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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Wednesday 5 July 2023

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Strength of the Union

1. **Patricia Gibson** (North Ayrshire and Arran) (SNP): Whether he has made a recent assessment of the strength of the Union. [905716]

The Secretary of State for Wales (David T. C. Davies): Recent years have highlighted the strength of our United Kingdom. The successful covid vaccine roll-out was just one example of the strength of our Union; the ability to spend £94 billion during the cost of living challenges caused by the covid pandemic and the war in Ukraine was another. That support will continue, with two freeports and an investment zone being delivered in Wales.

Patricia Gibson: Polling on Welsh independence has found that young people, aged 16 to 34, are far more likely than any other group to vote by a majority for independence for Wales to secure the change they feel their nation needs. That mirrors the views of young people in Scotland, who believe Scotland can and will prosper outside this broken Union. Why does the Secretary of State think that so many young people have so little faith in the Union?

David T. C. Davies: Contrary to what the hon. Lady posits, young people want and welcome the right to be able to live, study and work in all parts of the United Kingdom, which is why the Conservative and Unionist party has consistently polled far higher in every kind of election than parties that seek independence for Wales.

Mr David Jones (Clwyd West) (Con): One benefit of the Union should be that all its citizens are entitled to broadly equivalent public services, no matter where they live. Yet in north Wales, on the 75th anniversary of the foundation of the NHS, patients are unable to access specialist medical services in England with the same ease as English patients, despite the fact that those services may not be available in Wales. Does my right hon. Friend agree that that is an unreasonable and unfair state of affairs? Will he urge the Welsh First Minister to rectify that as quickly as possible?

David T. C. Davies: It is deeply disappointing that on the 75th anniversary of the National Health Service, the Welsh Labour Government, which are responsible for healthcare in Wales, are unable to provide the same

level of service as that received by patients who live under a Conservative-run Government running the NHS in England. It is deeply unfair that patients in Wales are waiting longer for treatment and wait longer in accident and emergency, and that those who draw attention to allegations of misspending of more than £100 million in the Betsi Cadwaladr University Health Board have been sacked from their jobs.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn, Lefarydd. One in five people in Wales is facing hunger. On the NHS's 75th birthday, we must break the vicious cycle where poverty fuels hunger and, consequently, poor health. As the Secretary of State is a staunch believer in the power of the Union, I would like to pose him a challenge: would he be willing to stake his support for the Union on its ability to eradicate food poverty in Wales by the end of the Tories' time in office?

David T. C. Davies: I assure the right hon. Lady that my support for the Union is absolute. It is because we are in a powerful Union that we have been able to spend £94 billion on cost of living support, which has meant that pensions, benefits and the minimum wage have all gone up in line with inflation. If the right hon. Lady is concerned about food poverty, I hope she will talk to her friends in the Welsh Labour Government, which her colleagues are propping up, about the ridiculous proposal to ban meal deals.

Liz Saville Roberts: I will take that as a no. Perhaps I can give him another go to prove that Wales gets added value from the Union. English water companies can extract the equivalent of almost 480 Olympic swimming pools of water from Wales every day. Among those companies is Thames Water, which paid over £200 million in dividends over the past five years. Can he explain to households in Wales why the profits gained from extracting our country's natural resources are benefiting profiteers and not our communities?

David T. C. Davies: The right hon. Lady will be well aware that the way in which water companies are run is rather more complicated than that. She will also be aware that there is a nationalised water company in Scotland and we have a not-for-profit water company in Wales, and yet in both Wales and Scotland average bills are higher, and so are spills into the rivers—[*Interruption.*] Mr Speaker, SNP Members can say what they want. They are presiding over a situation where there are more sewage spills going into the water in Scotland than there are in England.

International Tourism

2. **Dr Luke Evans** (Bosworth) (Con): What discussions he has had with the Welsh Government on promoting the UK as an international tourist destination. [905717]

The Secretary of State for Wales (David T. C. Davies): Wales is a great tourist destination and only recently I spent a long weekend in Llandudno. I believe my hon. Friend was there. He has seen for himself what a wonderful place it is. We have some of the best beaches in the United Kingdom and some of the best mountain biking in the United Kingdom. It is a shame that as a result of the Welsh Labour Government's decision to impose a tourism tax on overnight visitors, fewer people see it.

Dr Evans: My right hon. Friend is indeed right. I went to Conwy Castle with my two whippets and saw the delight that Wales has to offer. I encourage everyone to go and see it. Tourism accounts for about £127 billion of UK industry and almost 4 million jobs. What conversations is he having with the Welsh Labour Government to ensure that there is a UK-wide approach to both domestic and international tourism?

David T. C. Davies: It is deeply disappointing not only that visitors will face a tourism tax, but that those offering accommodation will face extra regulations and that those coming to Wales will be forced to drive at around 20 mph on roads that currently have a 30 mph limit. Therefore, people will have to pay more to come to Wales and spend longer getting here as a result of the Welsh Labour Government's policies. I encourage all tourism operators to speak to their Welsh Labour Government Minister about this.

Samantha Dixon (City of Chester) (Lab): On the subject of tourism, is the Secretary of State aware that Avanti has decided to cancel further services into Chester and north Wales to coincide with the peak tourism season? Improvements have been dangled in front of us one day and then pulled away at the next opportunity. When will this hokey-cokey of train services stop?

David T. C. Davies: I am aware of widespread concerns about Avanti's performance. I know that my colleagues in the Department for Transport have spoken to the company about them, but it has also suggested that some of the old-fashioned working rules that have been worked out with the unions are hampering its ability to supply trains as often as it wants. All I can say to the hon. Lady is that my colleagues in the Department for Transport are well aware of the concerns about Avanti and have spoken to the company about them.

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

Economic Growth

3. **Stephen Crabb** (Preseli Pembrokeshire) (Con): What assessment he has made of the adequacy of economic growth in Wales. [905718]

The Secretary of State for Wales (David T. C. Davies): This Government have put in place steps to deliver growth and to level up across the whole of the United Kingdom. The IMF now predicts that cumulative UK growth over the 2022-24 period will be higher than that in Germany and Japan, and the Bank of England made one of the biggest upward revisions to its growth forecast for the UK. In Wales, the Government have invested in two freeports and will guarantee at least one investment zone to support economic growth.

Stephen Crabb: But the most recent data is not pretty reading as far as the Welsh economy is concerned. The Welsh economy still has not returned to pre-pandemic levels, unlike in England, and unemployment in Wales is going up, unlike elsewhere in the United Kingdom. Does my right hon. Friend share my concern about what is going on inside the Welsh economy under the Labour Administration in Cardiff? Does he agree that

what we need is a laser-like focus on supporting growth, supporting business and unleashing all the opportunity and potential in Wales?

David T. C. Davies: My right hon. Friend is correct. It is deeply disappointing that growth in Wales is now below pre-pandemic levels, whereas in England it is above pre-pandemic levels. The Welsh Labour Government need to ask themselves some difficult questions and perhaps stop concentrating on nanny state policies, such as the ban on meal deals, the 20 mph limit and the ban on new roads and start thinking about what they can do to deliver jobs—I do not mean the £100 million scheme to create a whole load of extra Senedd Members.

Chris Elmore (Ogmore) (Lab): The Secretary of State will be aware of the announcement last week that has shocked the Bridgend communities about Zimmer Biomet and the suggestion of losing more than 550 jobs. I, along with my Senedd colleagues, have met the Economy Minister, Vaughan Gething. May I ask the Secretary of State to do all he can to make representations to the Business and Trade Secretary to encourage Zimmer Biomet to change its mind and keep the jobs in Bridgend and to grow from Bridgend to ensure that we keep these well-paid, highly skilled jobs into the future?

David T. C. Davies: The hon. Gentleman makes a very useful and important point. Bridgend is a wonderful place in which to invest and do business, and the new freeport will make it even better in the vicinity. I have been in touch with the Department for Work and Pensions about that, but I am very happy to talk to those in the Department for Business and Trade about what further measures can be taken to encourage that company and others to take advantage of the wonderful working environment that is Bridgend.

Mr Speaker: I call the shadow Secretary of State.

Jo Stevens (Cardiff Central) (Lab): On the 75th anniversary of our NHS, created by Welsh founder and Labour Minister Nye Bevan, may I thank, on behalf of Labour Members, all our NHS staff in Wales, past and present, for their dedication and public service?

Last week, the Department for Business and Trade published its report on foreign direct investment in Wales. Will the Secretary of State join me in congratulating the Welsh Labour Government's Economy Minister, Vaughan Gething, on his success in delivering economic growth through attracting an additional 3,000 jobs to Wales in the past year?

David T. C. Davies: I think the hon. Lady will be aware that both the Minister for Economy in Wales and the Department for Business and Trade work closely with embassies across the world to ensure that investors know about the enormous opportunities that exist in Wales. I hope she will agree with me that that is testament to the fact that, while we may have political differences, on the issue of foreign direct investment, the UK Conservative Government and the Welsh Labour Government both enjoy working constructively together.

Jo Stevens: I am pleased to hear the Secretary of State's response. I am sure we can both agree that we want strong economic growth across Wales and the rest

of the UK. The last Labour Government gave the go-ahead for new nuclear sites in 2009. Nearly a decade on, none is up and running, and it is now two years since Hitachi pulled out of the Wylfa project. Labour is ready to deliver new nuclear to ensure energy resilience, security and lower bills—[*Interruption.*] What have the Government been doing? When are they going to stop talking and start acting?

David T. C. Davies: I am delighted that the hon. Lady has set out that the Labour party now supports nuclear power. It was not something that was evident to us when Labour was in opposition a few years ago. Labour had an opportunity over the 13 years it was in government to build nuclear power stations, but it is good that it has belatedly decided that it will support new nuclear power in Wales. I can assure her that I am happy to work with the Welsh Labour Government and anyone else who is interested in making sure that Great British Nuclear can take forward sites such as Wylfa, which is an excellent site for new nuclear.

New Nuclear Power Sites

4. **Bob Blackman** (Harrow East) (Con): What recent discussions he has had with Cabinet colleagues on new nuclear power sites in Wales. [905719]

11. **Alexander Stafford** (Rother Valley) (Con): What recent discussions he has had with Cabinet colleagues on new nuclear power sites in Wales. [905726]

The Parliamentary Under-Secretary of State for Wales (Dr James Davies): To continue the topic from the previous question, there are regular discussions with Cabinet colleagues on the potential for new nuclear in Wales. This Government are launching Great British Nuclear to support our ambition to ramp up nuclear capacity in the UK to up to 24 GW by 2050. GBN is actively working with the Government on access to potential sites for new nuclear projects.

Bob Blackman: Nuclear power has an important part to play in a balanced energy policy to provide energy security. Does my hon. Friend agree that Wylfa is an ideal site not only to continue generating nuclear power, but to expand beyond it, because the reality is that without improving and continuing that site, nuclear power has to come to Wales?

Dr Davies: I agree with my hon. Friend. Wylfa is one of the best sites in this country, if not in Europe, for nuclear power generation due to its optimal location and geology. I am confident that the site's potential to support our 24 GW target can be utilised. I know it is a site that GBN is very interested in.

Alexander Stafford: Nuclear power is an excellent and much-needed source of power, but when demand for energy decreases, that power is often wasted. Has the Minister looked at any new Welsh nuclear power plants producing so-called pink hydrogen at times when electricity demands are low, so that we are not wasting that energy?

Dr Davies: We recognise the important role of both nuclear energy and hydrogen in reaching our net zero goals. We are committed to a nuclear future for Wales and so far this year I have visited the Wylfa site and Bangor University's Nuclear Futures Institute. My hon.

Friend is right to mention the importance of storing energy effectively. Our 2021 hydrogen strategy laid out our intention to explore the use of electricity and heat from nuclear power stations to produce pink hydrogen.

Alan Brown (Kilmarnock and Loudoun) (SNP): Will the Minister confirm that there is not an approved small modular reactor design in the UK yet, so talking of installing SMRs at Wylfa and elsewhere is just fantasy?

Dr Davies: The hon. Gentleman mentioned SMRs; I know Great British Nuclear is looking into the importance of those to our future net zero contributions and there will be sites, I hope, across the United Kingdom.

Freeports

5. **Mrs Flick Drummond** (Meon Valley) (Con): What recent discussions he has had with Cabinet colleagues on the delivery of freeports in Wales. [905720]

The Parliamentary Under-Secretary of State for Wales (Dr James Davies): The Secretary of State was delighted recently to announce two successful freeports in Wales—the Celtic freeport and Anglesey freeport—which will each be supported by £26 million of Government funding. We have regular discussions with Cabinet colleagues on the delivery of the two Welsh freeports, which we aim to bring into operation as soon as possible.

Mrs Drummond: I have been a keen supporter of the new Solent freeport joining my Meon Valley constituency. I know the economic benefits that freeports can bring to businesses and workers. Can my hon. Friend assure me that he is doing everything he can to ensure that the two freeport bids in Wales move ahead swiftly to benefit the communities they serve?

Dr Davies: I certainly can. The two new freeports will help to level up north-west and south-west Wales and bring new high-skilled jobs to successful areas. They will become drivers of growth and employment in their areas, acting as hubs for regeneration, innovation and global trade. I understand my hon. Friend's desire to see rapid progress. Both the UK Government and the Welsh Government will work closely with the successful bidders to develop their outline business case so that we can understand the benefits, costs and the most beneficial intervention options.

Stephen Kinnock (Aberavon) (Lab): The Celtic freeport bid is based on floating offshore wind. The floating offshore wind manufacturing investment scheme is a vital programme to get the infrastructure in the port ready for the fabrication of substructures and turbines for floating offshore wind. As the voice of Wales in the Cabinet, what steps is the Secretary of State taking with Cabinet colleagues to secure FLOWMIS to maximise the benefits of the Celtic sea freeport?

Dr Davies: The hon. Gentleman is absolutely right about that. He may also be aware of yesterday's announcement of the leasing area in the Celtic sea for floating offshore wind. My right hon. Friend the Secretary of State has regular meetings with stakeholders, as do I, about FLOWMIS and the necessary infrastructure to bring that into being.

Transport Connectivity

7. **Kevin Foster** (Torbay) (Con): What recent discussions he has had with Cabinet colleagues on improving transport connectivity between south Wales and south-west England. [905722]

The Secretary of State for Wales (David T. C. Davies): I have regular discussions with Cabinet colleagues to discuss transport links between Wales and the rest of the United Kingdom. I am pleased to say that the UK Government have recently provided £2.7 million to develop solutions to M4 congestion and deliver improvements to rail infrastructure.

Kevin Foster: My right hon. Friend will know that routes such as the A303 from the south-west to London have been upgraded to ease congestion and boost the economy, but for those travelling to Cardiff along the M4, delays and congestion persist. What are the barriers to getting the vital upgrades that that route needs?

David T. C. Davies: I am afraid to say that the barrier is the Welsh Labour Government, who have decided that they will, as a matter of policy, end all new road-building projects in Wales, and, on top of that, bring in speed limits and road user charging. That is bad for jobs, bad for commuters and bad for the economy of Wales.

Jessica Morden (Newport East) (Lab): The Government have woefully underinvested in Welsh rail. The Burns commission and the union connectivity review all point to what the Government should do: upgrade the south Wales main line and build new stations, such as in Magor. When will the Government invest?

David T. C. Davies: The hon. Lady makes an important point. There is a project, which is going through the business case process at the moment, to improve the freight lines on the south Wales line to enable passenger services to run on it. I believe that there will be announcements about that shortly, when the new rail network enhancements pipeline programme comes out.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Considering that not a single mile of High Speed 2 track will reach Wales, and that current services between Wales and England are woefully unreliable and expensive, what steps will the Secretary of State and the Government take to improve that and ensure that those living in Wales actually benefit from HS2?

David T. C. Davies: The HS2 project, which was, of course, proposed by the last Labour Government and is supported, as far as I am aware, by the Labour Opposition, will benefit passengers in north Wales. The Government are committed to passengers across the whole of Wales, which is why £390 million has been spent on a range of improvements. In addition to that, we will shortly have the south Wales metro system, which is part of the Cardiff capital region growth deal.

Network Rail Funding

8. **Mr Rob Roberts** (Delyn) (Ind): Whether he has had discussions with the Secretary of State for Transport on the adequacy of Network Rail funding in Wales. [905723]

The Parliamentary Under-Secretary of State for Wales (Dr James Davies): I have regular discussions with Department for Transport colleagues on a wide range of transport matters. Wales receives proportionally greater funding than the rest of Great Britain. In fact, figures from the 2021-22 financial year demonstrate that Government funding of the operational railway was 32.1p per kilometre travelled in England, 57.3p in Scotland and 59.3p in Wales.

Mr Roberts: When I asked the Department for Transport about the maintenance funding spent on the Wales route, it told me that it gets 4% or 5% of the spending and it equates to 4% of the network, so it must be fair. The problem is that the figures were based on train miles rather than track length, and the train miles are always lower in Wales because of a lack of investment in infrastructure. The track length is actually 11%, not 4%. Will the Minister make representations to the DFT to increase rail spending proportionately to make it a fairer settlement?

Dr Davies: The hon. Member is right to reference investment in rail in north Wales. Growth Track 360 has pressed for that hard—I have been involved with that, as he has—and the North Wales Transport Commission has recently outlined similar projects. He will be aware of the Union connectivity review development funding pot that has been available, and the entry in RNEP for the north Wales coast main line in relation to line speeds.

Investment

9. **Andrew Selous** (South West Bedfordshire) (Con): What steps he is taking to increase levels of investment in Wales. [905724]

The Parliamentary Under-Secretary of State for Wales (Dr James Davies): Foreign investment created 3,062 jobs over the last year. With the number of FDI projects also on the rise, that shows that more and more investors are looking to Wales. This is testament to the £52 million that we are providing to support two new freeports, our commitment to delivering at least one investment zone in Wales, and the £1 billion we are investing in the next decade to boost the UK's global strengths in semiconductors.

Andrew Selous: Does the Minister agree that supply chain businesses need

“a modern, functioning road network to keep goods moving efficiently”—

whether they are on the M4, the A55 or elsewhere—and that the failure of the Welsh Government to commit to this is a “body blow”, according to the Road Haulage Association director, Geraint Davies?

Dr Davies: I absolutely do; my hon. Friend makes an excellent point. The Welsh Government's response to the roads review is more of a roadblock, sadly. Their opposition to the M4 relief road and other schemes continues to hold the Welsh economy back. The Welsh Government's impact assessment suggests that the impact of the 20-mile-an-hour default speed limit could be as much as £4.5 billion. The Welsh Government, I am afraid, are advertising that Wales is closed for business.

Dame Nia Griffith (Llanelli) (Lab): The automotive sector contributes significantly to the economy in Wales, including Gestamp in my constituency, where investment in the latest technology to make lighter, tougher bodywork parts contributes to the safety and energy efficiency of vehicles, including new electric vehicles. However, with the US and the EU offering big incentives to companies to invest in new green technologies, what talks has the Minister had with ministerial colleagues about offering similar incentives to get the investment from automotive companies to ensure that we keep a vibrant automotive sector?

Dr Davies: I know that that question is very important to the hon. Member and her constituency. I point her in the direction of the growth deals, which have an important role to play, and regular ongoing discussions are held between the Secretary of State, the Wales Office and other Government Departments.

Michael Fabricant (Lichfield) (Con): Investment in Wales is also conditional on there being adequate healthcare. Is my hon. Friend aware that, in Tywyn on the west coast of Wales, a hospital that was built only six or seven years ago has now closed? People in that area have to travel many, many miles to get healthcare when it is needed.

Dr Davies: I thank my hon. Friend for raising that issue. Clearly, the provision of healthcare services in rural areas is often very difficult, but he will be aware of the particular challenges in Wales, especially north Wales, over the availability of safe and accessible healthcare services. He is right to raise that point.

Christina Rees (Neath) (Ind): As a GP, the Minister knows the value of community engagement. Will he ask the Home Secretary to increase investment in policing in Wales to ensure that there is an effective response to tackling crime when bad things happen?

Dr Davies: The hon. Member will be aware that there are more police officers in all the forces in Wales than ever before. The Government and the Home Office have been investing in the uplift programme and ensuring that there is a strong police presence across Wales.

