements, and make consequential changes.

Amendment 20, page 95, line 32, leave out from “8K(1)(a)” to end of line 35 and insert “to (c).”

See Member’s explanatory statement for Amendment 19.

Amendment 21, page 96, leave out lines 1 to 10 and insert

“is an individual—

- (a) who is one of its managing officers,
- (b) who is not disqualified under the directors disqualification legislation (see section 8J(3)), and
- (c) whose identity is verified (within the meaning of section 1110A of the Companies Act 2006).”

See Member’s explanatory statement for Amendment 19.

Amendment 22, page 97, leave out lines 4 and 5.

See Member’s explanatory statement for Amendment 19.

Amendment 23, page 97, line 17, leave out from “officer” to end of line 22 and insert

“is an individual who meets the requirements in section 8K(1)(a) to (c), and”.

See Member’s explanatory statement for Amendment 19.

Amendment 24, page 97, line 26, leave out from “8K(1)(a)” to end of line 29 and insert “to (c).”

See Member’s explanatory statement for Amendment 19.

Amendment 25, page 100, leave out lines 18 to 33.—
(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 19.

Clause 120**NOTIFICATION OF INFORMATION ABOUT PARTNERS**

Amendments made: 26, page 102, line 20, leave out from “8K(1)(a)” to end of line 24 and insert “to (c).”

See Member’s explanatory statement for Amendment 19.

Amendment 27, page 102, line 49, leave out from “8K(1)(a)” to end of line 3 on page 103 and insert “to (c).”—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 19.

Clause 127**DISSOLUTION AND WINDING UP:
MODIFICATIONS OF GENERAL LAW**

Amendments made: 28, page 113, line 40, at end insert—

“(1A) In section 4 (definition and constitution of limited partnership)—

- (a) in subsection (2), after ‘firm’ insert ‘(including debts and obligations incurred in accordance with section 38 of the Partnership Act 1890)’;
- (b) in subsections (2A) and (2B)(b), after ‘firm’ insert ‘(including debts or obligations incurred in accordance with section 38 of the Partnership Act 1890)’;
- (c) in subsection (3), after ‘firm’ insert ‘(including debts and obligations incurred in accordance with section 38 of the Partnership Act 1890)’.”

This amendment clarifies that the debts or obligations for which limited partners are not liable beyond their contribution includes debts or obligations incurred after dissolution under section 38 of the Partnership Act 1890.

Amendment 29, page 113, line 41, at end insert—

“(za) in subsection (1), after ‘firm’, in the third place it occurs, insert ‘(including debts and obligations incurred in accordance with section 38 of the Partnership Act 1890)’;”—(Kevin Hollinrake.)

This amendment clarifies that the debts and obligations for which limited partners can become liable if they take part in the management of the partnership business includes debts and obligations incurred after dissolution under section 38 of the Partnership Act 1890.

Clause 129**WINDING UP LIMITED PARTNERSHIPS
ON GROUNDS OF PUBLIC INTEREST**

Amendments made: 30, page 115, line 23, at end insert—

“(1A) Where it appears to the Scottish Ministers that it is expedient in the public interest for a limited partnership registered in Scotland to be wound up, the Scottish Ministers may present a petition to the court for it to be wound up.

(1B) Where it appears to the Department for the Economy in Northern Ireland that it is expedient in the public interest for a limited partnership registered in Northern Ireland to be wound up, the Department may present a petition to the court for it to be wound up.

(1C) The Secretary of State must consult the Scottish Ministers before presenting a petition under subsection (1) in respect of a limited partnership registered in Scotland.

(1D) The Secretary of State must consult the Department for the Economy in Northern Ireland before presenting a petition under subsection (1) in respect of a limited partnership registered in Northern Ireland.”

This amendment allows the Scottish Ministers and the Department for the Economy to petition under new section 27 LPA 1907 to wind up LPs in Scotland and Northern Ireland respectively. The Secretary of State must consult the Scottish Ministers or Department for the Economy when presenting petitions for those LPs.

Amendment 31, page 115, line 24, leave out “subsection (1)” and insert “this section”.—(Kevin Hollinrake.)

This amendment is consequential on Amendment 30.

Clause 130**WINDING UP AND DISSOLVED LIMITED PARTNERSHIPS**

Amendment made: 32, page 116, leave out lines 2 and 3 and insert

“any of the following—

- (a) the Secretary of State;
- (b) the Scottish Ministers, but only if the limited partnership is registered in Scotland or they appear to the court to have sufficient interest for any other reason;
- (c) the Department for the Economy in Northern Ireland, but only if the limited partnership is registered in Northern Ireland or the Department appears to the court to have sufficient interest for any other reason;
- (d) any other person appearing to the court to have sufficient interest.

(2A) The Secretary of State must consult the Scottish Ministers before making an application for an order under subsection (1) in respect of a limited partnership registered in Scotland.

(2B) The Secretary of State must consult the Department for the Economy in Northern Ireland before making an application for an order under subsection (1) in respect of a limited partnership registered in Northern Ireland.”—(Kevin Hollinrake.)

This amendment allows the Scottish Ministers and the Department for the Economy to apply under new section 28 LPA 1907 to wind up LPs in Scotland and Northern Ireland respectively. The Secretary of State must consult the Scottish Ministers or Department for the Economy before making applications for those LPs.

Clause 132

MATERIAL NOT AVAILABLE FOR PUBLIC INSPECTION

Amendment made: 33, page 117, leave out lines 17 to 22 and insert—

- “(c) so much of any statement delivered to the registrar under any of the following provisions as is required to confirm that the requirement in section 8K(1)(c) (which relates to identity verification) is met—
section 8A(1F)(c);
section 8L(3)(a) or (b);
section 8S(4) or (7)(c);”—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 19.

Clause 133

RECORDS RELATING TO DISSOLVED LIMITED
PARTNERSHIPS

Amendments made: 34, page 118, line 34, at end insert “or deregistered under section 26”.

This amendment and Amendments 35, 36 and 37 mean that after 20 years the registrar need not make available for public inspection records relating to a limited partnership that has been deregistered. Those records can also be moved to the relevant public record office after two years.

Amendment 35, page 118, line 38, at end insert “or deregistered”.

See Member’s explanatory statement for Amendment 34.

Amendment 36, page 118, line 41, after “dissolved” insert “or deregistered”.

See Member’s explanatory statement for Amendment 34.

Amendment 37, page 119, line 1, after “dissolved” insert “or deregistered”.—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 34.

Clause 135

DUTY TO NOTIFY REGISTRAR OF DISSOLUTION

Amendment made: 38, page 122, leave out lines 11 to 41 and insert—

“(1) A person who is a general partner in a limited partnership at a time when it is dissolved must notify the registrar of the dissolution within the period of 14 days beginning with the day on which the person becomes aware of its dissolution.

(2) A person who is a limited partner in a limited partnership at a time when it is dissolved must, if there are no general partners at that time, notify the registrar of the dissolution within the period of 14 days beginning with the day on which the person becomes aware of its dissolution.

(3) But no notice is required under subsection (1) or (2) if—

- (a) the limited partnership is dissolved under section 19(6) (dissolution on publication of notice in Gazette),
- (b) another person has notified the registrar of the dissolution under subsection (1) or (2), or
- (c) a dissolution notice under section 19 is published before the end of the period of 14 days mentioned in subsection (1) or (2).

(4) If a person fails to comply with subsection (1) or (2) an offence is committed by—

- (a) the person, and
- (b) if the person is a legal entity, any of its managing officers who is in default.

(5) A person guilty of an offence under this section is liable on summary conviction—

- (a) in England and Wales, to a fine;
- (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.

(6) A managing officer is ‘in default’ for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.

- (a) in England and Wales, to a fine;
- (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.

(7) But a corporate managing officer does not commit an offence as a managing officer in default unless one of its managing officers is in default.

(8) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (7)).—(Kevin Hollinrake.)

This amendment requires notice of dissolution to be given within 14 days of a partner becoming aware that a limited partnership is dissolved. Notification is not required if the limited partnership is dissolved on publication of a dissolution notice or if a dissolution notice is subsequently published.

Clause 136

REGISTRAR’S POWER TO CONFIRM DISSOLUTION
OF LIMITED PARTNERSHIP

Amendment made: 39, page 125, line 6, at end insert—

“(3A) Notes entered on the register of limited partnerships in accordance with subsection (3)(a) are part of the register of limited partnerships.”—(Kevin Hollinrake.)

This amendment makes it clear that a note of the date of revival of a limited partnership forms part of the register of limited partnerships.

Clause 141

NATIONAL SECURITY EXEMPTION
FROM IDENTITY VERIFICATION

Amendments made: 40, page 129, leave out lines 39 to 41 and insert—

“(a) a statement under section 8A(1C) may name the person as a proposed general partner’s proposed registered officer even if the person does not meet the requirement in section 8K(1)(c);

(aa) a statement by the person under section 8A(1F)(c) is not required to confirm that the person meets the requirement in section 8K(1)(c);”.

See Member’s explanatory statement for Amendment 19.

Amendment 41, page 130, leave out lines 4 to 8 and insert—

“(c) a statement under section 8L(3)(a) or (b) made in relation to a notice naming the person as a general partner’s new registered officer is not required to confirm that the person meets the requirement in section 8K(1)(c);

(d) a statement under section 8S(4) may name the person as a general partner’s proposed registered officer even if the person does not meet the requirement in section 8K(1)(c);

(da) a statement by the person under section 8S(7)(c) is not required to confirm that the person meets the requirement in section 8K(1)(c);”—(Kevin Hollinrake.)

See Member’s explanatory statement for Amendment 19.

Clause 143

APPLICATION OF COMPANY LAW

Amendment made: 42, page 131, line 11, leave out from “under” to end of line 14 and insert

“any Act, whenever passed or made.”—(Kevin Hollinrake.)

This amendment would mean that regulations made under new section 7A of the Limited Partnerships Act 1907 cannot consequentially amend Northern Ireland legislation.

Clause 147

REGISTRATION OF QUALIFYING SCOTTISH PARTNERSHIPS

Amendment made: 43, page 132, line 24, leave out from “2006)” to end of line 26.—(Kevin Hollinrake.)

Clause 147(1)(b) confers power to require a partner of a qualifying Scottish partnership to have at least one managing officer who is either identity verified or exempt from identity verification. This amendment removes the power to make provision about exemption from identity verification.

Schedule 2

ABOLITION OF CERTAIN LOCAL REGISTERS

Amendments made: 52, page 172, line 16, leave out from “1110A)” to end of line 19.

See Member’s explanatory statement for Amendment 1.

Amendment 53, page 172, leave out lines 39 and 40.

See Member’s explanatory statement for Amendment 1.

Amendment 54, page 174, line 29, leave out “company” and insert “body corporate”.

This amendment ensures that the wording of new section 167K(1)(e)(i) of the Companies Act 2006 is consistent with the opening words of that subsection.

Amendment 55, page 175, line 11, leave out from second “statement” to “, and” in line 15 and insert

“, in respect of any individual who became a director of the company (otherwise than on its incorporation) before the coming into force of this paragraph, confirming that the individual’s identity is verified (within the meaning of section 1110A of the Companies Act 2006)”.

See Member’s explanatory statement for Amendment 1.

Amendment 56, page 177, line 41, leave out “company” and insert “body corporate”.—(Kevin Hollinrake.)

This amendment ensures that the wording of new section 279K(1)(e)(i) of the Companies Act 2006 is consistent with the opening words of that subsection.

Bill to be further considered tomorrow.

Business without Debate

DELEGATED LEGISLATION

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

IMMIGRATION

That the draft Immigration (Leave to Enter and Remain) (Amendment) Order 2023, which was laid before this House on 7 December 2022, be approved.—(Fay Jones.)

Question agreed to.

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

ENVIRONMENTAL PROTECTION

That the draft Environmental Targets (Biodiversity) (England) Regulations 2022, which were laid before this House on 19 December 2022, be approved.—(Fay Jones.)

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

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

That the draft Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2022, which were laid before this House on 20 December 2022, be approved.—(Fay Jones.)

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

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

AGRICULTURE

That the draft Environmental Targets (Water) (England) Regulations 2022, which were laid before this House on 19 December 2022, be approved.—(Fay Jones.)

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

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

ENVIRONMENTAL PROTECTION

That the draft Environmental Targets (Marine Protected Areas) Regulations 2022, which were laid before this House on 19 December 2022, be approved.—(Fay Jones.)

Question agreed to.

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

That the draft Environmental Targets (Fine Particulate Matter) (England) Regulations 2022, which were laid before this House on 19 December 2022, be approved.—(Fay Jones.)

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

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

That the draft Environmental Targets (Residual Waste) (England) Regulations 2022, which were laid before this House on 19 December 2022, be approved.—(Fay Jones.)

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

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

SANCTIONS

That the Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022, dated 14 December 2022, which were laid before this House on 15 December 2022, be approved.—(Fay Jones.)

Question agreed to.

COMMITTEES

Ordered,

FINANCE

That Gareth Davies, Felicity Buchan and Harriett Baldwin be discharged from the Finance Committee and Craig Mackinlay, Nigel Mills and Mary Robinson be added.—(*Sir Bill Wiggin, on behalf of the Committee of Selection.*)

Ordered,

STATUTORY INSTRUMENTS (JOINT COMMITTEE)

That James Davies, John Lamont and Sir Robert Syms be discharged from the Joint Committee on Statutory Instruments and Damien Moore, Gareth Johnson and Maggie Throup be added.—(*Sir Bill Wiggin, on behalf of the Committee of Selection.*)

Animal Welfare in Overseas Tourism

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

7.6 pm

Henry Smith (Crawley) (Con): I am grateful to have secured this debate, which allows me to raise the important issue of animal welfare in overseas tourism.

I wish to put it on record that I am proud that the UK has some of the highest animal welfare standards in the world. In this House, two centuries ago, we introduced the Cruel Treatment of Cattle Act 1822; and just last year we introduced the landmark Animal Welfare (Sentience Act) 2022. Although the Government are to be commended for this, we can go still further.

I am sure that, like me, hon. and right hon. Members are often contacted by their constituents on a whole range of animal welfare matters. I am grateful to all those in Crawley who continue to write to me on such issues. I speak today as a vice-chair of the all-party group for animal welfare and as a patron of the Conservative Animal Welfare Foundation.

This is, of course, the time of year when millions of people around the country start planning their summer holidays, many choosing to escape abroad for a week or two. Let us think, however, about those half a million captive wild animals who will never have any escape from the cruel reality that they suffer for tourist entertainment around the world.

Margaret Ferrier (Rutherglen and Hamilton West) (Ind): Supporters of hunting holidays will often cite conservation efforts as a benefit for communities and countries in which they are hunting, but as we know, the damage done to animal populations and biodiversity is enormous. Will the hon. Member share his thoughts on what Ministers can do to tackle misinformation in this space?

Henry Smith: I am grateful for that intervention from the hon. Lady, who is a steady campaigner for animal welfare issues, and I always appreciate her support. I will come on to this later in my remarks, but she is absolutely right that animal tourism has nothing to do with conservation. It is quite the opposite; it not only presents a danger to the survival of species, but potentially creates human health hazards. As part of an effort to ensure that in this country we do not allow the advertising and sale of animal experiences abroad, we should send a clear message, as she outlines, that that is unacceptable.

Every year, hundreds of thousands of wild animals are exploited for entertainment in the global tourism industry. Activities and attractions that are considered wildlife entertainment are those allowing tourists close contact with wild animals or to see them perform. Popular examples include tiger cubs made to pose for selfie photographs, elephant rides and swimming with dolphins experiences, as well as captive dolphin shows. Those activities may appear benign on the face of it, but in fact they rely on cruel treatment that harms the captive animal's welfare.

Responsible tourism is an increasingly important factor to many travellers and some tourists have been shocked to see the high level of suffering by wild animals involved in unethical attractions abroad, including Asian elephants, which are sometimes snatched from their forest homes and families as young elephants to supply tourist attractions,

[*Henry Smith*]

for nothing more than commercial profit, monetary gain and entertainment for the tourist trade. A UK ban on advertising of overseas attractions where Asian elephants and their babies are brutalised for tourism fun has deep and comprehensive support across Great Britain.

Such a ban would steer demand and therefore supply to ethical venues where elephants and humans are safe from abuse and fatalities. Companies selling wildlife entertainment venues lead tourists to assume such activities are acceptable, when in fact they are inhumane and cause harm to wildlife. There needs to be new legislation banning the promotion of holidays and tours that include exploitative animal encounters in their advertisements, helping to end the miserable abuse by making such unethical advertising illegal.

Kerry McCarthy (Bristol East) (Lab): It is good that the hon. Gentleman has brought up such an important issue. I was in Chiang Mai in Thailand a few years ago and went to a restaurant called, I think, Tiger Time. He mentions tiger cubs, but they had full-sized adult tigers with people crawling all over them taking selfies and so on. It took a while to realise that obviously the tigers must have been drugged. Does he agree that this is not just about advertising—that restaurant was not advertised to me over here—but is also about the fact that the Government may have a role to play in having words with the Thai authorities about cracking down on that sort of activity, which does not give a good impression of the country at all?

Henry Smith: I am delighted to be intervened on by the hon. Lady, who also has a long record of standing up for animal welfare issues in this House. She gives an horrendous first-hand account of the sort of abuse that majestic wild animals—animals that should be in the wild—experience in countries such as Thailand. That, too, is an issue I will expand on later in my remarks.

I congratulate my hon. Friend the Member for Guildford (Angela Richardson) on her Animals (Low-Welfare Activities Abroad) Bill, intended to prohibit the sale and advertising of activities abroad that involve low standards of welfare for animals. I encourage colleagues across the House to support the Bill at its Second Reading on Friday 3 February.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): The hon. Gentleman is making a fantastic speech, and I am sure many people across the United Kingdom agree that we must address these important matters. Does he agree that this is a cross-party issue, unlike many that we may discuss, and that we can reach out across the political divide and come together with the public, who overwhelmingly support having the best animal welfare conditions in the UK and internationally? Does he also agree that advocates such as Lorraine Platt, who leads the Conservative Animal Welfare Foundation, and others do fantastic work in this space to ensure that we all work together cross-party to take this forward?

Henry Smith: That is entirely right. I think that this House—with very few minority exceptions—is very much united on the need for increased animal welfare protections both here at home and abroad. It is right that Members reflect what people across the country tell us is important to them.

Great Britain is the territorial extent of the Bill of my hon. Friend the Member for Guildford. Although we cannot enforce our laws in other countries, we can prevent British tourists from buying—often unintentionally—cruel animal experiences abroad from companies operating in the UK, to stifle the demand that causes such grave animal suffering. The Government are right in their commitment “to continue to raise the bar”

and to

“take the rest of the world with us”,

as set out when the action plan for animal welfare was announced.

Numbers of Asian elephants—an iconic species beloved across the world—have fallen drastically from millions in the 19th century to barely 40,000 today, and nearly half of those live in brutal captivity. They suffer extreme coercion and cruelty across south east Asia and beyond, starting with their unlawful poaching from the wild, then the brutal breaking of their spirits by isolation and starvation, and stabbings and beatings for easy use in tourism. Those actions would be profoundly unlawful if committed here in the UK.

In 2018-19, some 2 million UK tourists visited India and Thailand. Thirty two per cent. of those visiting Thailand reported having ridden an elephant or wishing to do so, often an unwitting participant in the cruelty and dangers involved. In 2016, there was projected demand of more than 12 million rides in Thailand alone, demonstrating how remorselessly the thousands of tourist elephants in Thailand are commercially exploited, often to death. Save The Asian Elephants has so far identified hundreds of companies in the UK market that currently promote such overseas attractions in which unethical activities are practised.

The number of Asian elephants engaged in tourism in Thailand increased by 70% in the decade to 2020. The Asian elephant has been designated as “endangered” by the International Union for Conservation of Nature for 37 years now. With the ongoing destruction of majestic Asian elephants comes the end of their unique role as mega-gardeners of the forests that, as the lungs of the Earth, maintain biodiversity, store carbon and contribute to environmental protection.

World Animal Protection’s “The Real Responsible Traveller” report shows that some well-known and trusted companies are promoting and selling wildlife entertainment venues. The association with trusted holiday brands leads tourists to assume that activities and experiences such as swimming with dolphins, taking selfies with tiger cubs and elephant rides are acceptable or even—as the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) pointed out—beneficial for wild animals. In fact, behind every elephant ride is an abused elephant, and behind every swim-with-dolphins experience, there is appalling cruelty.

The thousands of captive Asian elephants suffer daily and are forced to perform unnatural acts such as elephant rides and shows for tourists at entertainment venues abroad. I want to expose the brutality of the training methods that elephants are subjected to for the sake of a five-minute elephant ride or a holiday picture. The cruel methods used to train elephants include repeated beatings with hooks and sticks, and exposure to loud noises and stressful situations. Other methods include separation from their mothers at the young age of around 2 years, restraint with minimal movement, and isolation.

There is strong scientific evidence that keeping elephants in captivity for entertainment purposes is both physically and psychologically detrimental to these highly intelligent animals. It is little wonder that studies have sadly shown the development of symptoms associated with post-traumatic stress disorder. That is before we get to the point of abused captive Asian elephants also being highly dangerous to humans. When provoked, they attack—often fatally. Figures from Save the Asian Elephants show that hundreds of tourists and others have been killed or sustained catastrophic injuries—typically, crushed chests and internal organs, broken limbs and ribs, and serious head injuries. When physically broken and held in close confinement, elephants, by their large volume of exhalation, can also transmit deadly tuberculosis to humans. Concerns also arise regarding their potential transmission of other airborne pathogens.

In the wild, female elephant calves are cared for by their mothers for four to five years and supervised for several more years. Female calves remain in the mother herd all their lives and form close relationships with other family members. Male calves tend to leave the herd between 10 and 15 years of age. By contrast, the enclosures that elephants are kept in are inadequate for their needs. The home range of an Asian elephant varies between 30 and 600 sq km—an area that obviously can never be replicated in captivity. I ask right hon. and hon. Members to consider whether the sought-after picture of riding an elephant that many tourists want is worth the lifetime of exploitation and suffering that they do not even know they are supporting. Behind every elephant ride is an abused elephant.

Angela Richardson (Guildford) (Con): I congratulate my hon. Friend on securing this important debate and on the incredibly powerful speech he is making. I am sure that everybody listening tonight cannot help but be moved by the plight of the animals he is talking about. Will he join me in congratulating the CEO of Save the Asian Elephants, Duncan McNair, for presenting a petition on this important issue to Downing Street today, along with other campaigners? Does he agree that the fact that the petition secured more than 1.2 million signatures shows the strength of feeling of people from across this country on how important it is to legislate on this issue?

Henry Smith: I am extremely grateful to my hon. Friend for introducing a Bill that would ban these cruel animal experiences abroad, and I wish her every success in its passage. I know she was one of those who presented the petition to Downing Street earlier today, and the number of people supporting it clearly demonstrates that the British people feel strongly that this sort of practice is outdated and needs to come to an end.

The captive dolphin entertainment industry similarly thrives on unimaginable cruelty. Thousands of dolphins are in captivity worldwide, subjected to adverse living conditions and forced to perform unnatural tricks in exchange for food. In the wild, dolphins can swim 100 km a day. The average tank size of the largest primary tank used at dolphin facilities is more than 200,000 times smaller than their natural home range. Tanks are often barren to allow visitors a better view, which results in little mental stimulation for the animals and nowhere for them to hide. No captive facility can ever meet the complex needs of these highly intelligent animals.

We should all be proud that this year marks 30 years since the last dolphinarium closed in the UK. It is wrong, therefore, that we are effectively exporting animal cruelty that is not acceptable at home to countries abroad. YouGov polling in Britain last May found that the acceptability of watching a show or performance involving dolphins was just 23%. That is an unsurprising yet clear call from a nation of animal lovers to stop fuelling the exploitation of wildlife abroad.

I was pleased to receive a copy of World Animal Protection's report "The Real Responsible Traveller" earlier this month, which presents an assessment of the commitment to wildlife-friendly tourism of nine of the most influential travel businesses in the UK or the global tourism industry. This research, commissioned by World Animal Protection and undertaken by the University of Surrey, highlights which companies are still failing wildlife by selling exploitative experiences and attractions or by operating their business without concern for animal welfare.

I pay tribute to the UK tour association ABTA for publishing a decade ago a set of ethical standards for operators on animal experiences abroad. Travel companies play a crucial role in influencing the demand and supply of captive wildlife experiences. However, those companies that choose to sell captive wild animal entertainment and experiences continue to profit from animal suffering. Some 84% of people interviewed in a 2022 global poll believe that tour operators should not sell activities that cause wild animal suffering. Those companies have an ethical duty to their customers, yet too many choose to put profit before what is right.

In May last year almost three quarters—72%—of respondents to a YouGov poll stated that they wanted the Government to pass more laws designed to improve animal welfare and protect animals from cruelty. Banning the domestic advertising and sale of cruel animal activities abroad has clear support in the UK. British people do not want animal cruelty in this country, and nor do they want to support it abroad. I praise the ambition of the Government's action plan for animal welfare, which enjoyed huge public support and committed to legislate on the issue. It intended to set a global standard for how animals should be treated—with respect, compassion and free from suffering. I ask the Minister to do everything possible to follow through on that promise.

The landmark Wild Animals in Circuses Act 2019 prohibited the exhibition or use of wild animals performing as part of a travelling circus in England. This House has made its feelings clear on this issue and must do again. Wild animals deserve the right to a wild life free from suffering. They are not commodities to be exploited and they are not ours to exploit.

I remind the House of the sentiment set out by the then Secretary of State for the Environment, Food and Rural Affairs, the right hon. Member for Camborne and Redruth (George Eustice), in May 2021 in the action plan for animal welfare:

"The way we treat animals reflects our values and the kind of people we are."

I could not agree more. Let this House of Commons support the Animals (Low-Welfare Activities Abroad) Bill and take this opportunity to help tackle the cruel mistreatment of wild animals abroad.

7.27 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): This is the first time I have had the pleasure of speaking while you have been in the Chair, Mr Deputy Speaker. I know that you, too, are very interested in the subject of animal welfare. I am particularly grateful to my hon. Friend the Member for Crawley (Henry Smith) for securing this debate, and for sharing a copy of his speech. We have something in common as I, too, was a member of the all-party parliamentary group for animal welfare—I think I co-chaired it. Many Members in this Chamber either have been in that all-party group or are in it now. There is strong cross-party engagement on how we feel about animals and looking after them.

I must thank my hon. Friend the Member for Guildford (Angela Richardson) for her work in this area. We have heard some gruelling reports of how animals are treated. My hon. Friend the Member for Crawley demonstrated his sympathetic understanding of how we should deal with our fellow wild creatures. He is absolutely right that the way we treat animals reflects on our own values—something we should bear in mind. I express my gratitude to all the campaign groups and organisations that have continued to raise the profile of issues such as those that we are debating.

The Government recognise that a number of tourist activities take place overseas that generate animal welfare concerns and would be illegal here under our own domestic legislation. A 2015 study by Oxford University's wildlife conservation research unit reported that up to 550,000 animals worldwide suffered due to tourist entertainment in wildlife attractions. We have heard some examples. The tourism industry is a significant contributor to the UK's economy. Some of that economic activity relates to travel agents here, as we have heard, arranging and selling holidays abroad.

As the tourism industry regenerates following the effects of the covid pandemic, now is the perfect time to build tourism that is responsible and sustainable. As a world leader in animal welfare, the UK Government are keen to work towards improving the welfare of not only animals here in the UK, but those used in the tourism industry across the globe. The Government already carry out a significant amount of work to protect and improve the welfare of animals domestically and worldwide and are determined to do more. That can be seen in our recent support of the Hunting Trophies (Import Prohibition) Bill, which I thank my hon. Friend the Member for Crawley for bringing forward. I was fortunate enough to speak on behalf of the Government on Second Reading on 25 November last year, and I am pleased to see that the Bill will be in Committee tomorrow. I was also delighted to speak last Friday on the Shark Fins Bill, which is another private Member's Bill that demonstrates the attitude we are taking towards worldwide conservation. I know that many other Members here have contributed towards that.

There are so many pieces of legislation that this Government have recently brought forward to improve animal welfare, including the Glue Traps (Offences) Act 2022, the Animal Welfare (Sentience) Act 2022, the Animal Welfare (Sentencing) Act 2021, the Animal Welfare (Service Animals) Act 2019 and the Wild Animals in Circuses Act 2019, and the ivory ban came into force

in June 2022. A lot of this work has been underpinned by our action plan for animal welfare, which was published in March 2021 and set out the direction of travel and our commitment to this work on animal welfare both domestically and globally.

The Government are aware of problems involving low-welfare Asian elephant establishments abroad. Asian elephant rides, performances and experiences are often a popular choice among tourists overseas. The campaign group Save the Asian Elephants claims that, of the 2 million UK tourists who visited India and Thailand between 2018 and 2019, one third expressed an interest in having a ride on an elephant. The Association of British Travel Agents is the main industry body that represent travel agents here. Its membership makes up about 90% of our industry, and it issues guidance to its members setting out low-welfare animal practices abroad that it deems unacceptable for travel companies to advertise. Its comprehensive list of such activities includes feeding or contact with big cats, great apes, bears and sloths; bear pits; tiger farms; animal fighting; canned and trophy hunting; and many more. It is impossible to believe that there is such a comprehensive list of all these things, and we have heard some graphic descriptions of those activities tonight. Although ABTA provides clear guidance on these matters, it does not have legislative force and applies only to ABTA members.