Cost of Living Support

10. **Kirsten Oswald** (East Renfrewshire) (SNP): What recent assessment he has made of the adequacy of cost of living support for households in Wales. [905725]

14. **Patrick Grady** (Glasgow North) (SNP): What recent assessment he has made of the adequacy of cost of living support for households in Wales. [905729]

The Secretary of State for Wales (David T. C. Davies): This Government are supporting households across Wales with the cost of living. Between October 2022 and the end of June 2023, a typical household would have seen half their energy bills paid for by the Government.

Kirsten Oswald: According to a study on hunger in Wales, around 753,000 Welsh people faced hunger in mid-2022—that is more than double the population of Cardiff—with Welsh Trussell Trust foodbanks experiencing

an 85% increase in the number of emergency food parcels that they distributed compared with five years previously. What specific conversations has the Secretary of State had with Cabinet colleagues and the retail sector on the high costs of food in supermarkets?

David T. C. Davies: Obviously, all Cabinet colleagues are absolutely committed to making sure that we put our resources towards the least well off. That is why pensions, benefits and the minimum wage have all gone up in line with inflation, and it is why there have been extra payments of £900 to people on benefits, £300 to pensioners, and £150 to households with disabilities. But at least the people of Wales are not in the same position as those of Scotland, where 1.4 million people are being hit with extra taxes.

Patrick Grady: Actually, families who need it most in Scotland are seeing the game-changing £25 a week Scottish child payment. When will the Secretary of State devolve powers over social security to Senedd Cymru, so that it can also make decisions like that to protect the people of Wales from the Tories' cost of living crisis?

David T. C. Davies: I can assure the hon. Member that all members of the Cabinet are committed to resolving the cost of living problems that have come about as a result of the covid pandemic and the war in Ukraine. That is why our first priority is to halve inflation, as well as growing the economy, reducing debt, stopping illegal immigration into this country and—we are responsible for this in England—reducing hospital waiting lists.

Speaker's Statement

12 noon

Mr Speaker: Before we come to Prime Minister's questions, I wish to welcome a special guest who is observing our proceedings today: the President of the Cyprus House of Representatives. Madam President, you are most welcome.

I also wish to make a short statement. I am sure the whole House will wish to join me in celebrating the fact that today is the 75th anniversary of the founding of the NHS. A couple of days before it started, the Health Minister, Aneurin Bevan, said in a message to the medical profession:

"On 5th July we start together, the new National Health Service. It has not had an altogether trouble-free gestation! There have been understandable anxieties, inevitable in so great and novel an undertaking... But the sooner we start, the sooner we can try together to see to these things and to secure the improvements we all want."

It is fair to say that 75 years later, the NHS still faces challenges, but it is right that, today, we celebrate an institution that treats over 1 million people a day. In particular, I am sure Members across the House will want to join me in celebrating the staff of the NHS, past and present, across all our constituencies. [HON. MEMBERS: "Hear, hear."] To them, I say on behalf of the House: thank you for your outstanding contribution to the health and wellbeing of us all. Of course, the National Health Service Act 1946 is a reminder of the vital role of this House in creating and debating legislation as part of a democratic process, so I say to previous MPs: thank you for what you did. We will not forget.

Oral Answers to Questions

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [905813] **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): If he will list his official engagements for Wednesday 5 July.

The Deputy Prime Minister (Oliver Dowden): I have been asked to reply on behalf of my right hon. Friend the Prime Minister, who is attending a service right now in Westminster Abbey to celebrate the 75th anniversary of the NHS. Mr Speaker, may I associate myself with your comments? The NHS continues to be a treasured national institution, and I am sure that, during this sitting, colleagues across the House will join you in celebrating its values and achievements and thanking staff for their huge commitment to patients.

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

Stephen Metcalfe: Mr Speaker, can I also associate myself with the remarks you made celebrating the 75th anniversary of the NHS? On behalf of my constituents and all our constituents, I thank its staff for the work they do, day in, day out.

Last Friday, I met a group of residents who have raised a petition to keep the last bank in Corringham town open. The viability of our town centres often depends on the presence of a small number of anchor businesses, such as a post office or a bank. Can my right hon. Friend therefore tell the House what action the Government can take to ensure that at least one of those organisations maintains a high street presence to support businesses and residents alike, particularly when they have received significant Government support?

The Deputy Prime Minister: My hon. Friend is absolutely right to raise this issue. Banks are a cornerstone of our high streets. Of course, it is ultimately a commercial decision for banks, but I think it is right that they take into account the views of local communities. I am sure the bank in question will have heard his remarks to the House and I trust that it will take appropriate action.

Mr Speaker: We now come to the Deputy Leader of the Opposition, Angela Rayner.

Angela Rayner (Ashton-under-Lyne) (Lab): Thank you, Mr Speaker, and can I associate myself with and thank you for your opening comments regarding our NHS? I thank all those staff who have worked and continue to work in our NHS today.

I am sure Members across the whole House will join me in paying tribute to Lord Bob Kerslake, a decent and kind man who accomplished so much in both local and national Government during a lifetime of public service. Our heartfelt condolences go to his family.

I am glad to see the right hon. Gentleman here today. I think I am right in saying that I have the pleasure again next week—two weeks on the trot. The Government

really have given up. Every day, 4,000 families' mortgage deals expire, with 100,000 more since we last met and millions more next year. Families are sick with worry about the cost of the Tory mortgage bombshell. Do the Tories still claim to be the party of home ownership?

The Deputy Prime Minister: May I begin by associating myself with the right hon. Lady's remarks about Lord Bob Kerslake? I knew him from my time in Downing Street. He was a stalwart public servant and he will be missed by many on both sides of this House.

It may come as a surprise to the right hon. Lady, but some leaders trust their deputies to stand in for them. When it comes to mortgage rates, I support the independence of the Bank of England in taking the necessary measures to control inflation. Just ask the International Monetary Fund what we have done to support them. It has said that we have taken "decisive and responsible action" to bring down inflation and we will continue to do so. But what is Labour's plan? It is to borrow £28 billion a year, pushing up inflation; to cut our domestic energy supply, pushing up inflation; and to penalise workers saving into their pensions, pushing up inflation. There we have it from Labour—endless borrowing and higher prices.

Angela Rayner: We have had 13 years of Conservative failures. Homeowners watching that pathetic answer will be cringing: they are not celebrating the Government's success; they are counting the cost of their failures. The only thing that is not soaring in price at the moment is the right hon. Gentleman's gags, which are getting cheaper by the minute. It is not just homeowners who are suffering. Security of renters has been ripped away too, with higher mortgage costs handed directly to them. Given most renters live in homes with a buy-to-let mortgage, can he tell us: are buy-to-let properties included in the mortgage support package—yes or no?

The Deputy Prime Minister: Actually, under this Government, thanks to my right hon. Friend the Secretary of State for Levelling Up, we have introduced legislation for the first time to support renters and to give them greater security of tenure. Of course, the Chancellor will take all necessary measures to stand behind mortgage holders and take necessary measures for renters.

We have a choice in this country, and the choice that we have made is to invest in our economy, giving us the fastest growing economy in the G7 for the past two years, creating jobs, with record low unemployment, and increasing people's wages by providing the national living wage—£1,600—into everyone's pockets. That is how this Government are supporting people.

Angela Rayner: I know that the Deputy Prime Minister is not very good on facts, but the Tory party did crash the economy. He will know that, according to his own Government's data, over 2 million buy-to-let properties are missing out on support. No-fault evictions are up by 116% this year. So will he tell us if the Prime Minister has the spine now to stand up to the vested interests in his own party and finally deliver its promise to ban no-fault evictions?

The Deputy Prime Minister: I do not think the Prime Minister is going to take any lectures on weakness from the Labour party. There is a lot of talk about reshuffle in the air from the Labour party. The last time the

leader of the Labour party tried to sack the right hon. Lady, she walked out with a promotion. We will continue to stand behind renters and to support them, and my right hon. Friend the Secretary of State for Levelling Up, Housing and Communities will take all necessary steps.

Angela Rayner: That answer is pathetic for all those people who are facing homelessness on the right hon. Gentleman's watch. We will ban no-fault evictions—unlike the Conservative party. Jessica and her four children from Plymouth were evicted from their home in April. They are temporarily living with Jessica's mother in a cramped house where the two eldest children are sleeping on blow-up beds in the front room, surrounded by their belongings—hardly the decent, secure life that the right hon. Gentleman's Government promised. Do families like Jessica's not deserve better?

The Deputy Prime Minister: I will tell the right hon. Lady what we are doing for families like Jessica's: we are increasing the national living wage. It was the Conservative party that introduced the national living wage, not the Labour party. It is this party that has doubled—doubled—the personal allowance, cutting taxes for those people, and it is this party that has lifted a million people out of unemployment. I am immensely proud of the record of this Government. That is why people will not trust the Labour party not to crash the economy again.

Angela Rayner: I asked a question about no-fault evictions; I was very clear on what the Labour party would do, but I cannot see us getting through a single one of these encounters without the Deputy Prime Minister blaming the Opposition for his Government's own record.

When asked yesterday about the record low number of council houses being built, the Housing Minister said she did not recognise that statistic. When asked about support for people in temporary accommodation, she said it was not her brief—the brief of the Housing Minister. If council housing is not her responsibility, whose is it?

The Deputy Prime Minister: The Labour party may have failed to notice that it is actually under this Government that more council houses have been built than when they were in office; it is under this party that we have record levels of housing being built. We stand very proudly on the record of this Government.

But let us look at what we have done more broadly: inflation and waiting lists coming down, growth forecasts up, Albanian crossings down. While we are delivering on our priorities, what have we seen from the Labour party? It has U-turned five times in the last month already. The record is clear: the only thing we can rely on the party opposite to deliver is broken promises.

Angela Rayner: Talking about broken promises, house building is set to collapse to its lowest level since the war, rents and mortgages are soaring, home ownership is plummeting and over a million people are trapped waiting for a council house. There is one simple solution to this problem, and everyone knows it, so when will the right hon. Gentleman finally stand up for the national interest instead of the Tory party's interests and build more houses?

The Deputy Prime Minister: The right hon. Lady may not have listened to the answer I gave and just moved straight on to the next pre-scripted question, but we have built more houses under this Government than the Labour party. I am afraid it is the same old thing from her: she stacks up the endless job titles, she takes the union cash and she constantly talks Britain down. That is why we will do everything we can to keep Labour out of people's pockets, out of their lives and out of Government.

Q3. [905815] **Anthony Mangnall** (Totnes) (Con): I might respectfully say to the deputy leader of the Labour party, the right hon. Member for Ashton-under-Lyne (Angela Rayner), that if she wants to know what we are doing on rental reform, she can look at the Renters (Reform) Bill that this Government are introducing.

Mr Speaker: Order. Is that your question? I think you ought to ask your question.

Anthony Mangnall: My question is about the Slapton line in my constituency. Can it be right that Natural England is holding back major infrastructure development in south Devon and not allowing us to keep key infrastructure being developed?

The Deputy Prime Minister: My hon. Friend is absolutely right to speak up for the Slapton line. It is one of the most beautiful roads in the country. I understand that the Slapton Line Partnership, which includes Natural England and the Environment Agency, is working closely with the local community on the plans.

Mr Speaker: We now come to the deputy leader of the Scottish National party.

Mhairi Black (Paisley and Renfrewshire South) (SNP): I begin by thanking all the staff in our health services across these isles. As we celebrate the 75th anniversary of the health services in the UK, I want to reflect on two quotes from two people. The first is:

“it's about using the private sector more...something that we, actually, should be very comfortable with.”

The second is:

“A number of people do go as NHS patients to the private sector...and we could do more of it”.

Can I ask the Deputy Prime Minister: which quote is from the PM, and which is from the Leader of the Opposition?

The Deputy Prime Minister: May I begin by saying genuinely how sorry I was to hear that the hon. Lady will be standing down at the next election? She and I joined the House at the same time, and I know she has contributed much to her party and to this place. May I also say that I am sure she will wish to join me in celebrating His Majesty King Charles receiving the Scottish regalia, pretty much as we speak?

Mhairi Black *indicated dissent.*

The Deputy Prime Minister: There is always time for a Damascene conversion.

When it comes to the NHS, I will take no lectures from either the SNP or Labour. It has been there for me. I was born in an NHS hospital, and my children were born in an NHS hospital. It has been there for me and my family, and this Government have put record funding into it.

Mhairi Black: I thank the Deputy Prime Minister for his kind words. We did join this place at the same time; I am pretty sure we will be leaving at the same time, too. *[Laughter.]*

The No. 1 problem that faces the health service across these isles is workforce, and research shows that Brexit has worsened the UK's shortage of doctors. European nurses registering to work in the UK fell by 90% after the Brexit referendum. What more will it take for both him and the Labour party to admit the damage that Brexit is causing our health services?

The Deputy Prime Minister: It all started off so nicely. I do not know whether the hon. Lady has been listening to what the Government have announced this week, but we announced an additional £2.4 billion for our groundbreaking NHS workforce plan. It is the first time in the NHS's history that that has happened. If we look at the record since this party came to power, we have almost 40,000 more doctors and more than 50,000 more nurses. Once again, the Conservative party is delivering for the NHS.

Q8. [905820] **Sir Edward Leigh** (Gainsborough) (Con): Tonight, at West Lindsey District Council's planning meeting, the RAF will apply for listed building consent to move the grave of Wing Commander Guy Gibson's dog. Apparently, the Home Office is content for 2,000 migrants to be cooped up next to 1,000 of my constituents living near or on the base, but the RAF thinks it intolerable that it should leave the grave of a dog that has lain in peace for 80 years. More importantly, will the Home Office start listening to us? If it insists on this proposal on illegal migrants, will it put them on a discrete part of the base and let us get on with £300 million of levelling up with a hundred buildings—many of them listed—a 2 mile-long runway and a spaceport, and let the dog lie in peace?

The Deputy Prime Minister: My right hon. Friend knows that we have to take action to address the unacceptable cost of housing migrants in hotels. I thank him for the constructive approach he has taken to RAF Scampton playing a role in respect of that. Of course, Home Office Ministers will have heard his broader representations, and I am sure they will respond to him.

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): May I, on behalf of my colleagues, extend our deep appreciation to all those past and present who continue to be dedicated to our NHS, including our staff in the health and social care system in Northern Ireland?

In Northern Ireland, GPs, nurses, doctors and carers are adversely constrained by a lack of sufficient funding for our health service. The Northern Ireland Fiscal Council has highlighted that our allocation falls beneath need, which compounds the difficulty year on year. Will the Deputy Prime Minister assure me of the Government's willingness to engage on this issue and ensure that public services get what they need to continue delivering for the people of Northern Ireland?

The Deputy Prime Minister: I am happy to give the right hon. Gentleman that assurance. As he knows, the Department of Health in Northern Ireland has been allocated £7.3 billion—an increase of £20 million above 2022-23—but of course the absence of a Northern Ireland Executive is exacerbating the severe challenges that the healthcare service in Northern Ireland is already facing. A fully functioning devolved Government is the right way to deliver the reforms needed for the Northern Ireland health service.

Q13. [905825] **Maggie Throup** (Erewash) (Con): Of the 16,700 cases of melanoma diagnosed in the UK every year, sadly over 2,000 will prove fatal. Regularly applying sunscreen is our most effective weapon against this deadly disease, yet the Treasury remains stubbornly opposed to exempting these lifesaving products from VAT. With a further heatwave expected later this month, will my right hon. Friend assure me, as a melanoma survivor, that he will do everything in his power to remove VAT from high-factor sunscreen to save lives and support the NHS as it celebrates its 75th anniversary?

The Deputy Prime Minister: My hon. Friend is absolutely right to raise the dangers of melanoma. As a fair-headed person with a fair-headed family, I am acutely conscious of the need to wear sun cream. I will not trespass on Treasury decisions in this setting, but I know that my right hon. Friend the Chancellor will have heard her representations.

Q2. [905814] **Angela Crawley** (Lanark and Hamilton East) (SNP): After 13 years of Tory Government, the Government's record is pretty dismal. Let us consider it: inflation spiralling out of control; interest rates set to hit 6.5% by the end of the year; energy prices double those in the rest of Europe; food shortages; strikes across the public sector and NHS; and graduates leaving university with mountains of debt and little to no prospect of home ownership. Will the Deputy Prime Minister admit his Tory Government's failure and urge the Prime Minister to call a general election now?

The Deputy Prime Minister: Rather than focusing on playing politics, we are actually delivering for the British people. I listened to the hon. Lady's litany. I was interested to note that her leader has been in power for 100 days, and what has the SNP's record been? Three failing First Ministers, two unfinished ferries and a failed deposit return scheme. I think we can all agree that the people of Scotland deserve better.

Q14. [905826] **Holly Mumby-Croft** (Scunthorpe) (Con): Conservative Governments have a proud record of supporting the UK's steel industry. I have—*[Interruption.]* I do not know why Labour Members are laughing, because steel production halved under Labour. I have stood up many times in the House to talk about the importance of steel not just to my home town of Scunthorpe but to our whole nation. Does my right hon. Friend agree that we will always need steel in this country and that, if we cannot make it ourselves, we will have to ship it over from the other side of the world, with all the emissions and environmental and ethical concerns that that will inevitably bring? Will he reaffirm the Government's commitment to taking further measures to ensure that we have sustainable, long-term steelmaking in this country?

The Deputy Prime Minister: I am very happy to reaffirm this Government's commitment to steel manufacturing. I pay tribute to my hon. Friend, as I know what a champion she is for steel production in Scunthorpe. Long may she continue to be. We have made meaningful offers of support to Tata and British Steel. The Secretary of State recently visited them to see at first hand the work under way.

Q4. [905816] **Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD): I am sure that the Deputy Prime Minister will be as pleased as I am that work is well under way to construct the Sutherland spaceport; in fact, it is ahead of schedule. Recently, the north coast space cluster has been developed, which involved enterprise agencies and companies. Does the Deputy Prime Minister agree that that can build massively on the skills built up over many years at Doonreay, and that the establishment of international links with companies in the United States can only be good news for the far north of Scotland?

The Deputy Prime Minister: I completely agree with the hon. Gentleman's remarks. The development of that new spaceport is a key part of our ambition to grow the UK's space launch capabilities. In the first three years we are expected to reach £20 million of investment, creating 40 jobs. We are working with the United States, particularly through the technology safeguards agreement, to allow UK companies to exchange technology with it.

Q15. [905827] **Aaron Bell** (Newcastle-under-Lyme) (Con): Could I associate myself with your comments about the NHS, Mr Speaker? I pay tribute to all NHS workers both in Newcastle-under-Lyme and across the country. I welcome the new long-term workforce plan, particularly 40% more places in dental schools. Access to dentistry has been an issue for a number of my constituents. Would my right hon. Friend consider the merits of opening new dental schools, not just new dental places? Keele University is one of the best medical schools in the country, and would make an excellent site for a new dental school.

The Deputy Prime Minister: As ever, my hon. Friend makes a very strong case for his constituency. As a result of the NHS long-term workforce plan, we are currently assessing capacity at existing dental schools to see whether they can accommodate the expansion in training places. Of course, we retain an open mind about whether we need further such education facilities.

Q5. [905817] **Kim Leadbeater** (Batley and Spen) (Lab): It was a pleasure to join colleagues from across the House this morning for the NHS 75th anniversary parkrun on this special day. However, my joy was short-lived when I returned to my office to find the usual array of emails from desperate constituents who cannot get a doctor or dentist appointment, access to children's mental health services or proper care for their loved ones. Does the right hon. Gentleman agree that, as today's report from three highly respected think-tanks suggests, after a decade of under-investment, our beloved health service faces either managed decline under the Tories, or a Labour Government with a radical new health and wellbeing strategy to put it back on its feet?

The Deputy Prime Minister: Mr Speaker, it may not surprise you to hear that I do not agree with that characterisation. Let me tell you about this Government's record on the NHS: record funding; record doctors; record nurses; records scans; and record operations. The only record from the Opposition party is in Wales, where they now have the worst A&E waiting times in the country.

Mr Speaker: The only other record is the length of the answers. Maybe we can speed up with Richard Drax.

Richard Drax (South Dorset) (Con): I associate myself with your comments about the NHS, Mr Speaker.