Many studies are now concluding that tourists are becoming more reluctant to support low-welfare activities, and I am pleased to say that there is instead a growing demand for sustainable and ethical attractions. We are hopeful that as awareness grows around these issues, ethical tourism will become more prevalent throughout the industry. "Responsible tourism" is an ever-increasing term in the travel industry, and we hope that British travellers will realise this and make the choices for themselves.

Although there is some way to go, there certainly seems to be a shift in many places towards higher-welfare attractions. For example, ChangChill in northern Thailand has become one of the first elephant attractions to transition to an observation-only model. The venue has become a really popular tourist attraction, demonstrating that there is a demand to learn about elephants without having to touch them. Watching animals behave naturally in their natural environment is the right way to go, whether it is rafting up the river in The Gambia looking at birds, or watching whales or elephants from a distance with a good pair of binoculars. The Government are hopeful that the purchasing patterns of tourists from this country will send a strong global statement that we, as a nation, will oppose the unacceptable treatment of animals abroad.

I will conclude, as I think it has all been said by my hon. Friend the Member for Crawley. I thank him and all other Members who have contributed to the debate and who will ensure that, as a nation, we carry on our great work standing up for animal welfare. I wish my hon. Friend well with his Hunting Trophies (Import Prohibition) Bill.

Question put and agreed to.

7.35 pm

House adjourned.

Westminster Hall

Tuesday 24 January 2023

[JUDITH CUMMINS *in the Chair*]

Restoring Your Railway Fund

9.30 am

Kevin Foster (Torbay) (Con): I beg to move,

That this House has considered the Restoring Your Railway Fund.

It is a pleasure to serve under your chairmanship, Mrs Cummins. First, I thank my colleagues on the Backbench Business Committee for agreeing to schedule this timely debate.

The name Dr Beeching evokes strong passions even 60 years after the publication of his first report, and the very fact that I do not have to mention the subject or the title of the report, simply his name, speaks to the special place our railways hold in the nation's heart and the impact of the proposals that followed. No other mode of transport can evoke such passion or interest, and while more people use buses than trains, it is rare that anyone becomes as engaged in a discussion about a new No. 3 or No. 12 as they do in talking—at length—about the prospects of restoring a piece of track that last saw a train long before many of us were born.

We refer to the Beeching era, but Britain's railways were contracting before Beeching arrived. For example, in Devon alone, the line to Princetown closed in 1958 and the line to Yealmpton closed to passengers as far back as 1947, but Beeching's first report on reshaping Britain's railways is, for many, the key moment. The report has seared his name into our national memory, and it defined an era for our railways. Of 18,000 miles of railway, Beeching recommended that 6,000 miles be closed and 2,363 station closures, both on lines set to close and on lines he proposed remain open.

There are lots of debates about whether different approaches could have been tried, not least reducing costs on lines rather than closing them, but those debates are for the rail historians. We know that today, across Britain, there are viable schemes ready to reconnect communities to our rail network. When people talk about what had been the signs of decline in a once-prosperous town, many local residents include in the list the words, "Then the station closed." A rail service is often seen as a sign of literally being on track to better prospects. Hence the excitement when a long-lost service returns.

Paul Howell (Sedgefield) (Con): Ferryhill station in my constituency was removed in 1964 when I lived there, although there is still a freight line. The station is symptomatic of the area's need to regenerate and redevelop. Does my hon. Friend agree that any consideration of whether a bid should succeed must be cognisant of the impact on the people of the area, not just the mathematics that go with it?

Kevin Foster: I could not agree more with my hon. Friend, who is a strong champion for his constituents on the matter. Where once there was a station and now there is a space or an empty building, or just freight

trains trundling past, people sense that they might have been left behind, so reopening stations, particularly in locations such as the one he mentioned, is one of the best signs that levelling up could offer to show that the agenda across Government is about giving communities back what they had in the past. We are not going to reintroduce steam trains, but we do want to give people a modern, functional service that points towards an aspiration for a better future.

With respect to such opportunities, the pledge in our 2019 manifesto, which forms the basis of the Government's mandate, was explicit:

"To help communities across the country, we will restore many of the Beeching lines, reconnecting smaller towns such as Fleetwood and Willenhall that have suffered permanent disadvantage since they were removed from the rail network in the 1960s."

In January 2020, colleagues across the House will have welcomed the Government translating that pledge into £500 million for the restoring your railway programme to deliver the manifesto commitment, which I know was firm when my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) was Prime Minister. I know the Minister will be keen to repeat it today.

I want to ensure that the commitment remains firm not because I am sentimental about the days when steam trains raced from London Waterloo to Tavistock, but because of what we see when lines reopen and communities reconnect. For example, the revitalisation of the line to Okehampton has brought full passenger services to the town for the first time in five decades. It was the first former line to reopen under the restoring your railway programme. In the same week that it celebrated its one-year anniversary in November, the Dartmoor line also saw its 250,00th journey—more than double the demand originally forecast.

Then there is the Scottish Borders railway, for which an original target was set of 650,000 passengers in the first year, but demand for the service exceeded expectations with almost 700,000 trips made in just the first six months of the line reopening. In short, new lines bring new trade to the railways and provide an attractive alternative to travel by car or coach. The Minister saw for himself the achievements at Okehampton and the excitement of the local community at having its train service back. We would simply not get that with a new road junction or a bus service.

Dr Neil Hudson (Penrith and The Border) (Con): I thank my hon. Friend for giving way and congratulate him on leading this important debate. In Cumbria we have been pushing for the reopening of the Penrith to Keswick line and of Gilsland station. My hon. Friend mentioned the Borders railway, which we want extended through Longtown in my constituency and down into Carlisle. Does he agree that opening up those projects not only connects people to physical places, but increases economic opportunities and access to education and empowers rural communities?

Kevin Foster: I could not put it better. Transport systems are not just about an academic exercise of connecting point A to point B, but about linking communities, providing opportunities and levelling up communities. Instead of looking back to a service that existed until the late 1960s, we should look forward to

[Kevin Foster]

the opportunities. My hon. Friend is a very strong advocate for his constituents and I know he will push the Government on that scheme.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

Kevin Foster: It would be rude not to give way to probably the most regular attendee at 9.30 am on a Tuesday.

Jim Shannon: I commend the hon. Gentleman for securing this debate. It is a real pleasure to intervene on him, whom I see as a very dear friend. My constituency used to have a railway line, but now has no railway whatever. Does the hon. Member not agree that it makes no sense for any constituency to have less public transport at a time when we are encouraging people to ditch their cars and make changes to help the environment? It takes investment. If the Government are serious, the funding must also be serious.

Kevin Foster: The hon. Gentleman puts it well and reminds us that in the Beeching era many communities went from having train services to numerous destinations to literally having none. We have mentioned the example of the Scottish Borders railway. After the closure of the Waverley route, certain communities became some of the furthest away from the mainline network. Train services provide people with different choices and opportunities. It is safe to say that the people of Strangford can be reassured that if there is any prospect of getting a train service back to Strangford, the hon. Gentleman will regularly pursue it in this place until it happens.

I am conscious that there are many requests for new lines and stations across the country. In June, the Government published a restoring your railway fund programme update with details of all successful and unsuccessful bids. In total, the programme update listed 44 successful schemes, which are at different stages, and 23 schemes are being funded to develop a strategic outline business case—one of the earlier stages in considering a transport intervention. Thirteen schemes that had already developed a SOBC are being supported to develop further, and eight schemes are being delivered. Of those, the Dartmoor line between Okehampton and Exeter has already reopened.

The schemes stretch across the country, ranging from the Northumberland line reopening to the new Thanet Parkway station in Kent, plus St Clears station in Wales and the White Rose station in Yorkshire. As evidenced today, many other communities want to join them. Many communities who were not successful at first now hope to join them in future rounds.

In some areas the dreams of restoring a railway service will come up against the harsh realities of previous track beds having been lost or development having taken over where a line once cut through. What might in the early 1970s have been a relatively easy job of re-laying track will now mean cutting a new track bed through previously untouched countryside. I know from my brief time in the Department for Transport about the issues with restoring the key section of the Varsity line between Cambridge and Bedford, given the short-sighted decisions of past generations to build over the old track bed. The modern realities of development since the line

closed mean a different realignment is needed. It is interesting to note that this is one railway that Dr Beeching proposed to keep open in his infamous report, with the mistake of closure being clear almost from the time it was implemented.

In many locations where enthusiasts or a local council have sought to preserve the dream that trains would one day come back down the track to them, reopening former lines can offer excellent value for money. We can also benefit from the quality of railway engineering in the Victorian era. The report on the former line from Bere Alston to Tavistock, more than 40 years after its closure, found that many of the key structures were in fairly good condition, despite not having been maintained for decades. Think of how each pound spent on the restoring your railway programme delivers popularity and inspiration for the local community. Then think how HS2 developers must dream of getting anywhere near that with the tens of billions being spent on that.

The Minister will not be surprised to hear me talk of the opportunity to do just that in my own constituency. The former Goodrington Sands station lies only a few hundred metres from the railhead that marks the end of the Network Rail track, and has done since the line from nearby Paignton station to Kingswear closed. It is not the derelict building that some hon. Members might now be picturing in their minds. Since 1972, it has operated successfully as part of the Dartmouth Steam Railway, with its platforms still in very good condition.

Goodrington station provides a great example, not just of preserving the past, but of an opportunity for the future. Given the Network Rail track nearby, it is possible to create a track route, entirely separate from the operations of the steam railway, to Goodrington from Paignton. That would allow a new platform to be created alongside the heritage station, with accessibility provided by stairs and a lift to the road bridge that passes over the site. Whereas parking is limited at Paignton, there are large car parks near Goodrington station, which are often only used in the summer peak season.

Those ingredients, alongside the presence of a large beach and leisure facilities around the former station, provide a tempting chance directly to reconnect communities nearby and facilitate a parkway-style access to the rail network. Despite the obvious attractions of that plan, plus support from the local community, the spirit of the Beeching era lived on in the coalition of Lib Dem and independent councillors currently running Torbay Council, who objected to the bid for restoring your railway funds. It was disappointing to note their opposition, and the way they assumed they could get an officer to write to MPs, simply demanding we withdraw a bid, as they had said no. As some will know, such ill-judged actions merely provoked not compliance but scorn from me, my hon. Friend the Member for Totnes (Anthony Mangnall) and many local residents.

The restoring your railway programme is not just about reopening lines closed during the Beeching era. It is also providing entirely new stations, such as the one being built at Marsh Barton, which I passed on the train when I travelled up yesterday, and the very welcome Edginswell station in Torquay, where preparatory works are under way ahead of the main construction work starting later this year. Having asked many questions about that project of previous Rail Ministers, I welcome

the new stations fund and the Torquay town deal supporting it: the first new station in Torbay since the war, delivered by a Conservative team.

I could be here a long time, listing individual schemes and opportunities for reopening, and I suspect we will hear quite a few more as the debate progresses. Yet the purpose of this debate is not just to put in a pitch for a local scheme, although this is a good opportunity for colleagues to ensure that the Minister has heard the exact benefits a scheme will bring for their local area. There are a few points it would be good for the Minister to respond to.

The first is the easiest: to confirm that the Government remain committed to the vision of reversing Beeching-era cuts, giving communities new train services, as set out in our 2019 manifesto, and the £500 million previously agreed. Secondly, what work will the Government do to support groups and MPs looking to bid where a local council retains the spirit of the Beeching era and decides to object, but the community is positive? Thirdly, what assessment of the value delivered with these projects will be used to capture the full impact for the community of being reconnected to the rail network?

As I said at the start, the fact that we can mention one man's name 60 years after his report was published shows how the railway closures affected so many communities. For the first time in decades, many communities can now talk about railways as part of their future, not just something they reminisce about from the past. That is what the restoring your railway scheme is about. It is the ultimate prize from levelling up, and it is vital that the commitment shown to it by the Government's 2019 manifesto continues.

9.44 am

Richard Foord (Tiverton and Honiton) (LD): It is a pleasure to serve under your chairship, Mrs Cummins. I thank the Backbench Business Committee for facilitating the debate.

As an Opposition politician, I might not often be heard saying positive things about the Government or the governing party, but I want to say some warm words about the restoring your railway scheme, particularly as it has awarded £5 million towards the reopening of Cullompton railway station. The developments we have seen in Devon, including the reopening of the station at Okehampton, are excellent; I hope Cullompton will see the same railway renaissance as Okehampton has in the past couple of years.

I will set out why I think it will be beneficial to Devon to have a railway station at Cullompton and how that might also return some benefits to the Department for Work and Pensions. Cullompton railway station is one of 10 projects that received funding from the restoring your railway fund in 2020. The funding was delivered to Network Rail, which is developing a full business case for stations at Cullompton and Wellington. I know the Minister is aware of the initiative, not least because he kindly agreed at Transport questions last week to visit the site when he is next in the area. The Minister advised that I should work with people of all political colours in the local community on the programme, and he will be pleased to know that I am doing just that.

Cullompton had a railway station until 5 October 1964. The Beeching cuts, which we heard about from the hon. Member for Torbay (Kevin Foster) and which

mothballed Cullompton and many other railway stations that day, are looked back on with great regret from a 2023 vantage point. I suggest that they were also regretted by the then Government, because just 10 days after the closure of Cullompton railway station and other stations in Devon, the Conservative party, which had been in power for 13 years, was defeated and nearby seats fell to the Liberal party. There is still time to reinforce the current Government's success in rail at Cullompton.

Recently, the right hon. Member for Central Devon (Mel Stride) was fortunate that the Dartmoor line was the first line to be reopened under the restoring your railway scheme. The restoration, which was announced in January 2018 when the right hon. Gentleman was Financial Secretary to the Treasury, has some parallels with Cullompton. Okehampton and Cullompton are both within commuting distance of Exeter and both have slightly more than 10,000 people currently living in and around each town.

Cullompton has characteristics that will be attractive to some of the Rail Minister's colleagues in Government. It is a town with a tight labour market and currently has vacancies across a range of sectors, including retail, manufacturing and social care. In Cullompton, fewer than two in 100 people are unemployed, in contrast to the neighbouring city of Exeter, where unemployment is greater than 3%. There are thousands of people in Exeter who are registered unemployed and looking for work who would be able to find jobs in Cullompton were they able to commute there. That could reduce the cost of benefit payments to the Department for Work and Pensions, and represent excellent value for the taxpayer.

While Cullompton is already regarded as a key town for commuters, plans are afoot for Culm Garden Village, which will expand Cullompton by more than 5,000 houses and perhaps an additional 12,000 residents. The Minister will be aware that the population of the west country has grown faster than the population of England, but that is not a patch on the growth rate we will see in Cullompton, which is having a deleterious effect on people's health. We already have an air quality management area designation in the town of Cullompton; having a station in the heart of the town should serve to reduce traffic on the congested B3181.

The Minister is a real champion for railway restoration. As a Back-Bench MP, he battled successfully for Battle, specifically the refurbishment of its railway station. As the Minister, last year he came to Devon to celebrate the new Dartmoor line having its 250,000th user, as referred to by the hon. Member for Torbay, and said in his speech at the time that the restoration

"has undone 50 years of damage".

He is very welcome to visit us at Cullompton station to see how little work would be required to restore the station to its former glory and to transform a very friendly part of Devon into an environmentally friendly one.

Several hon. Members *rose*—

Judith Cummins (in the Chair): Order. Before I call the next speaker, as we have had a number of withdrawals, I am looking at about six minutes for each speech.

9.49 am

Suzanne Webb (Stourbridge) (Con): It is a pleasure to serve under your chairmanship, Mrs Cummins. I thank the hon. Member for Torbay (Kevin Foster) for securing the debate.

I want to talk about my Stourbridge Dasher. I invite the Minister to Stourbridge to see for himself how important it will be to the community. The Dasher will be transformative. It will run along an old passenger line and extend the branch line, and restore an important economic link. It is railway restoration at its very best. The Dasher would reinstate passenger services on a four-mile, freight-only branch line between Stourbridge Junction, and Round Oak and Brierley Hill, and the terminus at Brierley Hill would link it to the West Midlands Metro tramline extension, which is expected to open in 2025. This has never been more important, given that under the 2024 boundary changes Brierley Hill will come into the Stourbridge constituency. Of 1,500 people surveyed in my constituency, 87% were in favour of the Dasher and would make use of it.

The Dasher would bring huge benefits. It would link Stourbridge to the wider Black Country, opening passenger travel between some of the region's most deprived areas. It would be good for areas such as Amblecote and Brierley Hill, with stations planned at Vicarage Road and Brettell Lane, and good for jobs by increasing the ease of travel, taking the burden off roads such as the A461, and sparing residents from frequent traffic jams. If delivered, this line and its stations would make a real contribution to reinvigorating the area.

Stourbridge already has the Stourbridge Shuttle, which is pretty impressive in itself. It connects the main line train station to the centre of Stourbridge town and runs every 10 minutes, seven days a week. It has an on-time train service reliability of 99.8% most of the time, which I am sure most present would agree is pretty impressive. Its operating costs are 50% cheaper than those of conventional railways, and it is eco-friendly, running on liquid petroleum fuel that is kinder to the air, which is a UK first. It is Europe's smallest branch line—the journey time over the 0.8 miles is only three minutes—but while it might be small, its track record of delivery could be extended to the Dasher.

I thank Pre Metro Operations, which brought the potential of the Dasher to my attention. Pre Metro Operations has done a brilliant job of putting together a business case, through work done out of dedication and love of the branch line, and with innovative thinking. On Friday, I am going with the Pre Metro team to a site near Stourbridge for a demonstration of the potential Dasher. We all have those days and visits that we just cannot wait for, and this is one of them. I love trains anyway, but I cannot contain my excitement over being able to see the potential of my Dasher. I am serious—my constituents know that as well. I am genuinely excited about the future possibilities of making the Stourbridge Shuttle into a Dasher.

The project needs only £50,000 for an initial feasibility study to kick it off. I do not think that is too much to ask for.

Siobhan Baillie (Stroud) (Con): My hon. Friend is doing such a good job of talking about her railways, she makes me want to travel on them immediately. For 20 years, MPs, councils and community champions have

been campaigning similarly to reopen Stroudwater station on Bristol Road, Stonehouse. I was proud to be the MP who secured £50,000 to do the feasibility study, so I completely understand her passion and pitch. We are asking for the environmental, economic, business and tourism benefits not just for now, but for the future. From speaking to Great Western Railway, I understand that there is a lot of waiting before getting from Government an understanding of what the funding pot for railway investment will look like, given that the country's finances are stretched at the moment. Does my hon. Friend agree that hearing about that investment early and having the Department for Transport work closely with individual bids on feasibility are incredibly valuable to all our communities?

Suzanne Webb: I could not agree more with my hon. Friend. I have been waiting some time for that £50,000. These are quick-win projects that do so much for communities. Getting that closer link with the Government, in particular on feasibility work, would save so much time further down the line, even if it were to prove that the project was not feasible. I thank her for that.

I finish as I started, by asking the Minister to come and visit our brilliant shuttle, to see for himself that it would be even better if we had the Stourbridge Dasher. I am sure the rewards to all will be hugely demonstratable, but none more so than the rewards to the community of opening up the superb branch line once again and seeing the Stourbridge Dasher, in all its magnificence, take to it. What is not to love?

9.54 am

Jonathan Gullis (Stoke-on-Trent North) (Con): It is a pleasure to serve under your chairmanship, Mrs Cummins. I congratulate my hon. Friend the Member for Torbay (Kevin Foster) on securing this very important debate.

We have been very lucky in Stoke-on-Trent. We have managed to secure up to £40 million from the transforming cities fund, which will do remarkable work, and £31.7 million to improve local bus services, create new routes to better serve the community, and most importantly reduce the flat day fare by a third to £3.50. In addition, my hon. Friend the Member for Stoke-on-Trent South (Jack Brereton) has been successful in getting the old railway restored at Meir station. But of course, Stoke-on-Trent always wants and deserves more. I am sure the Minister is aware of that.

My right hon. Friend the Member for Staffordshire Moorlands (Karen Bradley), my hon. Friends the Members for Stoke-on-Trent South and for Stoke-on-Trent Central (Jo Gideon) and I were delighted to secure £50,000 for the feasibility study for the Stoke to Leek line service, which we want to come back to life. I have had the pleasure of walking the line near Milton and Baddeley Green with Councillor Dave Evans and Councillor James Smith. There is an opportunity in our great city to better serve an area of deprivation that has sadly high obesity levels. There has been a jobs boom, but that area has poor connectivity to the Ceramic Valley enterprise zone sites. We can improve employability and create better opportunities to sell the employment sites in our great city.

We have in our city the fantastic City of Stoke-on-Trent Sixth Form College and Stoke-on-Trent College, which serve students from north Staffordshire, as well as

Staffordshire University and Keele University. The line would serve as a huge hub, improving access to education, which is particularly important given that we need more people to take levels 3 and 4 qualifications. Sadly, we lag 8% behind the national average when it comes to the take-up of level 3.

Since 2015, 9,000 jobs have been created under the leadership of Councillor Abi Brown and her fantastic team at Stoke-on-Trent City Council. The railway line could also help to decongest our roads and improve our air quality. Stoke-on-Trent City Council and Newcastle-under-Lyme Borough Council—I also represent that area—have been tasked with solving that issue.

If we bring that train line back to life, it will save people getting around our city an average of 25 minutes at peak times. That is a huge benefit. More than a third of residents of the city do not have access to a motor vehicle and are heavily reliant on taxi services, because sadly the bus service is in need of improvement. It is important to make that case for local people, particularly those who live on the outskirts of our city. In Milton, Baddeley Green and Stockton Brook, people have to get off First Bus Potteries and get on to another bus near Endon and Brown Edge to get to Leek. I believe Leek, which has about 25,000 residents, is the largest town in the country not to be served by a railway station.

Nearby is the glorious Alton Towers. The Stoke to Leek line has the potential to go through it and connect to one of this country's great tourist attractions. That would help build our long-term tourism strategy, which is to have more than just one-day visits. We are delighted to have these visitors; we had about 6 million before the covid pandemic, but sadly only 200,000 turned into overnight stays. This railway line, which would offer connectivity to Alton Towers and other tourist attractions around north Staffordshire, would incentivise people to stay overnight. That would build on the success of the Hilton building in Stoke-on-Trent city centre, and the Goods Yard site, which is under development thanks to the levelling up funding and will bring more hotel space.

We have the fantastic World of Wedgwood in the constituency of my hon. Friend the Member for Stoke-on-Trent South, but even better, of course, is Middleport Pottery, which has been proud to be the home of "The Great British Pottery Throw Down" in the past. Of course, we also have the Potteries Museum and Art Gallery and the Gladstone Pottery Museum. That is why it is so important that we have the ability to boost our tourism, our education opportunities and our employability in our city, and to better connect our city to residents who do not have access to motor vehicles in the way that people in a more privileged position may traditionally have outside our great city. The line will also help to improve the air quality in our great city. That is so important, especially when a lot of the people who live in Stoke-on-Trent used to work in the pots and the pits and suffer with long-term health ailments because of the type of industry in which they worked for so many years.

I hope that the Government remain absolutely, fully committed to the restoring your railway fund. I hope to hear from the Chancellor in the spring statement—I will allow him to go to the autumn statement this year at the very latest—that he will commit to Stoke-on-Trent and Leek getting the Stoke to Leek line back once again.

10 am

Jack Brereton (Stoke-on-Trent South) (Con): It is an absolute pleasure to follow my hon. Friend and neighbour the Member for Stoke-on-Trent North (Jonathan Gullis). I commend my hon. Friend the Member for Torbay (Kevin Foster) on securing this important debate on a topic that he knows we very much share an interest in.

The restoring your railway fund is one of the best policies of this Conservative Government, and it should be a model for future public policy. The involvement of local Members of Parliament as sponsors, and other key local stakeholders, has been an excellent way of developing high-quality bids that democratically garner local support. Infrastructure projects can often be imposed and attract controversy, so this grassroots-up approach is far more desirable and more likely to deliver economic and social benefits.

As the Minister will know, the fund has provoked interest across the country, especially in north Staffordshire, which I will focus on. Poor transport connectivity in Stoke-on-Trent and wider north Staffordshire is a major barrier to employment, skills and general quality of life. A third of households in Stoke-on-Trent have no access to a car, yet people depend on car transport because, for many, public transport is non-existent, which severely holds back opportunities. The strategic road network through the city is operating at around 110% capacity and parts of the local road network are far worse, resulting in terrible journey reliability. Local bus operators now say that they are often unable to run reliable services due to the levels of congestion, and we have major air quality problems.

As I have said in this Chamber before, it is important to recognise that north Staffordshire is one of the few parts of the country that were not only hit by the Beeching axe but by further reductions in rail services under the last Labour Government. Services to Barlaston and Wedgwood ceased as part of the west coast main line modernisation in 2004. Such was the short-sightedness of the last Labour Government that Etruria station was permanently closed in 2005, with the platforms completely removed in 2008, to shave but a few minutes off high-speed Pendolino services. Thankfully, times have changed and we now recognise the benefits of encouraging more people back on to our railways, but much needs to be done to restore much of our local connectivity.

The Conservative Government have been extremely supportive of improving local transport for Stoke-on-Trent. As we heard, we have secured £40 million through the transforming cities fund for local bus and rail improvements and £31 million through the bus service improvement plan, as well as funding towards our restoring your railways projects. The first of these to reopen—Meir station, which was closed in 1966—is now progressing to an advanced stage, having secured a further £1.7 million to develop the full business case and detailed delivery study. I was pleased to meet representatives from DfT, Network Rail and the city council just before Christmas, and it was great to hear how well our plans are progressing.

Reopening a station in Meir could have a transformative impact on the local community. Both wards in Meir are identified by the all-party parliamentary group for 'left behind' neighbourhoods as being in the top 225 most left-behind neighbourhoods in the entire country. A key problem in Meir is poor transport. More than 40% of households in Meir North do not have a car; public

[Jack Brereton]

transport is non-existent in parts of the area, and Meir suffers from significant road congestion and air pollution. The lack of effective public transport in Meir is a major barrier to employment and skills opportunities and severely restricts quality of life. Reopening the station in Meir would make a huge difference to a part of the country where levelling up matters most, by opening up a wealth of skilled employment opportunities and massively enhancing access to local colleges and universities. If we secure the full backing of the Government, work could start on site in 2024, and our plans would be relatively easy and cheap to deliver.

Alongside that, I have been working closely with my hon. Friends the Members for Stoke-on-Trent North and for Stoke-on-Trent Central (Jo Gideon), as well as my right hon. Friend the Member for Staffordshire Moorlands (Karen Bradley), to reopen the Stoke to Leek line. The project is not as advanced as the Meir project, but we were delighted to receive funding from Government that enabled us to submit our excellent strategic outline business case in November. The project would see not only the restoration of rail services to Leek for the first time since 1965, but the reopening of a number of stations throughout Stoke-on-Trent and the Moorlands, including one at Fenton Manor in my constituency. It would significantly help to level up opportunities and massively enhance access to work and skills, as well as tourism. The extremely poor local transport connectivity would be transformed, addressing significant road congestion and air pollution.

Currently, the fastest train journey from Stoke-on-Trent to London Euston takes around an hour and 24 minutes, which is quicker than travelling the 12 miles from Leek to Stoke station by public transport at peak times. That journey time would be improved with further HS2 services connecting us into London, but the benefits will be severely limited if we do not address our chronically poor local transport. Train services from Stoke to Leek would only take between 23 minutes and 25 minutes—around a third of the current peak-time journey times on public transport.

Reopening the line would make a huge difference to communities along the route, opening up major new employment opportunities and helping to deliver the economic growth our area needs, as well as taking vehicles off our roads. I strongly encourage the Minister and the Department to back the Stoke to Leek line moving to the next stage—a full business case and detailed delivery study.

The restoring your railway fund projects to reopen Meir Station and the Stoke to Leek line are taking place alongside the work being done by the West Midlands Rail Executive to look at reopening Trentham station, and the vision of Stoke-on-Trent City Council—led by the excellent Councillor Abi Brown—for a properly integrated light rail network for the Potteries, creating a properly integrated public transport network. I urge the Government to give us their full backing to ensure we can properly level up opportunities in Stoke-on-Trent and wider North Staffordshire.

10.7 am

Peter Gibson (Darlington) (Con): It is a pleasure to serve under your chairmanship, Mrs Cummins. I congratulate my hon. Friend the Member for Torbay

(Kevin Foster) on securing this important debate. Representing Darlington, the birthplace of the railways, I have been pleased to have many opportunities to raise railway-related issues in my time in this place. This includes campaigning to save Locomotion No. 1, getting our railway bridges painted, pushing for tactile paving at Darlington Bank Top station, leading the case for an overhaul of North Road station, stopping London North Eastern Railway from cutting services and calling for livestreaming to British Transport Police of onboard CCTV.

Darlington has a rich rail heritage—indeed, it is the starting point of the world's railway story. As we approach the bicentenary of the Stockton and Darlington railway in 2025, there could be no better time than now to be having this debate. As we have already heard, this year marks the 60th anniversary of the Beeching cuts, which saw the decimation of many of our railway lines, the impact of which we still feel today with the loss of connectivity it brought about.

Levelling up is about righting the wrongs of the past and reversing underinvestment in regions such as the north-east, which has been overlooked by Governments of all colours. I am proud that the transformation of Darlington's wonderful Bank Top station—a cathedral of Victorian railway engineering—backed with £139 million of Government investment, is adding additional platform capacity and connectivity to our regions. The restoring your railway fund is a further way that the Government are levelling up, helping to unlock connectivity and restore long-lost connections with communities, for which, even after the passage of so much time, people have a great affinity.

I and many other north-east colleagues also are pushing for the Leamside line to be restored, which will do so much to unlock capacity on the east coast main line. Darlington connects to the Bishop line, and in turn connects to the Weardale line. Working with colleagues, such as my hon. Friends the Members for Sedgefield (Paul Howell) and for Bishop Auckland (Dehenna Davison), and primarily our hon. Friend the Member for North West Durham (Mr Holden), strategic overview case funding for the Durham Dales line has been secured. I know that my hon. Friend the Member for North West Durham has also secured business case funding for feasibility of the Consett to Tyne line.

These projects to restore our railway links can help to deliver public transport that is fit for purpose, getting people to where employment opportunities are and opening up communities that are currently disconnected to new investment opportunities. Further, the lines would serve some of the areas of the north-east with the lowest rates of car ownership, where there is heavy reliance on public transport. It is not right that people are further disadvantaged by matters outside their control. Reopening the lines would go a long way towards ending this disadvantage and help to boost the local economy.

Finally, I want to mention North Road station in my constituency, which sits on the Bishop line. The station, on the original Stockton to Darlington railway line, has a number of problems, including the platform height and depth, inappropriate furniture and fencing, and the shameful waste of the use of the historic canopy for shelter. I firmly believe that we can do better, and I am pleased to be working with Network Rail, Northern, the Bishop line, Darlington Borough Council and Tees

Valley Combined Authority to secure solutions and funding for those issues. That sits alongside the £35 million investment in Darlington's flagship Railway Heritage Quarter, which adjoins North Road station. The preservation and improvement of the station is a hugely important project and would complement the work already being undertaken to showcase Darlington's rich rail heritage.

In the north-east, all rails lead to Darlington. The restoration of the lines I have mentioned would be hugely beneficial for improving local connections and boosting business, employment, education and leisure opportunities for my constituents and residents across the north-east, and I am grateful to have been able to put these points on the record.

10.12 am

Virginia Crosbie (Ynys Môn) (Con): It is a pleasure to speak in this important debate and to serve under your chairmanship, Mrs Cummins. I congratulate my hon. Friend the Member for Torbay (Kevin Foster) on securing the debate and thank the Backbench Business Committee for facilitating it.

When I was first elected by the island as the Member of Parliament for Ynys Môn, some of the earliest contact I had was from constituents who were concerned about the fate of the disused Gaerwen to Amlwch railway line. That 17.5-mile line came about as a result of the Anglesey Central Railway Act 1863 and was operational by the late 1860s. It connected Amlwch in the north of Anglesey to the island's market town of Llangefni, and joined the main line to Holyhead at Gaerwen.

Amlwch was once the second largest town in Wales, with a port and a mine at Parys mountain. When the railway opened, the copper and minerals mined there were transported off the island by rail, instead of by sea. However, after nearly 200 years, the line was closed to passengers as part of the Beeching cuts in 1964. It continued to service the needs of the Octel bromine plant in Amlwch until 1993, at which point it was closed, and it has since lain unused. Some parts of the line are largely intact today, and one can still find old stations next to the track. In other places, the track has been removed or is very overgrown.

Broadly speaking, there are two schools of thought on the line: a company called Anglesey Central Railway Ltd wants to revert the line to a railway and was awarded the lease to the line by Network Rail in April 2021, and a group called Lôn Las Môn wants to turn the line into a multi-use path for active travel. I believe that the line is a huge community asset that is currently untapped, and it should be put to a use that the community supports, be it rail or an active travel path.

To try to provide some clarity on the matter, in March 2021 I and Transport for Wales supported a bid to the restoring your railway ideas fund in the third and final round of funding. We were successful; ours was the only bid from Wales to receive funding in all three rounds. Transport for Wales was awarded £50,000, which was matched by an additional £50,000 from the Welsh Government, to produce a feasibility study on the future use of the line. The results of the study have now been submitted to the Department for Transport and are under consideration. The study found that re-establishing

the line would cost £144 million for heavy rail or £93 million for light rail. An active travel path would clearly be deliverable at a lower cost.

Anglesey Central Railway has a team of volunteers progressing physical works and vegetation clearance. It is working towards the key milestone of a Transport and Works Act order—a TWAO—with a deadline of April 2023 set in its lease. It is likely that the deadline will be extended, particularly given the challenges and impact of the pandemic on its work. However, the anticipated costs of rail are significant, particularly in the context of the £500 million announced in 2020 for the restoring your railway fund.

Time will tell whether the Department for Transport considers that the project ticks the restoring your railway boxes of levelling up, reconnecting communities, providing socioeconomic and transport benefits, and being deliverable. The Minister has informed me that his decision will be made by the end of spring. My constituents are keen to know, and I am regularly contacted for updates. I reiterate my invitation to the Minister to visit Ynys Môn—if he brings his wellies, I can show him the disused line.

Suzanne Webb: You don't need wellies in Stourbridge.

Virginia Crosbie: When he sums up, will the Minister reaffirm his commitment to make a decision by the end of spring so that my constituents can get a clearer understanding of the future of the Gaerwen to Amlwch line?

10.16 am

Selaine Saxby (North Devon) (Con): It is a pleasure to serve with you in the Chair, Mrs Cummins. I congratulate my fellow Devon MP and hon. Friend the Member for Torbay (Kevin Foster) on bringing forward this important debate. I always appreciate the opportunity to talk about the challenges of rural transport.

In 1964, northern Devon lost the train line between Bideford and Barnstaple, although the tracks were not lifted until 20 years later. The area now boasts the fantastic Tarka trail for walkers and cyclists. While the trail is a great resource for local communities and visitors alike, the distances across rural areas and the changeable weather mean that it is not a practical commute for all but the most hardy and fit commuters.

Over the past few years, hundreds of homes have been built between Bideford and Barnstaple, with hundreds more planned. We absolutely need that housing, but it puts pressure on our infrastructure. In rural North Devon, our transport infrastructure is limited; for the 10-mile route between Bideford and Barnstaple, it essentially consists of the B3233 through Fremington or the single-carriageway A39. Without traffic, the journey should take 15 to 20 minutes by car or 29 minutes on the bus, but commuter traffic often pushes those times up to well over an hour, causing much frustration and clogging the roads on a daily basis. Bringing back a train connection between Bideford and Barnstaple would do much to prevent that congestion, and it would give communities affordable and environmentally friendly ways to reach Barnstaple and further afield by connecting the route all the way to Exeter.

I am fortunate that I have an active group that has put a significant amount of work into the possible rail line. Part of the Devon and Cornwall Rail Partnership,

[Selaine Saxby]

the Tarka Rail Association is one of the longest-established community rail partnerships in the country. Since its formation in 1977, it has championed the interests of users of the Tarka line, its 12 stations and their communities between Exeter and Barnstaple. In 2021, the association formally adopted the ACE Rail campaign, named after the Atlantic Coast Express, which until 1964 came from London Waterloo to serve Barnstaple, with an onward portion to Bideford in the constituency of my right hon. and learned Friend the Member for Torridge and West Devon (Sir Geoffrey Cox).

ACE Rail now stands for the Atlantic Coast to Exeter railway, and the campaign seeks a transformational rail service linking northern Devon with the county capital by doubling the service frequency from hourly to half-hourly and increasing the speed of journeys to compete with cars, with an additional limited-stop express service connecting Exeter Central with Barnstaple in 50 minutes rather than the present 75 minutes. The difference that the development of the line would bring cannot be understated. While it would obviously lessen congestion, it would go further by connecting the area with opportunities that are currently out of reach. We already know that limited transport options limit rural productivity. If we support rural productivity and improve connections to these areas, we could add an estimated £43 billion to our economy.

As co-chair of the all-party parliamentary group for cycling and walking, I am keen that as many people as possible have access to spaces where they feel confident to travel actively. Due to the narrow nature of a few pinch points on the route, it would not be possible to maintain the Tarka trail as it is and to develop a new rail line. I am keen that, instead of sticking to the historical, mainly coastal route, we look at a different line that more directly links Barnstaple to Bideford.

Having previously submitted a bid for Combe Rail, which would have connected Barnstaple to Braunton—sadly, that bid did not move forward—I know that there is huge support in North Devon for expanding our rail network. That previous bid lacked a viable connection to the main Barnstaple station, but the Bideford connection would directly join the two largest towns in northern Devon and go on to Exeter. We need to find ways to ensure that rural Britain's connectivity does not lag even further behind our more urban constituencies.

I hope that the Department considers reopening the restoring your railway fund to new bids. My North Devon constituency would benefit considerably from the route I mentioned. I hope that the Minister takes that ask seriously—he is also very welcome in North Devon, and I would always bring wellies—so that my community can reduce its reliance on cars and take advantage of the many benefits that the train line could bring.

10.20 am

Mr Tanmanjeet Singh Dhese (Slough) (Lab): It is a pleasure to serve under your chairship again, Mrs Cummins. I congratulate the hon. Member for Torbay (Kevin Foster) on securing this important debate on the restoring your railway fund via the Backbench Business Committee. I commend all the hon. Members who have spoken so passionately on behalf of their constituents about exactly

why their areas deserve funding for railway lines and how that would help to boost local economies and reinvigorate local communities.

The restoring your railway scheme has noble aims of connecting long-neglected towns and villages to the railways and investing in local infrastructure. Indeed, successful bids can deliver real opportunities for locals. However, the scheme's execution, just like that of the so-called levelling-up funding across our nation, has been a competitive, chaotic and careless mess. Sadly, the reality of the scheme is that it barely scratches the surface. I commend the principle of expanding our network, but the fund fails to tackle the major issues that affect UK rail. It lacks vision, coherence and a long-term plan. The restoring your railway fund seems to be an apt metaphor for this Conservative Government.

The reality facing passengers is that train services are later, less frequent and more expensive than ever. Piecemeal extensions of lines and renovations of stations provide a select few with improved services, but without a comprehensive transport plan or vision, I fear that the projects will not reach their full potential. The Government are failing to deliver even this paltry offering. When £500 million was allocated to the scheme in January 2020, the then Transport Secretary, the right hon. Member for Welwyn Hatfield (Grant Shapps), stated that delivering it would ensure that, after the Beeching cuts,

“more than half a century of isolation is undone.”

However, just last week, the current rail Minister told the Transport Committee that we should manage our expectations, and noted that it is unlikely that the Government will be able to deliver most of the funding bids. Will the Minister clarify which schemes are at risk? The scheme looks like another perfect example of this Conservative Government over-promising and under-delivering.

Instead of slapdash spending and flashy competitions, our railways need a proper long-term strategy and leadership. We need proper investment. The Government's strategy is equivalent to keeping their fingers crossed and hoping for the best. Perhaps that is their calling card, given their shambolic handling of the recent rail strikes. The future of our transport is too important to leave to chance. Under this Government, there is little comprehensive strategy. They have demonstrated that clearly with Great British Railways. Since its launch, we have been told that GBR will revitalise our railways, improve our services and advance our infrastructure, but what do we hear from the Government today? Absolutely nothing. After all this time, we have not even heard where the organisation might be based, and Ministers have admitted that there is no prospect of any GBR legislation in the transport Bill in this parliamentary Session.

What about HS2? What happened to the more than 60 promises made by Ministers on the delivery of the eastern leg? HS2 will not be delivered in full. What about delivering Northern Powerhouse Rail in full? How about an annual rolling programme of electrification of our railway lines? And where is the annual rail network enhancements pipeline?

To make matters worse, after 13 years of cuts, cuts, cuts, we are being promised even more cuts. Network Rail is being forced to make £4 billion of efficiencies in the next few years, and it has been reported that train

operating companies expect to cut their budgets by over 10%. It does not take an industry expert to know what that will mean: fewer services, further increases in fares, and job cuts.

Our railways provide a unique opportunity to connect our nations and regions. With the right investment and vision, we can unleash the economic potential of our great towns and cities. I am sure that is a sentiment the new Rail Minister agrees with, so perhaps he could enlighten us about his long-term vision for tackling regional disparities across our railways and about whether he, unlike his predecessor, hopes to offer more than just short-sighted contests and managed decline.

10.26 am

The Minister of State, Department for Transport (Huw Merriman): It is a pleasure to serve under your chairship, Mrs Cummins. I congratulate my hon. Friend the Member for Torbay (Kevin Foster) on securing this important debate on the restoring your railway fund. Like me, he has a passionate interest in the future of our railways, and I pay tribute to him as my predecessor.

My hon. Friend and other hon. Members will know that the £500 million restoring your railway fund was announced in January 2020, with the aim of delivering on our manifesto commitment of levelling up and beginning a process of reopening lines and stations in England and Wales that had previously been closed. This investment is being used to explore and deliver on how we reconnect communities, regenerate local economies and improve access to jobs, homes and education opportunities.

We have already seen that in action, as many hon. Members have mentioned—not least those who represent Devon. I was delighted to travel to Devon last November to help celebrate the first anniversary of the restoration of the Dartmoor line between Exeter and Okehampton. That was the very first reopening under the restoring your railway manifesto commitment. It was delivered on time and on budget, and I am pleased to say that the restored service has been hugely popular. Over 250,000 new journeys have been recorded on the Dartmoor line in its first year. I was heartened to meet members of the local community and to hear how the reinstated line has improved their lives and is boosting local businesses, college numbers and tourism.

Another restoring your railway scheme, which I plan to visit in the next month or so, is the Northumberland line. It received £34 million of funding in January 2021, which has enabled track to be upgraded for passenger services. Once open, the Northumberland line will reintroduce direct passenger trains between south-east Northumberland and the centre of Newcastle, improving access to jobs, leisure and learning, with services likely to start in 2024. The area has been identified as being in the top 10% of most deprived areas nationally, and it has the lowest rates of regional car ownership, with poor public transport options into Newcastle.

Jack Brereton: Will my hon. Friend give way?

Huw Merriman: I will give way briefly, but I want to take time to respond to every hon. Member.

Jack Brereton: I thank the Minister for giving way. On the point about levelling up communities, will he ensure that projects such as Meir station, which has so much potential to level up communities, are considered

favourably and that that ability to level up areas is considered in the assessment process, to ensure that levelling-up factors determine which projects get the go-ahead and move forward to full development?

Huw Merriman: I thank my hon. Friend for his point and for his work on the Transport Committee. I will indeed look at the issue in that regard. It is important that the business case has a good cost-benefit ratio, but it is not just the direct return on money that matters; following the reform of the Green Book rules, one also needs to consider—this is great news—what projects do for regeneration and decarbonisation, and these projects deliver on both fronts.

As hon. Members will appreciate, the restoring your railway fund is heavily over-subscribed. My Department received nearly 200 bids—200 excellent bids—to the ideas fund element of the programme alone. We also reviewed proposals whose business cases were already in their advanced stages, such as the Northumberland line and the Bristol to Portishead line, along with existing proposals to introduce a number of new stations under the new stations fund element.

On the points raised by the hon. Member for Slough (Mr Dhesi), I gently remind him that eight schemes under the restoring your railway fund are being delivered; 13 are progressing past the strategic outline business case towards their full business case; and 23 projects have been taken through the ideas fund stage. So I did not recognise the part of his speech where he said that not much appeared to have been delivered. And one of my hon. Friends said, the beauty of this fund is that one gains the buy-in of the local community, local Members of Parliament lead things, and schemes are decided from the grassroots up, not from the top down, which I dare say would be more the line of thinking of the hon. Member for Slough.

Mr Dhesi: Will the Minister give way?

Huw Merriman: I will not give way, because I have quite a lot to go through.

I appreciate that many hon. Members—particularly those who have sponsored individual proposals—will have received disappointing news along the way about their schemes not progressing under the restoring your railway programme, although hopefully with constructive and detailed feedback. I hope that the process has been helpful in allowing promoters of projects all over the country to develop their cases.

The hon. Member for Slough also mentioned my contribution to last week's Transport Committee, which I was very pleased to attend. As I mentioned, we need to be mindful of the fact that it will not be possible for all schemes in the restoring your railway portfolio to progress to the next stage of development. The fact is that we do not have a limitless budget; indeed, although schemes may show promise at an early stage of their business case, some may not be able to cover their operational costs in the long term, and we should not add greater cost to the railways, given how stretched the finances are. When one looks at the schemes that are already being delivered or that are moving to the full business case, one gets quickly to £500 million halfway down the list, so I do want to manage expectations. At the same time, however, that demonstrates that we are getting on

[*Huw Merriman*]

with things and spending the fund's money. We should also be mindful of the wider context of the rail portfolio, where all projects face increasing costs for a variety of reasons, particularly inflation.

Hon. Members should know that I have asked my officials to carry out a review of all the schemes in the restoring your railway portfolio to prioritise the most viable projects for the next stage. That is particularly important in the light of the remaining budget we have available, so that we deliver the most we can under the challenging financial constraints we all have to live with. I emphasise that the process will be driven by data, expertise and careful consideration—that goes back to the third point my hon. Friend the Member for Torbay made, about how we will determine matters. I also assure hon. Members waiting to hear back about bids made to the second and third rounds of the ideas fund element of restoring your railway that those bids are being fully and fairly considered as part of the overall review process.

I want now to respond to the excellent points, cases and pitches that have been made this morning. First, with regard to my hon. Friend the Member for Sedgefield (Paul Howell), the Ferryhill project received further funding in June 2022. Sedgefield station is a possible additional stop between Ferryhill and Middlesbrough, and it is under consideration.

I thank the hon. Member for Tiverton and Honiton (Richard Foord) for his kind words. As he noted, the Wellington and Cullompton project is progressing to a full business case, and a decision will be made once that has been finalised.

In her brilliant speech, my hon. Friend the Member for Stourbridge (Suzanne Webb) made a pitch for Stourbridge and Round Oak, and it is hard—wellies or no wellies—to resist the points that she made. I know that the bid was not successful in the first ideas round stage, and I hope there has been feedback about what more can be done. I am happy to meet her to go through matters, and I really note—as should her constituents—the passionate pitch she has made.

My hon. Friend the Member for Stroud (Siobhan Baillie) referred to the Stonehouse Bristol Road station. The Department is reviewing strategic outline business case, and we will get back to her.

As ever, brilliant speeches were made by my hon. Friends the Members for Stoke-on-Trent North (Jonathan Gullis) and for Stoke-on-Trent South (Jack Brereton), who made a great pitch for the Stoke-Leek line. That is an ideas fund 3 project, and the strategic outline business case is being reviewed by the Department. I know that my hon. Friends will keep on at me in that regard, and my hon. Friend the Member for Stoke-on-Trent South should be assured that Meir station has been funded to full business case. That was announced in June 2022.

The Leamside project is championed by my hon. Friend the Member for Darlington (Peter Gibson); it is also being talked about outside this place, and I was delighted to meet Members from across the north-east yesterday in that regard. My hon. Friend specifically mentioned the Darlington to Weardale project. That is also in ideas fund 3. We are reviewing the strategic outline business case, and I thank him for the passionate points he made to champion the project.

Every time there is a rail debate, my hon. Friend the Member for Ynys Môn (Virginia Crosbie) is here making the case for her constituents. Despite the spelling of my first name, I will not try to pronounce the names of the projects, but I will tell her, more importantly, that the strategic outline business case, having gone through ideas fund 3, is being reviewed. I am already on my way to see her with regard to other projects, and I am sure I will bring the wellies and we will tramp through. To continue the welly references, my hon. Friend the Member for North Devon (Selaine Saxby) is a real champion for transport and Combe rail. I know it was unsuccessful in the ideas fund, but I want to talk with her to find out what more we can do.

I want to respond to two other points made by my hon. Friend the Member for Torbay. On what happens when local stakeholders do not support a bid, the beauty of these applications is that we want people to be able to crack on at pace. Obviously, it is challenging when one part of the stakeholder community is not willing to support a bid. That applies in particular if a planning authority is involved. I note the points made by my hon. Friend, who comes up with some brilliant ideas and suggestions. I hope his council will think again and join the local stakeholder community in supporting his bid.

My hon. Friend also asked me to recommit to the fund. I recommit to that fund; it is a brilliant scheme that allows MPs and community members to get involved and get back the railways they lost many years ago. I want to finish by congratulating him again—

Dr Hudson: Will the Minister give way?

Huw Merriman: I will not, if my hon. Friend does not mind. I want to leave time for my hon. Friend the Member for Torbay.

I thank my hon. Friend for securing the debate, and I hope I have assured him and other hon. Members that we are taking a rigorous approach to assessing the projects. In terms of those being taken forward, I want to ensure that the projects that will deliver the greatest benefit for the community succeed.

10.37 am

Kevin Foster: This has been a welcome debate, although I do not think I should take the 22 minutes that are still available for what is supposed to be a short winding-up speech. I am particularly grateful for the Minister's replies about the Government's continuing commitment to the scheme overall and to the budget, particularly given some recent press speculation.

The railways seem to be in a different position today, compared with what we saw in the past. Given some of the comments made during the debate, I am sure the Minister has, like me, been reflecting on the fact that it is only 17 years ago that a Transport Secretary was saying that the railways

“can't be in the business of carting fresh air around the country”.

That was widely interpreted as potentially heralding another round of Beeching-style cuts, whereby we would build a big new railway in the form of HS2 but shut down rural branch lines. It is great to hear from my hon. Friend the Minister the positivity and vision about the

future of the railways, and that they really connect communities and are not just a transport scheme that sits in aspic.

Dr Hudson: I congratulate my hon. Friend again on securing the debate. Does he agree that programmes such as reopening the Penrith to Keswick line, reopening Gilsland station and extending the Borders railway through Longtown to Carlisle would feed into the west coast main line? Should not the Government take the two-pronged approach of restoring those links and holding Avanti West Coast to account for the unacceptable service on the west coast main line?

Kevin Foster: I am conscious that I could probably start a whole new debate by getting on to the subject of Avanti trains and their performance. However, I agree that the line brings a sense of Union connectivity; communities in the borders areas do not operate on the basis of the political dividing line between England and Scotland, but very much work together. Reopening the railway line my hon. Friend mentioned would be a great sign of that, and I know that he will continue to be a major champion of it.

We should reflect on the fact that there is the potential for a renaissance in our railways. It would have been easy today to focus on current disputes and not to look at the great future we have. We are seeing major investment and large-scale electrification on our rail network for the first time in decades. People can again look forward to a railway being part of their future, and not just something that their grandad or grandmother tells them about using in the past.

Question put and agreed to.

Resolved,

That this House has considered the Restoring Your Railway Fund.

10.40 am

Sitting suspended.

Nuclear Power: Dungeness

11 am

Judith Cummins (in the Chair): I will call Damian Collins to move the motion, and then I will call the Minister to respond. There will not be an opportunity for the Member in charge to wind up, as is the convention for 30-minute debates.

Damian Collins (Folkestone and Hythe) (Con): I beg to move,

That this House has considered nuclear power at Dungeness.

It is a pleasure to speak under your chairship, Mrs Cummins. It is also a pleasure to raise the future of nuclear power at Dungeness, which has been an important issue for me for my nearly 13 years in the House of Commons and for hundreds of my constituents.

Dungeness has had a footprint in the nuclear industry since the 1960s. The original Dungeness A power station was commissioned in the 1960s. It started its productive life in 1965, and then its decommissioning was started in 2005. That was followed by Dungeness B power station, which went into energy production in 1985 and has only recently come to the end of its operating life after an extension. It is now in defueling, following decommissioning. It is operated by EDF Energy.

The footprint of the nuclear industry in my constituency is believed to be about 1,000 people—people working on the further decommissioning of the A station and the operation and defueling of the B station. As the Minister knows, when energy production stops and defueling starts, nuclear power stations are not like any other business; we cannot just turn the lights off and shut the business down. In fact, the last quarter of the operating life of a nuclear power station is the process of defueling and decommissioning, so there will still be hundreds of jobs at Dungeness linked to the nuclear industry for some time to come.

The nuclear industry has become a very important part of the economic life of Romney Marsh in particular. Surveys that were done when the nuclear power stations were owned by British Energy showed that Dungeness was one of the most popular locations in the country in terms of community support for the nuclear industry and the power station. It has maintained a very active stakeholder community engagement group, which is linked to and works very closely with the operation of the power station.

When I was first elected to Parliament, one of the issues I raised in my maiden speech was the need to secure a long-term future for the nuclear capacity of Dungeness. It meets many important criteria for supplying energy in this country. South-east Kent—Dungeness peninsula is the most south-easterly point of the United Kingdom—is an area of high energy demand. Given the increase in housing numbers, industrial activity, business activity and new investment, that is only likely to grow, so the power station is located in a place where we need energy. Demand is growing, and the cost of supply from a power station such as Dungeness, which is only 70 miles or so from London, is much cheaper than it is from other locations on the grid. There are grid connections in Kent, particularly in Sellindge in my constituency, which also has energy connectors that link to France and the continent. There is capacity in the grid for supply, which is not the case in many other

[Damian Collins]

areas. Dungeness has therefore met many of the criteria that would make it incredibly suitable for future energy production.

When work was done in 2011 to look at new nuclear sites, Dungeness was not included on the siting list, but it was not explicitly excluded. The reason for its non-inclusion was that it was considered too constrained a site because of the very high level of environmental protection around the nuclear facility. Dungeness village and power station sit on a shingle peninsula, which is the second largest of its kind in the world—the biggest is Cape Canaveral, the home of NASA—so it is a very unusual feature. The ridges of shingle that have built up over many years of coastal erosion on the channel coast are specially protected. They were part of a specially protected area designation when we were a member of the EU, which is the highest level of environmental protection. That does not mean that we cannot do things there if there is an outstanding national interest to do so, but we normally have to have exhausted other options.

The size of the footprint of modern power stations such as Hinkley Point C or Sizewell C meant that the size of the land available at Dungeness where development might be possible was too constrained. Indeed, the energy companies that would be building those power stations said there were sites that were more suitable for that reason. However, it was not that flood risk might have been an issue. That is often mentioned because of the position of Dungeness and the need to constantly update and secure its flood defences because of the shingle banks that surround the site. That has never been the case and there was no objection from the Environment Agency to new nuclear at Dungeness. Indeed, the site at Dungeness needs to be protected for 100 years, whether there is energy production there or not, as part of its long-term decommissioning.

After the Fukushima disaster, Mike Weightman conducted a review of nuclear sites around the country, which considered that it would be wise to add another couple of metres to the shingle bund around the site for further protection and to future-proof the sea defences. That has been done, so it is, and remains, a secure site. The question is whether there is room at Dungeness for new nuclear.

When the 2011 site review was done, Dungeness, in addition to Bradwell, was placed on a list of two sites that were not taken forward, but on which the Department said it was open to an energy company coming forward with a proposal, which it would look at. When that work was done, the idea of small modular nuclear reactors as a serious source of new energy was not envisaged. The site review only really considered the type of very large reactors that we are seeing built at the moment and not the smaller ones. If that had been considered at the time and if that technology had been an option, there would have been more options at Dungeness.

There is land available—I would argue that there is actually land even available in the brownfield site for Dungeness A—where small modular reactors could be located. Just to give an idea of the advance in technology, one SMR would probably produce more electricity and energy than Dungeness A did in the 1960s. The idea of

three or four SMRs at Dungeness, which could easily fit within land that was already disturbed during the operation and construction of the existing nuclear site—it does not have the highest level of designation—could easily be seen producing the type of power that Dungeness B has produced for many years.

As the Government consider the siting of new nuclear power stations and the site list update required for 2025, special consideration should be given to the future of nuclear power at Dungeness and, in particular, its suitability for SMR reactors. Officials at the Department, or the Minister himself, might say, “We could just roll over the existing nuclear site list and, of course, if others want to make the case for additional sites, they can do that.” I am sure the Minister’s door will always be open to that sort of persuasion. However, it sends a signal to the market if the Government have confidence to say that there may be certain sites within the nuclear estate that are suitable for large reactors and others that might only be suitable for SMRs; that, furthermore, there would be no objection in principle to certain areas of land within nuclear sites such as Dungeness being made available; and, to give certainty, that it would be possible to work within the environmental constraints on the wider Dungeness site if SMR development were limited to certain key areas. We believe that there are areas on the site where that would be possible. The industry needs to be given that certainty.

I regard the entire estate of nuclear sites in the UK, both civil and military, as national assets: sites for the future where, in particular, technologies such as SMRs can be deployed. There is overwhelming local support for that from the community that has benefited for many years from its association with the nuclear industry as well as from our local authorities. Kent County Council and Folkestone and Hythe District Council have published a joint statement today supporting my efforts in raising the issue in this debate. They are also willing to do anything they can to help secure the investment at Dungeness from a new SMR provider, such as Rolls-Royce, though there may be other companies as well.

In trying to give certainty to the nuclear industry on the siting of SMRs, it is also important that we look at the land available and who owns it. The land at Dungeness A is owned by the Nuclear Decommissioning Authority, a public body. The land at Dungeness B is owned by the operator EDF Energy. When it finishes defueling, it will hand over the power station to the Nuclear Decommissioning Authority to commence the advanced decommissioning of Dungeness B. It will not necessarily hand over or be likely to hand over the entire landholding for Dungeness B. That raises an important issue for the future: if a provider, be it Rolls-Royce or another company, came along and said that it thought there was the possibility of having SMRs at Dungeness, but it required using land that is not owned by the Nuclear Decommissioning Authority or by a combination of NDA land and land owned by EDF, could that make progress without the consent of the landowners?