My constituents in Weymouth and Portland and I are getting a little tired of being told that placing a migrant barge in our port is in the national interest. It is neither in the national interest nor in ours. The barge, designed for 222, will accommodate 506 illegal migrants, already testing our overstretched resources. It was imposed on us without any consultation. There are many concerns both about the barge and about what the 506 young men will do, going around a seaside resort at the height of the summer, unmonitored and with little money. Will my right hon. Friend stop it, and ask my right hon. Friend the Home Secretary to do likewise?

The Deputy Prime Minister: I am sure my hon. Friend appreciates that we need to reduce the bill of housing asylum seekers in hotels and that we need to look at different measures to accommodate them. Of course, I am very happy to engage with him, and I am sure the Home Secretary is too, to ensure we can find a satisfactory solution in his constituency that protects his constituents' interests.

Q6. [905818] **Carolyn Harris** (Swansea East) (Lab): Last week, the coroner found that the cause of Luke Ashton's suicide in April 2021 was gambling disorder. Immediately before his death, Luke, bombarded with inducements, placed over 1,200 bets. At no point did the operator intervene. From his previous brief, the Deputy Prime Minister will have extensive knowledge of the harm those inducements cause, so does he agree that the commitments to curb advertising and promotions in the gambling White Paper do not go far enough to reduce harm and prevent more tragedies like Luke Ashton's suicide?

The Deputy Prime Minister: The hon. Lady will know from our conversations when I was Digital Secretary that I share her concerns about gambling inducements. Indeed, I pay tribute to her for her campaigning on this issue. I think we have a very good set of proposals in the gambling White Paper. That sits alongside the 2019 "NHS Long Term Plan" which committed to 15 specialist units across England by 2024 to support those with gambling addiction. I think we have good proposals in place.

Henry Smith (Crawley) (Con): May I draw the House's attention to the fact that we have the Chief Minister of His Majesty's Government of Gibraltar in the Gallery, Fabian Picardo? May I seek an assurance from the Deputy Prime Minister that, as the UK-EU negotiations on the border between Gibraltar and Spain continue, the sovereign, freely expressed opinions of the Gibraltarian people to remain British will be protected, as well as their security and economic interests?

The Deputy Prime Minister: I am very happy to give my hon. Friend, and indeed the First Minister of Gibraltar, exactly that assurance. This Government will always stand up for the people of Gibraltar and their right to determine their own future.

Q7. [905819] **Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Sarcomas are cancers that can affect any part of the body, inside or outside, including muscles, bones, tendons, blood vessels and fatty tissues. Sarcoma is rare. In the UK, around 15 people are diagnosed every day and 5,300 a year, including in families in Merthyr Tydfil and Rhymney. Awareness is low and as this is Sarcoma Awareness Month, may I ask the Deputy Prime Minister to meet me and families affected so that we can discuss what more the Government can do to raise awareness and vital funds for research going forward?

The Deputy Prime Minister: I am very happy to give that commitment, I think probably best on behalf of Health Ministers. One of my colleagues in Downing Street who was a Prime Minister's principal private secretary sadly died of that disease, so I have a great awareness of it and it is important that we continue to raise its profile.

Paul Howell (Sedgefield) (Con): Last week, as an alumni of Durham University, I had the pleasure of going to the installation of Dr Fiona Hill as its new chancellor. Dr Hill started in Bishop Auckland and could not afford a school uniform to go to the high school where she had a scholarship. She finished up working in the White House and is an example of social mobility. That is what she will be championing as the new chancellor. Will the Deputy Prime Minister encourage the Secretary of State for Levelling Up, Housing and Communities, my right hon. Friend the Member for Surrey Heath (Michael Gove) to work with me and the all-party parliamentary group for left behind neighbourhoods to do everything we can to support her?

The Deputy Prime Minister: I join my hon. Friend in relaying the Government's congratulations to her. I will ensure the Secretary of State hears the representations he makes.

Q9. [905821] **Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): Universities in Cardiff and across the UK are home to world-leading research and innovation, but thousands of jobs and huge amounts of expertise are now at risk because of the Government's dithering in the negotiations over Horizon. The *Financial Times* reported last week that Sir Paul Nurse, Nobel laureate and head of the Francis Crick Institute, described the delays as "absurd" and

"damaging science and damaging the country".

Are the Government still committed to negotiating a deal? If they are, why do they not get on with it?

The Deputy Prime Minister: Since we agreed the Windsor framework we have had very constructive discussions on Horizon, but the difference between my party and the hon. Gentleman's party is that we will not accept a deal at any price. We will wait until we get the best deal for the British people and British universities.

Karen Bradley (Staffordshire Moorlands) (Con): I am running a campaign called "A Year of Reasons to Visit the Moorlands". Each week, for a year, I am focusing on one of the many reasons to visit the moorlands. So far I have included Hetty's Tea Shop in Frogghall, the Heaton House Farm wedding venue, some brilliant artists and Alton Towers, and this week is league club day. May I invite my right hon. Friend and you, Mr Speaker, to visit my constituency to see one of the reasons for yourselves?

The Deputy Prime Minister: I should be delighted to do so. I think that Hetty's Tea Shop may be more my cup of tea than Alton Towers, but I am sure I can arrange a visit.

Mr Speaker: We will both go on the big rides together.

Q10. [905822] **Chris Law** (Dundee West) (SNP): I think everyone in this House can recognise that my city of Dundee is a city to be proud of. It has world-leading universities, pioneering businesses and a determined SNP city council leading the way, and there is a real ambition to deliver for the future. We want to continue our journey, and the potential delivery of a world-class site for the Eden Project in our city will help to cement its reputation, bring further investment and jobs, and boost our local economy. Can the Deputy Prime Minister confirm that the UK Government will deliver on previous promises and finally commit to supporting capital funding for that project in my city?

The Deputy Prime Minister: I am a big supporter of the Eden Project, and I hope very much that we can have one in Dundee. Of course the United Kingdom Government always stand ready to support people in Scotland, and to support people in Dundee.

Vicky Ford (Chelmsford) (Con): As the child of two NHS doctors, the sister of an NHS doctor and the wife of an NHS doctor, may I, too, say thank you to everyone who works in our NHS? Will my right hon. Friend send particular congratulations to the students at the new medical school at Anglia Ruskin University in Chelmsford, who will graduate as doctors in a couple of weeks? This is the first time we have ever trained doctors in Essex, and it has been hugely successful. Will my right hon. Friend meet me to discuss doubling the size of our medical school?

The Deputy Prime Minister: I am very happy to offer my sincere congratulations to those students, who thoroughly deserve their graduation ceremony. I know what a difficult course is required for someone to qualify as a doctor. Health Ministers would be happy to meet my right hon. Friend to discuss exactly that proposal.

Q11. [905823] **Helen Hayes** (Dulwich and West Norwood) (Lab): One of my constituents, who was a first-year university student, tragically took his own life in May. He had signed a private sector tenancy for his next year's accommodation, with his parents as guarantor. The tenancy includes a clause which states that the responsibilities of the guarantor are unaffected by the death of a tenant, and the lettings agency is disgracefully insisting on enforcing that abhorrent requirement. My constituents not only have to live with the devastating loss of their son, but face terrible financial hardship

because of this cruelty. Will the Deputy Prime Minister support my call for the inclusion of a clause in the long overdue Renters (Reform) Bill to outlaw that practice and protect bereaved families?

The Deputy Prime Minister: What the hon. Lady has described sounds totally abhorrent, and I shall be very happy to look into the details and discuss what measures might be brought forward to address it.

Mr John Baron (Basildon and Billericay) (Con): At a time of record employment, an unemployment rate nearly half that of the EU average and strong inward investment, can my right hon. Friend explain why every single period of Labour government since the second world war has ended in economic failure, with sterling weaker and unemployment usually higher?

The Deputy Prime Minister: My hon. Friend is entirely right. I might add that Labour Governments also spend every last penny in the Treasury. I will remember the

note saying that there was no money left when we entered government. We should never allow that to happen to the British people again.

Q12. [905824] **Sarah Jones** (Croydon Central) (Lab): Our absentee Prime Minister did not turn up for the Owen Paterson vote, he did not turn up for the Boris Johnson vote, he will not stand up to the MPs who called the Privileges Committee a kangaroo court, and yesterday he embarrassed himself by acting like a stroppy schoolboy in front of the Liaison Committee. With NHS waiting lists at a record high and the Tory mortgage penalty hitting my constituents hard, he has bitten off more than he can chew, has he not?

The Deputy Prime Minister: I am not sure that there was a question in that; I might respectfully say that it was a rant. I will proudly defend this Government's record. We have grown the economy in the past two years faster than any other country in the G7, with record low levels of unemployment and fewer people in workless households, all of which would be put at risk if the Labour party ever entered power.

Point of Order

12.40 pm

Dawn Butler (Brent Central) (Lab): On a point of order, Mr Speaker. It is a shame that the Deputy Prime Minister has left, because this point of order refers to his appearance in the Chamber on 7 June, when he claimed that my party's plan to invest £28 billion a year in green energy would add £1,000 a year "to everyone's mortgage". He made that claim a day after the *Daily Mail* reported that figure and said that it came from Treasury analysis.

However, the Treasury has admitted that the statistic does not come from official analysis. It was forced to make that admission to the UK Statistics Authority after that organisation demanded to know where the figure had come from. The UKSA told LBC that despite investigation, it had been unable to find any official source for the figure. Its spokesperson stated:

"We spoke to HMT and they have informed us the figure quoted is not based on any analysis produced by Treasury officials."

The ministerial code, by which all Government Ministers must abide, states:

"It is of paramount importance that Ministers give accurate and truthful information to Parliament, correcting any inadvertent error at the earliest opportunity."

Mr Speaker, I would be grateful if you advised me how we can get the Deputy Prime Minister—who will be back next week—to correct the record.

Mr Speaker: May I say that you have absolutely put that point on the record, and I think you have made sure that it has been corrected for the record? I have no responsibility for this; the responsibility lies with a Minister to correct an error and to ensure that they do so, as you quite rightly say, at the earliest opportunity. I am sure that Ministers on the Treasury Bench have heard that, and I am sure that the Minister responsible will want to correct it ASAP.

Safety Cameras

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

12.42 pm

Mark Eastwood (Dewsbury) (Con): I beg to move,

That leave be given to bring in a Bill to require the Secretary of State to publish revised guidance on the deployment, visibility and signing of speed and red-light cameras for traffic enforcement; to require that guidance to include amended site selection criteria for safety cameras, including a lower threshold for the number of collisions in which a person is killed or seriously injured; to require that guidance to provide for a process by which local communities can express support for the installation of safety cameras in areas of concern; and for connected purposes.

A 2007 circular from the Department for Transport recognised speeding as one of the

"most significant dimensions of unlawful, disorderly and dangerous road vehicle use".

It provided key guidance on the use of speed and red light cameras for traffic enforcement to improve the safety of road users and pedestrians. It encouraged changes in driver behaviour, paved the way for local authority partnerships to support their communities and outlined criteria for site selection to help decision making regarding any new cameras.

I want to get ahead of the keen journalists in the Gallery and confess that I currently have three points on my licence for speeding, but I emphasise that I was caught by a camera and modified my behaviour—proving that cameras do, in fact, work.

Fifteen years on from the introduction of the guidance, speeding motorists are arguably the No. 1 local issue highlighted across Dewsbury, Mirfield, Kirkburton, Denby Dale and, I am told, many of my colleagues' constituencies. Alongside the concerns that my constituents regularly raise, that is something I have seen myself, with the Dewsbury ring road in particular occasionally resembling an Indy 500 track.

Speeding became significantly more noticeable during the pandemic, when fewer people were driving, with some drivers taking advantage of the emptier roads to drive at reckless speeds. I pay tribute to West Yorkshire police for all the work it continues to do to keep our roads safe, but it cannot be everywhere at once, especially given the vast expanse of rural roads.

According to the current guidance, the primary objective of camera deployment is to reduce deaths and injuries on roads, with a study conducted by the London School of Economics finding that, from 1992 to 2016, traffic enforcement cameras reduced accidents by between 17% and 39%, while reducing fatalities by between 58% and 68%.

Since April 2009, the criteria for fixed and mobile camera deployment have been based on the number of accidents in which someone is killed or seriously injured, with a scoring system in which each KSI accident scores five points and each slight injury accident scores one point.

Sixty-five people died and more than 5,000 people were injured in collisions on the roads of West Yorkshire last year. The majority of these collisions were entirely preventable, with excessive or inappropriate speed being one of the most common factors in fatal and serious injury collisions. However, the guidance in West Yorkshire still requires at least three people to be killed or seriously

injured within a three-year period—at least three people need either to die or suffer a serious collision, with potentially life-changing injuries—to satisfy just one of the criteria to install a speed camera. This means that at least three families need to have their lives changed forever before a preventive measure can be implemented.

Between 2017 and 2021, nearly 700 collisions were reported on roads in my constituency. Fifteen of those were on Liley Lane running through the middle of Lepton. According to the current list of speed cameras provided by West Yorkshire safety camera partnership, there are no fixed cameras covering that road. There were also 13 reported collisions on Huddersfield Road, running through Shelley and Skelmanthorpe. There are cameras on nearby roads, but apparently none covering the road itself.

The local community continues to highlight concerns to me regarding those roads. According to the local safety camera partnership,

“community concerns are one factor which may result in the use of a camera provided there is evidence of a collision history and/or traffic survey revealing speed limit violations meeting the required threshold. Local authorities will apply the criteria to determine whether the use of either fixed or mobile cameras is justified.”

Prevention is better than cure, so what is being done to support that?

As it stands, the 2007 circular appears keen to involve local communities concerned by the effect of high-speed driving in their area. However, in the guidance and on the partnership and local authority websites, there is no structured, signposted point of contact for communities to reach out to, so complaints are consequently being made to local councillors, the police and local MPs.

The creation of standardised points of contact, for local residents across the UK to highlight where speed cameras would be useful, would be a crucial step in ensuring our constituents are heard and kept safe. Rural communities notice and are most affected by speeding motorists, so it is vital that we create and implement an effective and straightforward channel they can use to encourage change.

I have therefore worked closely with community groups and village associations to understand and highlight the impact of dangerous driving in their area. Alongside highlighting the concerns of Shepley village association

at Prime Minister’s questions last year, I have supported the campaigns of residents in Bristfield in Dewsbury and Upper Hopton in Mirfield to tackle speeding in their area by reducing the speed limit. I would also like to take this opportunity to thank my team and the local councillors, who work hard to respond to these concerns and can then support the development of a coherent approach for local residents to highlight the issues publicly.

I have raised this issue in the House on multiple occasions. In September 2021, I highlighted the need to change the guidance, with the Department for Transport promising a redrafted form of the 2007 circular by the end of the year. I appreciate that much has changed over the past two years, but it would be fantastic if we could complete the redraft and implement a 2023 circular.

Finally, I want to assure colleagues that this Bill seeks not to give local authorities the green light—for want of a better phrase—to install as many cameras as they can as part of a revenue-generating scheme, but to reassure our constituents that they will be listened to and supported in making their communities a safe place to live, walk, cycle and enjoy. Speeding traffic puts everyone at risk, whether they live in a built-up town or a more rural village. We want our roads to be safe for everyone, but too often we hear about accidents or near misses where speed was a key factor.

I am introducing this Bill to bring down the points threshold, with a requirement for fewer serious accidents within the timeframe, and to establish a pathway for communities to petition for cameras, so that we can make sure that action is taken sooner and lives are saved. I hope Members from across the House can agree that the continuous improvement of road safety is crucial to all our constituents, and I commend this Bill to the House.

Question put and agreed to.

Ordered,

That Mark Eastwood, Jonathan Gullis, James Daly, Nick Fletcher, Kim Leadbeater, Shaun Bailey, Jane Hunt, Scott Benton, Ben Everitt, Jason McCartney and Katherine Fletcher present the Bill.

Mark Eastwood accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 24 November, and to be printed (Bill 342).

Estimates Day

[5TH ALLOTTED DAY]

DEPARTMENT FOR ENERGY SECURITY AND NET ZERO

Energy Infrastructure

[Relevant documents: Third Report of the Welsh Affairs Committee, Nuclear energy in Wales, HC 240; Second Report of the Welsh Affairs Committee, Floating Offshore Wind in Wales, HC 1182, and the Government response, HC 1405; First Report of the Welsh Affairs Committee, Grid Capacity in Wales, HC 218 incorporating HC 1092, and the Government response, HC 1063; Second Report of the Welsh Affairs Committee of Session 2021-22, Renewable energy in Wales, HC 439, and the Government response, HC 756.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2024, for expenditure by the Department for Energy Security and Net Zero:

(1) further resources, not exceeding £11,749,854,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,

(2) further resources, not exceeding £3,525,935,000, be authorised for use for capital purposes as so set out, and

(3) the sum authorised for issue out of the Consolidated Fund be reduced by £3,200,982,000.—(Andrew Bowie.)

Madam Deputy Speaker (Dame Rosie Winterton): The debate will be opened by the Chair of the Select Committee on Welsh Affairs.

12.53 pm

Stephen Crabb (Preseli Pembrokeshire) (Con): It is a privilege to open this afternoon's debate on energy infrastructure at the start of this estimates day. It is an important and timely topic for us to consider, and I am grateful to the Backbench Business Committee for selecting it. I am also grateful to the colleagues from both sides of the House, and from different parts of the United Kingdom, who are here this afternoon to participate.

Energy is the lifeblood of the global economy. The need for heat, light, and power is as old as humankind. In the intensely complicated, fast-moving and interconnected world we now live in, efficient infrastructure supplying reliable and secure sources of affordable energy is the critical means by which we sustain our living standards and basic security. For previous generations of policymakers, thinking about the affordability and reliability of our energy system was perhaps challenging enough, but in an age now when we better understand the far-reaching impacts of hydrocarbons on the atmosphere and our planet, and when threats to global energy supplies can cause sudden and devastating spikes in prices, the task of not just renewing but transforming our national energy infrastructure is monumentally important and difficult. It should be at the very forefront of debate in this place.

The twin challenges of energy security and net zero have come together in a potent way in recent years, and I welcome the way in which this Government have moved quickly to respond to the changing landscape. The energy security strategy paper, published in April

2022, highlighted the commitment to produce far more domestic energy. More recently, the Government's blueprint for the future of our energy mix, "Powering up Britain", published in April, clearly sets out how we plan to diversify, decarbonise and domesticate energy production by investing in renewables and nuclear.

Over the last two years, the Welsh Affairs Committee has undertaken several inquiries into different aspects of energy policy and infrastructure, as they relate to Wales. One might ask why the Welsh Affairs Committee is taking such an interest in energy, but it is simply because of the immense importance of energy to Wales and the Welsh economy. Wales is not only a consumer of energy, but a primary producer and a gateway for energy imports and exports. Furthermore, we recognise the potential economic opportunities that could accrue to Wales from future developments in renewable energy and nuclear energy.

Having completed an initial wide-ranging inquiry into renewable energy in July 2021, our Committee pursued three subjects in greater detail: grid capacity in Wales; nuclear energy in Wales; and floating offshore wind. In doing so, we were acutely conscious of the fact that none of that was particularly niche or specific to Wales. Indeed, much of the evidence we heard on all of those subjects has direct read-across to other regions and nations of the United Kingdom. In the time I have available, I would like to touch briefly on the key outputs of the three inquiries and highlight some ongoing challenges.

Jim Shannon (Strangford) (DUP): I commend the right hon. Gentleman for bringing this debate forward. As Chair of the Welsh Affairs Committee, he is talking about Wales, but he also mentioned that all of the United Kingdom should benefit in this area. Will that be from the three options that he put forward or will it be from tidal energy, which we could do more on in Northern Ireland? Does he feel that when it comes to bringing forward a strategy for this House today, it is about what happens not only in Wales or England, but in Scotland and Northern Ireland? It is about what happens collectively, because we should all benefit. Therefore, a strategy has to come from this place, but it must be driven out to all the regions of the United Kingdom of Great Britain and Northern Ireland collectively.

Stephen Crabb: As ever, the hon. Gentleman is correct: we are one United Kingdom. Of course, on energy on the island of Ireland there are interconnections with the Republic, but with the changing nature of our energy system, the economic opportunities for investment, job creation and industrial renewal are enormous for all parts of the UK—for Northern Ireland, Wales, England and Scotland.