The NDA is a public body, which makes the decision-making process slightly easier. Where land is owned by other energy companies, which may not wish to use it themselves, can the company effectively land-bank that land, or is there a process whereby it should receive a fair commercial compensation for its value and allow

another company to progress with the site, even if EDF did not want to? I am not saying that that would necessarily be a barrier, but I do not think that we, as a country, would want to be in a situation where we can see the potential of nuclear energy to secure a clean supply of baseload energy and we can see nuclear sites, which are national assets, where SMRs are suitable, but the development and investment cannot take place because of disputes between the landowner and the company that wants to invest. I would hope that that is something that we can resolve.

I have some questions for the Minister on the future of nuclear power, and particularly on the potential for SMRs at Dungeness. Can he give us some certainty over the role of sites such as Dungeness as part of the site review list, and will consideration be given to having SMRs at Dungeness? Ideally, Dungeness will be included on a new site list agreed by the Government for 2025. Will the Minister and his officials agree to meet me and representatives of Folkestone and Hythe District Council, and of Kent County Council, to discuss what more can be done at the local level to support the process of securing Government support for the principle of having SMRs at Dungeness?

When I discussed the suitability of the site with the SMR delivery team at Rolls-Royce, they said that the SMRs are constructed to sit on a bed of shingle, and anyone who has been to Dungeness knows that one thing we do not lack is shingle. The Minister is more than welcome to come and join me for fish and chips at the Pilot Inn in Dungeness, and to look at the site for himself. He will see what an excellent location it is. The grid connections are there, the community support is there, and there is land available for this new technology. We just need to give a signal to the nuclear industry that this is a site that has Government support. Ultimately, it will be up to the nuclear industry to take that forward, but at least there are no artificial barriers in place that might restrict a business in doing so.

11.12 am

The Minister for Energy and Climate (Graham Stuart):

It is a great pleasure to serve under your chairmanship, Mrs Cummins—I think it is the first time I have had the privilege. I congratulate my hon. Friend the Member for Folkestone and Hythe (Damian Collins), who, from his maiden speech onwards, has made it his business to champion the interests of the nuclear industry in Dungeness and, most importantly, his constituents who work there. It was interesting to hear that there are still 1,000 people working in nuclear in the area, given that Dungeness B ceased producing power in 2018, I think—nearly five years ago.

Dungeness has a proud place in the UK's nuclear history, with two nuclear power stations. As my hon. Friend said, Dungeness A opened in 1965, providing 40 years of operation, and Dungeness B was the first advanced gas-cooled reactor to be constructed in the UK, generating enough low-carbon energy to meet the needs of every home in Kent for more than 50 years. The Government recognise the important role that nuclear energy has to play in reducing greenhouse gas emissions to net zero by 2050, in ensuring our energy security—if the last year has shown us anything, it is the importance we need to put on energy security in the decades ahead—and, as my hon. Friend set out so well, in providing

highly skilled jobs that underpin a clean and prosperous economic future. That is why we published the British energy security strategy in April 2022, making a firm commitment to new nuclear. The strategy set out a stretching programme with an ambition to deploy up to 24 GW of nuclear power by 2050, which would represent, on current estimates, around 25% of projected electricity demand in the UK economy.

The Hinkley Point C power plant is at the forefront of our plans. Hinkley Point C will make a vital contribution to our energy security by generating 7% of Great Britain's current electricity demand. Despite challenges, construction there continues at pace, and Hinkley Point C will provide an enormous boost to both the local and national economy, providing more than 25,000 new employment opportunities. As of October 2022, 1,000 apprentices had been trained during the construction phase of that project, showing on that site the economic impact that nuclear can have.

We need more new nuclear, beyond Hinkley Point C. That is why we took the crucial step to invest £700 million in Sizewell C. Following that investment, the Government have become a 50% shareholder in the project's development, with EDF. That was an historic moment: making the first direct state backing of a nuclear project in this country in more than 30 years. It is our biggest step so far towards increasing our national energy independence, facilitating a further 3.2 GW of reliable electricity, which can power up to 6 million homes.

The benefits of that project include supporting about 10,000 jobs at the peak of construction, and plans to create 1,500 apprenticeships to help build the nuclear workforce of the future. That will be a tremendous boost to the UK, building on the progress made by Hinkley Point C. The aim is to replicate Hinkley Point C at Sizewell, with the benefits of repeating the same form of construction.

The British energy security strategy also announced the Government's intention to set up a new flagship body, Great British Nuclear or GBN, which will be tasked with helping projects through the development process and developing a resilient pipeline of new-build projects to support the Government's nuclear ambitions, which will interest my hon. Friend. The Government will make an announcement on the set up of GBN—in the not-too-distant future, I hope. GBN is being developed in close collaboration with industry, ensuring it has the capability and capacity to deliver the Government's ambition.

We now come to where my hon. Friend has led me. He is correct that small modular reactors, or SMRs, as well as new gigawatt-scale projects, such as Hinkley Point C and Sizewell C, will be important in delivering our nuclear ambitions. I welcome the support and enthusiasm that my hon. Friend and the community he mentioned at Dungeness have shown for nuclear energy generally, and specifically for new nuclear technologies such as SMRs. Their smaller size and factory-based modular construction potentially allow for more flexible deployment options, as my hon. Friend set out, and reduced build and schedule risks, compared with large nuclear power stations. If Sizewell following Hinkley allows the benefits of replication, imagine having a factory producing four a year on a consistent basis.

SMRs could offer a potential route for the UK to enhance its capability in engineering and manufacturing, through innovation, advanced techniques and new facilities.

[Graham Stuart]

They could bring significant regional and socioeconomic benefits, including the creation of high-value manufacturing and engineering jobs. We have been progressing the development of SMRs through the advanced nuclear fund, which includes a significant Government investment of up to £210 million to develop the Rolls-Royce SMR, and up to £170 million to support advanced modular reactor demonstrations, which is the next stage of development.

More widely, we are providing greater funding to support future nuclear development, which includes the £120 million future nuclear enabling fund to support new nuclear projects, including SMRs, and the £75 million nuclear fuel fund, as we seek to get ourselves and our allies off dependence on Russian uranium. To reflect the changing technological and policy landscape, and to support the transition to net zero, the Government will develop a new national policy statement—NPS—for nuclear energy infrastructure deployable after 2025. That will be subject to the usual process of public consultation and parliamentary scrutiny in due course.

Dungeness's history, at the forefront of nuclear energy in the UK, means that there is a highly skilled workforce and a valuable community of nuclear experts in my hon. Friend's constituency. We would welcome their views and input as part of that consultation in due course. In addition, we would welcome views from Kent County Council and Folkestone and Hythe District Council, which have previously been in touch with my Department, and share my hon. Friend's commitment and enthusiasm for nuclear energy and the nuclear community at Dungeness. My hon. Friend asked if I would meet them, and I would be glad to do so. Given developments happening in the not-too-distant future, we should seek to make the timing of that most appropriate and useful. That might not be immediately, but I am happy to meet him and the councils.

As a first step towards designating the new nuclear NPS, the Government are developing an overall siting strategy for the long term, including advanced nuclear technology. In the light of the new developments and SMRs, we will be looking at a different approach.

Damian Collins: In the work that the Government are setting out to do, will they consider that some sites might be suitable for some technologies but not all, and that therefore the site list will not just be a list of sites that would accept any format? Will they consider sites that may be suitable for some formats but not others?

Graham Stuart: My hon. Friend is right. If I have understood it correctly, previously this was very much predicated on modern gigawatt scale reactors only. That will not be the case now. Precisely how that will be done will be laid out in due course, but the brief will precisely be to look across the piece. That is what we need to do if we are to move to 24 GW. Under current Government policy, we are looking at a mix of gigawatt and, if the technology develops as we expect it to, SMRs; the siting will therefore need to reflect those realities.

Any nuclear project will continue to be subject to proper examination and development consent through the national planning policy framework. We welcome conversations with any stakeholders who are considering whether their assets might be suitable for the deployment of nuclear facilities. We are very much open to that conversation in the light of the changed siting requirements, and for the reasons we have discussed.

In conclusion, the Government are putting in place a wide range of measures to help achieve our nuclear ambitions and support the transition to net zero. We look forward to continuing to engage with all interested parties, including from the Dungeness community, as we develop the new policy framework for the siting of new nuclear projects. I thank my hon. Friend the Member for Folkestone and Hythe for securing this important debate and making a strong and early case—with the impeccable timing I expect from him—ahead of new siting policy and development. I look forward to continuing to engage with him on this important matter, and to meeting him and his local representatives in due course.

Question put and agreed to.

11.22 am

Sitting suspended.

Lachin Corridor and Nagorno-Karabakh

2.30 pm

Tim Loughton (East Worthing and Shoreham) (Con): I beg to move,

That this House has considered closure of the Lachin Corridor and the humanitarian situation in Nagorno-Karabakh.

It is a pleasure to serve under your chairmanship, Mr Hollobone. I am very pleased to see such a strong turnout for a subject that many of us have struggled to pronounce, let alone spell. I declare an interest: I am the chair of the all-party parliamentary group for Armenia, and in April I took a delegation there at the invitation of the Armenian Parliament. I am glad that several of my fellow delegates are here to speak.

This is not a new subject for Westminster Hall, but it has certainly become a much more urgent one as a result of the clear breach of the terms of the tripartite ceasefire agreed between Armenia, Azerbaijan and Russia on 9 November 2020. It was a breach by Azerbaijan after it invaded the territory of Nagorno-Karabakh, and it is now clearly intent on waging illegal, immoral and inhumane suffering on the Armenian population of this troubled corner of south-east Europe that borders Asia. That military conflict, and now humanitarian crisis, has gone largely unnoticed and unremarked on by the west—especially western media—and, regretfully, partly by our United Kingdom Government.

I will give some brief background to the long-running conflict between Armenia and Azerbaijan over Nagorno-Karabakh, which has always been an integral part of historic Armenia, and has a predominantly Armenian population. The conflict was largely suppressed while those countries were part of the Soviet Union. In 1991, unprovoked, the Azerbaijanis launched war against Nagorno-Karabakh, with the help of Afghan mujaheddin, and Russian, Belarusian and Chechen mercenaries, and attempted ethnic cleansing by deporting more than 600,000 Armenians from the area.

After four years of conflict and 30,000 deaths, Armenia prevailed, and a Russia-brokered ceasefire was signed in 1994. After that followed 26 years of relative peace, helped by the oversight of the Organisation for Security and Co-operation in Europe Minsk Group, which ensured implementation of security measures. The OSCE Minsk Group, co-chaired by France, Russia and the United States, has been routinely obstructed by the Azeris, and there have been numerous ceasefire violations, including the targeting of civilian infrastructure across the border into Nagorno-Karabakh and even into Armenian sovereign territory, and the destruction of Armenian cultural heritage.

Those violations culminated in 44 days of war between September and November 2020, when with assistance from Turkey, sophisticated battlefield drone technology from Israel, the assistance of mercenaries flown in from Syria and a blind eye turned by Russia, the Azeris invaded, terrorised and occupied large parts of Nagorno-Karabakh, leaving an effective island of Armenian-populated territory linked to Armenia only by a narrow strip of territory known as Lachin corridor. It is literally a lifeline—it is known as the road of life.

On 9 November 2020, a rather one-sided ceasefire was agreed with Russian mediation, and terms were imposed on Armenia, whereby Azerbaijan kept all the

conquered parts of Nagorno-Karabakh, as well as the Armenian towns of Hadrut and Shushi. Those regions were subsequently cleansed of their Armenian populations. Disgracefully, at the end of that war, the Azerbaijan Government issued a set of commemorative postage stamps that showed Azerbaijanis in hazmat suits eradicating the rodents or pests, as they tried to put it, from Nagorno-Karabakh. That was a representation of the ethnic cleansing of the Armenian population, very unsubtly portrayed on the postage stamps of that country.

The remainder of Nagorno-Karabakh was left isolated and surrounded on four sides by a deeply xenophobic state with a clear intent to eradicate or expel the population. A small detachment of 1,900 Russian peacekeepers, whose numbers may since have dwindled because of their attention being elsewhere, was deployed to maintain the ceasefire and patrol the 25 km Lachin corridor—the sole lifeline to Armenia for the Armenians living in Nagorno-Karabakh.

To repeat, it was an express obligation under the trilateral agreement of 9 November 2020 that

“the Republic of Azerbaijan shall guarantee safe movement of citizens, vehicles and cargo in both directions along the Lachin corridor.”

It could not be clearer than that. But in the two years since the ceasefire agreement, there have been constant infringements by the Azeris—firing artillery across the line of contact and hitting civilian infrastructure, including nurseries. In the middle of September 2022, 300 soldiers were killed in an early flare-up of the conflict. They have still not handed over some of the prisoners of war from the original conflict. Indeed, in October 2022, Human Rights Watch reported on the extrajudicial killing of Armenian POWs by Azeri forces, and some alarming and distasteful footage has been posted on social media of decapitated Armenian soldiers and others. The Azeri forces routinely use loudspeakers across the border into Nagorno-Karabakh, warning people to leave or else come to harm. This is a constant war of attrition and intimidation of an Armenian population in Nagorno-Karabakh who have every right to live there and to live in peace, yet have been denied that by the Azerbaijani state.

Those of us in the delegation I mentioned met refugees from Nagorno-Karabakh. We went down to the border town of Goris. Many came across from Nagorno-Karabakh to meet us, because we were not allowed to go into Nagorno-Karabakh. They gave us their first-hand testimonies of the appalling oppression that they had been suffering, and of course things have got so much worse since the blockade of the Lachin corridor.

On 12 December 2022, the Azeri Ministry of Ecology made a statement that suggested that natural resources were being illegally mined in Nagorno-Karabakh, and it asked Russian peacekeepers to monitor the situation. Before that could happen, a group of so-called environmentalists from Azerbaijan bypassed Russian checkpoints and set up tents on the main road, thereby blocking the Lachin corridor.

In fact, many of those “environmental protesters” have been identified as members of the Azeri military with Government backing. They are posing as civilians. Some of them are members of the Grey Wolves, an extreme fascist group. They have been brought in by the Azeri state, and their transportation and stay are paid for by the Azeri Government. The Human Rights Defender of Armenia report lists and gives photographs of many

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of the characters who have been identified as those so-called environmental protesters. The report shows that they are clearly

“representatives of Azerbaijani non-governmental organizations, which are directly and exclusively financed by the Azerbaijani government, or the Heydar Aliyev Foundation headed by the first vice president and first lady of Azerbaijan. Furthermore, evidence has been registered that representatives of the Azerbaijani special services are also amongst the alleged ‘environmental activists’ who are currently blocking the only lifeline”

for Nagorno-Karabakh.

I could mention a list of names—it will drive *Hansard* berserk—to give some examples. Telman Qasimov’s personal page on his social media network shows that he is

“military with strong anti-Armenian views for many years, who, according to some sources, is an officer of the military special intelligence service.”

There is a photograph of him protesting. Fuad Salahov, “an officer of the special purpose unit of the Ground Forces of Azerbaijan, is one of the organizers of the action.”

Ruhiyye Memmedova is

“President of the Public Union ‘Support to the Elderly and Single Persons’; the NGO operates with the funding of the ‘Heydar Aliyev Fund’”.

Samir Adigozelli is

“Director of the ‘Center for Socio-Political Processes and International Studies’; funded by the Government of Azerbaijan”.

I could go on. There are photographs of all those people protesting. They are not environmentally conscious civilian protesters. They are put there, paid for and supported by the Azeri state and Government, and they should stop pretending otherwise. In effect, they are agents of the Azeri Government who are blocking the Lachin corridor. Together with the Russians, they refuse to do anything about it. Videos of the Azeri protesters posted by Azerbaijan show them side by side with Russian troops watching football matches while supposedly protesting as well. The Russians are not even turning a blind eye to this; they are in full sight of it. What an extraordinary contrast there is with protesters in Moscow, who only have to hold up a blank sheet of paper anywhere near a Russian police officer or soldier to be bundled off. But blocking a lifeline by pretending to be a protester is perfectly all right, as long as it is in the Lachin corridor.

The Azeri Government have orchestrated all of this activity, with the supposed Russian “peacekeepers” turning a blind eye. Only Russian and Azeri vehicles are allowed to pass through the Lachin corridor. As a result, 120,000 Armenian residents of Nagorno-Karabakh, including children, elderly people and disabled people, are effectively under siege. The blockade and isolation of many thousands of people has created a dire humanitarian situation and an existential threat for the Armenians of Nagorno-Karabakh.

The humanitarian crisis there is worsening with each passing day. Amid brutal winter conditions, the people of Nagorno-Karabakh are being deprived of vital supplies of medicine, food and fuel from the outside world; the provision of healthcare and social services has been obstructed, causing human suffering and life-threatening situations; the shortage of food and other essential goods is becoming increasingly noticeable, because every day

more than 400 tonnes of supplies remain undelivered; and the danger of malnutrition is becoming more palpable. In total, 41 nurseries and 20 schools have already had to close, with thousands of children being deprived of their right to education.

Judith Cummins (Bradford South) (Lab): I thank the hon. Gentleman, first for giving way and secondly for securing this important debate. Given the unfolding humanitarian crisis, which is due to the closure of the Lachin corridor, does he share the belief that a United Nations or OCSE fact-finding mission should be established to assess the humanitarian situation on the ground?

Tim Loughton: I completely agree. If the Azeris are so intent on putting up this façade that there is a genuine environmental protest and nothing is amiss, why would they not want to allow independent investigators, backed by the UN or whoever, to go and ascertain that? They do not and they will not—that is the problem.

John Spellar (Warley) (Lab): I thank the hon. Gentleman for giving way and for his campaigning over the years on this important issue. He mentioned the United Nations, but might there not also be a role for the OSCE or indeed for the European Union in this context? The situation requires urgent international action. Even though we are obviously focused on Ukraine, we should not ignore this struggle.

Tim Loughton: The right hon. Gentleman is absolutely right and I completely support all his suggestions; in fact, such suggestions have been taken up by a declaration in the European Parliament, which I will come on to. Of course I welcome the comments of a fellow officer of the APPG for Armenia, who has also been a long-term campaigner on Armenian interests.

Moreover, this blockade deprives the people of Nagorno-Karabakh of their right to free movement. At least 1,100 citizens have been left stranded along the blocked highway for the past week, unable to return to their homes. Children have been separated from their families; 270 children had to find temporary shelter across Armenia while their parents and other relatives remain in Nagorno-Karabakh. And this is all happening at the coldest time of year—quite deliberately.

So what did the Azeris do? They cut the gas pipeline on several occasions. On 10 January, the sole high-voltage power line from Armenia was damaged and the Armenians were not allowed by the Azeris to go in and fix it. On 12 January, internet access was damaged. This process is incremental; trying to starve out and terrorise out the population. It is completely deliberate and calculated intimidation.

Only the Azeris and the Russians continue to refer to the militants blocking the Lachin corridor as independent environmentalists, but according to the authoritative global freedom scores of Freedom House, the international organisation, Azerbaijan comes ninth out of a hundred nations for its restrictions on and oppression of its population, which puts it on a par with China, Belarus and Crimea.

No Azeri civilian is allowed to enter the region normally without the official Government permit, so the demonstrators can only be there with the permission of the Azeri Government. The Azeri authorities are contradicting themselves by claiming that there is no blockade yet arguing that the blockade will only be lifted if their demands are met.

Nagorno-Karabakh has offered to allow UN environmental agencies full access to the mining activity, in order to show that it is being carried on quite normally, although the blockading of a lifeline would not be justified even if it was not being carried on quite normally. Nevertheless, Azerbaijan has refused to engage.

So, 43 days on, it is clear that this blockade is deliberately fabricated and controlled by the Azerbaijan Government. It is part of an ongoing campaign to intimidate the 120,000 Armenian population; to starve them out, freeze them out, drive them into poverty and sickness, as part of the Azeris' disgraceful ethnic cleansing campaign, while the rest of the world looks on, and all eyes are, of course, on Ukraine.

Modern treaty-based international humanitarian law prohibits deliberate starvation and impediment of humanitarian relief, regardless of conflict classification, and Azerbaijan is in gross violation of those basic international norms. The UN report on the Yugoslav war defines ethnic cleansing as

"rendering an area ethnically homogenous by using force or intimidation to remove persons of given groups from the area".

It constitutes a crime against humanity and meets the criteria under the genocide convention, including creating unbearable conditions for a group singled out in this case due to its ethnicity, and aiming to inflict harm and achieve displacement from their homeland. Those actions include subjecting the entire population to psychological terror; cutting essential supplies, such as gas, electricity and the internet; prohibiting the free movement of people, goods and medical supplies; and gradually starving the population.

All those criteria apply in this case. They are attempting genocide, if not ethnic cleansing. Azerbaijan has a state policy of hatred towards Armenians. The UN Committee on the Elimination of Racial Discrimination singled out Azerbaijan in August 2022 for its discriminatory policies against Armenians. The blockade is a deliberate attack, an inhumane tactic exercised by the Azeri state under various leadership. Azerbaijan has form. The current blockade is the second one in the history of Nagorno-Karabakh. The first siege was carried out in 1991-92.

Armenia is in a quite parlous position. It is weakened greatly by the previous war inflicted on it by Azerbaijan. It is facing the military force of the Azeris, backed by their cousins in Turkey, with sophisticated kit from Israel. They have a Russian military base on Armenian soil. They dare not offend the Russians, because they need the Russians to be peacekeepers, though that clearly is not happening. They are between a rock and a hard place.

Why does this matter? Apart from being a moral issue that we should take an interest in, it has big implications for the geopolitics of this important but unstable region, with Turkey, Russia and Iran to the south all flexing their muscles with neo-imperial territorial ambitions. Armenia and its next-door neighbour Georgia sit in the middle of it. The people of Armenia have been persecuted for more than 100 years, and I presented a Bill to the House recognising the Armenian genocide. The west has a duty to step in and play at least honest broker, but preferably peacekeeper and security guarantor, in the absence of Russia doing anything of the sort.

In December 2022, the UN Security Council issued a statement calling on Azerbaijan to unblock the Lachin corridor, but that was derailed by the Russians. What can,

or should, we in the United Kingdom do? The Minister cannot be here today, but I am delighted that his colleague from the Foreign Office will respond. However, the Under-Secretary of State for Foreign, Commonwealth and Development Affairs, my hon. Friend the Member for Aldershot (Leo Docherty), said that blocking the Lachin corridor and disrupting gas supplies in the winter risked severe humanitarian consequences. He called on the Armenians and Azerbaijanis to respect their ceasefire commitments and negotiate a lasting peace settlement.

More recently, Lord Ahmad of Wimbledon responded to a written question from Lord Alton on the subject:

"The UK Government continues to monitor the situation in Nagorno-Karabakh and on the Armenian-Azerbaijan border. The UK Government has repeatedly urged the Armenian and Azerbaijani Governments to thoroughly investigate all allegations of war crimes and other atrocities in recent years. It is essential that allegations of mistreatment, abuse and summary killings are urgently fully investigated by the appropriate authorities."

That is all very well but it has achieved nothing. The ceasefire breaches, the attempts at genocide, the aggression have all been pretty one-sided. Just telling the two parties involved to be nice to each other, as I fear is too often the case from the Foreign, Commonwealth and Development Office, has achieved nothing.

I recognise the good work that the UK has done in providing some humanitarian aid in the past, as well as in financing the clearance of mines laid in previous civil wars. However, the EU Parliament—to give it its due—passed a resolution last week calling on the Azerbaijanis to open the Lachin corridor immediately and to continue to refrain from blocking transport, energy ties and communications between Armenia and Nagorno-Karabakh. It accused Azerbaijan of violating international obligations according to the tripartite ceasefire, and it underlined the need for a comprehensive peace agreement, which must guarantee the rights and security of Nagorno-Karabakh's Armenian population. It also called for a fact-finding mission, which we certainly would support. The French Senate has also said some quite punchy things, and American Senators have as well, yet all we have done is say the Azerbaijanis and Armenians need to be nice to each other.

The Government really need to come off the fence. A clear perpetrator is abusing the human rights of the population of Nagorno-Karabakh and has continually intimidated the peace-loving people of Armenia, who just want to live safely and in peace. We need to be more forceful and proactive, and to come down on the right side. I urge the Government to use their leverage to facilitate the immediate opening of the Lachin corridor, to sanction the members of the Azerbaijani elite who are responsible for the humanitarian crisis, to deter Azeris from committing further atrocities with impunity in the future, to send immediate humanitarian aid to the people of Nagorno-Karabakh, to demand that Russian forces stop blocking access for international aid agencies, to support the people of Nagorno-Karabakh's right to self-determination in order to save them from ethnic cleansing, to join the EU Parliament and other allies in threatening sanctions, and to agree to be part of the UN, OSCE or European fact-finding mission.

This cannot go on. Every day that the conflict is allowed to continue, more innocent children, families and Armenian people in Nagorno-Karabakh will lose their lives, their jobs and their livelihoods—all because

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of a blatant breach of a ceasefire as part of a blatant campaign of intimidation waged against the Armenian people by Azerbaijan. We need to call it out for what it is, and the Government need to do that now.

Several hon. Members *rose*—

Mr Philip Hollobone (in the Chair): Order. The debate can last until 4 o'clock. Eight Members are seeking to contribute, and I want to get everybody in. We will start off with a time limit of four and a half minutes without interventions, so that we stand a fair chance. The recommended time limits are 10 minutes for the Scottish National party, 10 minutes for His Majesty's Opposition, and 10 minutes for the Minister. Tim Loughton will have two or three minutes at the end to sum up the debate.

Tim Loughton: Mr Hollobone, I give back my right to reply, to add to the time for other speakers.

Mr Philip Hollobone (in the Chair): You are characteristically generous, and that is noted.

2.53 pm

Jessica Morden (Newport East) (Lab): Thank you, Mr Hollobone, for the opportunity to take part in today's timely debate on the increasingly desperate humanitarian situation in Nagorno-Karabakh, which has now entered its 44th day. I congratulate the hon. Member for East Worthing and Shoreham (Tim Loughton) on leading the debate and on his excellent speech. He is a hard act to follow, but I will do my best in four and a half minutes. I thank him for the attention he has drawn to the plight of the population in Artsakh, where people are under siege and cannot travel. They are cut off from food, medical and other vital supplies and are still enduring energy blackouts in the depths of a harsh winter.

I join the hon. Member in condemning the blockade by Azerbaijan and asking the UK Government to do all they can to help with their diplomatic levers. The people of Nagorno-Karabakh have the right to live freely and independently, and it would be good to hear from the Minister what measures, apart from strongly worded statements, the Government are willing to take in order to work with others to end the blockade and resolve the issues by diplomatic and peaceful means.

I declare an interest as a member of the all-party parliamentary group on Armenia and a member of the delegation that went to Yerevan last year, and I refer to my entry in the Register of Members' Financial Interests. As part of that delegation, as the hon. Member mentioned, we met and listened to refugees from Nagorno-Karabakh, which I know will have had an impact on us all. It certainly had an impact on me and was a real reminder of the human cost of the decades-long pattern of hostility and conflict between Azerbaijan and Armenia.

As the hon. Member said, this small and landlocked region has been disputed for decades, with animosity regularly boiling over since the early 1990s, and a descent into full-scale violence and hundreds of deaths in September 2020. The trilateral ceasefire agreed later that year now feels incredibly fragile, with the lifeline guaranteed by the agreement now violated.

The current blockade of the corridor—the only passage between Nagorno-Karabakh and Armenia—by Azerbaijan from 12 December has severed the only lifeline that the Artsakh Armenians have to the outside world. That is 120,000 Armenians now encircled and isolated. It is claimed that the road blockade has been initiated by environmental activists, but most feel that its intended effect is to isolate the population from Armenia.

As the hon. Member said, the blockade is an escalation of the cutting off of the gas supply during a freezing winter last year—a move that was repeated last month and will impact on some 80% of the population whose homes are supplied with gas. That is in the depths of winter, with temperatures dropping below minus 5° yesterday. Schools and nurseries have been forced to close and hospitals are struggling to operate.

The blockade has left families separated and most patients unable to travel for treatment in Yerevan. There is a shortage of medical supplies and no hot running water. As UNICEF has highlighted, children in the region are especially impacted, with parental separation and a lack of access to vital services. All this comes after 30 years in which the Lachin corridor has been open and functioning despite bitter tensions—but not now. The timing of the power blackouts, coupled with the blockade, feels designed to cause the greatest amount of human suffering possible during the winter months, to force a desired political outcome.

Like other Members, I am keen to hear from the Minister what role the Government will play by joining other countries in their condemnation. Of course, it is important that the persecution and terrorisation of the Armenian Christian population is met with united international condemnation, but it is also important that the UK Government use their leverage as a close diplomatic trading partner of Azerbaijan.

I am keen to hear about the release of Armenian prisoners of war and civilian hostages, and the Government's view on that. Also, it would be good to know what discussions the Government have had about working with other countries on the logistics of an airlift and whether the Government are supportive of the EU's joint motion on the blockade, which was made last Wednesday, and to understand the Government's position in respect of the Caucasus.

Finally, it was a real privilege to be part of the delegation to Armenia last year. Coming from Wales, it is hard not to feel an affinity with another small, proud and mountainous country of 3 million people. Links between Wales and Armenia are long established, and the Armenian genocide memorial at the Temple of Peace in Cardiff was the first of its kind in the UK.

It has been a pleasure to meet members of the Armenian community in south Wales, who feel a strong connection with their ancestral home. Speaking to Armenians and the Armenian diaspora, it is hard not to be struck by their deep longing for peace—a burning desire informed by tragic history. It is understandable, then, that the Armenian people are more alert than most to where intolerance and violence can lead unless a light is shone upon it while there is still time. This is such a moment and the international community has a duty to do all it can now to work towards peace.

2.58 pm

Giles Watling (Clacton) (Con): It is an honour to serve under your chairmanship, Mr Hollobone. I thank my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) for bringing this incredibly important debate to Westminster Hall.

I recently met the Armenian ambassador, Varuzhan Nersesyan. He gave me a snapshot of what is going on in the region and it is horrific, so I am fully aware of how at risk and vulnerable Armenia is in the face of Azeri—and potentially Russian—aggression. This afternoon, I will update his excellency on the support from this place for Armenia.

The Soviet Union created the Nagorno-Karabakh autonomous region within Azerbaijan in 1924, when more than 94% of the region's population was Armenian. If recent events have proved anything, it is that Russia is failing to uphold its role as guarantor of Armenian security, and we may as well ask why. Since 12 December, Azerbaijan has moved to block the Lachin corridor—the sole land route, 6 km long, connecting Nagorno-Karabakh to Armenia. As the west failed to prevent the Taliban from retaking Afghanistan, I imagine Armenian eyes turning to Russia and wondering how it will prevent further Azeri aggression, and whether this will be the latest pretext for Russia to enter the sovereign land of others.

Following the six-week war of 2020, Russia sent in its army to act as peacekeepers. I am sure that no irony is lost on any Members present that those peacekeepers are now overseeing the peace fading, and that Nagorno-Karabakh is edging dangerously close to yet another conflict. Although Russia may not be the actual aggressor, regional instability presents a great chance for it to advance a plan that has been, nakedly, two decades in the making: rebuilding the geography of the old Soviet empire.

Azerbaijan must consider how the world now watches it and its friends. The president of Azerbaijan spoke about the Lachin corridor blockade that is causing such humanitarian suffering, saying that the action will continue until the demands of Baku are met. He said:

“Whoever doesn't want to become our citizens can leave, the road is open. They can go by the cars of the Russian peacekeepers, by buses, no one will impede them.”

Does that not smack of an Israeli-Palestinian sort of answer? Are we not talking about a Berlin corridor or something like that? Threatening people with a Russian convoy will surely prompt an unwanted reaction.

As we have seen in Afghanistan and elsewhere, weakness is provocative. The west must support stabilisation in the region to prevent Russia from becoming the parental figure it seeks to be. We must support nations such as Armenia to maintain their place in the region or else, step by step, an expanding empire will be upon us all. The Lachin corridor must be opened. People are suffering and dying. I look forward to hearing the Minister's comments.

3.1 pm

Jim Shannon (Strangford) (DUP): It is a real pleasure to speak in this debate, Mr Hollobone. I commend the hon. Member for East Worthing and Shoreham (Tim Loughton) for bringing it forward. The issue is not new to him or to Westminster Hall, and it is a pleasure to be here to give him my support and to call for action.

The Armenian Christian community is close to my heart. I try to find time to speak about the plight of that community, which is often deserving of much more attention. Recent events in the region serve only to highlight that dire need. There is clearly a human rights catastrophe waiting to unfold, and the need for international intervention is clear. It must happen immediately. An estimated 120,000 Armenian Christians reside in the landlocked Nagorno-Karabakh region. They are currently enduring an economic blockade. Gas supplies were cut off and they are living with food shortages and limited access to medical aid. Armenian Christians are on the verge of suffering a humanitarian emergency.

It will be of grave concern to us that more than 20 organisations, including Christian Solidarity International, the Humanitarian Aid Relief Trust and Genocide Watch, say that the blockade is designed to, in the words of the genocide convention, deliberately inflict “conditions of life calculated” to bring about the end of a

“national, ethnical, racial or religious group”

in whole or in part. Such groups warn that the current Azerbaijani aggression against Armenians in the Nagorno-Karabakh is consistent with a history of ethnic and religious cleansing of Armenian Christian communities in the region.

As chair of the APPG for international freedom of religion or belief, I am speaking up for those Christians who are clearly being targeted. We know that there have been cases against Azerbaijan in the International Court of Justice for the destruction and vandalism of cultural and religious sites. Another chapter in this targeting of ethnic and religious groups is on the verge of unfolding as we speak today and in future. More must be done to stop this tragedy.

Last week, I spoke about the importance of addressing the situation in Afghanistan and not losing our zeal in the face of the crisis in Ukraine. The same concerns extend to Armenia and the Lachin corridor. The precarious and desperate situations in other countries should not be overshadowed by the horrific war in Ukraine. As a nation and as an international community, we must improve in order to care effectively for more than one group of suffering people at a time.

I look forward to the Minister's response. As usual, he will encapsulate very well the feelings of those who have spoken already and who will speak later in the debate. I look to him for some guidance and support for the Christian Armenians who are suffering greatly. What can be done urgently? We can make a start on a resolution by ensuring the presence of international monitoring and peacekeeping troops in the region to help to restore balance to the weakened Armenians in the face of Azerbaijani self-interest. The Russia-brokered ceasefire, which helped to re-establish the safe corridor, is no longer working, as the hon. Member for East Worthing and Shoreham emphasised. The reopening of the Lachin corridor is a key priority if a humanitarian crisis is to be avoided, as is the re-establishment of effective peacekeeping forces in the region.

What assessment has been made of the role of the Russian peacekeepers? It is almost a contradiction in terms to have a Russian peacekeeper; they really have no idea what peace is. What possibility is there of sending international peacekeepers to the region? It is

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alarming that the Azerbaijanis, claiming to be environmental activists, can bypass the Russian checkpoints and then go on to block the Lachin corridor. Have any representations been made to Azerbaijan in the light of the recent decision to start importing gas from Russia at a time when Europe stands united in cutting ties with it?

The ceasefire in the region is falling far short of a lasting peace. There are 120,000 people—Christian Armenians—at risk of a humanitarian emergency, as gas, food and medicine remain at low levels in Nagorno-Karabakh. Armenia and Azerbaijan must pursue dialogue and consultation to address those concerns, with the support of the international community if necessary, so that people's needs are met. Let us not ignore that small Christian group's human rights and its persecution. The civilians in that region—the Armenians—deserve better.

3.6 pm

Sir John Whittingdale (Maldon) (Con): I thank my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) for securing this timely debate. I want not to repeat what other Members have said—I agree with all the speeches that have been made so far—but to contribute because I have actually been to Nagorno-Karabakh. I travelled there about 10 years ago to see the situation on the ground following the conflicts. Sadly, there has been a repetition of conflict over many years in that part of the world, with Azeri aggression towards Nagorno-Karabakh.

I visited Nagorno-Karabakh and saw the democratically elected Government there and the efforts to rebuild the country following the previous conflicts. As a result of that fact-finding mission—it was not about expressing support for one side or the other—I am now sanctioned by Azerbaijan, as are a large number of colleagues in this House and other Parliaments who have had the temerity to go to Nagorno-Karabakh. I went with Baroness Cox, who is known as “Artsakh's angel”, having visited Nagorno-Karabakh, I think, 100 times.

I was the UK Government's representative in Yerevan in 2015 at the ceremony to mark the centenary of the genocide. I share the regret of my hon. Friend the Member for East Worthing and Shoreham that the genocide is not formally recognised by the UK Government, but it most certainly was a genocide. It was only right that we should have representation. The matters we are debating are, to some extent, rooted in the genocide of 100 years ago, because there has been constant hostility and hatred for the Armenian population from Turkey and, more latterly, Azerbaijan. There is no doubt that there is evidence that what is taking place now is an attempt at further ethnic cleansing, and possibly even meets the definition of genocide.

As my hon. Friend said, the conflict dates back to the formation of Armenia and Azerbaijan following the break-up of the Soviet Union, and there have been several wars since that time. I lead the UK delegation to the OSCE Parliamentary Assembly, and my colleague on the Parliamentary Assembly who represents Azerbaijan wrote to us to say that the Lachin road is being used for unlawful military activities and the trafficking of minerals and other wealth from the formerly occupied territories of Azerbaijan to Armenia and elsewhere. That is strongly disputed. As my hon. Friend pointed out, the so-called

environmental activists who have blockaded the road bear a striking resemblance to representatives of the Azeri Government. They are not just Greenpeace activists; this is a co-ordinated action and it has created a humanitarian crisis.

I do not wish to repeat what has already been said; I will say only that the world's attention at the moment is rightly focused on what is happening in Ukraine. It is perhaps for that reason that Azerbaijan felt that now was a good moment—when attention was distracted elsewhere—to once again mount an assault. We are rightly aware of the pressure on Ukrainian citizens as a result of the winter and the Russian attempts to destroy their energy supplies. In Kyiv it is currently about minus 3°, and in Stepanakert it is almost exactly the same. The people in Nagorno-Karabakh are suffering in exactly the same way, without electricity and heat, as a result of the blockade. It is a humanitarian crisis; the international community and the Russian so-called peacekeeping force need to do more.

As my hon. Friend the Member for East Worthing and Shoreham said, if there is a suggestion that this is an environmental movement and there is no impediment to civilians moving from Nagorno-Karabakh to Armenia, or for supplies to enter, why can we not have an international mission to establish the facts on the ground and unblock the road so that the people there—who are currently suffering desperately—can get the relief they need? I look forward to the Minister's reply, but I hope the British Government will step up the pressure, if nothing else, to relieve the terrible suffering that is taking place.

3.11 pm

Carol Monaghan (Glasgow North West) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for East Worthing and Shoreham (Tim Loughton) on bringing this issue to the attention of the House; it is important that we discuss it this afternoon. I have been contacted by a number of constituents who are particularly concerned about friends and family in Nagorno-Karabakh, and they are frankly appalled at the lack of action on this front.

The blockade of the Lachin corridor is the latest stage in the ongoing hostilities between Armenia and Azerbaijan. The corridor is both a trade route and a link between many families who are split between Armenia and Nagorno-Karabakh. When the blockade was started in December by the so-called “environmentalists”, described by the hon. Member for East Worthing and Shoreham in some detail, it severely limited trade as well as access to essential goods, medicine and foods.

While gas and electricity were being cut off, leaving people in Nagorno-Karabakh without heating and the means to power, there were also those outside who were stranded. In fact, there have been reports of up to 1,000 people who have ended up stranded outside their homes in Nagorno-Karabakh and have no way of getting back, including a number of school groups on field trips. Individually, these actions can cause chaos, but if we add in the freezing winter conditions that we hear about, they have left a situation that is rife for a humanitarian crisis.

I am pleased that the UK Government have spoken out on the issue and are focusing on restoring freedom of movement along the Lachin corridor, raising the issue at the OSCE and the UN Security Council. Those were both positive steps, but while the Government appear to

be in dialogue with their Armenian and Azerbaijani counterparts, I am disappointed at the detail we are hearing from them. I recently submitted a number of written questions regarding an action plan on this issue and what we should be doing on the Lachin corridor. I did receive responses, but there was a lack of detail; they lacked the teeth required to deal with this.

The UK has a significant trade relationship with Azerbaijan. The President of Azerbaijan has declared that the UK is Azerbaijan's "largest investor" and strategic partner. Trade between the UK and Azerbaijan last year was over £1 billion, which gives us some leverage. It is not clear from the answers I received, or indeed from what we have heard so far, how humanitarian issues factor into any trade relations, so we need some detail from the Government on that. How can we on the one hand denounce the actions that lead to a humanitarian crisis, while on the other hand seek to increase trade with the very same state?

The UK must support both a lifting of the blockade and a lasting peace in the region. To realise that ambition, there must be engagement with both the Azerbaijani Government and the Armenian Government to reach solutions, but the UK has trade leverage with which we can help to resolve the conflict. We should be looking at sanctions and international monitoring of the situation, including supporting a humanitarian airlift mission to get supplies into Nagorno-Karabakh. Ultimately, we need the blockade lifted. Over 100,000 people are suffering greatly at the moment, and they seem to have been forgotten, so I look forward to hearing what the Minister has to say.

3.15 pm

Bob Blackman (Harrow East) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone. I draw the House's attention to my entry in the Register of Members' Financial Interests. In particular, I have the honour of being the chairman of the all-party parliamentary group for Azerbaijan, so I hope I will be able to address some of the incorrect assertions that have been made during this afternoon's lengthy debate.

First, we should remember that this conflict began in the 1990s with the collapse of the Soviet empire. In that context, a three-year war effectively took place, which ended with a ceasefire brokered in 1994 by the OSCE Minsk group. That directly leads to the current problems, because the reality is that it was recognised that the entirety of Nagorno-Karabakh was part of Azerbaijan, but administered by an Armenian-backed regime. That, of course, led to frequent skirmishes along the line of control over an extended period of time. One of the things that has not been mentioned in this debate is the 1.5 million Azeris who were displaced from Nagorno-Karabakh and ended up having to find alternative accommodation further into Azerbaijan. I have had the pleasure of visiting Azerbaijan on many occasions and have met many of those refugees, who still live in camps and just desire to go home, but have been denied that by the Armenians. Once again, we must remember that there are two sides to this dispute.

The war that took place in 2020 ended with a Russian-backed ceasefire agreement between Azerbaijan and Armenia. However, under the terms of that agreement—we should remember what those terms were—Azerbaijan regained control over a substantial amount of territory,

and Russian peacekeeping forces were deployed along the line of contact and, indeed, the land corridor of the Lachin pass that links Nagorno-Karabakh and Armenia. Over the past two years, there have been frequent clashes along that line of control; we should understand that this is not an isolated incident. Those clashes have led to more than 300 deaths along the line of control, including many civilians on both sides of the conflict, so this is not a simple thing where we can wave a magic wand and put things right.

What we do know is that the Azerbaijan Government have a direct concern about what is going on in the mines of Nagorno-Karabakh. The position of the environmental protesters has been mentioned; it should be remembered that the Armenians refused access to those mines to inspectors who could have checked what was actually going on. That led directly to those environmental protests taking place. There is irrefutable evidence that gold and other precious metals are being exploited and transported from Karabakh to Armenia, in flagrant violation of the ceasefire agreement.

We should understand that there is a clear dispute about what the position of the pass is. That corridor is only supposed to be used for humanitarian purposes; however, Armenia and the Armenian-backed forces continue to use the corridor for illegal purposes, such as the transfer of landmines that have been put on to Azerbaijani territory and have killed civilians and members of the military.

Dr Matthew Offord (Hendon) (Con): I, too, refer to my entry in the Register of Members' Financial Interests. My hon. Friend is quite correct that there have been several deaths in the area, but will he join me in congratulating the British Government for providing more than £1 million towards de-mining in the area to allow people from both sides of the conflict to come back and repopulate the area in which they had previously resided?

Bob Blackman: Clearly, we want to see landmines removed and the unnecessary deaths they cause ended. The landmines that have been transported have caused 276 Azerbaijani nationals, including 35 civilians, to be killed or seriously wounded. There is an issue around what is being used and the so-called blockade that is taking place. The reality is that Red Cross and Russian peacekeeping vehicles are permitted to go along the road; indeed, vital humanitarian aid is permitted along that corridor. We should be quite clear about that.

A key issue is how Ruben Vardanyan, a Russian oligarch of Armenian origin, has been parachuted into Karabakh, apparently by Russia, and given a ministerial role. We need to understand that this is someone who is sanctioned as part of Russia's involvement in Ukraine, and it is believed that Russia is thereby trying to reinforce its capability in terms of its war effort. His companies have been well used and well involved in the whole process of expanding the military presence in Ukraine and Nagorno-Karabakh.

I will raise one final issue. Armenia has refused to co-operate with discussions on a proper, long-term peace deal with Russia and Azerbaijan. That demonstrates that Armenia has no interest in actually seeing a long-term settlement and peaceful co-operation between the two countries. Can my hon. Friend the Minister encourage a peacekeeping and a peaceful settlement for the two countries?

3.22 pm

Chris Law (Dundee West) (SNP): It is a pleasure to serve under your chairship, Mr Hollobone. I thank the hon. Member for East Worthing and Shoreham (Tim Loughton) for this important debate. I am afraid my time has been shortened by the hon. Member for Harrow East (Bob Blackman), and there are a few things I wish to refute. Last year, I, too, had the opportunity to visit Armenia and go to the area of Goris. I heard first hand from the refugees from those recent conflicts about some of the brutality and horrors, which were painful to hear.

As a member of the International Development Committee, I participated in a recent report on atrocity prevention. One thing I learned is the importance of language and how rhetoric plays a role in creating the conditions for crimes against humanity. After all, words are deeds. For years, Azerbaijan and its allies have used hate speech against Armenians. Indeed, the President of Azerbaijan, Ilham Aliyev, proudly admitted that a generation of Azerbaijanis had been brought up to deeply despise Armenians, and he has negated the existence of Armenia as a nation, stating:

“Armenia is not even a colony, it is not even worthy of being a servant.”

We must see the current blockade in the context of those attitudes. The President of Azerbaijan has also said: “Whoever doesn’t want to become our citizens can leave, the road is open. They can go by the cars of the Russian peacekeepers, by buses, no one will impede them.” That is a transparent attempt to pressure the Armenians of Nagorno-Karabakh to forcefully displace themselves from their ancestral homeland. It could be strongly argued that the present blockade is designed to deliberately inflict conditions of life calculated to bring about the physical destruction of a national, ethnical, racial or religious group, in whole or in part. As a result, more than a dozen non-governmental organisations, including Genocide Watch, have issued a warning that all the conditions for ethnic cleansing are now in place.

The Minister has mentioned in writing that

“The UK Government has seen no evidence that ethnic cleansing is taking place or that the conflict is religiously motivated.”

Is that still the case? Why is the Minister ignoring the calls by international organisations warning about ethnic cleansing and genocide? Is it not the FCDO’s stated intention to be

“a force for good in the world”?

So where is it?

Michael Rubin of the American Enterprise Institute commented:

“Genocide happens in the dark. If we are able to shine a light in the region then oftentimes we can proactively prevent the worst outcomes.”

Given their influence in Azerbaijan, the UK Government have a significant role to play in shining a light on what is happening and bringing an end to the blockade. The comments from Ambassador James Kariuki at the UN Security Council last month were somewhat encouraging, but the lack of action since and the continuation of the blockade remain extremely worrying.

Reports have suggested that, since the UN Security Council meeting, UK diplomats have been actively engaged in ensuring that a Security Council resolution, drafted by France, that condemned the blockade was not brought

forward and approved. Will the Minister confirm whether that is an accurate portrayal of events? Furthermore, Azerbaijan’s ambassador to Brussels, Vaqif Sadıqov, tweeted:

“Today France lost another battle to Azerbaijan in UN Security Council in a failed attempt to push biased pro-Armenian UNSC statement on Lachin... Words of gratitude go to Albania, Russia, UAE & UK! A great job of AZ diplomats!”

If the UK did not have a part to play in that, why was that inaccurate account allowed to be published? Will the Minister address that with the Azerbaijani ambassador to ensure that a correction is issued?

Finally, I am sure that everyone in this Chamber will agree that, given Russia’s ongoing invasion in Ukraine, it would be unthinkable that any UK Government would support human rights in Ukraine yet work in parallel with Russia to deny the condemnation of continuing violations in Nagorno-Karabakh. Human rights are universal, and we cannot pick and choose when to stand up for them depending on the identities of perpetrators or those who abuse them. Being a strategic partner of Azerbaijan should be a reason for the UK Government to assist in bringing the blockade to an end, not an excuse for timidity and tolerance.

3.26 pm

Dr Rupa Huq (Ealing Central and Acton) (Ind): I congratulate the hon. Member for East Worthing and Shoreham (Tim Loughton) on securing the debate. I was not able to make the delegation last year, because I had covid, but I know that it was ably facilitated by my constituent Annette Moskofian. I hope there will be another one soon that I can join.

The hon. Gentleman set out the background very clearly. Since 12 December, the Lachin corridor—the “only lifeline”, as he called it, between Nagorno-Karabakh and the outside world—has been blocked. We have heard about the faux eco protesters; we know that they are not the Greta Thunberg types. It seems that Azerbaijan is emboldened by Russia’s woes elsewhere. In some senses, the blockade was foreseeable. It is the latest episode in a decades-long conflict between Azerbaijan and Armenia, with Russia and Turkey involved as well.

I want to concentrate on the human suffering. Ealing Central and Acton is very Armenian in many ways. We have the Hayashen cultural centre in Acton, and the Navasartian Centre, a cultural hub, in Ealing. Between them, they provide advice and all sorts of things. It was at the Christmas party at Hayashen on 16 December—four days into the blockade—that I was presented with a petition with 120 names. I want to talk about some of their demands. It is not just the road that is blocked; food, fuel and medical supplies are unable to get through to the majority-Armenian population—they are not an ethnic minority, remember. We know that the gas pipe was cut off between 13 and 16 December. These are vulnerable people—children, the sick and the elderly—and it is a cold winter, as we have heard. At the other end of the Lachin corridor, over 1,000 people, lots of them children, are stranded in Armenia and unable to get home the other way. That is exacerbating a desperate situation. A lady from Ealing whose whole family are in Nagorno-Karabakh emailed me:

“They do not have electricity, they have only few hours of electricity supply per day, and gas is also cut... Azerbaijani authorities do not want Armenian people to communicate with the outside

world, so television and internet are periodically disconnected. The situation in villages and small towns is even worse than in capital...They have run out of essential supplies of food and medicine”.

Throughout our diaspora communities, which my hon. Friend the Member for Newport East (Jessica Morden) mentioned, there is real concern about the consequences of the blockade and the complete inaction of Russia, which we know has its own woes—the Ukrainian war has well outlived the 44-day war of 2020—and the Azerbaijani authorities. The ceasefire of 2020, which was always a bit fragile and unsatisfactory, is now in tatters. We have also heard that the European Parliament has adopted a resolution on the humanitarian consequences.

There were four demands in the petition: first, to condemn and call for the end of the blockade of the Lachin corridor; secondly, the permanent and unconditional reopening of the Lachin corridor, as well as Stepanakert airport; thirdly, to airlift emergency provisions of food, winter clothing and medical supplies directly from UK; and fourthly, to replace Russian peacekeepers with OSCE international peacekeepers—I speak as member of the OSCE parliamentary assembly—under a UN mandate.

The Armenians are a resilient people. We know that they have had repeated invasions and persecutions. I have also spoken about how what happened in 1915-16 should be recognised as a genocide. I do not want to get into inflammatory talk of ethnic cleansing now, but the cry of the self-determinists is “Kets’ts’e azat Arts’akhy”—“Long live free Artsakh.” We should not let their words be in vain—something has to give for this to be sorted.

I think I have used up all my time. The Armenian people are not only resilient; they sure know how to party. The Christmas celebrations with Santa and the dancing at Easter are annual fixtures and highlights of my year.

3.31 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): I am grateful to the hon. Member for East Worthing and Shoreham (Tim Loughton) for securing this important debate, and for the manner in which he presented the case. He used a phrase that summed up the whole situation perfectly, given its clarity and its historical background, when he said that it was “illegal, immoral and inhumane”. I echo those comments.

This debate has helped to shine a light on a truly horrific humanitarian catastrophe, which, despite unfolding before our eyes, has gone largely unnoticed and unreported in the UK. It is therefore not surprising that there has also been a lack of effective action to resolve the crisis.

All too often, we describe business that is debated in this place as important, but the humanitarian situation in Nagorno-Karabakh—or Artsakh, as the Armenians call it—as a result of the blocking of the Lachin corridor for the last six weeks truly is. If the closure of this corridor is allowed to continue without challenge, it will lead to nothing short of a humanitarian catastrophe. It is good that we have heard an informed debate, including contributions from several Members who have direct knowledge of the area—something that I cannot profess to bring to the table. In preparing, I gained an interesting insight into how little people knew prior to this debate, and I hope we have managed to address some of that ignorance in the community.

The Lachin corridor is the only road transport link between Armenia and the Nagorno-Karabakh enclave, which has a 95% ethnic Armenian population. That 120,000-strong population is suffering as food and medical supplies cannot get through. These are the basic necessities of life; it is not luxuries we are talking about. We have been very well warned that all the conditions for ethnic cleansing are now in place by a group of more than a dozen non-governmental organisations, including Genocide Watch. As we have heard from several Members, there is form in that regard in the region. I highlight to Members a quote from President Aliyev of Azerbaijan, who said,

“Yerevan is our historical land and we Azerbaijanis must return to these historical lands”.

That is a statement that puts a shiver through any self-respecting person’s mind when we think about how that could be achieved.

Russian peacekeepers are supposed to be keeping the corridor open. As we have heard, however, it has been blocked since 12 December by self-proclaimed environmental activists from Azerbaijan, who claim to be protesting illegal mining. The counterclaim is that Azerbaijan is creating a false narrative as a pretext to ethnically cleanse the Armenian population of Nagorno-Karabakh. The hon. Member for East Worthing and Shoreham thoroughly exposed the so-called protesters as agents of the Azerbaijani state and highlighted the collusion of the Russian peacekeeping forces. As we have heard, only Russian and Azerbaijani vehicles can pass.

During the height of winter, on the 13 December, Azerbaijan cut off gas supplies, with the Azerbaijani state-owned gas firm claiming that the disruption was due to bad weather, and that repairs were ongoing. The supply was reinstated on 16 December, although, as we have heard, there has also been disruption to both electricity and internet services. The area, which is a disputed territory, is internationally recognised as part of Azerbaijan, although it is mostly governed by the unrecognised Republic of Artsakh.

Regardless of where our sympathies lie, the Azerbaijanis’ actions mean that they are not only abandoning long-established international laws and norms, but reneging on the commitment that they made in the trilateral statement on 9 November 2020, which states that

“the Republic of Azerbaijan shall guarantee safe movement of citizens, vehicles and cargo in both directions along the Lachin Corridor”.

That is clearly not happening. The effect of the blockade is that fuel, medicines and basic goods are running low. Price controls and rationing have had to be introduced, and schools have been forced to close. The restrictions on freedom of movement along the corridor are causing significant distress among the residents, with over 1,000 people, including children, stranded in Armenia and unable to get home.

I would like to hear from the Minister more information on what steps, if any, the UK Government are taking to help de-escalate tensions between Armenia and Azerbaijan, and to help to support the reopening of the Lachin corridor in Nagorno-Karabakh. The President of Azerbaijan, Ilham Aliyev, is on the record as saying that the United Kingdom is Azerbaijan’s largest investor and strategic partner, and I am grateful to my hon. Friend the Member for Glasgow North West (Carol Monaghan) for helping to quantify the extent of that support—£1 billion of trade.

[*Martyn Day*]

It is therefore imperative that the Government use their significant influence on Azerbaijan and follow the examples of their allies in demanding the immediate unblocking of the Lachin corridor to prevent the unfolding of a human tragedy.

I call on the UK Government to convene with other international partners and work together to come up with a plan to exert pressure in order to find a sustainable, peaceful solution. The point made by my hon. Friend the Member for Dundee West (Chris Law) regarding the lack of action, and the action that has been taken since the UN Security Council met, needs to be addressed. I reiterate his point, and let us see what the Minister has to say about the UK's involvement. It is vital that the situation is unblocked to avert another violent war, as well as a humanitarian disaster, and I back calls for the UK Government to support an independent fact-finding mission to the Lachin corridor in order to support and promote justice and accountability for the victims in the coming months.

I seek assurances that the FCDO is working with donor agencies on the ground, including the International Red Cross and Red Crescent Movement. It is absolutely essential that there is no repeat of the cutting off of gas supplies in the coming weeks and months, as it is still the winter period. The UK Government must fulfil their atrocity prevention responsibilities by working with the UN Security Council to require an immediate lifting of Azerbaijan's blockade, and we should look seriously at attempts to launch a humanitarian airlift.

On the issue of sanctions, effective pressure must be brought to bear. It cannot be in the interests of the UK or the wider world to have a weakened Armenia, which may well be the only true democracy in the region. More must be done.

3.38 pm

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): It is a pleasure to serve with you in the Chair, Mr Hollobone. I thank the hon. Member for East Worthing and Shoreham (Tim Loughton) for securing the debate at such a critical moment for Nagorno-Karabakh and the Caucasus more broadly, and I thank all Members for their contributions.

It is a past interest of mine, but I used to work for the OSCE parliamentary assembly in a past life and was an assistant to the special rapporteur on Nagorno-Karabakh at the time, the Swedish MP Göran Lennmarker. That was some years ago, in a more peaceful time, and it is deeply concerning to see recent events. Indeed, the official Opposition are deeply concerned about the situation in Nagorno-Karabakh and the people who are besieged and cut off because of the blockade of the Lachin corridor, which we think must end. This is a humanitarian crisis and undoubtedly worthy of the House's time. It is an area on which I hope the Minister and the Government will focus intently if we are to avoid further catastrophe for civilians both in Nagorno-Karabakh and in the region as a whole.

In my role as Labour's shadow Europe Minister, I have met the Azerbaijani and Armenian ambassadors and members of the communities on a number of occasions. Obviously, I am keen to engage with all sides. It is clear to us that unless a peaceful resolution is

found, civilians in the region face further perils. That has to start with the ending of the blockade and the preservation of Armenia's territorial integrity.

As has been said, 120,000 people are trapped beyond the blockade, without access to medical supplies, food and other supplies. On 13 December, gas supplies were cut off and have been intermittently disrupted since. On 9 January, the only high-voltage power supply in the region with electricity was damaged. On 12 January, access to telecommunications and the internet connection was cut. We have heard repeatedly from Members from across the House that the corridor is the only link between Armenia and the people of Nagorno-Karabakh, and the transport of people and goods through it are critical to the wellbeing of all residents who live there. It is a literal lifeline for them.