I wish to touch briefly on the key outputs of the three inquiries I mentioned. First, on grid capacity, we are talking about the network of power lines, pylons and interconnectors that transport electricity generated to areas of demand. That is a critical piece in the energy infrastructure puzzle, not just in Wales, but for all parts of the UK. The issue should keep Ministers awake at night, because it was clear from our inquiry that the entire way in which grid enhancements and new connections are delivered is not fit for purpose, given the imperatives of UK energy policy.

I recognise the steps that have been taken by the Government and the National Grid Electricity System Operator. With the appointment of Nick Winser as the UK's first electricity networks commissioner, the Government are taking steps to address the challenges. However, if we think about the increase in the speed of delivery and consenting that is required if we are to see the renewal of our national grid in the way we need in the years ahead, we see that we need a much more significant step change in the pace of activity.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (Ind)
rose—

Stephen Crabb: I give way to the Chairman of the Select Committee on Energy Security and Net Zero.

Angus Brendan MacNeil: The right hon. Gentleman makes a good point there. One other issue to address is the plethora of zombie projects that are clogging up the system, which do not make it easy for anybody. Identifying them is not easy either—I do not pretend it is, but I wanted to bring that to his attention.

Stephen Crabb: I am grateful to the hon. Gentleman for bringing that to the House's attention. There are currently about 200 GW of projects on the books. Many of those are zombie projects, as he describes them, that will not come to fruition and so are clogging up the system. The Government need somehow to get rid of those projects in order to focus on areas where we know there will be investment, and to encourage an anticipatory investment approach that will deliver the new infrastructure we need in a timely way. Otherwise, we will end up developing a renewable technology and a system able to generate clean energy, but we will not have the grid to get it where it is needed.

Secondly, on nuclear energy, our inquiry confirmed that there is a broad consensus between the UK Government and the Welsh Government on the role that nuclear should play in achieving the UK's net zero targets and ensuring domestic energy security. The majority of our witnesses were in favour of new nuclear energy generation in Wales, and I am pleased to say that the Committee agreed that nuclear energy has a strong role to play in a mix of low-carbon sources.

I pay tribute to my hon. Friend the Member for Ynys Môn (Virginia Crosbie) for the role she played on the Committee, as well as in her capacity as a constituency MP, in championing nuclear energy for Ynys Môn. There has been no more energetic and active Member of Parliament for Ynys Môn that I can remember—she has done a great job in championing her constituency. Our report carries and reflects much of the positivity that my hon. Friend brought to the subject.

We heard strong evidence about the suitability of the Wylfa site on Ynys Môn for a new gigawatt-scale reactor. In fact, we do not believe that the Government will meet their targets for increasing nuclear power without building that large-scale nuclear plant at Wylfa. We recognise the progress that the Government have made in establishing Great British Nuclear and bringing forward the regulated asset base model for securing investment in new nuclear. However, despite that positive progress, a new nuclear power station at Wylfa in north Wales is not in the bag.

When I was in Government 10 years ago, we championed a new nuclear power station at Wylfa. Ministers were sent for photo opportunities there and to meet potential investors, but it did not happen. I know that the community in Ynys Môn, represented by my hon. Friend, feels disappointment because it has had its hopes raised and dashed in the past. We do not want that to happen again, so I implore the Minister to hear the arguments about Wylfa. I know he feels passionate about the subject and will discuss these issues with Government colleagues.

Caroline Lucas (Brighton, Pavilion) (Green): Did any of the witnesses point out the eye-wateringly high cost of new nuclear, as well as how painfully slow the process will be, given the amount of time it will take for it to be up and running? With the best will in the world, it is unlikely that there will be a new big nuclear power station until the early 2030s. Given the Government's own target to decarbonise the electricity supply by 2035, nuclear will be unable to play much of a part in helping us to achieve that.

Stephen Crabb: The hon. Lady makes a good point. Investment in large-scale nuclear, or even small modular reactors, is a longer-term feature of our energy system, as the Government's "Powering up Britain" report recognised. In fact, the Government's targets for increasing nuclear are for 2050, not 2030.

On the cost of nuclear, yes, those points were made to the Committee. We made sure that we had an evidence session to hear from Friends of the Earth and others who are opposed to nuclear per se. We heard their strong arguments about their belief in an energy system entirely comprising of renewable and power storage technology in the future, but we also heard strong evidence that the technology for that does not yet exist. We have to stay in the real world, so nuclear, which has been tried and tested over the long term as a provider of cheap and reliable power, is an important part of our future energy mix, in conjunction with other energy sources.

Alan Brown (Kilmarnock and Loudoun) (SNP): I was going to make a similar point to that made by the hon. Member for Brighton, Pavilion (Caroline Lucas). The right hon. Gentleman is talking about not relying on future technologies, but SMRs are future technologies—he has admitted that they use technology that does not exist at the moment. How much does he estimate one large-scale new nuclear plant will cost, and how much would a fleet of SMRs cost, if they come to fruition?

Stephen Crabb: I am going to disappoint the hon. Gentleman, because I do not have those specific figures in the pile of notes I have brought with me. However, those figures are out there and the evidence is there. He is right that small modular reactors are a technology for the future and testing is still required, but that work is going on, and not just in the UK but in other countries. It will be a technology for the future, so there is no point in us putting our heads in the sand and wilfully pretending otherwise. I believe it will be a technology for the future, but a lot will depend on future costs.

Wera Hobhouse (Bath) (LD): Particularly on estimates day, are we really "putting our heads in the sand" when that technology is simply the most expensive? In considering

[Wera Hobhouse]

Government expenditure, should we not be looking for a technology that produces clean energy and is the least expensive, not the most expensive?

Stephen Crabb: The evidence we considered took in the entire life cycle of a nuclear power station. Looking at the energy produced over 30, 40, 50 or more years shows that they give us a secure, reliable base load of affordable energy production. People who oppose nuclear per se will not be persuaded on cost or on the efficiency of the technology; they will not be persuaded at all.

However, the bulk of the evidence that the Committee received supported the analysis made not only by the UK Government, but by the Welsh Labour Government in Cardiff, which shared the view that nuclear power will be an important part of the mix. In debates about energy, people sometimes sound like football supporters, cheering for just one team. In truth, we need a blended basket of different energy sources to help provide energy security through a systematic approach. I believe nuclear has a significant role to play in future energy production.

Andrew Bridgen (North West Leicestershire) (Reclaim): The right hon. Gentleman talks about the long-term future for nuclear, and I agree, but surely the small modular reactors that we are currently looking at are not revolutionary technology; they are submarine engines. Rolls-Royce at Derby assured us that, with an order, it could have one up and running in five years.

Stephen Crabb: We took evidence from Rolls-Royce, and we heard about the £200 million it has already received from the UK Government to help with development and that there is still work to be done. I know Ministers will be acutely aware of the cost and that there are other potential British providers of SMR technology. I confess that I am not expert enough on the precise details of SMRs to debate them this afternoon, but our report, alongside work undertaken by other parliamentary Committees, supports a potential role for SMRs in the future.

Having said that we should not sound like football supporters, just chanting for one energy source, let me come to the third report we produced, about floating offshore wind. I feel passionate about this subject as it represents an exciting opportunity for the United Kingdom, particularly for those of us on the western side of the British Isles. Floating offshore wind technology enables the deeper waters of the Celtic sea to be opened up for the first time. When turbines are further offshore, they can be larger and can harness greater wind power loads, representing an exciting clean energy opportunity, and not just for Wales but for south-west England and other parts of the UK.

I am pleased that the UK Government have an ambitious target to deliver up to 5 GW of floating offshore wind by 2030, with an acceleration anticipated thereafter. The Crown Estate, which owns the seabed, has a separate target for deploying floating offshore wind in the Celtic sea, which we welcome. However, we need stronger, more ambitious and longer-range targets, in order to send a strong and confident signal to developers and investors that we are in this for the long term; that there is a long-term plan to open up those waters to what will be a large-scale industrial opportunity.

One reason I am passionate about the new energy technology of floating offshore wind is because it has particular importance to my constituency in west Wales. The port of Milford Haven, in the heart of my constituency, has a rich energy heritage. It was built initially on whale oil, which was imported to power new street lamps in the urbanisation of London and Birmingham in the 19th century. In the mid and late 20th century, we had oil refining and imports of crude oil and petroleum products. Twenty years ago, we had the investment in imported liquefied natural gas, which has proved to be incredibly important in keeping the lights on in recent years.

The next wave of energy investment that we can see will be in floating offshore wind. That does not mean that we say goodbye to the many hydrocarbon companies based in Milford Haven; they are making great strides to decarbonise and change the way that they operate. It just means that an additional wave of investment is coming, which is very exciting.

There is a rare opportunity, not just for west Wales but across the whole south Wales industrial corridor, based around floating offshore wind and, potentially, hydrogen, for creating many new jobs and for renewing port communities and other areas of deprivation. That is why I was so pleased to work closely with the hon. Member for Aberavon (Stephen Kinnock)—he is not in his place today—on the bid for the Celtic freeport, which we saw as an important first step in unlocking investment into these clean energies.

The next step on which we are hoping for a positive Government reply is the floating offshore wind manufacturing investment scheme. Bids have already come in from south Wales. We need that additional bit of Government funding, again, to strengthen the signal to developers and port owners that they can start spending the money to get us ready for this new, exciting industry of floating offshore wind.

Before I close, let me flag up a few concerns that I have over the potential risks for this new industry, which I would like the Government to hear. First, there is a concern about the leasing process. The Crown Estate provided an important market update to the industry yesterday. I am pleased that it recognised that, if we are to create a genuine new home-grown industry with floating offshore wind here in the UK, with that local content and the local jobs, and not do what happened with fixed-bottom offshore wind, where so much technology was imported from overseas, then at the leasing round the Crown Estate needs to build in some strong commitments on the part of the developers for investing in local communities and local supply chains. I hope that the Government will be committed to ensuring that the Crown Estate is given all powers possible to hold the developers' feet to the fire to make sure that, when they do bid for these leases, they follow through on those investment commitments to the local communities.

My second concern relates to contracts for difference, which have been incredibly important in stimulating investment in renewables. We have had four rounds of CfDs already. It was very disappointing for me that, as far as I am aware, there was no floating offshore wind technology bid in the fifth round. There was a general consensus that the strike price and those CfDs were not enough to stimulate the investment, with the enormous

increase in cost that developers have faced in the past 12 months. I hope that the Minister will take that point away and discuss it with colleagues in his Department and in the Treasury.

Lia Nici (Great Grimsby) (Con): Does my right hon. Friend agree that contracts for difference have been vital for offshore wind, putting constituents such as mine at the forefront of global offshore wind technology operations and maintenance?

Stephen Crabb: I do agree, yes. I made the point earlier that, with fixed-bottom offshore wind, we perhaps missed some opportunities for getting investment in local supply chains, but that is changing too. I recognise that, on the east coast of England, there are some exciting investment plans and jobs being created by large-scale developers. We want that and more for this new industry of floating offshore wind that we hope to see in the Celtic sea. I know that floating offshore wind will also be important in Scotland.

I have two more concerns to flag up, Madam Deputy Speaker, and then I promise to wrap up. One is about skills. It is difficult to find a skilled welder in south Wales at the moment, because so many of them are working on the enormous project at Hinkley Point. I read the other day that around one third of all the currently qualified welders in the country are due to retire by, I think, 2028. There is an enormous need for greater investment in apprenticeships and those technical skills that we will rely on if we are to see anything like the transformation in our energy infrastructure that we are talking about this afternoon. It will require steel fixers, welders, pipe fitters, brickies and carpenters and all those trades, which have been devalued by the political class—all of us here—in the past 20 or 30 years, and we need to see that turned around and jobs being properly rewarded.

The final point is about planning consent. If we are to see the scale of investment that is required—whether in grid capacity, the deployment of turbines, offshore or onshore, or any other aspect of this renewal of energy infrastructure—we will need to see quick, timely approvals and for those approvals to be done properly by planning authorities. I do not see many planning authorities with the skills and resources required to be able to handle the volume and the technical detail of the kind of applications that will be forthcoming. There is a real need for the Government, and for us in Wales—it is the primary responsibility of the Welsh Government—to think about how we resource planning authorities for the future.

In conclusion, I thank the Backbench Business Committee for the opportunity to bring forward this debate. It is an exciting and challenging time for energy infrastructure across the UK. We see many reasons to be optimistic, while also recognising the scale of the challenges ahead. However, if we are to succeed in this, it will not be by marching on to the streets and stopping traffic, or by retreating off grid and living in some rewilded seclusion; we will do it through good science and good engineering, and with good policy and ambitious leadership from Government, which I hope is where the Minister comes in.

Madam Deputy Speaker (Dame Rosie Winterton): I call the Chair of the Energy Security and Net Zero Committee—[*Interruption.*]

1.16 pm

Angus Brendan MacNeil (Na h-Eileanan an Iar) (Ind): That was an unnerving cheer from the Minister on the Front Bench. Luckily, I know him personally.

I am honoured to follow the Chair of the Welsh Affairs Committee. He has raised a whole lot of issues with which many Members will agree. Of course, there will be disagreements, but that is the nature of energy, which is so vast, and where the task ahead of us is so huge. There are challenges ahead. The right hon. Gentleman touched on skills and the volume of people that we will need. The point he made about the number of welders reaching the age of retirement is critical. We have ambitions to do things not just in Wales, Scotland or the UK, but globally, and they are happening simultaneously as the world reacts to the commitments that were made at COP in Paris. There is a volume of people that is needed and skills that are required. Over and above the training of people, which has been mentioned, the Home Office has an important part to play as well, because we will inevitably need skills coming from other countries. We do not want the Home Office, which has blocked such things in the past and been very damaging to the UK economy on several fronts, doing its worst. It must realise that it, too, has a huge part to play in what will be the challenges over the next number of years.

Recently, I met representatives from the National Grid, who told me that by 2030 they hope to do five times the amount of work that has been done in the past 30 years. That is quite a volume of work and quite a demand through the energy system, putting a lot of pressure on many people—at local level, planning level, Government level and Home Office level. It involves training people, encouraging people in schools to come forward, and, in a number of places, retraining people as well.

Matt Rodda (Reading East) (Lab): Does the hon. Gentleman agree that there is also an important role for further education and university technical colleges? Members from across the House met young people and staff from UTCs earlier today and it was inspiring to hear what these young people were saying about their ambitions for the future. Does he agree that the technical education sector has a lot to offer?

Angus Brendan MacNeil: The hon. Gentleman is correct: the technical education sector has a lot to offer and Government must ensure that the funding is available for that training. We know that people are needed. If they show willing to come forward to be trained, they should have every support from Government to achieve that.

Touching on the supply chain, I think since the bronze age about 700 million tonnes of copper have been mined, and in the next 30 years, some people say, the same amount will have to be mined as has been mined in the last 5,000 years. That poses quite a challenge for the Earth's resources and the ability to do that. It is not just mining; I am told that across the world, cable manufacturing is signed up until 2030 and the cable manufacturers are working full tilt to get those orders under way and to meet demand.

We have a huge problem in planning, and sometimes for justified reasons, but planning can take a lot longer than the construction of projects—sometimes twice the

[Angus Brendan MacNeil]

length of the construction. That is causing huge difficulties. Building the network is not really the biggest part of the story; planning the network becomes a bigger part.

Where energy infrastructure is built or where energy is generated, there will be a cost to some people. Can that be compensated with community benefits, job creation and other innovative ideas in communities? I know in my own constituency, Tolsta Community Development provides free driving lessons for young people. It is quite an innovative idea, but all the young people in North Tolsta on Lewis get the opportunity for free driving lessons, and there is money at Christmas and what-have-you. There are a number of innovative things that can make infrastructure more palatable to certain communities who have to carry the burden—because that burden will be disproportionate in some places.

Ofgem is a huge area of difficulty. I recall many years of trying to get Ofgem to consent to a 600 MW link to the outer Hebrides while Ofgem was digging its heels in for 450 MW. That went on and on, and then one morning we woke up and Ofgem was talking about 1.8 GW, and we had to go back to the drawing board again and make the case to Ofgem for the whole thing at 1.8 GW rather than 600 MW. It has been said to me, in my new role chairing the Energy Security and Net Zero Committee, that perhaps Ofgem needs a statutory duty for net zero. That might free up Ofgem's hands to do a number of things, because it often feels quite constrained in its remit from Government. People go to Government and try to get something changed and they say, "Well, it's an Ofgem issue." People can end up bouncing between the two—I am seeing nods from certain people in certain corners, although I will not point the finger too directly.

Ofgem really needs to be looked at because, while the Government often talk about market forces, the biggest force in the market is most often the Government. They have a huge role to play, especially in energy and in guiding Ofgem and changing Ofgem's remit to bring all those things into play. I spoke to the Energy Networks Association yesterday, which told me that time is not on our side for much of this work. We can see the evidence in recent months that the climate is oscillating unusually—we know it is. If we are going to get things done, we need to get rid of the grit that is often in the ointment.

Another area that I came across recently when speaking to the chief executive of Centrica and other people involved in the energy space is hydrogen. I am sure this will be debated, but people say that the UK has been second or third on other technologies, letting Denmark and others take the lead on wind, for example. There is an opportunity here to really move for hydrogen, and some estimates suggest there could be 1.5 million jobs in hydrogen. It is a big sector; it needs to be given time and space and a Government commitment. People within energy are telling me they are concerned that those commitments might be weakening. That is not something we want to see happening at all, especially given that the Government missed the boat on many technologies.

I will end on the role of smart meters and demand. Since the Ukraine war and the energy pinch, we have seen a change of behaviour in a number of countries. I am grateful to my hon. Friend the Member for Central Ayrshire (Dr Whitford) for pointing out yesterday

that Germany has decreased its gas demand by about 22% through changes in behaviour. The Government have another part to play in demand management, which can be as simple as public information campaigns letting people know what they can do to change, or what industry can do to change, and helping ensure that we use energy less wastefully and more efficiently.

We must also remember vulnerable consumers and people who need energy more. Someone who is at home and disabled will be using energy more than other people. Smart meters can have a huge role in helping with demand management, but there is an issue for Government—I am sure the Minister will look at this further—on whether GDPR is an impediment to improving demand management and helping people more widely.

On this energy estimates day, we have to look forward and hope the Government are listening, working with people and taking the best advice—

Caroline Lucas *rose*—

Angus Brendan MacNeil: I will give way to the hon. Lady.

Caroline Lucas: I thank the hon. Gentleman for giving way; I was trying to work out where his semicolon was going to come. I am very glad he raised the issue of demand reduction. Does he agree that the Climate Change Committee's latest progress report is pretty damning when it says that installations of energy efficiency measures are still well below what is needed and, shockingly, fell even further last year? Does he also agree that when it comes to reducing demand, the Government should be setting out a local authority-led, street-by-street home insulation programme that would get people's bills down? That is what would guarantee energy security, rather than the kind of measures we are seeing from this Government, such as more oil licences.

Angus Brendan MacNeil: Yes, one of the Climate Change Committee's main bullet points has been lack of urgency from the Government. As Lord Deben's Committee said:

"Pace should be prioritised over perfection."

I am sure there is not—

Caroline Lucas: There is not perfection either.

Angus Brendan MacNeil: The hon. Lady says from a sedentary position that there is not perfection either. This is the space of politics and debate, but there has been an awful lot of learning, with many august committees and people who have been experts in this area for a number of years saying some fairly robust things. I hope the Government will take that on board and react to it so that the next report is less robust and more positive.

Madam Deputy Speaker (Dame Rosie Winterton): Order. A little reminder to Members that if they intervene on another Member, it is courteous to stay until the end of their speech. Sometimes people have to be reminded of that.

1.27 pm

Nicola Richards (West Bromwich East) (Con): It is a pleasure to speak in this debate. I take this opportunity to thank the Department for its work throughout the year. During that time it has introduced our flagship

energy bills support scheme, which gave every household £400 off their energy bills at a time when the price of energy had increased massively. That was not the only cost of living measure that the Department spearheaded; further to that scheme, the Government also put in place the energy price guarantee to cap household energy bills at £3,000.

At a time of significant inflationary pressures within the economy, that flagship programme continues to help customers with their day-to-day expenditure. On the other hand, Labour and SNP proposals would leave the UK reliant on Russian gas and hand British jobs over to Russian workers, with 90,000 highly skilled workers losing their jobs almost overnight if the Opposition got their way. This Government, however, have invested in energy efficiency upgrades and low-carbon heating, including £152.7 million for the west midlands alone.