As we have heard, territorial changes that took place last summer following the recent outbreak of conflict led to the land around the corridor being transferred to Azerbaijan, making the passage even more vulnerable and critical to the enclave and its residents. We have all heard the reports of more than 1,000 civilians being stranded along the blocked highway, unable to return, and of the 270 children who had to find shelter in Armenia while their relatives remained in Artsakh.

Despite the resumption of gas supplies, fuel, medicine and basic goods are now reported to be running low, and local authorities have had to impose price controls and rationing. There is a real risk of malnutrition and other health consequences for the people of Nagorno-Karabakh. The provision of healthcare and social services has been obstructed. Following the closure of 41 nurseries and 20 schools, children are being denied their elemental right to education.

Patients with cancer are missing vital treatment, and those with diabetes are without medicine. The situation is especially challenging for those with disabilities and those living in residential institutions. The International Disability Alliance and the European Disability Forum have called on all parties to fulfil their obligations to the UN convention on the rights of persons with disabilities and Security Council resolution 2475, and they have called for an immediate unblocking of the Lachin corridor. I am sure they have the full support of Members who have spoken in the debate; they certainly have the support of the official Opposition.

No population should have to live in such conditions. The onus is on international institutions and the international community, with the backing of the United Kingdom and our allies, to do the right thing. It has been said many times in this debate that the blockade contravenes what was agreed in the 2020 trilateral ceasefire. It was agreed that all transport and communication links would be restored and unblocked.

I have raised concerns directly with Ministers over recent weeks, including in parliamentary questions. On 12 December, the Foreign Secretary spoke to the Azerbaijani ambassador, and I understand that a range of issues were covered. Will the Minister confirm what conversations have been had since then, and with which parties? Do the UK Government propose to play a positive role in unblocking the blockade and brokering a lasting peace? We simply cannot return to the violence of 2020, when more than 6,500 people lost their lives and civilian lives were shattered. Nor should civilians in the region have to continue living under the shadow of perpetual instability

and conflict. We favour fully working with our European and regional partners to secure a return to dialogue more broadly and a peaceful settlement facilitated by, for example, the OSCE Minsk Group. Of course, that has to start with removing this blockade, which is a complete impediment to progress.

From responses to parliamentary questions and the contributions that have been made today, it appears that the Government's strategy is to watch and wait. It is apparent that, without the UK and others providing a diplomatic impetus to seek peace, violence, discord, instability and humanitarian catastrophe will remain. The Government do not seem to be operating with the same urgency as other Governments around Europe, the United States and others. I have been looking through the list of Governments who have spoken out on this issue in recent weeks. I hope the Minister will assure us that this is a very important issue for his colleague the Minister for Europe, the hon. Member for Aldershot (Leo Docherty), and others across Government, including the Foreign Secretary.

We all know who will benefit if peace eludes the Caucasus—President Putin and Russia. My hon. Friend the Member for Newport East (Jessica Morden) asked what assessment had been made of so-called peacekeeping efforts in Nagorno-Karabakh and along the corridor. I understand from a response to a parliamentary question that the Government have not assessed the adequacy or effectiveness of Russia's so-called peacekeeping forces. Frankly, I hope the Minister can explain what our strategy in the region is and what is our assessment. We need to understand Russia's intentions and role across the region—in Armenia and Azerbaijan, and of course in relation to this situation.

Hon. Members have made a number of comments. We have heard about the Russian base in Armenia, and we heard the allegations made by the hon. Member for Harrow East (Bob Blackman). I would be very interested to hear the Minister's comments on them. There have also been serious allegations about matters in Azerbaijan. I have had serious concerns raised with me—I hope the Minister can comment on them—about Azerbaijan bringing in gas from Russia in recent weeks. Of course, it exports gas to the rest of Europe. Given the key role that our own oil and gas industry plays in Azerbaijan, I would like the Minister to give us some more detail on that.

Bob Blackman: Will the hon. Gentleman give way?

Stephen Doughty: No, but I say for the hon. Gentleman's benefit that I have raised the issue directly with the Azerbaijani ambassador. I understand that the Azerbaijani Government engage in a so-called gas swap with Russia every year. That is deeply concerning given the matters in Ukraine at the moment and the need to wean Europe off oil and gas. If Azerbaijan is taking in gas and exporting it, I hope the Government are looking at that.

Nagorno-Karabakh, although it may seem remote to many, contains women, men and children who will be at risk if efforts to find peace and end the blockade fail. We have heard from many human rights groups—they have been referred to during the debate—about extra-judicial killings, torture and abuse of prisoners of war. I hope the Minister will give his assessment and tell us what steps are being taken to ensure that such crimes are not committed with impunity.

I understand that the EU is planning to establish an observer mission with the goal of permanently ending the conflict. Those plans were formally adopted by a meeting of EU Foreign Ministers. Obviously, we are outside the EU, but I hope that the Foreign Office and Ministers are working closely with our allies there and, indeed, in the United States to play a role in any measures of that sort. I understand that the United States Secretary of State had meetings with the Armenian Foreign Minister last week. Will the Minister say a little about what discussions we have had with the United States and other allies? Will he also say what conversations there have been with Turkey, which is a key NATO ally and a key partner of the United Kingdom, and comment on our assessment of its role in this situation and in the region more broadly?

It has been reported that the ICRC has been given access to the enclave and has transferred people who were seriously unwell to Yerevan, but can the Minister give us an up-to-date assessment of how much humanitarian relief and how many emergency medical evacuations are passing through the corridor? Is the UK contributing to any humanitarian operations there?

Can the Minister say when the Government will set out a wider regional strategy for the Caucasus that spans diplomacy, aid and trade but also, crucially, atrocity prevention and human rights? It has been mentioned a number of times during the debate that language matters. It is important that the Minister listens to the comments by the hon. Members for Dundee West (Chris Law) and for East Worthing and Shoreham, particularly as we are in a week when we recognise the terrible impact of the holocaust, with all of us committing to preventing atrocities and ensuring that they never happen again. Will the Minister also say what is being done through not only the OSCE but the Council of Europe and forums such as the European Political Community—a new forum that the UK is taking part in—to find solutions to end the conflict and ensure that civilians are protected? What role does he see the UK playing in that?

In conclusion, Russia has shown clearly that it is no guarantor of regional security. The people of Nagorno-Karabakh deserve far better. The blockade must be ended. The UK must play a key role, and we will continue to work with Ministers on the issue. I thank all colleagues for their insights and contributions.

3.48 pm

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (David Rutley):

It is, as always, a pleasure to serve with you in the Chair, Mr Hollobone. I congratulate my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) on securing the debate and focusing attention on the closure of the Lachin corridor. I have known him for many years—in fact, we were at school together—and he is a good friend. More importantly in the context of this debate, he is a well-respected colleague and a hard-working chair of the Armenia all-party parliamentary group. He is also the esteemed chair of the archaeology APPG, but that is a different subject for a different day—we are not going to go there.

The Minister for Europe, my hon. Friend the Member for Aldershot (Leo Docherty), would have been delighted to take part in this debate, but he is travelling on ministerial duties. It is therefore my pleasure to respond to the many important and informed contributions that have been made, and I will endeavour to do so.

[David Rutley]

I particularly welcome the comments by the Opposition spokesperson, the hon. Member for Cardiff South and Penarth (Stephen Doughty), drawing on his experiences with the Organisation for Security and Co-operation in Europe. He raised important questions about Russia, in particular. I will come on to some of his points. I cannot give him exact details on some of the medical evacuations but will ensure that the Minister for Europe writes to him on that. We have a good relationship, and he knows that we will get back to him on that point.

The shadow Minister raised important issues around what the US Secretary of State, Secretary Blinken, is saying about the conflict. He is pushing Azerbaijan to redouble its efforts to secure a lasting peace agreement with Armenia, and to reopen the Lachin corridor to avoid a humanitarian crisis. I underline that the UK firmly supports both those asks. I will explain a little more once we get into the background of this issue.

My colleagues know that the Nagorno-Karabakh conflict is deeply complex; I do not think that anybody would say otherwise. We have heard both sides of the debate today. Over the last 30 years, the Armenian and Azerbaijani people have continued to suffer due to the conflict, which has been the backdrop to regional relations in that time. As hon. Members will understand, such territorial disputes are rarely easily solved. That is why the UK Government, following the 2020 conflict that claimed the lives of thousands of service personnel, has engaged extensively with both Governments. In January 2021, the then Minister for Europe, my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), was the first western politician to visit Armenia and Azerbaijan following the 2020 conflict. She spoke regularly with both Foreign Ministers after the conflict to urge peace, and her successors have done the same.

I assure Members that the UK Government's policy and position towards tensions between those two countries over Nagorno-Karabakh remain unchanged: this conflict cannot be solved by military means. Peaceful negotiations are the only way forward. As was set out in this debate, and as hon. Members know well, the Lachin corridor is a narrow strip of land that provides a lifeline for the people living in Nagorno-Karabakh, enabling food and goods to enter from Armenia. Since 13 December, it has been closed by Azerbaijani demonstrators, who are preventing not only food and goods from moving freely, but in some cases the individuals who live there. The 2020 ceasefire statement agreed by Armenia, Azerbaijan and Russia places responsibilities on both countries. All parties should act in good faith and for the benefit of the civilians of Nagorno-Karabakh. That includes enabling the unimpeded use of the Lachin corridor. Territorial disputes should never harm civilians.

The current Minister for Europe issued a statement making that point on 13 December. He discussed the situation in detail with the Armenian Foreign Minister on 18 January, including the humanitarian support that the UK has provided. On 20 December, the UK permanent representative at the United Nations Security Council called for the immediate reopening of the corridor. That message was echoed by our permanent representative to the OSCE on 17 January. To be clear, the United Kingdom was one of few countries that directly called on the Azerbaijani Government to ensure the unimpeded

movement of humanitarian aid and civilians. I repeat that message today: it is imperative that the Azerbaijani Government help to reopen the corridor. Further harm to the civilian populations of the region, who have endured decades of conflict, should be prevented as a clear priority. The UK ambassador to Azerbaijan has also engaged extensively with the Azerbaijani Government since 13 December, stressing the importance of reopening the corridor.

The Minister for Europe plans to speak again to the Azerbaijani Foreign Minister Bayramov in coming weeks, to once again call for the immediate reopening of the corridor for humanitarian goods and civilians. Our message is simple: the Lachin corridor must reopen. We call on Azerbaijan to do that. Substantive peace talks between Armenia and Azerbaijan are needed to resolve this and other matters, and they must continue in earnest, as they are the only means of bringing a lasting peace to the region.

I assure Members that the UK Government continue to support international efforts, including those led by the EU and the OSCE, to secure peace and stability in the region. Relations between Armenia and Azerbaijan remain extremely fraught. In our engagements with the Governments' representatives, we encourage them to make full use of all channels of mediation, and to pursue constructive dialogue to settle all outstanding matters.

The long-standing position of the UK Government remains that military intervention, inflammatory rhetoric—mentioned by the hon. member for Dundee West (Chris Law)—and indefensible actions, such as restricting the free movement of civilians, are in neither Government's interests and will not secure stability and peace in the region.

A number of Members raised important concerns about the humanitarian situation, including my hon. Friend the Member for East Worthing and Shoreham, the hon. Member for Ealing Central and Acton (Dr Huq), and the SNP spokesperson, the hon. Member for Linlithgow and East Falkirk (Martyn Day). My right hon. Friend the Member for Maldon (Sir John Whittingdale) rightly highlighted the amazing work of Baroness Cox. The humanitarian situation is a concern for the Government. UK officials have been in frequent contact with humanitarian organisations, including the International Committee of the Red Cross, Médecins Sans Frontières and the HALO Trust, to further our understanding of the situation on the ground, and of the most urgent needs of the civilians in the region. We will continue to work with non-governmental organisations on the ground.

The United Kingdom has not been a passive actor. We have not just watched the situation. We have engaged extensively and have acted. The Start Fund, which is administered by the Start Network, a UK charity made up of multiple NGOs, to which the UK is a major donor, has allocated £350,000 to support those affected by the closure of the corridor. Officials continue to monitor the situation and, through their extensive engagements with humanitarian actors, keep under review the need for further humanitarian assistance.

We also recognise the need to show respect to different faiths. Perhaps that is the point that the hon. Member for Strangford (Jim Shannon) wanted me to make, because he and I know how important that issue is, along with many other issues. We were having conversations before about how important faith is in many of these issues.

We will continue to respond to the situation on the ground in a co-ordinated way. If it is okay with my hon. Friend the Member for East Worthing and Shoreham, in the remaining minutes, I will endeavour to answer more questions. The Foreign Office remains in discussion with humanitarian agencies. We will work with those trusted partners, but at the moment there are no plans for an airlift of food or other supplies to the airport—a point raised by the hon. Member for Newport East (Jessica Morden).

Lots of points were made about prisoners of war and their return, and the remains of the deceased, sadly. Both are equally important, and we continue to stress the importance of returning all prisoners of war as a clear priority for both sides. We heard strong contributions from the hon. Members for Dundee West, and for Ealing Central and Acton, on the risk of genocide. The UK Government take their commitments under the genocide convention very seriously. Where there is evidence that the threshold has been met, we will take appropriate action, for sure.

Others questioned what happened at the UN Security Council. To be clear, the UN did not block the UN Security Council statement on the closure of the Lachin corridor. We were working in good faith to find a way to accommodate a statement that would be acceptable to all members of the Security Council.

Some have called for sanctions to be brought in. We are aware of the human rights challenges and concerns that have been raised today, although it is not appropriate for us to discuss any future sanctions; that goes for other places as well. Others have talked about Russia; we know that Russia cannot be relied on or trusted. Its actions in Ukraine clearly demonstrate that. That is why it is vital that Armenia and Azerbaijan engage in constructive dialogue to settle their outstanding issues. The EU has brought forward a civilian mission; we will continue to work with the EU and other partners to move that forward.

Other concerns have been raised, which we will take forward, including by my hon. Friend the Member for Harrow East (Bob Blackman). I thank hon. Members for their contributions. I hope that I have reassured them that we are on the case and are working towards resolving the conflict.

Motion lapsed (Standing Order No. 10(6)).

MOTs: Increased Particulate Matter Testing

4 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I beg to move,

That this House has considered increased particulate matter testing during MOTs.

I refer to my declaration in the Register of Members' Financial Interests. It is a real pleasure to serve under your chairmanship, Mr Hollobone. Air pollution is one of the greatest public health challenges of our time. As we speak, in this place and beyond, people are being poisoned by filthy, unsafe air. Indeed, today the Mayor of London issued a high air pollution alert across the capital.

A diesel particulate filter, or DPF, captures and stores dangerous emissions. It can be found at the back of a diesel exhaust system and can reduce emissions from a vehicle by around 80%. In some instances, a faulty DPF is responsible for the same amount of pollution as a three-lane, 360-mile traffic jam. That is the distance between my constituency of Huddersfield and Land's End in Cornwall. That truly terrifying fact must spur us on to identify and remove dangerous faulty filters. I emphasise that just one faulty filter in one car can spread that amount of poison.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for giving way. He has been quite insistent and persistent in highlighting this issue. He said that a faulty DPF on a single vehicle can cause the same amount of pollution as a 360-mile traffic jam. Does he agree that while we are putting fresh restrictions on business and manufacturing, there is a simple and effective way of cutting emissions? If so, will he put forward his ideas?

Mr Sheerman: I thank the hon. Gentleman for his intervention and he is absolutely right; I will address his point during my remarks.

Increased particulate matter testing during the MOT would ensure that we identified faulty DPFs that are not picked in the current testing regime. I am pleased to see, from the Government's open consultation on the MOT, which was published last week, that the Government want to adopt particulate number testing.

As chair of the Westminster Commission for Road Air Quality, I have been campaigning on this issue for a long time, and it looks as though we are making some progress at last. If the Government are looking for a legislative vehicle, my Motor Vehicle Tests (Diesel Particulate Filters) Bill is due for Second Reading on 24 March. I am very happy to share it, and all credit for it, with the Minister.

Before I speak more about changes that we can make to the MOT, it is worth dwelling on the life-changing harmful effects of air pollution, which my Bill would help to mitigate. It is estimated that up to 36,000 people die prematurely each year from the effects of air pollution in our country. The total cost to the NHS and social care will be £1.5 billion by 2025 and £5.1 billion by 2035.

Caroline Lucas (Brighton, Pavilion) (Green): The hon. Gentleman is making a really important point. He will know that today would have been the birthday of

[Caroline Lucas]

Ella Kissi-Debrah, the child who tragically died aged nine, and who was the first person in this country to have air pollution as the cause of death on her death certificate. He will also know that I am trying to pass a Bill on clean air. Does he agree that the Government's targets for PM_{2.5} are utterly unambitious, and that they ought to adopt the target that the World Health Organisation put forward in 2021 of 5 mg per cubic metre?

Mr Sheerman: I was in a statutory instrument Committee with the hon. Lady only yesterday. I can assure her that we have the same intention for the Government, and I totally agree that the Government's ambition—and the ambition of all of us—has to be raised.

The total cost to the NHS and social care of this plague of dirty, filthy air will be extreme. The cost of inaction is fatal to people up and down our country and the services that they rely on. Reducing particulate matter in the atmosphere must be a public health priority. Particulate matter is made up of tiny, invisible solids and liquids that can permeate our bodies. It has a harmful impact on human health, and mainly comes from vehicles, plant equipment and industry.

Mr Hollobone, you are too young to remember the 1950s and the smog. People took action about smog because they could see it and smell it. It was everywhere, and it was disgusting. This is even more poisonous, but it is invisible. That is why the issue is so important.

Two of the key measures are PM_{2.5} and PM₁₀—in other words, bits of matter that are smaller than 2.5 or 10 micrometres in diameter. I am sorry that this is a bit technical, but the danger of such small matter is that it can enter our bloodstream, which causes irreversible damage to our respiratory system and our other organs. That was the case for those 36,000 individuals in the UK this year—and every year—whose premature deaths are attributed to air pollution. It has also been known to contribute to asthma and a variety of breathing difficulties.

Many of us have the privilege of hearing astoundingly good visiting speakers in this place. Sir Stephen Holgate addressed a group of us who care about air pollution. I remember sitting up when he said that not only do these dreadful things happen to pregnant women, children and the elderly, but these impurities in the air accelerate the ageing process. That galvanised me into keen interest. Air pollution has life-changing consequences for everyone, from children to the elderly. The Australian Government have found that elderly adults are more likely to be affected by unclean air. It can cause strokes, heart disease and lung disease.

Air pollution harms people in every community in the country, including us, right here on the parliamentary estate. Since June, I have been recording air pollution in Parliament with a handheld air quality monitor and a large state-of-the-art device in my office on the fifth floor of Portcullis House. Air pollution on the parliamentary estate is consistently above the World Health Organisation's recommended limit. The average level of PM_{2.5} on the estate was 5.3 micrograms per cubic centimetre. That is above the World Health Organisation's recommended limit of 5.

More worryingly, there were significant spikes; the highest ever reading came in at 8.65 micrograms per cubic centimetre and, during the summer heat, there

was a 14-day period when average daily levels of PM_{2.5} remained at 5.3 or above. That is remarkable. In my office, nitrogen dioxide levels were, on average, four times above the WHO guidelines. In the entire monitoring period, nitrogen dioxide was never at a safe level. [Interruption.] Excuse me for two seconds, Mr Hollobone. I have a very dry mouth due to a medical condition, so your patience is much appreciated.

Much of the blame for air pollution on the estate and across the country lies with vehicles and the pollution that they pump out, often because of faulty diesel particulate filters. However, there are chinks of daylight and good news, as the country moves slowly in the right direction. In 2014 and 2018, MOT tests became marginally more rigorous to ensure the proper working of these filters. However, we still have progress to make on this issue. The debate is topical, as the Department for Transport released its consultation last week. I am glad the Government have recognised the need for further progress in emissions testing, and that they understand that particulate number testing is the right thing to do. Governments across Europe have successfully implemented these tests: the Netherlands, Switzerland, Germany and Belgium have all adopted the higher standards.

The Dutch are making great progress, using a very sensitive particulate technology, set at 250,000 particles per cubic centimetre, which is much tougher. We have 10 times as many vehicles with problems with particulates than in the Netherlands. Considering that the UK has more than 10 times more diesel vehicles on the road than the Dutch, it is plain to see that we would make significant progress if we followed our European partners.

Lastly, I ask the Minister to share any data his Department has prepared on the cost of introducing the testing. We know that there will be an expense, and that testing centres and garages will have to bear it. However, the equipment is now not that expensive and it is getting cheaper. We also know that there will be an individual cost to cover a more rigorous MOT. We believe in that investment, whether it comes from the Government with direct support or grants, or from the vast vehicle manufacturers across Europe that could contribute.

The studies I have seen demonstrate that fit-for-purpose monitoring is available and affordable. Additionally, making the test stricter will result in more failed vehicles, which will be a problem. However, in that transition we will see real change. We will take old and more polluting vehicles off the roads for good, and replace them with electric, and even hydrogen, vehicles, which will be much healthier for all of us. As we wait for the next steps of the MOT consultation, I urge the Minister to follow through on his Department's ambitions.

Particulate matter testing in the MOT would make an enormous difference in the fight to reduce air pollution. In our new year reception for the Westminster commission, it was an honour to hear from Rosamund Kissi-Debrah, as the hon. Member for Brighton, Pavilion (Caroline Lucas) just mentioned, whose daughter Ella was the first person in the UK to have air pollution registered as their cause of death. Today would have been Ella's 19th birthday, and I am honoured that we have had the opportunity to remember her.

As a father and grandfather, I find it impossible not to be moved by Ella's story—a young child whose life was taken far too early. Sadly, Ella is not the only one; there are many more children like her who are currently

at risk from the toxic fumes engulfing our urban centres. It is for people like Ella that the Government must follow through on their proposal to tackle the filthy air that is so poisonous and harmful. I spoke last week in Harrogate with a professor of chemistry from York University, who said that if we want to know where people are breathing in the worst, most poisonous air, we must look at the poorest areas of our country.

Air pollution is an invisible, insidious, silent killer, and we have a unique opportunity now to make a small change that would make a great difference. I say to the Minister and other colleagues, let us take this step together and move closer to achieving a goal, which we could share across the House: that our children, grandchildren, friends, family and loved ones are united in their desire for the inalienable right to breathe clean air.

4.13 pm

The Parliamentary Under-Secretary of State for Transport (Mr Richard Holden): It is a pleasure to serve under your chairmanship, Mr Hollobone. I commend the hon. Member for Huddersfield (Mr Sheerman) on securing a debate on such an important topic, which affects not only the owners of diesel vehicles but all of us affected by air pollutants from vehicles. He has been a staunch advocate of action to tackle these problems in his role as chairman of the Westminster Commission for Road Air Quality. We know each other well from his work on road safety. It is great to see him again pressing an important cause, which I know he cares deeply about, especially on what would have been Ella's 19th birthday.

The hon. Member has eloquently explained the reasons that action is needed, especially to deal with the harmful substances called particulates, which have been linked to a number of serious health problems. Diesel engines have historically had higher emissions of nitrous oxides and particulate matter. In urban areas with large amounts of slow-moving traffic, that can result in an increased risk of harm for residents, including of respiratory illness. He was right to point out that it is often the most densely populated and poorest areas that suffer the most.

In the long term, we are committed to moving from vehicles based on internal combustion engines to zero-emission vehicles. The sale of new petrol and diesel cars will end by 2030. However, that does not mean that petrol and diesel cars will be off our roads immediately. In fact, they will still be on our roads for a considerable period, so we need to tackle pollution from such vehicles.

Considerable progress has been made. Since 2013, all new diesel vehicles have had to meet limits on the number of particulates emitted from their exhausts. That has resulted in diesel particulate filters, or DPFs, being fitted as standard. The effectiveness of DPFs is shown by their impact on emissions. As the hon. Member mentioned, removing a diesel particulate filter from a vehicle's exhaust can increase harmful pollutants by up to 1,000 times. The hon. Member for Strangford (Jim Shannon) echoed that point.

Since 2014, MOT tests have included a check that diesel filters are in place and functioning. However, the Government recognise that the MOT test is not effective in measuring particulate emissions and in checking that DPFs are in place. The smoke opacity test, which is part of the MOT test, measures only the density of smoke and not the level of particulates. It is often difficult to

check visually whether a DPF is in place because of its positioning within a vehicle's exhaust system. We have made it clear in our current MOT consultation that we are committed to implementing more effective testing of particulate emissions from diesel vehicles in order to identify and deal with those that have excessive emissions.

There has been substantial progress in developing particulate number testing. As the hon. Member for Huddersfield mentioned, some European countries have already introduced it, and some are doing it to much more effective standards than ourselves. In the UK, the Driving and Vehicle Standards Agency has been trialling the use of particulate number testing machines, mainly on heavy goods vehicles but on some light goods vehicles as well. Those pilots have provided us with a better understanding of how changes could be implemented to introduce PN testing and to ensure that particulate filters are present and working.

The hon. Member for Huddersfield raised the important issue of cost. With the potential cost of these changes falling on our network of 23,500 MOT garages, many of which are small local businesses, we want to ensure the measures are effective and proportionate, and will help to tackle the issue. The typical cost of a particulate number testing device is currently between £3,500 and £6,100. However, after discussion with equipment manufacturers, we believe the cost may well drop substantially as demand increases off the back of any Government decision to implement the device in an MOT test.

Mr Sheerman: Does the Minister agree that the auto industry has some responsibility here? It would be wonderful if big companies such as Volkswagen, which must have a guilty conscience in some ways about this issue, could put some resources in to ease the transition.

Mr Holden: I agree with the hon. Gentleman. We would certainly welcome any private sector investment, particularly from large businesses, to help ease the cost for some of our garages, which are often either small or owner-run businesses in constituencies up and down the country.

We hope that a big increase in demand would see that supply increase and costs decrease. At current prices, introducing PN testing would cost approximately £100 million to the sector but, as I said, if it was rolled out nationally we could see that figure substantially reduce. I agree with the hon. Member for Huddersfield that it would be great to see some innovation from some large car manufacturers in this space.

Mr Sheerman: Will the Minister give me one last go?

Mr Holden: I will give the hon. Gentleman one last go.

Mr Sheerman: I missed mentioning the name of that fine chemist from the University of York: Professor Al Lewis. I did not mention his name, but he is the one who has been measuring the levels of pollution so scientifically and said, "If you want to know where it is most polluted, it is where the poorest people live."

Mr Holden: It is always wise that we parliamentarians realise that we stand on the shoulders of our researchers—or, in my case, my civil servants—and those who do so

[Mr Holden]

much externally to provide us with the background for these debates and the policies we push for. It is great to hear the hon. Gentleman paying tribute to those who work in research.

We are seeking views on particulate number testing in the consultation on MOT reforms, which we published last week. I hope the hon. Member for Brighton, Pavilion (Caroline Lucas) and others will take part and feed into that interesting and important consultation. The case for introducing PN testing is clear; we now need the evidence to understand how and when we should make this change, and its impact.

We all have the same aim in reducing harmful emissions from road vehicles, including from diesel-powered cars. As the hon. Member for Huddersfield said, this is an invisible poison that we need to tackle. We are taking the matter seriously, and we encourage all those with an interest to respond to the consultation and help to provide the evidence we need to make further progress in reducing diesel emissions in the near future.

Question put and agreed to.

4.21 pm

Sitting suspended.

Apprenticeships: Government Support

4.25 pm

Karin Smyth (Bristol South) (Lab): I beg to move,

That this House has considered Government support for apprenticeships.

It is a pleasure to serve under your chairmanship, Mr Hollobone. Parents always want the best for their children, and parents across south Bristol are no different. Like families the length and breadth of the country, we want our children to succeed and have opportunities to thrive. We want kids to have the best possible start in life because we know that when that happens, their life chances for the years to follow are transformed for the better.

Under this Government, young people are being let down. A lack of investment in capital and social terms is not only harming opportunities for them, but blocking a vital pipeline that helps power everything from the NHS to business and research and development. The Government's approach to apprenticeships is a case study in the very real damage that can be caused by Government inaction and indifference.

During my time in the NHS, I became convinced that to grow and develop our NHS, we needed to secure new ways of bringing talent and skill into the workforce. We need to use every route open to us and freshly chart some new ones to ensure that those who want to start a career in the NHS are not just able to find one, but actively encouraged to do so in a way that best suits them.

I represent communities in south Bristol that include thousands of young people with talent, ideas and passion, but many are among the least likely in the country to go to university. They need pathways that can lead them to a secure job and a rewarding career, just as our institutions and industry desperately need the skills and capabilities young people bring to the workforce. Apprenticeships can and should be an equally attractive option for those who seek a career but choose not to pursue a university degree.

Alan Mak (Havant) (Con): The hon. Lady rightly says that young people often find the choice between an apprenticeship and a university degree challenging and compelling. Does she agree that a greater promotion of level 3 advanced apprenticeships could be a good compromise, because they lead to good qualifications in their own right or to a degree apprenticeship?

Karin Smyth: I agree that degree apprenticeships are a good thing. I am more concerned about levels 2 and 3 in my constituency, but I recently spoke to graduates at the University of Exeter about health and care. I was very proud to go down there before Christmas and promote some of the great work that the university is doing on that programme. I am certainly in favour of that, but I am concerned about levels 2 and 3.

In the health and social care sectors, we need to confront the scope and scale of the challenges faced by the NHS. Five years ago, as a fairly new MP, I said that if the Government want to increase the NHS workforce, nursing apprenticeships must be a major line for new recruits.

Mr Toby Perkins (Chesterfield) (Lab): I absolutely agree with my hon. Friend's point about the value of apprenticeships to the NHS. I asked the Government a question about how much was unspent from the NHS apprenticeship levy fund and I was told that that data is not held. Undoubtedly, millions and millions of pounds are sat unspent in NHS funds and are being sent back to the Treasury because of the lack of a functioning apprenticeship programme.

Karin Smyth: That is a subject worthy of a debate on its own. I spoke to one of the Minister's predecessors, who was a nurse at one point, about that very problem. It is a thorny issue, but it is surmountable. We now have 130,000 vacancies. It is woeful and shameful, but this is preventable, as it is for sectors beyond the NHS. For example, if we are serious about tackling the climate crisis with high-skilled green jobs, we must cultivate the talents and skills of everyone to reach net zero. We cannot rely on those with a degree; we need more people. We need our education system to work for everyone and give people the options and pathways that work for them. Right now, it does not.

Apprenticeships give people things they need for a career in a way that no other path of study does. All of us are here today because we agree with the fundamental premise that they are flexible, agile, rooted in the real world and earned by experience. Each year, I am proud to run my own annual apprenticeships fair. A bit of a plug: my South Bristol Jobs and Apprenticeships Fair will take place next month at the South Bristol Skills Academy, which helps people in the area to match their ambitions and experiences with the needs of local businesses.

Virginia Crosbie (Ynys Môn) (Con): I thank the hon. Lady for securing this important debate and for plugging her skills fair. I want to say a big thank you: diolch yn fawr. I held Anglesey skills day here in Westminster and businesses from all over Anglesey, including Babcock, Holyhead Marine and Mona Lifting, came to support it, and there were lots of apprentices from across the island. Does she agree that apprenticeships can be a key way of giving our young people the life skills with which to succeed?

Karin Smyth: I do. The fairs are uplifting experiences, and I am sorry that I missed the hon. Lady's fair. Young people and businesses are so passionate about them, and I look forward to my seventh next year. It will bring together those businesses, particularly small businesses, that are desperately seeking new workers. In a prosperous city such as Bristol, it should not be so hard to match the desire and needs of businesses with the ambitions of local people. The Government need to get a grip and develop a proper plan to make apprenticeships work.

I know that the Minister has championed apprenticeships from his very first speech in Parliament, and that he is as passionate about the subject as I am. He was kind enough to visit my Bristol South constituency in 2019. I take him at his word that he wants to see more apprenticeships made available to more people, but he is the eighth person to be the responsible Minister in the last 12 years. The brief that has been merged, renamed, repackaged and passed around, I think, 13 times in the same period. His Government simply have not done enough over the last 12 years; the lack of focus has been matched only by the lack of funding. Despite what we

in this room think, apprenticeships are the perennial afterthought. They are passed around in ministerial red boxes like a game of educational pass the parcel. I know that the Minister is happy to be left holding the prize, but that cannot of itself make up for the neglect that the sector has suffered under successive Governments for more than a decade. I am glad that he is in his place for the debate, but he knows that the Government need to do more. As he will have heard in his time as Chair of the Education Committee, employers report increasing skills shortages and decreasing numbers of young people leaving education with the skills businesses need. The Government have no plan to address that.

For all the Chancellor's talk of skills, it is clear that under the Conservative Government there has been a marked decline in apprenticeship starts over the last 10 years. As a result, there will be thousands of young people whose talent has been squandered. I see that in my own constituency: 1,250 people started an apprenticeship in Bristol South in 2011, but by 2019-20, that figure had dropped by 40%. It is not just in south Bristol. Before the pandemic, apprenticeship starts were down 28% across the country for under-19s, and £330 million of unspent levy was sent back to the Treasury. Only one in five of the promised 100,000 new apprenticeships were delivered. According to Department for Education figures for the 2021-22 academic year, apprenticeship starts are down again by 4.8% compared with 2018-19, and the number successfully completing their apprenticeships has plummeted by 31.5%. Something is clearly very wrong.

Answers from the Minister's own Department show that the number of young people not in education, employment or training is also going up. This is a pattern of failure over a period of time, and after 12 years the Government are clearly to blame. That is not a surprise to the Minister; he is aware of all the problems and challenges from the evidence given to the Select Committee. He has also heard the cries from businesses about the apprenticeship levy. Smaller businesses say that the new system has

"added to the barriers, complexity and cost of recruiting and training staff."

Larger businesses report that,

"the inflexibility of the system has made it difficult to spend their levy funds...leaving less money available to pay for the training people need."

As my hon. Friend the Member for Chesterfield (Mr Perkins) said, that is also writ large in the health service. As well intentioned as the levy is—we are all very keen to support it and make it work—it is clearly now broken. There are too few apprenticeships available and too few small businesses, which are the basis of my constituency, participating. Crucially, there are nowhere near enough level 2 or level 3 apprenticeships on offer.

I appreciate the work that has been done to improve the flexibility of the transfer system, which is a point that I raised with the then Minister in 2021. However, the numbers speak for themselves, and we should be terrified by what they are telling us. Some 12 months before the levy came into operation, 564,800 learners started an apprenticeship. A year later, that number had fallen by over 200,000. In the last academic year, the start rate was even lower. The figures are shameful. Some 200,000 potentially life-changing opportunities for young people—each one a real person with a real contribution to make—no longer exist. They are the people we see at apprenticeship

[Karin Smyth]

fairs and the families we talk to in our surgeries. The story is even grimmer when we drill down and see 100,000 young people dropping out of courses each year.

The evidence shows that a growing proportion of apprenticeships are now being undertaken by older people, with businesses using their levy funds to train staff who are already qualified or established in their careers. That may be good, but it is not what the levy was designed for and does not help a young person to get that vital first foot on the employment ladder. It is not just young people who face difficulty as a result of the decisions of the Government. When the Minister was Chair of the Education Committee, it pointed out that:

“More needs to be done to support adult learners with special educational needs and disabilities”.

Again, I could not agree more.

The Minister will know that supported internships and apprenticeships are a crucial piece of the puzzle when helping learners with SEND to access work, but, to quote the Education Committee,

“these opportunities are limited, and support funding is insufficient.”

What did the Government plan to do about the crisis affecting apprenticeships? They set a target to have 3 million apprenticeships by 2020 in the 2015 Queen’s Speech—my first Queen’s Speech as a Member of Parliament. However, we know that apprenticeship starts have declined by over 40% since 2010. As with so many of the Government’s targets, I am not sure that that will ever be met.

The Government’s decision to put aside apprenticeships in the Skills and Post-16 Education Act 2022 suggests that they have all but given up on apprenticeships, and it tells me that the Government have a woeful lack of ambition for our children and young people. It was a missed opportunity for a Government who have consistently failed to match the rhetoric with action. I know that the Minister is an advocate of degree apprenticeships, which combine paid work with part-time study—we also heard about that from the hon. Member for Havant (Alan Mak)—and I was proud to talk to students in Exeter recently. I was deeply impressed by their tenacity and ambition. The Education Committee highlighted that degree apprenticeships are crucial for boosting productivity and widening access for students from disadvantaged backgrounds.

Katherine Fletcher (South Ribble) (Con): I am listening intently to the hon. Lady’s structured analysis of the current situation, although I do not agree with all of it. I want to highlight the example of EnergyAce, a business in my constituency. It is a family firm that designs and manufactures innovative products that help firms use smaller amounts of electricity. Young people in that business are going to the University of Central Lancashire to do degree apprenticeships, to increase the productivity of the business and to upskill small and medium-sized enterprises, which we know are vital for growth in the economy. They were particularly grateful for the opening up of opportunities to upskill their workforce. They are still relatively young—you and I, Mr Hollobone, would probably think they are quite young people. Does the hon. Lady agree that it is really important that, while we

make sure there are quality places in apprenticeships, we do not throw the baby out with the bathwater on degree apprenticeships and the contribution they have to make to growth in the SME sector?

Karin Smyth: I agree that degree apprenticeships have their place, but that is not what the levy was for. As I have heard regularly in the debates I have attended in the seven years for which I have been in this place, our concern is for the small and medium-sized enterprises in our constituencies that are finding the subject really difficult to navigate. My constituents, who are among the least likely in the country to go to university, need level 2 and level 3 apprenticeships to help them up the ladder—I am particularly keen on the ladder. I do not want to throw any babies out with any bathwater—I am not sure where the bathwater and the baby come into the debate—but we cannot lose one for the sight of another, and a Government who were ambitious for apprenticeships would be able to do both. The implementation of lower-level apprenticeships has just been too slow. In my constituency, they are often for people who have been let down by the education system and who need to reach the first rung on the ladder.

We have had some other things that I have tried to support, such as the kickstart campaign—I do not know what has happened to that—and I am looking forward to seeing the results of the fire it up campaign. The Minister will know that I try to support all schemes, regardless of party politics. I want whatever works, and I will try to make anything work. We need to turn the tide on the catalogue of failures that have become so synonymous with the Government’s strategies for apprenticeships. I am not overly confident, but I am hopeful that we can do something better. I am obviously more hopeful about the next Labour Government, and I am sure my hon. Friend the Member for Chesterfield will outline our approach.

We cannot level up without skilling up. Transforming the failed apprenticeship levy and creating what we have called a growth and skills levy will give businesses the flexibility they need to train their workforce and create opportunities that will drive growth across every region of our country and in every sector of our economy. I am sure my hon. Friend would not mind if the Government stole that idea—they can crack on with that if they would like to. We want to unlock Britain’s potential, and people need a solid foundation in education and a chance to succeed to do that.

Having security at work and investing in apprenticeships and training opportunities enables people who want the chance to reskill, all of which will help people into high-quality jobs. What we talk about as a green prosperity plan—again, pinch it—will create a million good jobs in industries and businesses in all parts of the country, underpinned by new apprenticeships in the technology sector that will be vital in meeting our net zero commitments. That is the new building in my constituency that the Minister came to see. That is what we want to be looking at: the jobs of the future.

It is clear that the potential for improving our apprenticeship system in the UK is huge. I continue to hope that is the case. I hope that through the debate, apprenticeships are given the prominence they deserve and the help they need, and I hope the Minister will use his time to confirm that even as the eighth Minister at the tail end of a Government fast running out of ideas

and time, he will ensure a proper focus on skills and apprenticeships within the Government to ensure our country and our economy have the skills for the future.

Can the Minister outline the immediate actions he and his officials will take to drastically improve the quality of apprenticeships and curb that terrible drop-out rate? I sincerely wish to hear how the long-awaited review of the levy is going and what actions the Government will take. I am sure he will agree, as the former Chair of the Select Committee, that more funding is needed for supported apprenticeships and special educational needs and disabilities. Perhaps he can use his appearance today to surprise us all. Given his personal support for degree apprenticeships, can he outline what the Government will do to ensure faster implementation of the programme? Finally, it would make me very happy if the Minister were to announce, here and now, the use of apprenticeships to increase the NHS workforce.

The legacy of the Government is not good. Amidst the wreckage, good ideas remain and with good people like the Minister, who have a genuine belief in the transformative nature of apprenticeships, I hope we can move forward so that no other young person has their future scuppered for, frankly, no good reason.

Mr Philip Hollobone (in the Chair): The debate can last until 5.30 pm. There are seven Members standing, six of whom have had the courtesy to inform the Chair that they wish to speak. To get everybody in, there will be a time limit of three and a half minutes with no interventions.

4.42 pm

Jonathan Gullis (Stoke-on-Trent North) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for Bristol South (Karin Smyth) on securing this important debate.

I am proud to stand here as the co-chair of the all-party parliamentary group on apprenticeships. I am even prouder to stand here and say that I am the employer of not one, but two fantastic apprentices in Stoke-on-Trent North, Kidsgrove and Talke. Jess is about to sit her exams—only next month. I will not wish her the best of luck because I always believe that if someone does the hard work, they will pass the test. She has certainly done the work, so I am sure the test will go through. Then Mya will start with me on 1 February. Jess was 17 years old and Mya is 18 years old. This is a fantastic opportunity for young people to get that important level 3 qualification when they did not feel college was the right option and wanted to earn and learn.

I cannot agree more with the hon. Member for Bristol South on the point about the fact that although degree apprenticeships are important, we also need that ladder of opportunity—I know the Minister was keen on that phrase when I served with him on the Education Select Committee—and we need to offer those level 2 and 3 opportunities, particularly in areas of deprivation where there are people who may not have a formal qualification. In Stoke-on-Trent North, 12% of my workforce do not have any qualifications at all, which is 8% higher than the national average. Level 2 is the first rung on that ladder.

We should do everything we can to accelerate all the way up degree apprenticeships, but we have to build people's confidence and self-esteem and build people up

with the skills to go through the courses at the different stages so they are equipped and ready. It is a bit like when I was in teaching, with the grandmother effect: it is all very well making sure we are supportive and help in every way we can, but if we undermine that process, that could be a problem.

In Stoke-on-Trent North, Kidsgrove and Talke we have had 13,240 apprenticeships start up since May 2020. I want to congratulate Stoke-on-Trent College for its fantastic work. I partner with the college when it comes to my apprentices. It will also deliver T-levels from the start of this year, alongside the City of Stoke-on-Trent Sixth Form College, which was an early up-taker of the digital T-levels that began in 2020, with 55 students to date.

Ultimately, there are things that need to happen. We have seen that drop in level 2 take-up, which some recent reports suggest is at 60%—the last was from March 2021. We need to address and work with our local colleges on that. I am delighted that we will see Ofsted inspecting training providers and holding them accountable for the quality of training. EDSK said that the lack of quality training throughout their apprenticeship forces out half of those who drop out. We need to make sure that employers are being held accountable for their work.

When I see £3.3 billion in the levy pot being returned to Treasury, it does not half make me shudder. That £3.3 billion could be invested not just in young people but in older people as well, and not only in upskilling the current workforce, as my hon. Friend the Member for South Ribble (Katherine Fletcher) pointed out, but in making sure young people get that opportunity too.

We need much more flexibility with the levy pot. I am not asking to simply open it up, but for us to allow employers to use a small percentage of it to invest in mileage, training or administrative staff to undertake what can be a bureaucratic process, and for an amount to be ringfenced specifically for young people. Apprenticeships are the best way to level up our great country, and I hope to see how the Government will develop them to make that happen.

Mr Philip Hollobone (in the Chair): I will call Jim Shannon, who has kindly informed me that he will take an intervention. By law, the time limit has to increase by a minute, so could the hon. Gentleman please finish his speech a minute early?

4.45 pm

Jim Shannon (Strangford) (DUP): I asked permission, Mr Hollobone, in order to allow my hon. Friend the Member for East Londonderry (Mr Campbell) the chance to speak.

I congratulate the hon. Member for Bristol South (Karin Smyth) on leading the debate. Not long ago, I spoke in this Chamber in a Backbench Business debate on labour skills and shortages to highlight the importance of a sustainable and efficient apprenticeship programme for young people across the UK, so I am in full support of having more Government funding for apprenticeships, as the hon. Lady mentioned. I believe apprentices should be valued for their work, along with being paid equally and fairly.

[*Jim Shannon*]

It is always encouraging to see young people wanting to take up a skill, whether in mechanics, plumbing, the food industry or electricians. They are willing to devote their time, despite not receiving a great wage, to advance their skills and learn in combination with courses at technical college, such as the one in Newtownards, which is well used.

Mr Gregory Campbell (East Londonderry) (DUP): Does my hon. Friend agree that the unit being built in Coleraine, the £40 million Northern Regional College, will offer that type of facility? Such colleges are much needed, particularly in areas of high deprivation.

Jim Shannon: I certainly do agree. My hon. Friend and I both have colleges in our constituencies that do marvellous work, and we want to commend them. I look forward to hearing the Minister's response. This Minister understands the issues very well and brings a wealth of willingness into his answers.

A constituent, who was recently in my office with his grandfather, took up an apprenticeship with a motor parts company. He was due to be paid by the employer to attend college one day a week, but he was never paid for that day. He has now been told by the Labour Relations Agency that he has no basis to claim that money back as he left the company more than three months ago. My constituent was unaware of that as it was not in his contract and, to this day, has not received the money he was owed for his one day a week at the technical college. What sort of employer would take that money off him? It is a clear example of young people doing their best to learn a trade and adapt to the world of work, but not getting their fair chance.

UKHospitality got in touch with me about those issues ahead of the debate. It states that reconsidering the working of the apprenticeship levy would help to ease the staffing crisis, benefiting employers, employees and the wider community. I support apprenticeships as a means of recruitment, retention and boosting productivity. It is important to acknowledge that some young people do not see university or further education as a way to advance themselves, but they do see the skills that could be learned through an apprenticeship. I sit on the board of governors for Glashury College. Some students come through who will never be educational achievers; they were always going to be guys who could do apprenticeships, boys who could get their hands dirty and make things happen. We have to look after them. The debate is about that and the hon. Member for Bristol South deserves great credit for bringing it forward, as I am sure many hon. Members will say.

In conclusion, such people would rather learn a trade and dive straight into the world of work and our education system should encourage that. I know the Minister agrees, as he has always said that in response my questions. Schools should offer pupils more support on the options they have, and that should start with us in Parliament giving our schools the funding and opportunities to do that.

4.49 pm

Chris Loder (West Dorset) (Con): I appreciate the opportunity to speak, Mr Hollobone. I congratulate the hon. Member for Bristol South (Karin Smyth) on securing

this particularly important debate. The Government have invested, and continue to invest, a lot of money in apprenticeships, as is clear from the increase in funding to £2.7 billion until 2024-25. It is also clear that the demand for apprenticeships has increased, with an 8.6% rise.

I am here to make the case for land-based colleges and land-based apprenticeships. I am afraid that, in the wider debate, they are not always prioritised. We know that full well in West Dorset, where I have Kingston Maurward College, one of the best land-based colleges in the country. It serves very well not only West Dorset but Dorset more widely. While there has been an increase in funding overall, I am afraid that is not quite happening for land-based colleges in the way I would like it to.

For example, the stockperson apprenticeship for those who look after animals—particularly cattle—was previously funded at £10,000 per apprentice per annum. It was removed by the Institute for Apprenticeships and Technical Education and replaced by the general farm worker apprenticeship, but funded at half the price—£5,000. It does not take a genius to work out that that is pushing finances into a very difficult place, especially when 20% of the £5,000 is reserved until the scheme is completed. That has meant that, in the last couple of weeks, Kingston Maurward College has terminated the apprenticeship. Frankly, that has been devastating to the farming community in my constituency and the surrounding area.

I am conscious of the limited time I have to speak, but I hope the Minister will take the point away and hear loud and clear that land-based colleges are important—even more so given the need to produce food here and to achieve sustainability. It is not acceptable that we have seen a whole course of apprenticeships close. I hope the Minister will see what else he can do. As it stands, it is not just this past year that has finished; the course has been terminated. It is my absolute mission to return that course to Kingston Maurward College, and I hope that the Minister will support me in doing so.

4.52 pm

Mike Amesbury (Weaver Vale) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I pay credit to my hon. Friend the Member for Bristol South (Karin Smyth) for bringing this debate alive with such passion and insight. I am especially pleased to speak because this subject is close to my heart, as I know it is for Members across the Chamber, regardless of our political affiliations. Way back in the past, I was a careers adviser and a Connexions manager, and this was something I always drove forward in the communities I worked in, to ensure that young people made an impartial and realistic careers decision about the plethora of things available to them.

Sadly, I fear that there is still a stigma about apprenticeships, and it is our job collectively to tackle that, whether under this Government or those of tomorrow. There has been an over-emphasis on academia and university for a considerable number of years, and under successive Governments—I will not just pin the blame on the current Government. That has meant lost opportunities for young people, and it has certainly reduced the skills base in our country, our communities and our economy.

The answers are staring us in the face, in the form of the models that some of our European neighbours, including Germany and Austria, have employed over a considerable number of years. I am pleased to say that some of that learning has been implemented by both the current Government and past Governments. I welcome level 3, level 4 and level 5 advanced apprenticeships, and giving working class children and young people the opportunity not to come out of university with an incredible amount of debt but to get real, skilled apprenticeships in industry. As my hon. Friend the Member for Bristol South said, where there is a significant weakness is with level 2 apprenticeships. As the Minister knows, there is a huge underspend of close to £2 billion from the levy. The levy is a very good idea in principle, but that money should be focused on level 2 provision.

For some time now, employers have been calling out for some flexibility with the levy. The Government have moved slightly forward in that area, but nowhere near enough. My hon. Friend the Member for Chesterfield (Mr Perkins), Labour's Front-Bench representative in this debate, has proposed a levy that is about apprenticeships and skills. The Minister should steal that idea—it is a good idea and it would be a sensible thing to do. That levy would drive forward opportunities for young people, particularly those from low-income backgrounds who may not actually want to go to university—there has been far too much emphasis on that—and it would be good for those young people, for our communities and for our economy.

4.55 pm

Mrs Flick Drummond (Meon Valley) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone, and I congratulate the hon. Member for Bristol South (Karin Smyth) on securing this important debate.

Apprenticeships are a vital part of building our skills base, and they are a success, bringing huge benefits to industry and to people completing their education. Some 860 people in my constituency of Meon Valley started an apprenticeship last year, and I have met many of them in my work with businesses of all sizes. I have always been impressed by their drive and commitment, and I want more young people to access that career route. We are fortunate to have great employers in and around my constituency taking on apprentices, such as Safran Helicopter Engines and BAE Systems, and recruiters such as Alderwood and Gattaca that are working hard to help employers plug their skills gaps. Those gaps are real, and I hear about them from employers of all sizes.

My big concern is to ensure that the apprenticeship levy is spent in the right way, and that smaller companies can benefit. We want businesses to see training and apprenticeships as an investment, not a cost. The cumulative underspend in levy funding since 2019 is over £2 billion. That is mostly made up of some very big numbers from previous years; last year, the underspend was around £11 million. However, I know from talking to small and medium-sized enterprises that those companies are not aware of how the apprenticeship levy can help them—yet it is those smaller companies that are having to work hardest to recruit skilled staff.

As we get close to spending the entire budget, we will need to make sure that we are prioritising the right kinds of apprenticeships. It is fine to use levy funding to

support higher-level qualifications such as masters of business administration at Cranfield University, but young people starting out in industry also need good access to opportunities to learn key skills. I am pleased by the Government's support for apprenticeships through initiatives such as the DFE's unit for future skills, which has started to analyse and share data on skills gaps and opportunities. What gets measured gets done, so I hope that leads to a big boost in the number of apprenticeships.

In particular, I hope that support for science, technology, engineering and maths careers will be boosted by a new university technical college in the Solent region. I know that the DFE is looking at that, with a bid from UTC Portsmouth for a new UTC in Southampton. Many students in Meon Valley are looking for a UTC place, and it is the excellence of the UTC in Portsmouth and its partnership with industry that drives that demand. We need more of that kind of capacity for young people, to open up careers for them and fill the gaps in skills. At present, 50% of leavers from UTC Portsmouth go on to apprenticeships, so we need to expand that model. I look forward to hearing from the Minister how we are going to expand the apprenticeship programme.

4.58 pm

Dr Kieran Mullan (Crewe and Nantwich) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone, and I pay tribute to the hon. Member for Bristol South (Karin Smyth) for securing the debate. I want to use it as an opportunity to champion and sing the praises of people who have been involved in delivering apprenticeships in my constituency. As others have said, for too long, young people felt that the only way into a high-paying, high-skilled job was to get an academic qualification. We have been able to change that message, and I hear from constituents that they now understand the issue better.

Thanks to the collective efforts of all those involved, some of whom I will mention, more than 12,000 people in Crewe and Nantwich have begun an apprenticeship since 2010. I want particularly to pick up and pay tribute to some of the comments that have been made about the importance of UTCs, because the ladder of skills really should start pre-apprenticeships. Having a technical college in my constituency means that young people learn from early on that hands-on, technical qualifications are a route forward that builds into an apprenticeship. I am delighted that the UTC has expanded recently. I am always encouraging young people in the area, who perhaps do not want to make the change because it is mid-year and mid-way through their secondary school time, to do so, because I know from speaking to young people who go to the UTC what a great change it is for them, and it builds towards apprenticeships for them.

Another important provider locally is South Cheshire College, which I am pleased to say was recently awarded Institute of Technology status, with additional funding, which will enhance its role. I am delighted that I have an apprentice in my office—I know that other Members do too—who comes from South Cheshire College. The college has a whole variety of apprenticeships, which support young people and employers in the local area. There are some really fantastic employers delivering apprenticeships locally, including Bentley, which is not only a sponsor of the UTC but has its own apprenticeships. I have had the pleasure of meeting it, at first virtually

[Dr Kieran Mullan]

during lockdown. Hearing individuals' stories makes us realise that it can be just a momentary thing that gets them on track for an apprenticeship. I remember one young girl in particular talking about just seeing a poster about apprenticeships in the library at school, which got her thinking about doing one. The apprentices at Alstom will soon be working on the bogies for HS2; that contract has been awarded in Crewe. They are another fantastic example of the opportunities that apprenticeships can bring to people.

Like other Members, I have been told by some employers about difficulties with flexibility on apprenticeships. If anyone is well placed to take forward the feedback that we have heard today, it is the Minister, who we all know has a long track record of supporting apprenticeships.

I will finish by highlighting a few fantastic ambassadors for apprenticeships. These are the finalists for apprentice of the year in the South Cheshire Chamber of Commerce business awards: Connor Smith from South Cheshire College; Mia Jennings from Everybody Health & Leisure; Matilda Turner from Mental Health Charter; Kathryn Bennett from Mid Cheshire Hospitals; Adam Simcock from WR Partners; and, last but not least, the winner of the category, Joshua Hallam, who was an apprentice with Amplo Group. All those individuals are fantastic ambassadors for what one can get out of life by choosing an apprenticeship. I encourage as many people as possible to think about that as a way forward for them and their family members.

5.1 pm

Richard Graham (Gloucester) (Con): I am grateful to the hon. Member for Bristol South (Karin Smyth) for securing this debate on apprenticeships, although she will not mind me saying that she paints a picture that I do not entirely recognise. It is a great pleasure to be here with two colleagues—one of whom is the Minister—who employ their own apprentices, as I do. It will be interesting to hear from the shadow Minister, the hon. Member for Chesterfield (Toby Perkins), how many Labour MPs employ their own apprentices. As he knows so well from the tennis court, there is a difference between talking a good game and playing one.

Let me pay tribute to the 14,000 apprentices who have started or completed—most have completed—an apprenticeship in Gloucester since 2010. That is a run rate almost three times the pace of the previous Labour Government, and it reflects new apprenticeships at places such as the cathedral's masons' shop, *Punchline* magazine, the Robinswood golf club, Hazlewoods accountants, GCHQ and many other employers, who frankly never had the opportunity to take apprentices before 2010, since when the scope has been hugely widened. In addition, our NHS acute hospitals trust has taken on almost 100 nursing associates for higher apprenticeships since nursing associate qualifications were introduced by this Government.

As I have hinted, apprenticeships are not an abstract affair for me. I asked the Government to increase their new commitment to additional apprenticeships in May 2010, before making my maiden speech—those were the first words I spoke in Parliament. I hired my first apprentice later that year, and I have done so every year since. I pay tribute to all of them: my first, Laura Pearsall—now

Brooker—became the youngest ever Gloucester City Council councillor at 21; Aisha has become a team leader in the Home Office; Katie works with our mental health trust; and others work with a charity and the county council. My current apprentice, Mia, is South West Apprentice Ambassador Network apprentice ambassador of the year. All have done great work for our city and my constituents in Gloucester, while getting a level 3 in business admin—precisely the issue that the hon. Member for Bristol South is focused on. In the run-up to National Apprenticeship Week, I commend the opportunity to colleagues on both sides of the House.

I have a few quick suggestions for the Minister, with whom I have worked on apprenticeships for almost 13 years. Schools need to invite back more alumni who are apprentices to give their current pupils an idea of what apprenticeships are all about. There are some really good general training providers, such as Gloucestershire College, and great specialist providers, such as Gloucestershire Engineering Training. We MPs need to work with all of them and to persuade smaller companies that apprenticeships are not a bureaucratic affair but an investment, as others have rightly pointed out.

The apprenticeship levy has been much discussed today. It works for many, but not for all. There are some specialist courses that have not been structured as apprenticeships; for example, spectacle-makers' qualifications have been, but those for construction and timber merchants have not yet been. There is also a real demand for cyber apprenticeships, but a shortage of teachers. Will the Government consider working more closely with the National Cyber Security Centre on how we can find more people to teach artificial intelligence and cyber apprenticeships?

As we come, at the end of this year, to the conversion of the first ever department store in Britain—a former Debenhams—into the University of Gloucestershire's new city campus, will my right hon. Friend the Minister consider coming to Gloucester in early 2024 to visit our nursing associate higher apprentices?

5.6 pm

Mr Toby Perkins (Chesterfield) (Lab): It is a great pleasure to serve under your chairmanship, Mr Hollobone.

As others have done, I congratulate my hon. Friend the Member for Bristol South (Karin Smyth) on securing this debate. It is obviously on an issue that is of tremendous importance to a lot of us, and with National Apprenticeship Week approaching in early February, the timing could not be better.

Labour believes that apprenticeships are the gold standard in skills development, and we would seek to increase both the number and the quality of apprenticeship opportunities under a future Labour Government, as well as promoting apprenticeships to students, workers, parents and employers.

I always say that the greatest advocates for apprenticeship opportunities are apprentices themselves. When I meet them, they often say how grateful they are for their opportunity and how glad they are that they have taken the apprenticeship path. However, I also often reflect, as other hon. Members have already done today, on how little apprenticeships seem to be talked about in schools, so it is important that we make sure everyone knows that these opportunities are there.