I also take this opportunity to mention standing charges. While it is hugely welcome that the energy price cap has been reduced, I am concerned to see that standing charges remain unchanged for now. Consumer expert Martin Lewis has rightly pointed out that high standing charges will lead to an unfair distribution of savings now that the price cap has reduced. The effect will be that households who limit their energy usage will see a smaller percentage saving than those who use more energy.

Households will be limiting their energy usage for a variety of reasons. While lower-usage households usually have a lower income, many households are also cutting their usage to reduce their household emissions. It cannot be right that those who are doing the responsible thing and limiting their usage do not get to see a fair saving under a reduced price cap. Mr Lewis published an article just yesterday calling for a fairer split between standing charges and unit rates, which would allow those households who are taking steps to cut their usage to keep more of their hard-earned money and enable us to offer a greater financial incentive to those looking to reduce their energy usage.

However, it is not just households being stung by high standing charges. Businesses in my constituency have been struggling with the level of those charges for a while, even in cases when they have been using little or no energy for buildings not in use. During a visit to Robert Hopkins Environmental in West Bromwich last year, I was shocked to hear about the eye-watering standing charges the company was paying on units that were using very little energy, if any. It cannot be right that households and businesses continue to be liable for those extravagantly high standing charges, given our need to reduce energy consumption in response to the threat of climate change. I hope that Ministers will investigate that to ensure that my constituents, and businesses, are given a fair deal.

In 2022, my right hon. Friend, now the Prime Minister, announced that he was cutting VAT from 5% to 0% for the installation of energy efficient systems such as solar panels, heat pumps and insulation. That is great for businesses in my constituency, but we can do more to remove red tape. Businesses tell me that applying for planning permission is complicated, long-winded and possibly completely pointless. There may be more we can do to streamline that to incentivise those methods further.

Andy Street has pointed out that we have to do more and that we in the west midlands are leading the way on these issues. He has rightly pointed out that one in 10 west midlands companies are now spending more than 20% of their turnover on energy costs—many such businesses are on high fixed-rate deals signed last autumn. Households have seen a reduction in their bills and we must now look to regulator Ofgem to ensure that suppliers are being fair with business customers. I welcome any action that the Government can take to ensure that that happens.

The UK has continued our strong record of tackling climate change as a world leader in net zero policies. Through our support of new renewable technologies and nuclear power, we are well on the way to delivering on our commitment to decarbonise our power generation by 2035. On top of that, we have led the international community in accelerating the global effort to tackle climate change. The COP26 Glasgow summit showed how, with strong British leadership and co-operation with our partners across the globe, we have a plan not only to limit the rise in global temperatures but to help developing countries, which are the least well equipped to deal with the consequences and are often the worst affected. Furthermore, the Government co-ordinated an international agreement to phase out subsidies for oil, coal and gas, and produced a UK-wide plan to increase the supply of renewable sources of energy production.

In my constituency, Enfinium is building a new energy-from-waste facility. It will, when it opens in 2025, process nearly 400,000 tonnes of waste to generate electricity and power more than 95,000 homes and businesses every year. On top of that, my constituents will benefit from the 400 jobs created as a result of the £500 million investment in the site. Enfinium is also planning to turn the site into a net zero hub to use new groundbreaking technologies to make the west midlands a leading region for net zero. I agree with Mayor Andy Street, who visited the site earlier this year and said it will “be at the heart of the region’s goal to reach net zero by 2041.”

That is exactly the type of innovation that can, and will, revolutionise the way in which we generate power. It has the double benefit of feeding electricity back into the grid and getting rid of residual waste, and ensuring that the by-products are used in industries such as construction, resulting in very little waste and the power generation that all our lives depend on. Projects such as that and others in the wider west midlands, including the Coventry and Solihull Waste Disposal Company plant, are extremely encouraging and present us with material opportunities for a reliable energy generation solution.

Another west midlands example is Sherbourne Recycling’s new state-of-the-art recycling plant for processing low-grade plastics in the recycling stream. That highly automated plant makes use of robots and artificial intelligence to deal with 47.5 tonnes of recyclables per hour, with the ability to process 175 kilotons of recycling from domestic and commercial sources every year. That is another wonderful illustration of the way in which collaboration with the private sector can lead to optimal business and environmental outcomes.

Andy Street has led efforts to meet the combined authority’s ambition to be net zero by 2041. As well as support for energy-from-waste facilities, including the sites that I have mentioned, there are plans to invest in

[*Nicola Richards*]

hydrogen power and carbon capture across the region, which will transform the way we deal with climate change and produce our power. I am encouraged by the Government's commitment to invest in the technologies of the future. I look forward to seeing the positive results in lower energy bills for my constituents and a cleaner, greener environment for us all to enjoy.

1.34 pm

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): It is a pleasure to follow the hon. Member for West Bromwich East (*Nicola Richards*). I particularly enjoyed her remarks about standing charges, with which I wholeheartedly agree.

I will focus on carbon capture and storage. If we accept that we cannot all cheer for one individual football team, and that there is a need for many different energy producers on the pitch, we have to deal with carbon capture and storage to meet our net zero targets and decarbonise in the way we need to. I realise that many of us would like to move more swiftly towards green energy production but, if we are honest and realistic, we must accept the need for a mix that includes carbon capture and storage. I have severe concerns about the pace and scale of investment into that industry, particularly in the Humber industrial cluster.

For Members who are not aware, the Humber industrial cluster is the biggest carbon emitter in the country because of all the energy-intensive industries that we have there. Back in March, when the Government made their announcement about carbon capture and storage, not a single project in the Humber gained assent, despite that cluster being the biggest carbon emitter. The Government are saying that there will be a new process—the enhanced track 1 process—but, when 80% of the carbon storage facilities are off the east coast and accessible from the Humber, it seems rather illogical not to approve a project in the Humber. That does not make sense for the international businesses that are there, and that is the point.

These international businesses have investments in the US, Norway and Germany. Their boards are not looking particularly at the UK as the place they want to be. They are making an international investment decision. The feedback that I am getting from those different companies is that they are now looking to invest elsewhere. Collectively, those companies are willing to put about £15 billion of private investment into that technology in the Humber. They are saying that the indecisiveness—and the shock and horror that not one of their projects was approved—means that their boards are saying, “Hang on. Why are we looking to invest in the UK when we can go ahead in Germany or Norway, and the US is giving us incentives to carry out work there?” That is extremely worrying for the Humber because, to return to my earlier point, it is the biggest carbon-emitting region in the UK. If we cannot have a solution for the Humber, we cannot have a solution anywhere else.

Lia Nici: The east coast cluster track 1 application, of which the Humber was a part, was perhaps not the best way to go. We have the track 1 extension, as well as track 2, where we have very good bids. That will bring that investment. Does the hon. Member agree that we must ensure that the right projects get the go-ahead?

Emma Hardy: It might be worth talking to the companies involved. They are telling me that the indecisiveness means that they might not be looking at the UK as a market to invest in any more.

For Members who are not intimately involved in what is going on in the Humber, there are two possible pipelines out to the North sea: one from Easington on the north bank, and one further along on the south bank. We are looking at both for carbon storage. In my opinion, we need to approve both projects because of the amount of carbon that the Humber emits, but as it stands, neither has been approved by the Government. The companies have not yet been given a fixed timetable on when the Government will see that through.

At oral questions earlier this week, the Minister for Energy Security and Net Zero told me that the Viking project was the “favoured” option, but when I speak to those companies, they say that they have not been told, “This is going ahead, and we are going to fulfil it—go for it.”

Lia Nici: The hon. Member is being generous in giving way. I talk with those businesses weekly and that is not the information that I am getting at all. The deadlines are being discussed. Perhaps she and I need to speak so that we can get the full picture, because I think I have a fuller picture than she might have at the moment.

Emma Hardy: As it stands, the Government have not approved any of the carbon capture and storage projects for the Humber. They approved one for Teesside back in March, but they have not approved any for the Humber. The information that they are giving out is that they will do so “in due course” and that we will “hear shortly”, which is not the same as actually approving a project.

France, Germany, Hungary and Norway are all moving ahead. Those international companies are making decisions now. Those in the Humber face the real possibility of carbon capture and storage infrastructure not being in place in time, in which case they will have to cease operations. These companies will then begin to move to countries where carbon capture and storage is available. Those looking for a place to invest and meet their targets will not choose the UK. Once we miss this opportunity, they are gone forever. For example, the companies are already signing 20-year contracts with Norway.

Without that infrastructure in the Humber, we will not meet our net zero target. According to the independent Climate Change Committee, the 2030 CCUS and hydrogen targets are essential to meeting that target. The UK has one third of Europe's geological storage and the infrastructure and expertise from gas and oil companies. We have that huge advantage, but it is not enough.

The main message that I want to put across to Government is that investors and companies need certainty. They need to see unwavering commitments and action from Government. Instead, the outside world sees a slow and piecemeal bidding process that results in the UK's largest industrial cluster being excluded from the first round.

The decision that was made in March was already delayed by nine months because of the political chaos in Government. These companies are already putting in

millions of pounds-worth of investment—*[Interruption.]* The hon. Member for Hyndburn (Sara Britcliffe) can shake her head all she likes, but I recommend that she goes to speak to these companies. They are telling me that jobs are at risk in the Humber and that the decision was delayed because of the political chaos in Government. Those are the facts. The Government's indecision is resulting in £15 billion of private investment being put at risk along with the Government's ability to meet their net zero target. Those are the facts, whether she likes them or not.

Our international reputation is being permanently damaged. When I talk to these companies, they tell me that they no longer trust the UK Government and the UK Government's ability to keep a promise and fulfil their commitments. That international reputation is essential if we want international investment from those companies.

Alex Cunningham (Stockton North) (Lab): My hon. Friend is making a very powerful and informed speech. She will be aware of the INEOS project, with Denmark, to have a carbon capture and storage facility off the Danish coast to take Belgian emissions. Does she agree that we are getting behind in the race to be able to provide and support that sort of project in the future?

Emma Hardy: Absolutely. The UK is unique in wishing to have a bidding process. In the USA, if a company says that it can reach the target needed for carbon capture and storage, that project is approved. In the UK, we have a bidding process instead, which means that companies have to invest money in entering the process to begin with, without the knowledge or certainty that they will be approved, even if they can evidence the gains in carbon reduction.

The least that the Humber needs is clarity. When does the Minister expect to move forward with track 2? The track 2 decisions on transport and storage need to be announced alongside decisions on key capture sites in the Humber, with confirmation—this is crucial—that the pipeline will run from the Endurance aquifer to the Humber, as was originally set out for the east coast cluster. Any further delay would risk the viability of the projects.

The good news is that, if the Government give certainty to these industries—if they meet them and provide them with the security and certainty that they need to invest—77,000 new jobs could be created in the Humber, and an industry worth £30 billion in taxable revenue could be there by 2050. That will happen only if the Government provide certainty to investors and move quickly and decisively to get all the UK's carbon capture and storage capability on-stream ahead of our competitors. This is a one-off opportunity and the Government are dangerously close to blowing it.

1.43 pm

Virginia Crosbie (Ynys Môn) (Con): Before I begin, I would like to say llongyfarchiadau—congratulations—to my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) for putting forward the application for a debate on energy and net zero and energy infrastructure. He is a proud champion for Wales in this place.

I express my thanks to the Department for pledging an extra £790 million to the budget for net zero. Time is of the essence when it comes to cutting emissions, and

for me and my constituents on Ynys Môn, this is a very welcome step in the right direction. That spending on energy infrastructure could not have come at a more crucial time. As we are all well aware, investing in the energy transition is the best shot we have at creating a low-carbon, high-growth economy. It will enable every corner of the UK to remain at the forefront of global innovation and re-industrialisation.

I think we can all agree that the energy transition will require significant investment from the private sector and, with the right policies, this will pay back our local communities in spades. Last year, net zero attracted more than £50 billion of new investment in our low-carbon sectors and it will be worth a whopping £1 trillion to British businesses by 2030.

People would be hard-pressed to think of anywhere that symbolises the opportunities and benefits that the energy transition can bring more than Wales. She embodies it both in her landscape and her people. Her coalfields formed the backbone of British industry, mined for over 100 years by hard-working Welshmen like my grandad.

Limiting Wales's contribution to British energy in the time since to coal alone would be to do her a disservice. Ynys Môn houses a wealth of projects that bring investment and highly skilled, well-paid jobs to her residents. The Morlais wave project will harness the tremendous tidal potential off Anglesey's coast to produce enough clean, low-carbon electricity for five times its population. Holyhead hydrogen hub and Minesto are also making great strides. The BP Morgan and Mona offshore wind farms even further out to sea symbolise Britain's budding reputation as a global wind power player. Inland, Lightsource BP is scoping out proposals for a solar farm and battery storage facility adapted from an old oil terminal. Last but not least, the Wylfa nuclear power station generated clean, low-carbon, firm electricity for Britain's grid for more than 40 years.

The UK has a long and proud record on nuclear power. The first commercial station in the world was opened by the late Queen Elizabeth II in Sellafield in 1956. We have one of the most respected safety regimes in the world. It is the gold standard against which other countries' nuclear projects are measured. We must not forfeit our record on nuclear power. The Government's stellar commitment to launching Great British Nuclear, as well as the construction of new plants at Sizewell and Hinkley, is warmly welcomed. Great British Nuclear will unlock exciting opportunities for the UK to become a world leader in small modular reactors and opens the door to new nuclear plants in incredible sites such as Wylfa.

We quite literally cannot afford to let opportunities to deploy more of this power slip through our fingers. This is our opportunity to produce clean electricity on British soil for British businesses and British people. New nuclear at Wylfa would enable Ynys Môn to cement herself as Britain's energy island. Once called the breadbasket of Wales for its fertile farmland, Anglesey again has the opportunity to supply homes and businesses with vital fuel through her clean, home-grown electricity production. With all but one of our nuclear power stations going offline at the end of this decade, new nuclear at Wylfa would represent an opportunity for us to preserve our nuclear prowess and ensure secure supplies of electricity for decades to come.

[Virginia Crosbie]

As if all that was not enough, the most recent jewel in the crown of Anglesey's low-carbon credentials is her newly announced freeport, which is expected to bring over 13,000 jobs and over £1 billion of investment to the island. I have campaigned hard for that in my time as the island's MP, raising it more than 37 times here in the Chamber, and I am grateful to the UK Government for their vote of confidence in Ynys Môn.

But all of this—the wind, wave, solar, tidal, nuclear, hydrogen, free trade, jobs and investment—will amount to little if the grid infrastructure to support it is not there. New low-carbon energy will be choked if there is nowhere for it to go. We need to build more infrastructure in the next seven years than we have in the past 32.

If Anglesey is to embrace its energy island reputation, its wealth of potential projects cannot be bogged down in an endless planning process. The planning process for offshore wind farms often requires developers to submit more than 1,000 documents, including an environmental impact assessment made up of 10,000-plus pages. Sizewell C took more than 44,000 pages of planning documents to get approval. Laid out on the ground, that would be eight miles of paperwork.

Communities should be properly engaged and consulted on projects, but pushing endless amounts of paper is unlikely to deliver the energy transition that the public want and desperately need. Connections to the national grid also need to become much faster if we are to be in with a chance of competing in the global race for net zero investment. Projects are being given 10-year wait times for a grid connection, holding back private sector investment in the energy transition. Connection dates well into the 2030s are now common due to the length of the waiting list. If that goes on, the UK will not hit its targets and we will not decarbonise fast enough to bring down bills and secure our energy supplies.

However, the Government have made some really welcome progress on this issue. Giving Ofgem a net zero duty will encourage the system to upgrade and modernise, so that it can handle all the fantastic new low-carbon electricity we are going to generate. Capital expensing for renewable projects will cut the cost for developers to build the vital projects we will need to make electricity cheaper and more secure. We should make that tax cut permanent.

On top of that, I am very pleased about the launch of Great British Nuclear next Thursday—fittingly, at the Science Museum. It is a very welcome step towards showing the world that we are serious about recognising and rewarding the contribution that nuclear power can make to decarbonising our energy system and levelling up our communities. The best way to kick that programme off would, of course, be by granting Ynys Môn the opportunity to really knock our socks off by commissioning new nuclear at Wylfa, the best site in the UK.

I welcome the opportunity to scrutinise the Department's spending. This Government have made bold commitments to the green industrial revolution, from which my constituents are directly reaping benefits, but barriers to delivery remain. I implore the Government to recognise the sense of urgency and consider those barriers in the coming year. Diolch yn fawr.

1.50 pm

Wera Hobhouse (Bath) (LD): It has been an interesting debate so far, but there is no doubt that the pace at which we are getting to net zero is too slow. The recent report from the Climate Change Committee is very clear: it describes the Government's efforts to scale up climate action as "worryingly slow". The committee has lost confidence that the UK will reach its targets for cutting carbon emissions. That is an unacceptable dereliction of duty, and I worry that it is becoming increasingly normal to accept that we will not meet our climate change target of limiting the rise in temperatures to 1.5°C by 2050. Let us remind ourselves why that target is very important: if we do not stay within the 1.5°C limit, the permafrost will melt, releasing huge amounts of methane into the atmosphere. That would be irreversible—no amount of human effort would be able to stop it.

Andrew Bridgen: Will the hon. Lady give way on that point?

Wera Hobhouse: Let us not make the 2050 target something that we cannot reach. We must reach it—it is an absolute necessity that we do. I will not give way to people who will not follow the science, and who deny that evidence.

To reduce territorial emissions by 68% from 1990 levels, the UK must now quadruple its rate of emissions reductions outside the power sector. The CCC uses a variety of indicators to measure the UK's progress in reducing emissions, and we are only on track on nine out of 50. Today's debate focuses on energy infrastructure; even power, which has been the only success story so far when it comes to net zero, is now falling behind. We will miss the target of decarbonising the power system by 2035, which the Government should be very worried about. The CCC says that renewable electricity capacity is not increasing at the required rate. One of the biggest barriers is grid capacity: our unprepared infrastructure has left ready-to-make renewable projects waiting up to 15 years to connect to the grid. It is high time that the Government put their mind to those huge delays and create a regulatory system fit for the net zero challenge.

At times like this, we need more Government, not less. The prevailing *laissez-faire* attitude of hoping for the market to settle all our net zero challenges is no longer fit for purpose. The CCC has said that we could have mitigated the energy crisis if the Government had rapidly deployed onshore wind and solar power—here lies the hypocrisy. On the one hand, the Government say that they do not want to interfere with the market; on the other, they actively limit the onshore wind and solar industries. The *de facto* ban on onshore wind and a framework that does not create enough incentives for the solar industry have meant that people in the UK have paid far higher prices for the energy crisis than would otherwise have been necessary.

Offshore and onshore wind deployment has been slow, and solar is particularly off track. We need to deploy 4.3 GW of solar per year to meet our target of 70 GW by 2035, but last year only 0.7 GW of solar was deployed. On estimates days, we discuss Government spending, and the UK is clearly not spending enough on net zero. As Lord Goldsmith detailed in his resignation letter, the problem is that the Prime Minister is "simply

uninterested”. [*Interruption.*] The Minister says “rubbish”. He will have the opportunity to respond in his speech, but I am very much talking about the facts.

Caroline Lucas: The hon. Member is making a powerful case, and I thank her for it. The Secretary of State told me yesterday that ending new North sea oil and gas licences is, in his words, “bonkers policy”. Does the hon. Member agree that what is really bonkers is a Government subsidising oil and gas companies to drill more of the very thing that is destroying our planet, and handing billions in subsidies to the fossil fuel companies in the middle of a cost of living crisis?

Wera Hobhouse: I could not agree more. This is about creating level playing fields—at least for the renewable sector versus the oil and gas industry—but we do not even have that.

The US Inflation Reduction Act and the EU’s Net-Zero Industry Act will be transformative, and will incentivise huge investment in new renewable technologies and crucial net zero infrastructure.

Andrew Bridgen: Will the hon. Lady give way, please?

Wera Hobhouse: I have already said that I will not give way, and I stick to what I have said.

The US plan will see nearly \$400 billion provided in subsidies and tax credits to boost green infrastructure and manufacturing. The EU has announced a green industrial plan worth \$270 billion. Even Canada, an economy smaller than ours, announced a package in March offering nearly £50 billion-worth of tax credits for clean technologies. What is the UK Government’s response? No meaningful new funding was announced on Energy Security Day, and the Chancellor has refused to match the ambition set out in the Inflation Reduction Act. In March, the Government cut £80 million for vital renewable projects from the contracts for difference budget. The UK’s budget for net zero does not come close to matching the ambition of our partners: we need to spend now to save money in the future. The country’s finances are already straining under the weight of Conservative Government incompetence, and the London School of Economics predicts that UK banks and insurers will end up shouldering nearly £340 billion-worth of climate-related losses by 2050 unless action is taken to curb rising temperatures and sea levels.

I have already said why it is so very important to get to net zero by 2050, not just for us in this Parliament but for future generations. If the Government continue to deny reality, we will miss out on the huge economic opportunities that net zero presents. The Government-commissioned review of net zero recognised that their tepid approach means that the UK risks losing out on green investment, and as we heard from the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy), there are many projects that could benefit from that investment. Employment could benefit, as could our tax revenues, yet the Government’s dither and delay and their tepid response to the climate emergency means that we are not only losing out on stopping carbon emissions, but losing out economically. If the public and private sectors do not invest now, we will turn our backs on investment that is potentially worth £1 trillion by 2030, as well as up to 480,000 new jobs by 2035.

We Liberal Democrats call on the Government to announce a £150-billion public investment programme to fire up progress towards net zero. Much of that money should be invested to support renewable projects such as solar and wind, as well as marine energy, about which we have not heard anything today. Our target is for at least 80% of the UK’s electricity to be generated from renewables by 2030, which is possible with the right investment and the right frameworks. We Liberal Democrats believe in incentivising not only businesses, but households, to invest in the green transition. That could and should include increasing the pitiful amount people are paid from the smart export guarantee, ensuring that those who invest in solar panels on their roofs get a fair return.

The climate crisis cannot wait. Penny-pinching now will lose us fortunes in the future: Government investment and the right Government policies and frameworks are needed to meet the climate change challenge. We need a Government led by a Prime Minister who is very much interested, rather than “simply uninterested”.

1.59 pm

Sir Paul Beresford (Mole Valley) (Con): In September last year, I was lucky enough to go back to visit New Zealand, tone up my accent, learn about the All Blacks and all that sort of stuff. I went to the South Island only, and at the beginning of the trip I went through a tiny village in the north of the South Island called Appleby. In the early to mid-1870s, Appleby had a tiny school with four pupils. Looking at it as I went through, it probably still has a tiny school with four pupils. However, one of those four pupils in the early to mid-1870s grew up to be a man called Ernest Rutherford, the father of nuclear physics. So it always quietly amuses me that, despite that, New Zealand has a mind-numbing allergy to nuclear power. Fortunately for New Zealand, it can get away with it, because it has wind—plenty of it in the north of the North Island at the moment—as well as solar, geothermal and hydroelectric, and all in abundance, as well as a relatively small population.

We do not have that in the UK. For us, nuclear power will have to be a substantial contribution to our power source—perhaps as much as 40%, perhaps more. At the moment, nuclear provides only 19% of our current demand, so, sadly, we are starting from a low base. Of our 13 current reactors, all but one are to close, as I understand it, from 2030. This coincides with the anticipated launch of Hinkley Point C, while Sizewell C has planning permission, but is years away from providing power. Fortunately, the Government have started a little lateral thinking, and they are opening the doors to small modular reactors. A number of British or British-based firms lead the world in this area.

I find the area of nuclear power fascinating, but I have to admit, before I get any awkward technical questions, that this is putting a strain on my physics knowledge, because it is years out of date and I studied it only briefly at university. In the UK, traditionally we are looking at light water reactors, but I understand that we are also looking, and should be looking, at speeding up the process for advanced modular reactors. These, I understand, would be complementary to the other small modular reactors. I am led to believe that advanced modular reactor development should and could be funded by industry, actively supported by the

[*Sir Paul Beresford*]

Government, to move faster. These reactors, I am told, could come on stream early, thus filling the potential impending gap in our energy supply.

Of course, our golden gem, which is almost within the UK's grasp, is the prospect of harnessing fusion, rather than fission. The research unit at the Culham Centre for Fusion Energy near Oxford is probably leading the world in this field. Fusion energy sustainable technologies have to be the answer to supply a growing population in the UK and potentially globally—perhaps even New Zealand in time. Fusion energy produces no greenhouse gases, is inherently safe and provides virtually limitless fuels, while waste is minimal, so it fits all the criteria. Fusion will have a key role to play in the energy market of the future. I can recommend a visit and a guided tour of Culham: it is exciting. As I have mentioned, I must admit that it strained my ancient university lessons on physics and I struggled to keep up, but even with my limited knowledge, I could see that this has to be our energy saviour.

Culham is in the United Kingdom Atomic Energy Authority collection. While this is sensible in some ways, it does mean that it is within the chicken coop of civil service pay scales.

Andrew Bridgen: Will the hon. Gentleman give way on that point?

Sir Paul Beresford: Sorry, but the hon. Gentleman came late to the debate, and I am just about to finish.

This, I believe, makes it difficult for Culham to attract and retain its highly important specialised staff. External attraction of staff must be expected: they are being drawn to and enticed away by other countries, which are chasing exactly the same target. In this situation—I hope the Government will take this point, and I know a number of Ministers have promised to look at it—the Culham pay deficit anomaly really should be sorted out urgently.

For those who are interested, the development and use of fission and ultimately of fusion nuclear power in the United Kingdom is really exciting at the moment. For a change, the United Kingdom is leading research and leading new development, and we are using this development ourselves, rather than, as we so often did in the past, passing it on to somebody else. This area is a development of which we can be patriotically proud.

2.4 pm

Alex Cunningham (Stockton North) (Lab): I draw attention to my entry in the Register of Members' Financial Interests, as I chair the all-party parliamentary group on carbon capture, utilisation and storage. I would like to make a relatively short contribution directly related to the proposed carbon capture, utilisation and storage proposal for Teesside, which could drive huge investment in the area by offering direct access to carbon capture facilities and help sustain many of the businesses that face challenges to cut emissions further. My concern, on this estimates day, is that the Government may be short-changing not just the potential project on Teesside, but potential projects across the country. My hon. Friend the Member for Kingston upon Hull West and

Hessle (Emma Hardy) talked about the Humber, and I agree with her that, without a solution for the Humber, we do not have a solution for the UK.

However, I always say credit where credit is due, and the rapid expansion of offshore wind in recent years is something we can be pleased about, but that success was down to the right decisions at the right time to provide the necessary financial protections and business environment to unlock vast amounts of private investment. What we need now is the right action by Government to create a similar environment to unlock the billions of pounds of private sector investment that would follow with the creation of a carbon capture and storage facility, and that is investment in everything from clean power to new chemical plants, which would be able to plug directly into the system to have their emissions stored. Not just that, but the right project with the right supporting infrastructure will also help sustain many existing jobs and halt the exodus of firms that, due to increased energy costs and current carbon costs, find their business is no longer viable.

At Billingham in my constituency, we currently have the Mitsubishi Cassel works working towards final closure, with the loss of several hundred jobs. CF Fertilisers has ceased the production of ammonia just down the road, although I remain hopeful that at least that will restart if energy costs come down. For the record, that is the only remaining ammonia plant in the country, and CCUS would help ensure long-term production.

Yesterday at departmental questions, I raised the issue of the pipeline associated with the proposed Teesside CCUS project. I was concerned that the Government have changed their proposals considerably for the pipeline that BP is charged with developing. My comments are in no way critical of BP, but I am concerned that many businesses are being shut out of the project. Apparently, according to industrialists on Teesside, the proposed pipeline system will not connect CF Fertilisers and Kellas to the system, and it will not pass by the proposed £1.5 billion Alfanar sustainable aviation fuel plant. Is that because insufficient resources are being provided to what I thought was one of the Government's flagship projects? When I asked the Minister for Energy Security and Net Zero, the right hon. Member for Beverley and Holderness (Graham Stuart), for an update on this very specific matter yesterday, he and the Secretary of State looked at each other with blank expressions on their faces, before there were a few sentences of general waffle about how committed the Government are to CCUS. Well, that simply will not do.

Are the Government really satisfied that there are sufficient resources in these estimates to achieve what needs to be done? If they are already cutting out parts of the Teesside project, how can investors be confident that the correct financial and business environment will be created to allow them to invest? Are the Government really prepared to lose not just existing proposed developments but many more by commissioning a project that falls short of what is needed?

On Teesside, we desperately need the assurance that will unlock the real potential of CCUS, not some sort of second-class project that will not meet the need. We have had too many false dawns for CCUS. I really believed that the Government were finally doing the right thing, but I can tell the Minister that confidence is starting to wane. I was delighted when some of the

projects in my area were given the green light to move to the next development phase, but I am disappointed that the announcements missed out so many other projects. Those projects would have been financed by the private sector if only the Government had got their act together and created that necessary business environment.

The Government shortlisted 20 projects for CO₂ capture but, as we know, none on the Humber was selected, and there were just three on Teesside. Now we have learned that the onshore CO₂ collection pipework will not be built to the extent originally planned and will therefore not go to CO₂ emitters CF Fertilisers and Kellas Midstream or pass the all-important aviation fuel plant I mentioned. There are also no plans for a spur to be built to the Wilton International site, which is also of concern because the chemical park has 200 hectares of freeport tax zone and is a prime site for direct foreign investment. My message to the Minister is that we need the onshore CO₂ collection pipework to be built in full and as planned to enable those and other companies to capture their CO₂, and so that companies wanting to invest in new plants that require CCUS facilities will come to Teesside, because we will be able to say that the CO₂ pipework is in place, or is at least planned to be built soon.

However, none of that investment can be guaranteed any longer, and I am sure that the Minister will share my concern at the contents of the Climate Change Committee report, which states:

“we have been slow to react to the US Inflation Reduction Act and the EU’s proposed Green Deal Industrial Plan, which are now a strong pull for green investment away from the UK.”

One example in the report says that the Government have “no policy to deliver” on decarbonising the steel industry. I have also heard that a Chinese petrochemical complex is being equipped with CCUS, which means that we could easily lose our first-mover advantage in this area if we do not get on with this.

Will the Minister comment on claims that the North sea saline aquifer—the Endurance field—will initially not be able to take any more than the three projects-worth of CO₂? I understand that that is disputed, but we need clarity. We need to build the onshore CO₂ collection infrastructure in parallel with drilling more access points into the Endurance field. As the Minister knows, uncertainty is the killer of investment, and we have had no clear steer about what is happening, beyond learning that the onshore CO₂ pipework roll-out is more limited than expected.

The recent Skidmore report describes the “prize on offer to UK industry” and says:

“It is essential that the UK acts quickly and decisively. There is a new global race to maximise the growth potential from net zero at a time of wider geopolitical uncertainty. We are now at a crunch point where the UK could get left behind.”

The private capital is there, but it needs to be released. Ministers need to act. They need to ensure that they have sufficient committed expenditure in these estimates to do the whole job—not just on Teesside but across the country. Failure to do so will leave the UK lagging behind on CCUS. We will see current investment proposals withdrawn and end up with a project so limited that it will fail to deliver the huge potential benefits to Teesside and the rest of the country.

2.13 pm

Paul Bristow (Peterborough) (Con): On Friday I found myself, rather unusually as the Member of Parliament for Peterborough, on a site visit to Cambridge. However, I want to reassure my constituents that I was talking at the Welding Institute in Cambridge about a project that could benefit the city of Peterborough. At that meeting, I promised that I would try to raise that project at the earliest opportunity, so I am thrilled that I have the opportunity to raise it in this estimates day debate, as well as to scrutinise the Department’s spending.

I thank my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) for securing this important debate, because there is an opportunity and an immediate need for the UK to accelerate its transition towards a greener, low-carbon economy, which will drive productive growth in new industries and technologies. Partners in Peterborough, including Peterborough City Council, the mayoral combined authority, Anglia Ruskin University and key businesses, are developing their case for a high-growth energy cluster at the new university campus on Peterborough’s river embankment. The cluster, which is the culmination of a 10-year plan to transform the local economy, will platform technology-focused foreign direct investment in the UK to drive growth in the green economy and address some of the most challenging obstacles in the international community’s transition to new energies.

The ambition is to create a new research institute—the global innovation centre for energy transition—to attract large global energy production companies, including Shell, BP and ADNOC, as well as a consortium of domestic industrial high-energy users and foundation industries such as steel, glass and concrete producers, to develop the new technologies needed for the safe transmission, distribution and use of hydrogen in industrial and domestic applications. The ecosystem created will also focus on related technologies for the storage of hydrogen and CO₂, as well as the production of sustainable aviation fuels.

Global energy and technology companies are ready to partner with the UK Government to invest in establishing the centre and fund a 10-year programme of research and development worth £150 million. The firms will pool resources, knowledge and investment of sufficient scale and scientific excellence to generate the enabling technologies to produce the new products and systems that will allow this new market to form and grow. The R&D programme will create opportunities for local businesses and supply chains to link into the research institute’s global network, attracting R&D investment into the east of England from large knowledge-intensive businesses in Europe, the US and the Gulf states. That, in turn, will increase demand for higher-level skills and improve access to better-quality jobs, as well as helping to reverse decades of relative economic stagnation by increasing the aspirations and wages of local residents in a city that, over the past 20 or 30 years, has not received the infrastructure investment it merits. Although Peterborough—my city—is fantastic, it does have pockets of relative disadvantage, and initiatives such as this can help to transform it into a high-wage, high-skill economy.

So why is this project needed? The UK’s natural gas network is currently unsuitable for the transportation of hydrogen, which can permeate and cause failure in steel pipes—a phenomenon known as hydrogen embrittlement.

[Paul Bristow]

New transmission networks will need to be developed from new materials, including protective inner coatings or non-metallic network materials, to store, transport and distribute hydrogen safely. The Government plan to assemble sufficient evidence by September 2024 to enable a decision to be made in 2025 on the upgrade of the national grid distribution network. The global innovation centre for energy transition can be operational in 2026 and ready to develop the solutions to enable that transformation to take place.

Additionally, in many of the foundation industries, the process equipment for the production of glass, steel and concrete, although having shown the ability to use hydrogen cost-effectively in pilot trials, is at risk of component failure, possibly presenting serious safety risk. Significant research is needed to develop safe materials, equipment and operating procedures to allow the transition of these industrial processes from natural gas to hydrogen.

There are no other plans in the UK to attract R&D activity in this emerging sector. Global firms are all looking at addressing specific aspects of the broader challenge. Those efforts will create a patchwork of solutions—they are disparate—but attracting a critical mass of the key players to integrate their R&D programmes in the UK offers the opportunity to lock those firms into a joint endeavour for decades to come. That, in turn, would provide the UK with the opportunity to find ways of convening its science base as a partnership—with, for instance, the Henry Royce Institute and the High Value Manufacturing Catapult—to create a solutions network bespoke to the challenges around the transmission, storage and use of hydrogen and CO₂.

In a stepwise manner, we can use the opportunity to integrate this research and development in the UK, expanding the network of UK institutes. That would create an anchoring effect that would make it difficult for energy companies to disengage and disintegrate their R&D efforts in this specific field. The ultimate benefit of attracting and integrating these global R&D efforts is the opportunity to link intellectual property into the UK supply chains for myriad technical applications, including design, manufacturing and services. The immediate benefits of a new research facility and R&D programme would stem from rapidly establishing an innovation ecosystem that generates increasing demand for high-skilled workers in Peterborough and the fens, including the creation of 100 direct jobs in R&D and 200 indirect jobs in related science, technology, engineering and mathematics.

The R&D programme would also create 500 indirect jobs and induced jobs through the participation of 150 local firms in global supply chains, as well as new business start-ups and spin-outs. There would be a substantial positive economic impact on Peterborough city and the surrounding region, such that an investment in the R&D programme would generate positive effects on new opportunities for graduate-level employment, encouraging local participation in higher education and the local retention of graduates.

When people become 18 in Peterborough, the thing they often do is leave. We need to keep those people anchored in the industries of the future in my city. However, wider benefits will accrue to the rest of the UK as a whole from this proposal. The global market

for these new technologies is huge. The forecast value for global hydrogen transmission and distribution pipe networks has been estimated to be \$530 billion, or £427 billion, by 2050. By anchoring the underpinning knowledge for these solutions here in the UK via the global innovation centre, we would significantly increase the chances for British firms, including those regionally around Peterborough and those connected through hubs in Middlesbrough and Port Talbot, to be integrated into future supply chains.

Having the technology delivered here also gives the UK first mover advantage for the global roll-out of new technologies. What do we need to do to make that happen? The proposal to build a new research institute on the university campus in Peterborough presents a huge opportunity for the regional and national economy. To achieve it, we will need to build on existing expertise and import key elements of the Greater Cambridge innovation ecosystem into Peterborough. Creating connectivity between the two cities would help to rebalance growth across the region. We will also need to encourage more residents into higher education, enabling access to higher-value jobs.

In my area, the proportion of the working-age population with high-level qualifications at level 4 and above stands at 36.3%. That is below the regional average of 39.6% and the national average of 43.6%. However, that position is also improving, as the gap has narrowed by more than half since 2018. If Peterborough matched the national average for skills, an extra 9,130 people would have NVQ level 4 qualifications or above. The establishment of this new university in Peterborough has provided an essential component for an innovation ecosystem investing in human capital to improve higher level skills to meet local economic needs, as well as providing vital interactions between businesses and higher education.

A new research institute on top of that university is now needed to build on those developments and to raise demand for higher skilled jobs in the local economy. It would attract global firms and connect research and industry via a bespoke facility and R&D programme that could translate research into practice in the local economy. That would provide a strong future energy sector focus to what is a fragmented innovation ecosystem, and it would harness regional, national and global opportunities in this emerging sector.

The proposal for a global innovation centre for energy transition at Peterborough has the potential to leverage significant economic benefits for Peterborough and the UK as a whole. The investment proposals are expected to generate £160 million of private investment over 10 years from 2025. There is a need for public investment in this. Against an investment of £30 million, the proposal provides a benefit-cost ratio of 3.3, which represents very good value for money. This global innovation centre would be a game-changer for a city such as Peterborough. It is a drop in the ocean when it comes to overall investment, but it would benefit not only Peterborough, but our green energy future and the UK as a whole, and we could be at the forefront of these emerging technologies.

2.25 pm

Ben Lake (Ceredigion) (PC): It is a pleasure to follow the hon. Member for Peterborough (Paul Bristow). I very much enjoyed his speech and in particular the

points he made about the potential of green energy technologies and the green economy for economic development and growth. One of the things that west Wales and Peterborough might have in common is the fact that too many of our young people have to leave to find work when they come to the age of 18. I agree with him that advances and developments in green renewable energy technology offer real economic potential for us and could address that demographic trend that has harmed our communities for many decades.

I commend my neighbour and Chair of the Select Committee, the right hon. Member for Preseli Pembrokeshire (Stephen Crabb) on securing this debate and setting things out so eloquently and impressively. I could just regurgitate the points he made in his speech, such as their quality, but it is important to repeat the fact that Wales has significant renewable energy potential. As he rightly pointed out, if we realised that potential, it would make an important contribution to decarbonisation efforts, as well as creating well-paid jobs and careers in a part of the country that so desperately needs them and enhancing our energy security, the importance of which has been brought into sharp relief in the past year and a half or so.

We have already heard about the potential of different types of energy, and I would like to concentrate on the potential of the Welsh coastline not only for tidal and wave energy, but, as the right hon. Gentleman pointed out, for offshore floating wind. It is an exciting proposal. It is not often we can stand in this place and make a speech based on some optimism and excitement, but it is true: Wales has great potential when it comes to offshore floating wind, and we have a golden opportunity to get first mover advantage in the technology. It is incredibly exciting, not least because of the opportunities it will bring in jobs and careers in south-west Wales. It could also transform the south Wales economy.

As was touched upon earlier, our heritage in Wales, and particularly in south Wales, is of producing energy, albeit in the form of fossil fuels in the past. Industries have been built because of the proximity of some of these energy sources, and I need only mention the steelworks in Port Talbot. Offshore floating wind and the potential associated benefits with hydrogen production offer a real future for green methods of producing essential materials, such as steel in Port Talbot. That would not only bring jobs and new careers to south-west Wales, but could offer a way to safeguard some of the important industries of the future in south Wales and further afield.