In the last year, I have visited outstanding independent providers, such as Remit Training in Derby, where I saw its superb automotive academy, and I have also seen the construction academy at Skills People Group in Rotherham. In addition, I have been pleased to see excellent provision at further education colleges.

As many other Members have said, apprenticeships are vital for social mobility and are genuinely transformative. We recognise the important role that apprentices play and want to see more young people having the opportunity to take an apprenticeship.

My hon. Friend the Member for Bristol South spoke about the importance of public sector apprenticeships. As I said a minute ago, there is far too little focus on a strategic opportunity that exists, particularly within our health sector but across the public sector, to expand the usage of the apprenticeship levy within that sector. She also spoke about how difficult it is for local businesses to become involved in offering apprenticeships. I am told by some of the apprenticeship providers that as much as 50% of their budget is spent not on teaching the apprenticeship but on administering it, which is a crazy system.

Many Government Members are keen to suggest that colleagues in Europe are overly bureaucratic. Let me tell them that there is not a single bureaucrat in Brussels who could have imagined the barriers that have been placed in front of apprenticeships here.

My hon. Friend the Member for Bristol South also reflected on the fact that the Minister—the Minister of State, Department for Education, the right hon. Member for Harlow (Robert Halfon), for whom my hon. Friend and I both have great respect—is the eighth different Skills Minister in the past 13 years. Indeed, he is the fourth that I have the privilege of shadowing in the three short years that I have been in my current role. My hon. Friend also spoke powerfully about the fact that too much of the apprenticeship levy is being spent at levels 6 and 7, which is a theme I will return to.

The hon. Member for Strangford (Jim Shannon) spoke about young people who do not see university as being for them, and he is absolutely right in that regard. However, it is important that we do not see apprenticeships as a second-class option. Apprenticeships are a great opportunity for straight-A students as well as for those who have other talents. Although he is absolutely right that we should always promote that alternative to university, it is very important that we do not see it as a second-rate option.

The hon. Member for West Dorset (Chris Loder) referred the Government's involvement in apprenticeships and the fact that the number of people doing apprenticeships is lower than it was before the introduction of the levy. He also spoke powerfully about the bureaucratic barriers to land-based apprenticeships and the importance of them in his constituency.

Chris Loder: I do not think I quite said that there was a decrease in the demand for apprenticeships or the actual apprenticeships taking place. I just want to correct the hon. Gentleman on that point. Funding for land-based apprenticeships had reduced to the extent to which the schemes were no longer viable.

Mr Perkins: I accept the hon. Gentleman's point. He has corrected me on what he said, but it is none the less the case that fewer apprenticeships are now being provided across the board than before the introduction of the levy. Whether he said it or not, it was none the less factually correct.

My hon. Friend the Member for Weaver Vale (Mike Amesbury) reflected, as he has done previously, on his own history as a careers adviser. He knows the importance of independent face-to-face careers guidance, which is one reason why the Labour party has made that such a priority. Other Members reflected on the fact that businesses and other apprenticeship suppliers are unable to get into schools. That is why, during the passage of the Skills and Post-16 Education Act 2022, we were keen to see the Baker clause introduced in another place. That would have meant that each student had three opportunities to see the alternatives to going to school sixth form. We think that independent careers guidance will play a really important role in that.

The hon. Member for Meon Valley (Mrs Drummond) said that many small businesses cannot access the levy. She is absolutely right. When the apprenticeship levy was introduced, an increased fund came in from the levy payers, but at the same time the Government massively reduced the amount they spent on apprenticeships. The result was that those that do not pay the levy are shut out. The Government are now allowing major businesses that pay the levy to donate some of their levy funds to their suppliers and others on a charitable basis, but it needs to be much more strategic than that.

The hon. Member for Crewe and Nantwich (Dr Mullan) spoke about the importance of pre-apprenticeship vocational opportunities. He is absolutely right. Labour will look to push the skills and growth levy towards traineeship and pre-apprenticeship opportunities, and allow businesses to use their levy in that way.

The hon. Member for Gloucester (Richard Graham) was characteristically optimistic. He dismissed the fact that there are fewer apprenticeships than before. He said he has met employers who speak positively about apprenticeship opportunities, and he is absolutely right. He said that many employers never had the opportunity to offer apprenticeships before, but the reality is that the funding for apprenticeships was there. The Government have a different way of approaching it. We think there are many failings with that, and we are not alone on that. He also asked about how many Labour MPs employ apprentices. I do, and I am informed that my hon. Friend the Member for Weaver Vale does too, but I am afraid I have not done an audit beyond that. He spoke about the importance of businesses and suppliers getting into schools.

Richard Graham *rose*—

Mr Perkins: I want to give the Minister enough time to wind up, but I will allow the hon. Gentleman to intervene very quickly.

Richard Graham: That is kind of the hon. Gentleman. I mentioned all those organisations because those apprenticeships did not exist until we introduced the specific categories for them—accountancy, stonemasonry and all the rest of it. They did not exist before 2010.

Mr Perkins: Okay. I thank the hon. Gentleman for that clarification.

Britain is not alone in having a skills or apprenticeship levy, but the way we handle it is quite unique. As a result, there has been a dramatic fall in the number of entry-level apprenticeship opportunities. Research by the London Progression Collaboration shows that since 2014-15, entry-level apprenticeships have fallen by 72%, and the fall in apprenticeships for under-19s has been as much as 59%, depriving many of those at greatest risk of falling into poverty from the opportunity at the beginning of their careers to get an apprenticeship.

The latest figures show that £3.3 billion in levy funds have been returned to the Treasury in the last three years. It is not only a scandal, but a huge act of collective self-harm. It is no wonder that the CIPD said:

“Apprenticeship Levy has failed on every measure and will undermine investment in skills and economic recovery without significant reform”.

I meet so many small business owners who would be keen to take on an apprentice, but are put off by the lack of available support and the bureaucracy.

There is a stark contrast between this Government's approach and the approach of the Labour Government in Wales. My colleagues in Wales have led the way in creating apprenticeship opportunities, ringfencing an additional £18 million of funding to be invested in apprenticeships in the coming financial year. In a recent report, the renowned think-tank EDSK argued for the need to expand the traineeship programme to promote the supply of entry-level opportunities and clear progression routes into genuinely high-quality apprenticeships. After the Government's recent announcements, which set out that they are seeking to reduce the number of traineeships—I have spoken today to an employer who told me that they will have to abandon traineeships because of the Government's current change—

Mr Philip Hollobone (in the Chair): Order. The hon. Gentleman has had 10 minutes; the Minister needs at least 10 minutes to respond, so he needs to draw his remarks to a close pretty soon.

Mr Perkins: I was just coming to the crescendo, Mr Hollobone. As I say, those from small towns or villages are less likely to find apprenticeships available. Those from black and ethnic minority backgrounds are less likely to be able to access an apprenticeship.

In conclusion, a Labour Government will take a fresh approach. We will ensure that all funds allocated for skills are spent on skills and that apprenticeships are promoted to all and recognised as outstanding opportunities for young people, with more SMEs supported to offer them and more colleges equipped to teach them.

5.16 pm

The Minister of State, Department for Education (Robert Halfon): It is a pleasure to serve under you, Mr Hollobone. I congratulate the hon. Member for Bristol South (Karin Smyth) who spoke thoughtfully. I obviously do not agree with everything she said, and I will set out why in my remarks, but I was pleased when in my last iteration—I do not know if she was including me as one of the eight Ministers from when I was last in this post—I went with her to the City of Bristol College's South Bristol Skills Academy. It was a wonderful visit.

She is a true champion of apprenticeships and I pay tribute to her. I was glad to hear that this debate was taking place.

The hon. Member set out a bleak picture, which I do not think was fair. We have had over 5 million apprentices since 2010. We know that 92% of those who complete their apprenticeships go on to a job or further training. The amount of apprenticeship starts increased by 8.6% last year. Of course, it did go down during the covid years and she talked very importantly about level 2 and 3. Of all starts in 2021-22, 70% were at level 2 and 3.

She also asked about social justice. She will know that we offer a £1,000 bursary for care leavers. If employers with fewer than 50 employees employ a young person, they get £1,000 and we pay all the training costs. We pay 95% of the training costs of all small businesses anyway.

She talked about healthcare apprentices. There are 65 standards in health and 20 in nursing. There is now a complete apprentice pathway from entry to postgraduate and advanced clinical practice in nursing. There are 82 health and science apprenticeship standards and we are working very closely with the Department of Health and Social Care to try to improve those. It is always difficult when different professions measure qualifications in different ways, but I am proud that we have nursing degree apprentices. I am proud that we have policing degree apprentices.

On her point about degree apprentices, I disagree with her a little, because they are my two favourite words in the English language. We saw an increase of 47,000 degree apprenticeships last year—I think over 140,000 since they were introduced in 2014-15. I think that they answer a lot of problems. They deal with the loan problem for disadvantaged students, they mean students can earn while they learn and they build the prestige of skills, which is incredibly important. She mentioned the University of Exeter, which was my old university. One of the proudest things I have ever done as an MP was go to back to that university, which is in the Russell Group, and speak at its degree apprenticeships ceremony. I am very glad that she went there.

I will briefly respond to some of my colleagues who have spoken today. My hon. Friend the Member for Stoke-on-Trent North (Jonathan Gullis) always speaks passionately about this subject. To be clear on the levy funding, of course there have been underspends in the past, but in 2021-22, 99.6% of the levy budget was spent. That point is important because it was raised by a number of other hon. Members.

The hon. Member for Strangford (Jim Shannon) also spoke passionately about the subject. He talked about careers. He will know that we strengthened the Baker clause. The shadow Minister, the hon. Member for Chesterfield (Mr Perkins), also talked about that. I fought for it as a Back Bencher and as Chair of the Education Committee. Students will now have six encounters—two a year—with key apprentice organisations. The hon. Member for Weaver Vale (Mike Amesbury) also spoke about that.

My hon. Friend the Member for West Dorset (Chris Loder) spoke about land-based colleges. I am a passionate supporter of land colleges. I went to one in my area near Enfield a few years ago, and I hope to go to many more in my job. I know he wants me to visit his land college, and I would be delighted to. I will consider

the things he said, but I have already asked officials to look at the issue. I know he was trying to get in at Education questions earlier. Can he leave it with me to try to get officials to work with the college to deal with some of the funding issues?

Dr Dan Poulter (Central Suffolk and North Ipswich) (Con): The Minister will recognise that in constituencies such as mine in Suffolk, one in seven jobs are linked to the land economy, agriculture, food and drink or the supply chain. Apprenticeships linked to the land economy are particularly important. Although we have seen an uplift more generally in Suffolk in the number of apprenticeships available, that has not been the case for the land economy. I have raised that with his predecessors in similar debates. They promised they would go away and look at it, and nothing has really happened. I would be grateful if the Minister wrote to us at some point to outline what steps he is trying to take to bring about that step change in apprenticeship opportunities in the land economy.

Robert Halfon: I was talking about land colleges with officials earlier in the week. I am also of the view that they have an important part in green skills, net zero and all those areas. I promise to go back and work with officials on land colleges to find out the situation across the country, not just in Dorset or in my hon. Friend's constituency, and I will come back to him. I cannot promise policy solutions straight away, but I will do my best to take it back and deal with it. I hope that my hon. Friend is satisfied with that.

My hon. Friend the Member for Gloucester (Richard Graham), with his new, much deserved honour, talked about digital skills and cyber-warfare. There are huge amounts going on with that, and huge amounts of new standards. The new institutes of technology are being rolled out around the country. There will be 21 institutes all together; there are 12 already. We are investing £290 million. Many of them will deal with the kind of digital skills that he was talking about.

The hon. Member for Weaver Vale talked about the levy underspend. I repeat that we spent 99.6% of our levy. He is also passionate about careers—I am completely with him on that—and we have talked about that previously in the House. To my hon. Friend the Member for Meon Valley, I repeat that 70% of apprentices in the past year were level 2 and level 3. She knows that I am supportive of UTCs. They are the responsibility of Baroness Barran, but I will do all that I can to support them. My hon. Friend talked about STEM; I think there are over 300 STEM apprentice standards.

I think that I have answered most of my colleagues. My passion is improving quality, which is incredibly important. We moved from frameworks to standards to ensure that an apprenticeship was a proper profession and was recognised by employers. We created an employer-led system, which is working. Ofsted will inspect every single provider by 2025. We have also asked every

apprentice provider to register as an apprenticeship training providers. We now have much more intervention with employers, providers and apprentices, whom we support all the way through to ensure that we increase quality.

On careers, I mentioned the Baker clause, but we also have a scheme called apprenticeship support and knowledge in schools and colleges—the ASK programme. That has gone to 685,000 students last year, and it is supported by £3.2 million of funding. We are trying to do everything possible. Transforming careers in our country will be the thing that increases starts. I am doing a lot of work in the Department on how we do careers. I mentioned the 92% of apprentices who go into work or further training.

I congratulate my hon. Friend the Member for Crewe and Nantwich (Dr Mullan) on all his award winners. We are also making the levy more flexible, with flexi-job apprenticeships. We are spending a separate £8 million on degree apprenticeships, and I mentioned disadvantage. I congratulate the hon. Member for Bristol South on her apprentice fair. I have my apprentice fair in Harlow on Friday, and I hope that every Member here and across the House takes part in National Apprentice Week so that we can ensure that every young person and adult has a chance of climb the apprentice skills ladder of opportunity.

5.26 pm

Karin Smyth: It has been an enjoyable debate. As ever, we learn so much from each other's constituencies: about the variety of land-based apprenticeships, which I do not have many of, about towns and cities, and about Northern Ireland. There were helpful comments about training providers, which we did not get a chance to talk to, getting rid of stigma and so on, all of which I agree with.

In painting my picture, I got all my statistics from the Department for Education's website, the Library and so on. That is the picture, and we need to own it before we try to improve it. I want properly resourced and well-managed apprenticeships. I see them as a silver bullet that does not simply resolve the practical problems but makes a lasting, positive difference to apprentices and the places in which they work. That is what we want to see. I need the Government to do better, and I hope that some of the contributions to today's debate will start us on that journey. I wish everyone good luck with their apprenticeship fairs; everyone needs to come to mine in Bristol South in February.

Question put and agreed to.

Resolved,

That this House has considered Government support for apprenticeships.

5.27 pm

Sitting adjourned.

Written Statements

Tuesday 24 January 2023

LEVELLING UP, HOUSING AND COMMUNITIES

Thurrock Council: Financial Functions

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley): On 2 September 2022 my right hon. Friend, the then Secretary of State for Levelling Up, Housing and Communities (Greg Clark), announced that after due consideration he was using his powers under the Local Government Act 1999 to intervene at Thurrock Council (“the Authority”), in recognition of grave concerns about the scale of the financial and commercial risks potentially facing the Authority. As set out in Directions made under section 15(5) and (6) of the Act, Essex County Council was appointed to the role of Commissioner and powers have been granted to it to oversee the financial functions of Thurrock Council. Alongside this work Essex County Council was also appointed as a Best Value Inspector in order to assess whether there is best value failure in other functions of the Authority.

The Commissioner began its work to support the Authority with immediate effect and submitted its first report to the Secretary of State for Levelling Up, Housing and Communities, my right hon. Friend the Member for Surrey Heath (Michael Gove), on 5 December 2022. The Best Value Inspection is ongoing, and on 13 December the inspection team provided the Secretary of State with an update letter which contained key findings and recommendations from their work so far and requested an extension to complete their final report. On 14 December it was agreed that the inspection team will have more time to complete their report and will now provide their report to the Secretary of State by 17 February 2023. The Secretary of State and I have reviewed both documents in the context of the intervention.

Taken together, the Commissioner report and update letter lay bare the profound weaknesses in this Authority’s financial function, which has resulted in unmanageable budget gaps in this financial year and in future years. This situation is primarily a result of the failure of the Authority’s commercial investment strategy. The Best Value Inspection update letter sets out that in order to achieve value for money going forward, the Authority will need to undertake a programme of radical transformation in relation to its service delivery. The documents also reveal significant weaknesses in The Authority’s governance function and raise pressing concerns about lack of capacity at Thurrock Council. The Best Value Inspection update letter posits that the Authority’s financial failings are a manifestation of deeper systemic weakness in the historic and recent running of the Council.

Having carefully considered these two documents in the context of the intervention, the Secretary of State is satisfied that the Authority is not meeting its best value duty, both in terms of its known financial issues, and in relation to its governance and staffing functions. He is therefore considering further exercising the powers of direction in the 1999 Act to expand the intervention.

While we have not yet received the final Best Value Inspection, the Secretary of State and I agree that the evidence and recommendations presented in the Commissioner report and update letter are serious enough to warrant taking steps to expand the intervention now, in order to prevent further best value failure.

The proposed changes centre on the need to expand the scope of the Commissioner’s existing powers, which are currently limited to oversight of the financial function. The proposed expansion to the intervention package would give the Commissioner powers over the Authority’s governance and staffing functions and would instruct the Authority to take further actions to support its recovery, and the work of the Commissioner, in order to carry out the improvement and transformation work that is so urgently required.

In detail, the Secretary of State is minded to issue further Directions to permit the Commissioner to exercise powers over:

All functions associated with the governance, scrutiny and transparency of strategic decision making by the Authority to ensure compliance with the Best Value Duty. This will include oversight of an audit of the Authority’s governance.

All functions associated with the Authority’s operating model and redesign of council services to achieve value for money and financial sustainability.

The appointment, suspension and dismissal of staff in the top three tiers of the organisation, including powers to determine the process for making these appointments and dismissals, and to design a new officer structure.

The development, oversight and operation of an effective performance management framework for senior officers.

The Secretary of State is minded to make further Directions to the Authority, instructing Thurrock Council to undertake the following actions to the satisfaction of the Commissioner:

To prepare, produce and implement an enhanced improvement and recovery plan—building on the existing improvement plan.

To take steps to ensure that the role of Accountable Body to the Thames Freeport is exercised to the satisfaction of the Commissioner. This should be reflected in the improvement and recovery plan.

To undertake any action that the Commissioner may reasonably require to avoid, so far as practicable, incidents of poor governance that would, in the Commissioner’s reasonable opinion, give rise to the risk of the Authority failing to comply with its best value duty.

The Secretary of State has also reviewed the model of the intervention as a whole and is minded to additionally appoint a Commissioner to act as managing director at the Authority. This appointment is intended to strengthen the intervention model and to increase the Authority’s capacity to deliver vital improvements.

It is important to us that all interested parties, especially Thurrock residents, can express their views on these proposals before a final decision is made. We are inviting representations on the Commissioner’s first report, the Best Value Inspection update letter, and the Secretary of State’s proposals by 7 February 2023. In line with procedures laid down in the 1999 Act, officials in the department have written to the Authority today to notify them of the Secretary of State’s proposals, and the Authority have been invited to submit representations to the same timeframe.

Should the Secretary of State decide to expand the scope of the intervention as set out in this statement,

he will make the necessary statutory Directions under the Act. Pending a formal decision after the representations period, the Department would issue new Directions to supersede and replace those issued on 2 September 2022, and an updated explanatory memorandum.

The challenges facing Thurrock Council are unprecedented and will require extensive work over many years to resolve. The Authority is at the beginning of a long journey to improve its finance and governance functions, and the Department stands ready to support the Commissioner in any way necessary as part of this vital work.

We look forward to receiving the Best Value Inspection report in February, which will provide an opportunity for the Secretary of State to consider if any further amendments to the Directions are needed. We also look forward to receiving the Commissioner's next report in June 2023, per the Directions issued on 2 September 2022.

A copy of the Commissioner's first report, and of the update on the Best Value Inspection, will be placed in the Libraries of both Houses.

[HCWS516]

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Organisation for Security and Co-operation in Europe Parliamentary Assembly: UK Delegation

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Leo Docherty): The hon. Member for Stirling (Alyn Smith) has been appointed as a full representative of the United Kingdom Delegation to the Parliamentary Assembly of the Organisation for Security and Co-operation in Europe in place of the hon. Member for Argyll and Bute (Brendan O'Hara).

[HCWS515]

HEALTH AND SOCIAL CARE

Major Conditions and Diseases

The Secretary of State for Health and Social Care (Steve Barclay): As this House is aware, the health and social care system faces long-term challenges to ensure the public enjoy longer and healthier lives. Currently in England, 5.4 million people live with cardiovascular disease, around 8.6 million live with chronic respiratory disease and 8.2 million live with mental health issues.

An increasing number of us live with one or more major conditions. People with diabetes are twice as likely to have depression. Nine in 10 dementia patients have another long-term condition. Half of people with a heart or lung condition have musculoskeletal disorders.

Tackling the major conditions that lead to people spending more years in ill health is a significant opportunity to improve the lives of millions of people. That is why today, I am announcing that, in consultation with NHS

England and colleagues across Government, my Department will develop and publish a "Major Conditions Strategy".

The strategy will set out a strong and coherent policy agenda that sets out a shift to integrated, whole-person care, building on measures that we have already taken forward through the NHS Long Term Plan. Interventions set out in the strategy will aim to alleviate pressure on the health system, as well as support the Government's objective to increase healthy life expectancy and reduce ill health-related labour market inactivity.

Our approach will be rooted in the best understanding of the evidence to tackle the major conditions that contribute to the burden of disease in England, namely:

- Cancers
- Cardiovascular diseases, including stroke and diabetes
- Chronic respiratory diseases
- Dementia
- Mental ill health
- Musculoskeletal disorders

These areas account for around 60% of total disability adjusted life years in England. Tackling them is critical to achieving our manifesto commitment of gaining five extra years of healthy life expectancy by 2035, and our levelling up mission to narrow the gap in healthy life expectancy by 2030.

Our approach will harness the potential of whole person care, addressing the fact that our health and care system has been built in silos, often focused around specific diseases or organs in the body. Our workforce model needs to adapt, reflecting that the NHS is caring for patients with increasingly complex needs and with multiple long-term conditions. We need greater emphasis on generalist medical skills to complement existing deep specialist expertise in the NHS, supporting clinical professionals to heal with whole person care. The Major Conditions Strategy and the upcoming NHS Long Term Workforce Plan work together to set out the standards patient should expect in the short term and over a five year timeframe.

This is about shifting our model towards preserving good health, and the early detection and treatment of diseases. We have a proud record of opening new treatment possibilities in the NHS. Diseases that were once a death sentence have become conditions that can be managed over the long term. By harnessing innovation and technology, we are increasingly capable of detecting diseases at an early stage, in some cases before symptoms emerge. Intervening at this point will reduce demand downstream on health and care services.

Healthy, fulfilled, independent and longer lives for the people of England will require health and care services, local government, NHS bodies, and others to work ever more closely together. People living in England's most deprived places live, on average, 19 fewer years in good health than those in the least deprived places. The strategy will set out the supporting and enabling interventions the centre can make to ensure that integrated care systems and the organisations within them maximise the opportunities to tackle clusters of disadvantage in their local areas where they exist, informed by the Hewitt Review. This will include addressing unwarranted variation in outcomes and the care people receive in the context of the recovery from the pandemic.

This work combines our key commitments in mental health, cancer, dementia and health disparities into a single, powerful strategy. It will align to the Government's ambitious life sciences missions. We will take forward a separate suicide prevention strategy this year.

Alongside work on common diseases, the Department and the NHS also continue work on rare diseases, under the 2021 UK Rare Diseases Framework. All four nations of the UK have now published their first action plan, and England's second Rare Diseases Action Plan is currently being finalised.

As we develop this strategy, I continue to be grateful for the thoughts and contributions from colleagues across the House, stakeholders, citizens and industry. I will set out opportunities to contribute further in due course. We also intend to publish an interim report on the strategy in the summer.

Strategies alone will not change outcomes. Delivery will require concerted effort from Government and the NHS working in tandem, alongside social care, patient representatives, industry and partners across the health and care system.

[HCWS514]

HOME DEPARTMENT

Strengthening the Response to Serious and Organised Crime

The Secretary of State for the Home Department (Suella Braverman): The Government are today launching a consultation on two proposals to strengthen the law on serious and organised crime.

Law enforcement agencies frequently encounter articles which they suspect are being used in serious crime but which they are unable to act on under existing legislation. The Government are therefore consulting on a proposal to create new offences to criminalise the making, modification, supply, offer to supply and possession of articles for use in serious crime. Such articles include, for example, vehicle concealments or "hides" used to transport illicit commodities, sophisticated and bespoke encrypted communication devices, templates for 3D-printing firearms components, and pill presses used to make illicit drugs.

The Government are also consulting on proposals to improve and strengthen the existing powers on serious crime prevention orders under the Serious Crime Act 2007. This includes enabling a broader set of law enforcement bodies to apply for such orders, as well as strengthening their monitoring arrangements.

The consultation seeks views to inform the Government's policy development. The consultation will run for eight weeks and will close on 21 March 2023. If taken forward, both proposals would require changes in legislation when Parliamentary time allows.

A copy of the consultation document and two related impact assessments will be placed in the Libraries of both Houses and are available on www.gov.uk.

The Government are also announcing a package of measures to strengthen how police forces in England and Wales tackle serious and organised crime and protect our communities from harm. The approach is being led jointly by the Home Office and the National Police

Chiefs' Council's serious and organised crime lead, with implementation supported by the Association of Police and Crime Commissioners, the National Crime Agency, the College of Policing and the Local Government Association.

We are investing around £2 million to support the roll-out of "Clear, Hold, Build", which is an evidence-based, end-to-end local partnership approach that will reduce serious and organised crime in the highest harm hotspot areas in England and Wales. This includes new serious and organised crime community co-ordinators in the Regional Organised Crime Units to support police forces to deliver the most effective and efficient partnership response, and a performance management and information system to enhance police forces' ability to understand, capture and respond to their local serious and organised crime threat.

Later this year the Government also plan to publish a new strategy to update the "Serious and Organised Crime Strategy", which was published in 2018.

[HCWS513]

JUSTICE

Inspectorate Reviews into Serious Further Offences

The Minister of State, Ministry of Justice (Damian Hinds): Today the chief inspector of probation has published his independent review into the Probation Service's management of Jordan McSweeney, who murdered Zara Aleena on 26 June 2022 as she walked home after an evening out with friends.

Today's report follows another independent review into the management of Damien Bendall, who in September 2021 murdered an entire family—killing pregnant Terri Harris, her two children, John Paul and Lacey, and Lacey's 11-year-old friend, Connie Gent. Bendall also pleaded guilty to rape.

Immediately upon learning that first Bendall and then McSweeney had been charged with murder while subject to probation supervision, Ministers asked the chief inspector to undertake independent reviews.

Before I address the chief inspector's findings, I wish to express my deepest sympathy towards the families and friends of the victims. They have suffered the most awful loss and continue to endure unimaginable suffering.

The chief inspector found serious failings in each case. The Probation Service did not assess the level of risk posed by McSweeney and Bendall properly—and that fundamental flaw meant that neither offender was managed as closely and robustly as was necessary to protect the public. I wish to apologise unreservedly to the families for these wholly unacceptable failings. We are determined to make sure that they are not repeated.

I have accepted the 10 recommendations made by the chief inspector in the case of McSweeney, having accepted his 17 recommendations in the case of Bendall. His Majesty's Prison and Probation Service has already implemented a comprehensive action plan to address the failings in the case of Bendall, including new mandatory checks with the police and children's services before a probation officer may recommend to the court that an offender may be sentenced to an electronically-monitored curfew. And HMPPS has today published its action

plan to address the failings in the case of McSweeney, including mandatory training to improve the quality of risk assessments and new processes to ensure the swift recall of offenders who have breached their licence conditions and are no longer safe to be managed in the community.

Over and above the specific actions taken to implement the chief inspector's findings in each of the two cases, I should set out the action this Government are taking to strengthen the Probation Service and ensure that it is equipped to manage offenders effectively and so protect the public.

We have unified the Probation Service in order to raise standards. We recognise that the Probation Service needs more staff, which is why we have invested heavily, injecting extra funding of more than £155 million a year to deliver tougher supervision of offenders, reduce caseloads and recruit thousands more staff to make the public safer.

This has helped us boost our trainee probation officers by 2,500 over the last two years and we plan to recruit a further 1,500 by March this year.

Beyond these changes, we are reforming the parole system, as we announced in March last year, including increasing ministerial oversight of release decisions for the most serious criminals.

I recognise that the action we have taken and continue to take cannot bring back Terri Harris, John Paul Bennett, Lacey Bennett, Connie Gent and Zara Aleena. However, I can assure their loved ones, this House and the public that we are determined to do everything in our power to make sure that these kinds of tragedy can never happen again.

I commend this statement to the House.

[HCWS517]

Petitions

Tuesday 24 January 2023

PRESENTED PETITIONS

Petitions presented to the House but not read on the Floor; [received 23 January].

Climate finance

The petition of residents of the constituency of Macclesfield,

Declares that the Glasgow climate talks in 2021 failed to deliver on climate finance as the financial burden on the poorest countries continues to grow.

The petitioners therefore request that the House of Commons urge the Government to use the remaining time of the COP presidency to ensure that promises on climate finance made in 2009 are fulfilled.

And the petitioners remain, etc.—*[Presented by David Rutley.]*

[P002797]

Coal, oil and gas extraction

The petition of residents of the constituency of Macclesfield,

Declares that all new coal, oil and gas extraction projects in the UK should be ruled out.

The petitioners therefore request that the House of Commons urge the Government to rule out all new coal, oil and gas extraction projects in the UK.

And the petitioners remain, etc.—*[Presented by David Rutley.]*

[P002798]

ORAL ANSWERS

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PETITIONS

Tuesday 24 January 2023

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**not later than
Tuesday 31 January 2023**

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