It is therefore not surprising that the Welsh Affairs Committee has concentrated in the past two Sessions on this field. As the Chair of the Committee outlined in his opening remarks, we have undertaken a few reports and inquiries and made some recommendations to the Government. I will not list them all, otherwise I would be here all afternoon, but I will bring some important ones to the House's attention. The Committee called on the UK Government to set targets for floating offshore wind up to 2045. He mentioned that while we need shorter term targets, we also need a clear outline for investors so that they can have certainty in bringing about investment decisions in this new and emerging technology.

We also recommended that the Government uses contracts for difference to guarantee that local areas benefit from the development of these new technologies,

and that they provide greater clarity on the timelines for delivery of work on strengthening the grid and commit to significant anticipatory investment, as my hon. Friend the Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) mentioned in his remarks. I appreciate that the UK Government have already responded to the reports, but I would be grateful if the Minister touched on some of that work when summing up the debate.

I will take the opportunity to discuss and perhaps counter what appears to be a growing tendency in certain quarters to cast a bit of cold water on the importance and viability of the transition to more green technology. The narrative runs that it is far too expensive and will be an unsustainable burden on household budgets, so we need to de-prioritise it. The Welsh Affairs Committee's work puts paid to some of those misapprehensions by identifying how green technology can serve as an important economic development tool in areas of the UK that are quite simply in need of levelling up.

Such scepticism about the transition nevertheless offers a useful reminder that it is not enough just to set ambitious targets or a general objective on the transition to renewable energy sources; we also need to ensure that the proceeds of doing so benefit communities in the UK and that they are distributed fairly. Many Members have mentioned that, so I will not go into it in detail, but we do need to ensure that we learn the lessons of the past. We need to be mindful that in previous iterations of offshore wind development, a number of the benefits from skills, jobs and technology were really felt in other countries.

For offshore floating wind, we need to ensure that we benefit from those skilled jobs, expertise and technological advancements in the UK—and ideally in south-west Wales. To achieve that, work is still required to develop more robust supply chains for the manufacture and assembly of the components needed to build these renewable projects. It is not an easy task, and we will not be able to realise it overnight, but the sooner we set some of these plans in motion, the better.

In the south Wales example, that is complicated by how we will need close co-ordination between the Welsh Government, local authorities and the UK Government, but the sooner we sit down and get the plan clear in our minds, the better. We will need those skills by the time that—hopefully—the projects come to be built.

The Chair of the Welsh Affairs Committee also made the point that when the Crown Estate comes to mandating supply-chain requirements for offshore wind developers along the coast of south-west Wales, we must ensure that there is a strong mechanism to hold them to account on some of those commitments. As a number of hon. Members know, Plaid Cymru has long held aspirations to see management of the Crown Estate devolved to Wales. That is a debate in itself, and I will not retreat some of that old ground. However, there are some ideas and potential benefits that the UK Government might want to explore further.

It has been argued that management of the Crown Estate in Wales could give the Welsh Government the opportunity to allocate a proportion of the proceeds from leasing and licensing to benefit future generations by way of, in effect, a wealth fund. That is not a novel idea—other countries such as Norway and Qatar have done it in the past for oil and other fossil fuel sources,

[Ben Lake]

rather than for renewable energy—but perhaps we could be doing that in the renewables context. I would be keen to hear whether the Minister thinks that has some mileage. A 2008 study by PwC found that the UK could have built up £450 billion had it put tax receipts from oil and gas fields into such a fund from the beginning of the exploitation of gas in the North sea. We could learn a lesson from that and start investing now to create a fund that could serve as a buffer against future economic shocks, which is particularly important given the likely impact of climate change on the world economy in the coming decades.

As I conclude, I would like to raise an idea with the Minister—I aim to be helpful in these debates—about the potential of using rooftops and car parks to generate solar power. Research published earlier this year by University College London found that by 2050 there is scope for up to 117 GW of low-carbon electricity to be generated from roofs and other developed spaces in England alone. To put that in context, that would be a significant contribution when we bear in mind that the UK Government's target is for 70 GW of solar power by 2035. I would appreciate the Minister touching on that idea and whether the Government's solar taskforce could consider that.

2.35 pm

Selaine Saxby (North Devon) (Con): Net zero by 2050 is not an arbitrary target but a scientific assessment of what is needed to limit the impacts of climate change. It will require significant economic changes. The Government are rightly not making uncoded spending commitments but providing a signal to business and letting the market do the heavy lifting. Despite huge progress being made on net zero, investors need reassurance that the UK will continue to be a leader.

I rise to speak about the potential of the Celtic sea and the possible lost opportunity if we do not speed up the process to get projects floating. As chair of the all-party parliamentary group for the Celtic sea, I strongly support the Government's target of having 5 GW of floating offshore wind by 2030, and I am delighted that the Celtic sea has been identified as a key development opportunity to complement existing deployment in the North sea for the simple reason that the wind blows the other way round there. We need to develop both areas to optimise wind energy production.

I thank my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb)—we work together on the APPG—for securing this important debate as the development of FLOW is a once-in-a-generation industrial and levelling-up opportunity for communities right the way around the Celtic sea, from his constituency and along the south Wales coast to mine in North Devon and down through to Cornwall. While I welcome the £160 million floating offshore wind manufacturing investment scheme, which opened for bids this spring, I look forward to seeing a fair share coming to key Celtic sea ports. Funding decisions on FLOWMIS should be made as quickly as possible to allow our ports and supply chains to gear up for this huge opportunity.

The sector presents enormous economic opportunities for the UK, with recent estimates suggesting that it could add 29,000 jobs and bring £43.5 billion in gross

value-added to the UK by 2050, with investment particularly concentrated in the North sea and, hopefully, the Celtic sea. It is for those reasons that I am passionate about FLOW in the Celtic sea as it presents an opportunity to create an industrial renaissance of our ports and supply chains in south-west England and Wales.

Despite the success of the twin hub project in Cornwall in allocation round 4, the ambition to have the Celtic sea as a key contributor to reaching the 5 GW target for 2030 appears to be delayed, with the announcement of the results of AR5 not coming until September, and it looks increasingly likely that AR6 will also be behind its original schedule. It is important to note that those investing in such schemes are international companies and that there are growing overseas opportunities available to them.

RenewableUK and the wider industry advised that the administrative strike price was possibly too low to make some bids commercially viable in AR5. The process is obviously still ongoing, but I hope that the Department is taking steps to ensure that the strike price in the next leasing round takes into account the rising global pressures of the last 12 months plus the price of developing an innovative new technology in a region that has not yet had the opportunity to develop a supply chain, as this is a new industry for the Celtic sea. Since AR4, the global picture has changed markedly with industries such as FLOW now facing unprecedented global economic pressures, which have led to construction costs rising by 20%.

The UK is in a race against global competitors. Only 200 MW of FLOW is deployed worldwide, and 40 MW of that is in the UK, but if we do not act decisively, we could lose out to pressure from the US and the EU. AR5, as designed, may secure only about 30% of all the available shovel-ready projects. If projects do not begin building, it is questionable whether the supply chain and ports will have sufficient confidence in the sector to start investing. In that situation, there is a risk that we will have 2 GW less floating wind by 2030 than the original target and projection, which will be detrimental to both the UK's supply security and the cost of energy.

The auction also potentially puts £20 billion of short-term investment into the UK at risk, as well as thousands of jobs, which will disadvantage us globally. If the UK is to compete globally, strike prices must be set appropriately to kick-start this emerging industry into a sustainable source of jobs, skills development and value, and not only in the Celtic sea but across the United Kingdom as a whole.

An additional financial challenge has been the delays to the commencement of the much-anticipated Celtic sea leasing round, which is managed by the Crown Estate. Although I warmly welcome yesterday's confirmation of new sites, developers need certainty as quickly as possible to develop a full business case and make applications to future allocation rounds and auctions. At this stage of technology development, it is essential that innovation projects start their journey now if they are to succeed and help grow a flourishing UK supply chain.

Initial opportunities must be maximised to develop the capabilities to secure the economic benefits of the subsequent large-scale FLOW projects, so that in future we can maximise exports to the growing global market. However, industries have not been provided with the

certainty they need as, despite yesterday's market update from the Crown Estate, there appear to be delays in bidding due to spatial and policy issues. I ask the Minister once again for an urgent meeting with the Secretary of State to discuss the future delivery of FLOW in the Celtic sea.

If FLOW is not successful in AR5, there is a risk that we will have 2 GW less floating wind by 2030 than the current target and projection—detrimental to both the UK's supply security and the cost of energy. FLOW in the Celtic sea is in danger of not realising its full potential and not making the meaningful contribution it rightly should to the UK's 5 GW target by 2030.

2.42 pm

Andrew Bridgen (North West Leicestershire) (Reclaim): I draw the Chamber's attention to my entry in the Register of Member's Financial Interests: my shareholding in Bridgen Investments, a company that generates considerable volumes of green electricity.

This estimates debate is extremely important, especially considering how lively the debate is in the field of climate science—not reflected in the Chamber today. Given the effects on a population already struggling with energy bills; the growing public awareness of doom-mongers with their deadlines that never actually come to pass; the extreme sacrifices being forced on us all, which may be futile in the face of China, Russia and India continuing to increase their use of fossil fuels enormously, it appears that the Government are taking one side of a scientific argument and, once again, declaring it to be an unchallengeable fact.

The hon. Member for Bath (Wera Hobhouse), who is no longer in her place, is clearly a champion of wind and solar technology. There is a place for those technologies, but the question I wanted to ask her, though she refused my intervention—perhaps the Minister will help her out when summing up—is that on those long, cold winter nights when the wind does not blow, if we rely on solar and wind power, what will keep our houses warm and industry running?

The fact is that the UK accounts for less than 1% of global emissions. On that basis, we are voluntarily rejecting entire established industries that have been proven to work to keep us warm, fed and sheltered. We are asked to reject those for the fantasies of Just Stop Oil protesters and Leonardo DiCaprio-esque climate scientists. We are asked to reject those for technologies that either do not yet exist or have not been proven at scale. The Government cannot prove many of the concepts we have heard about. I seem to remember that for the last 40 years, fusion reactors have always been 20 years away. If I asked the Minister, I think we would find that they are still 20 years away today.

We are asked to reject technologies for those that do not even exist and are not proven at scale. Not only can the Government not explain exactly what technologies we will use, but they cannot give an accurate estimate of what it will cost. According to some estimates, the drive to net zero could cost £1 trillion, or even £3 trillion. If that is on the lower side, £1,000 billion will be slammed on the overdraft of the generations to follow us. I am not sure they will thank us. As with all failed experiments, the only certainty is that when the bill comes in, the people will have to pay.

I am reminded of the beacon—or, more accurately, the white elephant—of Government planning and procurement that is High Speed 2. Here we go again. It appears that the Government are using the same behavioural science tactics relied on recently to sell us a storm in our teacups. We have seen it again and again. The answer is to make it scary and make it soon. We saw it with acid rain, the ozone layer and Al Gore. Voters have seen Government Ministers alongside Greta Thunberg and her five-year prediction that, by now, humanity would have ceased to exist and been wiped out. She has deleted that tweet, by the way.

There is an inconvenient truth, and the net zero legislators are desperate to hide from it. On renewables—solar and wind alone—energy security is so important. It relies on diversity alone. Renewables are not going to be able to provide certainty of supply for our homes and our industry of the future.

Ben Lake: The hon. Gentleman is making a thought-provoking speech. He makes a point about solar and wind, but does he not accept that other technologies, such as tidal, can offer greater certainty, and the ability for the network and the grid to plan the generation that it can produce?

Andrew Bridgen: Yes, we have discussed the benefits of potential tidal energy. We have huge tidal ranges in the UK—some of the largest in the world—but that technology is not here now. It will not keep the lights on when Ratcliffe-on-Soar power station just outside my constituency—the last coal-powered power station in the country—is decommissioned in 18 months. Tidal energy will not be there to take up that slack, unfortunately.

Esteemed colleagues in both Houses have pointed out the current plan is wasteful, damaging and may be ill-thought-out. The only thing certain is that, if we carry on down the legally binding route of net zero that the Government have set for us, our people will become poorer, colder and less free. It is another prime example of, "We know what's best, we're going to tell you, and you're going to get on with it." People are getting sick of that level of governance.

It is the day after 4 July, and we remember Benjamin Franklin's words:

"In this world, nothing can be said to be certain except for death and taxes."

There certainly will be more taxes. He missed out the authoritarian zealots looking to dictate every aspect of our lives. If the last hundred years have taught us anything, it should be that we should always be wary of those who turn down the gas lights and tell us that our suspicions are all in our heads.

2.47 pm

Siobhan Baillie (Stroud) (Con): In following the hon. Member for North West Leicestershire (Andrew Bridgen), I want to say that he and I probably agree that there should not be all doom about the future, and that the protesters who tell our children that it will all be awful should pipe down and look to the things that we are achieving in this country and our technology. I also would say to him, respectfully, not to meet doom with doom, because we will not get anywhere.

Andrew Bridgen: Is the hon. Lady aware that Just Stop Oil protesters are paid up to £500 a day by their sponsors to take part so vigorously in protests? It is good money if you can get it.

Siobhan Baillie: I was not aware of that, but to anyone I meet and to schoolchildren when I go to schools, I say, “Do not lie down in the road, do not glue yourself to stuff and do not get arrested. Go and do your maths and your science, and you will be the champions of the future.”

My constituency is so packed with innovation and technology businesses that I could talk all day about it. I have chewed the Minister’s ear off about my hydrogen internal combustion engine campaign, so I will leave that for the moment. I will constrain my comments to two areas and projects that affect my constituents. The first is the Severn Edge nuclear site at Berkeley, where Western Gateway is doing an awful lot of work. The second is radiator sludge, which I have mentioned before and will expand on.

On nuclear, I do not understand why it is not completely popular across absolutely everybody. It is a zero-emission clean-energy source that the environmentalists should be entirely pro. The Severn Edge project, Berkeley Green, is a decommissioned nuclear site with a long history in the Stroud and Gloucestershire area. When I knock on doors every week, I get to meet nuclear scientists all the time. Some are retired, but it means we have fertile ground for the future generations of nuclear scientists. The Cotswold Canal Trust, packed full of volunteers, is stocked full of nuclear scientists sorting out the engineering. I give credit to the board at Berkeley. John Stanton is a good friend of mine now and keeps me up to date on what is going on.

Unfortunately, the Severn Edge gang lost out on the fusion bid. I think that was the wrong decision. I am very happy for Nottinghamshire, but the UK Atomic Energy Authority did a phenomenal job and so did we. We had a cross-party group of politicians—Gloucestershire County Council leader Mark Hawthorne, who was excellent; South Gloucestershire Council and the district councils—and we now want a small modular reactor. If the Minister can give me a bit of a nod about how nuclear is moving, I will get the band back together.

When we show what Berkeley and Oldbury can do, it is a really exciting prospect for the country. The Western Gateway has not rested. It has generated significant interest in the Severn Edge sites after the conclusion of the STEP—spherical tokamak for energy production—fusion process. They are, evidently, very attractive sites and they are ready to go with infrastructure and supply chains. Because the UKAEA did such a phenomenally thorough job on fusion, my sites have been literally investigated up the wazoo, so there is nothing we do not know about them. For any international and domestic investors who are interested, we can provide key information.

On what I want to see from Government, Government investment in accelerating the clarity and regulatory approaches for Great British Nuclear is critical. The international investors we speak to are presenting as funded and ready to go, but understandably they need surety for the route through regulation. We have the Berkeley Green University Technical College. I had students up today, young women in science, technology,

engineering and maths, and they, too, are raring to go. They want apprenticeships, they want to be working. The Western Gateway is ready to support the UK Government in live discussions with investors about policy, because we can play a major role. One of the greatest things the Western Gateway did, and what we all did in our fusion project, was to bring the south-west together but also bring Wales in too, so it is a cross-country project.

If I may, I will run through a few of the selling points; I decided that we could use the *Hansard* record of this speech as something to send out about Berkeley and Severn Edge. As I said, the sites are ready to go and flexible, with a partnership of landowners and local authorities in support of the development. We have access to skills and a specialist workforce, with complementary industry and supply chain opportunities. We have Hinkley power plant, Barnwood, and world-leading strengths in advanced manufacturing, robotics and cyber. We also have a brilliant company called Vulcain in Stroud. It places people in the nuclear industry, so it knows where all the people and the jobs are. Our sites are well connected, with motorway connections. The Gloucestershire services on the M5 won the best services in the country award—it is a very good place for coffee. And we have a very understanding and supportive community, partly because of the history of nuclear in the area, which I mentioned, but also because we did a lot of work with the consultation for fusion, so we know that local people and children are really interested in this work.

Working with the Western Gateway teams, I will happily help them lead. A number of MPs have worked on this—it is not just me—from all sides of House and they are really keen. I want to give credit to our local press. The local BBC Radio Gloucestershire is having a bit of a tough time at the moment, but when we were working together for Berkeley and Oldbury, we had BBC Radio Gloucestershire; BBC Gloucestershire Tellybox people; *Stroud News and Journal*; *Stroud Times*; Ian Mean, a very experienced journalist who sits on Business West, writing for us; and Mark from *Punchline Gloucester*, who is absolutely brilliant. It is rare to get so much business and media collectively working together so much, but it is because we have such a good opportunity here. We need the investment from the Government and the pace to make progress.

The second thing I want to mention—I will not take up too much more time—is radiator sludge. It is becoming one of my favourite things to talk about and it is something I absolutely did not expect to be talking about when I entered this place. It is basically about energy efficiency. I want to draw attention to the significance of water treatment in heating systems, which I have learnt about through a company in my patch called ADEY International. It is a low-cost intervention, is already available and would have immediate and sustained positive impacts on energy consumption and carbon reduction.

The reason I am raising it with the Government, even on an estimates day, is that it is not going to cost much money. The Government have a campaign and a website to show people how they can make their homes energy efficient, but there is nothing about water treatment facilities and magnetic filtration. I have taken a little gadget in to the Secretary of State to give him a live

demonstration of what magnetic filtration can do to boilers. It is my understanding that Worcester Bosch is already attaching these things to its boilers. Plumbers up and down the land already know that it is good, but the public do not, so I want to see it in the Government's gov.uk campaign. ADEY International is a leading expert. It is in Gloucestershire providing jobs for us locally and we should be using its expertise.

Research shows that, without effective system testing, cleaning and protection from corrosion in boilers and radiators, energy efficiency drops up to 7% and up to 7% more carbon is emitted. Poor water quality is also the biggest cause of boiler breakdown, reducing the lifespan of a domestic gas boiler by up to seven years. Radiator sludge sounds quite funny, but it is quite serious and is having an impact on everybody's homes. Research on 100,000 homes showed that 42% of homes are not working to the required efficiency, and are not protected from the risk of rising bills and boiler breakdown. That also applies to commercial properties. I would like the Government to look a bit more lively on that ahead of next winter and I would be very happy to assist the Minister with any of that information.

2.57 pm

Lia Nici (Great Grimsby) (Con): It is a great honour to follow my hon. Friend the Member for Stroud (Siobhan Baillie). Who knew about radiator sludge? It is a case in point. One of the privileges of being a Member of Parliament is that we learn things we never would have thought we would learn—we have conversations about things we never would have thought we would have conversations about—when we came to this place.

My reason for standing up to speak and support what the Government are doing on energy and energy bills is that the Humber region is known as the energy estuary. The Humber and northern Lincolnshire power much of the country through electricity power, refineries and food, so we are a vital area for energy. In my constituency in particular, we have so many people working in refineries. If you have a certain brand of mobile phone, you will have a bit of the Grimsby and Cleethorpes constituencies in your phone, because we have a refinery that produces the bit of coke that goes into many mobile phones. It is one of those strange innovations that we all take for granted and do not realise are made in the UK.

We have not only refineries and power stations, but the biggest offshore wind farm base, off the constituency of Grimsby. We also have the largest operations and maintenance hub on the globe, based in Grimsby, on the docks. It is a huge industry that is still growing. We need more people in the UK and in my constituency to understand how important it is for the future. We are also innovating with green hydrogen. For those who do not know what that is, it is produced by totally renewable ways of working. Those innovations will enable us to power ahead and ensure that we can reduce our carbon emissions.

The Humber region—and specifically the south Humber region—is the biggest emitter of industrial carbon dioxide in the UK, and that is because of the industries that we have there. It is vital for us to ensure that carbon capture, utilisation and storage, which was the subject of a conversation I had with the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy)

earlier in the debate, is pushed forward. I thank the Secretary of State for meeting me last week, along with my hon. Friend the Member for Cleethorpes (Martin Vickers), to give an update on exactly where we are.

We have two bids in the Humber and northern Lincolnshire region. As the hon. Member for Kingston upon Hull West and Hessle mentioned, carbon capture, utilisation and storage needs to happen very quickly in the Humber in particular, because without it we will not reach the UK's net zero targets. It emerged from our very positive meeting with the Secretary of State and his officials that the track 1 extension for CCUS will be updated and announced later this year. Track 2 has already been announced, but there will be an update by September, and allocations will take place by quarter 4.

I work with the industries on a regular basis, along with colleagues, and I have been working with the net zero Humber team and the Project Viking team every fortnight to discuss exactly where we are and where things are happening. I am very happy with the way in which the Government are moving forward with renewable energy and with carbon capture, utilisation and storage. We are working together very well, and it has been a very positive experience. I thank Ministers and officials for the hard work that they are doing, which I know will continue to ensure that the UK is a powerhouse for energy and, in particular, all forms of renewable energy.

Madam Deputy Speaker (Dame Rosie Winterton): Before I call the Scottish National party spokesperson, I must emphasise again how important it is for those who have contributed to the debate to be here for the winding-up speeches.

3.2 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): I am sure you do not need to remind people to come and listen to me starting the wind-ups, Madam Deputy Speaker.

I commend the right hon. Member for Preseli Pembrokeshire (Stephen Crabb), the Chair of the Welsh Affairs Committee, for opening the debate. The fact that 13 Back-Bench Members followed him shows what an important subject he picked. This is clearly the best subscribed of the estimates day debates.

For the most part, there has been consensus today. Everyone seems to understand the rate of deployment of renewable energy that we need, the number of grid upgrades required, the need to improve consent processes, the opportunities to create new green-based jobs, and the importance of training people in the right skills and of efficient workforce planning. That ties in with the just transition as well. There was also broad agreement on the benefits of floating offshore wind, and cross-party agreement about the importance of carbon capture and storage at Humber and Tayside. I shall say something about Acorn later. Four speakers were in favour of new nuclear energy, so there is a kind of consensus there, although I will shatter that consensus shortly. With one honourable exception, everyone also seems to agree that we need to get on with delivering net zero.

Let me begin by raising a point that no one else raised: post-Brexit trading arrangements for energy. Energy UK has estimated that they are adding £1 billion a year to our bills—£1 billion that could be spent better elsewhere. It could, for example, upgrade 100,000 homes

[Alan Brown]

a year to an energy performance certificate C rating, or it could just be taken off our bills, given the cost of living crisis. I want to know what the Government are doing to improve the energy trading arrangements to remove this £1 billion surcharge from our bills.

I said a moment ago that I would break the consensus on new nuclear energy. Although there is clear cross-party support from Labour and the Tories, we in the SNP remain opposed to it. Nuclear is the only energy technology that has become more expensive rather than cheaper over the years. On an estimates day, it is worth noting that the estimate of the cost of nuclear decommissioning has risen by a staggering £130 billion. Why do we want to build more new nuclear and increase the nuclear waste legacy? This would also require the construction of a new nuclear geodisposal site. So nuclear is expensive, and it is not the way forward. No successful European pressurised reactor project has yet been built anywhere in the world. Hinkley Point C is years behind schedule, and the costs have increased to £33 billion. I therefore do not understand the rush to enter into a new agreement to build another nuclear power station at Sizewell C, which will clearly cost between £35 billion and £40 billion—money which, again, could be much better spent elsewhere.

The strike rate for Hinkley is £92.50 per MWh, as opposed to £40 per MWh for offshore wind, but the renewable energy contracts for offshore wind are only for a 15-year period, whereas the Hinkley contract is for 35 years. The Government want to enter into a 60-year contract for Sizewell C. This is collective madness. There are also hidden subsidies. If EDF connects with the grid and starts generating electricity, it will be paid for doing so—let alone the strike rate. Scottish renewable energy projects, meanwhile, pay the highest grid connection fees in Europe. How is that equitable? There is another hidden subsidy for EDF. The strike rate of £92.50 was supposed to be reduced by £3 per MWh if the Government entered into a contract with Sizewell C, but the Government is now dropping that contract. I should like to know why they are giving that hidden subsidy to EDF, and why they are not holding it to reducing the strike rate.

The fact is that we do not need big new nuclear projects. We have heard talk of the need for nuclear when the sun does not shine and the wind does not blow, but nuclear is not always there when we need it either. Over a 10-year period, each nuclear reactor is offline for nearly 25% of the year. Even the reactors at Sizewell B, the newest nuclear station in the existing fleet, are offline for between 15% and 20% of the year. Nuclear is not the reliable baseload that we keep being told it is, and that is why we need to look at other technologies, such as pumped storage hydro and storage in general.

Another aspect of nuclear that we have heard about today is small modular reactors. As I said in an intervention, that is a future technology, although people keep talking about it as if it were already here. There is no approved regulated design for a small modular reactor yet, and if Rolls-Royce sticks to the assessment that has been made, it is not due to be completed until September next year. How can the Government launch a competition to pick a small modular reactor when there is not even a design that complies with UK regulations? That makes no sense.

The talk of small modular reactors makes them sound like small compact units. The capacity of Rolls-Royce's small modular reactor will be 475 MW, which is nearly 50% higher than the international definition. Moreover, it will be the size of two football pitches, which is not exactly small in my book. As for the cost, it is estimated to be between £1.5 billion and £2 billion per reactor. The kicker is that Rolls-Royce wants its own contract to supply between 12 and 15 small modular reactors. What it is actually asking for is an order worth between £20 billion and £30 billion in up-front capital costs. Again, that is money that could be much better elsewhere, and there are existing technologies that could be deployed much more quickly.

That could include pumped storage hydro. I keep returning to this point, but SSE's Coire Glas scheme in the highlands has all the consents in place. It is spending £100 million just now on up-front design works. That project could be delivered by 2031. With £1.5 billion of private capital investment, there is no Government capital subsidy needed; all that is needed is a revenue guarantee and a cap and floor mechanism. The Secretary of State said yesterday that he has been in talks with SSE, but he has not been in proper talks with SSE about developing a cap and floor mechanism. We want the Minister to take that point away today. Please will the Government listen? Up to 7 GW of pumped storage hydro could be deployed in Scotland—dispatchable energy that will be there when the wind is not blowing. It would utilise spare excess energy, taking it when it is cheaper and dispatching it when there is a need, so it is the perfect complement to renewable energy.

On carbon capture, we really need definitive timescales for track 2 clusters. As was said earlier, investors are getting nervous about the timelines. Yesterday, the Secretary of State was talking about confirming track 2 this year, whereas in the Energy Bill Committee recently, the Minister said that there would be an update this summer. We need certainty. We need to get Acorn up and running and give it the backing it needs. Acorn does not need a pipeline, and it is strategically important because it can import carbon dioxide from other clusters in the UK and store it. It should be a UK strategic site, so we really need to get it up and running.

Finally on technologies, I want to talk about tidal stream. Concerns have been raised about strike rates for AR5 with respect to wider renewables. The same pressures apply to tidal stream. We need to look at the strike rates that it is expected to achieve. We need to find the pathway to allow it to scale up. Ringfencing the pot for AR5 was welcome, but frankly £10 million is not enough. We need to be willing to commit more to support tidal stream in future.

This has been a good debate, as I say. Everybody bar one agrees about the need to hit net zero, and I think we can all see the opportunities for job creation. Going forward, we need to grab those opportunities.

Madam Deputy Speaker (Dame Rosie Winterton): I call the shadow Minister.

3.12 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I congratulate the right hon. Member for Preseli Pembrokeshire (Stephen Crabb) on securing this afternoon's debate, which has been very well informed and well

argued on all sides. I might add that there has been one exception; I thought that one hon. Member made a particularly silly and evidence-free contribution that chimed ill with the others, but perhaps we will gloss over that.

I have known the Chair of the Energy Security and Net Zero Committee for a very long time, although I still cannot pronounce his constituency entirely right.

Angus Brendan MacNeil: Na h-Eileanan an Iar.

Dr Whitehead: Thank you very much; I will not even try myself. Among other things, the hon. Member mentioned the Climate Change Committee's very recent report, as did the hon. Member for Bath (Wera Hobhouse) and others. Before I get into the detail of what has been discussed this afternoon, I think it is important to set out what that committee actually says about Government action on climate change, and particularly about the progress made by the Department for Energy Security and Net Zero on the matters within its purview, which include most of the net zero emissions targets.

Last week's progress report from the Climate Change Committee says quite simply that the Government have a "lack of urgency", and a lack of interest in pursuing net zero targets and undertaking the action necessary to reach them. It is a devastating report with respect to just how little is being done by the Department to advance the net zero policy framework. As a couple of hon. Members have noted, the committee comments:

"Pace should be prioritised over perfection."

That is, I think, the committee's very kind and polite way of putting its devastating point. Basically, it is saying, "Stop messing about and get on with it."

That has been a bit of a theme among hon. Members this afternoon. They have raised issues in several areas, including those in the list set out by the right hon. Member for Preseli Pembrokeshire, who raised the question of the grid, the question of nuclear and the question of floating wind. The problem arising in all those areas is that we are failing to take action or take the opportunities to push things forward. All of that will have a very substantial effect on future net zero targets.

Angus Brendan MacNeil: We are here in the UK Parliament talking about the UK context, but does the hon. Gentleman agree that the bigger context is about rising global demand? People are going to struggle to find ways to get the copper, get the cables and get the people. To meet those targets, there needs to be internationally co-ordinated thinking about how best to utilise resources, people and what have you.

Dr Whitehead: The hon. Member is absolutely right. We are in global competition for resources that are presently being procured for things across the world that we are still thinking about, worrying about and wondering whether to go ahead with, when we know that the availability of those resources is rapidly running out. If we do not take action very soon, we will simply find when we come to the table that all the food has been eaten.

The right hon. Member for Preseli Pembrokeshire highlighted the grid, which he rightly described as not fit for purpose. My personal view is that lack of action to undertake the necessary upgrading and reorganisation of the grid will be the undoing of all our net zero

ambitions. We have heard that projects seeking to get their connections to the grid firmed up are facing delays of up to 10 years. If we do not urgently get the grid up to scratch so that it can capture and deliver low-carbon electricity, we may well completely miss our targets, because we will have a number of schemes in hand but will be unable to plug them into the grid to deliver any low-carbon power to anybody. Urgent action to get the grid up to scratch is important.

The grid needs to be able to deliver electricity around the country effectively. At the moment there is a tremendous problem with constraints between Scotland and the north of England and the south, where we are increasingly turning off low-carbon power to balance the system. Quite often, we are bringing gas into the system because we cannot move that power around the country properly. We need urgent grid bootstraps to make constraints a thing of the past, and the Government have only recently woken up to the idea that action should be taken. Frankly, they are way behind the curve on the work that needs to be done.

The hon. Member for North Devon (Selaine Saxby) made a telling contribution on the future of floating wind in the Celtic sea. We have to bear in mind that floating wind is part of the ScotWind process, too. I do not need to add anything to what she said about the danger of failing to reach our targets on floating offshore wind development and all that that means for RenewableUK's ambition to have some 34 GW of floating offshore wind in UK waters by 2040. We are going to miss that initial target, so where will we be on our future targets unless we get our act together on supply chains, the grid and the development of offshore wind in general in the very near future?

My hon. Friends the Members for Kingston upon Hull West and Hessle (Emma Hardy) and for Stockton North (Alex Cunningham) raised the issue of carbon capture and storage, and the problems we are having with developing it for the future. They are absolutely right, among other things, to query the arrangements that are presently under way on cluster development. It baffles me, to be honest, that we continue to have competition between clusters on CCS and hydrogen development. We had a first-track competition before placing in reserve—whatever that means—the important Scottish cluster, which is essential for the future of CCS. We have second and even third rows of clusters waiting to see whether their ambitions can be realised. A number of companies involved in those ambitions have put their concerns on hold while the Government decide the track for each project. We should not have tracks; they should proceed together. We ought to be clear about that.

If the Department had a target for consultations and papers, it would have easily exceeded that target, but I am afraid they are not yet attaching themselves to the urgent progress needed on net zero. That is the main charge laid against the Department by Members on both sides of the House this afternoon.

3.23 pm

The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie): It is a pleasure to close this debate for the Government. I thank my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) for securing it, for his work as Chair of

[Andrew Bowie]

the Welsh Affairs Committee, which has contributed to the debate on energy in the round by producing a comprehensive and thorough report on energy in Wales, and for his description of the issue's importance at this moment.

This is a very exciting and challenging time for all involved in the energy debate, which is probably why 17 Members, including 13 Back Benchers, have taken part in this debate. They all made insightful and useful contributions, and they are all engaging not only with the Department but with the various industries, companies and sectors that are active in their respective constituencies across the UK. We are undertaking a whole United Kingdom effort right now.

The United Kingdom's energy infrastructure is at the core of our journey towards achieving net zero by 2050, reducing our reliance on imported fossil fuels and ensuring affordable energy for our citizens. We find ourselves facing the unprecedented task of transforming our infrastructure, including electricity generation, hydrogen production and energy networks among other areas. This transformation is vital not just for a huge range of sectors but for the nation as we improve our energy security following the events of the past 18 months.

Delivering on our commitments on both energy security and net zero necessitates the development of new transmission network infrastructure throughout Great Britain, both onshore and offshore. This grid transformation must, as the hon. Member for Southampton, Test (Dr Whitehead) said, be carried out swiftly, given the projected doubling of overall electricity demand by 2050. Members are acutely aware of the scale and importance of this challenge, as are the British Government. Furthermore, this transition also comes with major economic opportunities for green growth and green jobs, which we are determined to seize. Together with partners in industry, Ofgem and others, we are working to deliver this once-in-a-lifetime transition while ensuring that we all feel its benefits.

I had hoped for a damascene conversion on the Floor of the House by the hon. Member for Kilmarnock and Loudoun (Alan Brown), but he continues to disappoint by refusing to countenance the prospect of new nuclear projects north of the border in Scotland. I am incredibly proud to be this country's first ever Minister for nuclear. However, it saddens me deeply that we will not see any development of new nuclear projects in the country I come from because of the luddite policy of the SNP and its partner in Government, the Green party.

Nuclear provides clean, affordable and secure energy, and the sector is of paramount importance as it underpins the whole economy. We have a diverse mix of low-carbon generating technologies in the UK and, along with investing in new technologies to lead the global mission to tackle climate change, new nuclear has an important role to play in reducing greenhouse gas emissions by 2050. That is why next Thursday, with great pride, we will be launching Great British Nuclear and beginning the down-selection process to ensure this country invests in the small modular reactor technologies that will help us to deliver our projected target of 24 GW of nuclear power on the grid by 2050.

I now turn to some of the contributions to what has been, overall, a very positive debate. My right hon. Friend the Member for Preseli Pembrokeshire opened

the debate by describing the situation we face right now and what we have to do to tackle it. He also spoke about how this moment is both exciting and challenging. I can confirm that I have already met the Crown Estate to discuss how we can work much better together. He also raised the important issue of skills, which are the biggest challenge we face in delivering all the projects we seek to deliver over the next few years. That is why I have already instigated work between my Department, the Department for Education, the Department for Work and Pensions and, crucially, the Ministry of Defence, so that we can all work together to improve the skills base and to ensure that the next generation have the skills they need to contribute to the energy revolution this country is undergoing.

The newly independent hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) contributed to the debate, as the Chairman of the Select Committee. He made an interesting contribution about hydrogen and, as I often do, I agreed with him, as he yet again hit upon the importance of hydrogen to the wider energy mix in the future.

My hon. Friend the Member for West Bromwich East (Nicola Richards), a great champion of the west midlands in general, was right about Labour's energy surrender policy. We have an energy security strategy, whereas Labour has an energy surrender policy, presumably written by Just Stop Oil. It has contributed £1.4 million to the Labour party in recent years, which is important to this debate. She was also right to highlight the company in her constituency, Enfinity, and others in the west midlands that are working hard to contribute to the new technologies we are going to have to harness in this revolution.

Let me turn to the comments about carbon capture, usage and storage. It is an important part of the debate and it was discussed by my hon. Friend the Member for Great Grimsby (Lia Nici) and the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy). CCUS technologies have the potential to accelerate our decarbonisation across the UK, but especially in the Humber region, as has been said. We selected the east coast cluster as part of the CCUS programme's track 1. We will launch a process later this year to enable the expansion of track 1 clusters, including on the Humber. We also set out our view that the Viking transport and storage system, given its maturity, is one of those best placed to deliver Government objectives for track 2. We will provide an update on track 2 in the summer.

Emma Hardy: I thank the Minister for that informative response. Will he emphasise that although the Viking project is crucial, two pipelines are needed in the Humber, one at Easington and one at the south? To meet our net zero target, we would need to deliver both. Will he briefly comment on the other pipeline, as well as the Viking project?

Andrew Bowie: Given the limits on time, I will not. However, I commit to meeting the hon. Lady and other Members from the Humber region—or one of my ministerial colleagues will do so—to discuss how we can move those projects forward at a pace that she would find acceptable and that would be beneficial to the Humber region.

My hon. Friend the Member for Ynys Môn (Virginia Crosbie), who is such a champion not just her constituency but for the nuclear industry in general, raised the prospect of the innovations and investment that we are taking forward and making in nuclear. I look forward to having many more conversations with her in the months and years ahead, as we get Great British Nuclear off the ground, begin our down-selection process and then move forward to further gigawatt projects later on.

The only problem with the comments made by the hon. Member for Bath (Wera Hobhouse), which were well informed, was that they were so negative. As my hon. Friend the Member for Stroud (Siobhan Baillie) pointed out, we cannot meet doom with doom—we have to be positive about the benefits to our economy, this country and the environment that will be brought by this energy revolution. I am very positive, as are this Government. For those who think that this Government are complacent, let me say that this Prime Minister and this Government created the Department for Energy Security and Net Zero, we are leading the G7 on cutting carbon emissions and we are launching new nuclear programmes, as well as investing in new technologies across the piece. This Government are not complacent: we are tackling the challenges head-on and we are growing the economy in the process of doing so.

Alan Brown: Will the Minister give way?

Andrew Bowie: I will not, sorry.

My hon. Friend the Member for Mole Valley (Sir Paul Beresford) was right to raise the prospect of fusion and the transformative impact it will have. As has been said today, and as everybody says, fusion is always seen as being 20 years away. I can inform the House that we are looking to have the first commercial fusion reactor on the grid in this country by 2040. We are absolutely leading the world in this regard. It is fascinating to go up to the Culham centre to see the developments that are taking place and the science that is happening on that site. I cannot wait to see the developments at the West Burton site in Nottinghamshire as we move towards commercialisation at scale.

We heard contributions from the hon. Member for Stockton North (Alex Cunningham), my hon. Friend the Member for Peterborough (Paul Bristow), the hon.

Member for Ceredigion (Ben Lake), my hon. Friend the Member for North Devon (Selaine Saxby), the hon. Member for North West Leicestershire (Andrew Bridgen), my hon. Friends the Members for Stroud and for Great Grimsby, and the hon. Members for Kilmarnock and Loudoun (Alan Brown) and for Southampton, Test (Dr Whitehead). It has been a very positive debate overall. I am pleased to have been able to respond on behalf of the Government. I am very committed to leading the change that is required to our networks, infrastructure and national grid, and in bringing forward the new technologies. We are proud to lead the world in ending contributions to climate change, as is demonstrated through our commitments to building a new energy infrastructure on a scale never seen before in Great Britain. Our strategy supports our ambitions for green growth and jobs, and will ensure that our energy infrastructure is secure and resilient, and delivers value for money to consumers, while delivering on our net zero target.

Mr Deputy Speaker (Mr Nigel Evans): With the leave of the House, I call Stephen Crabb to wind up briefly.

3.33 pm

Stephen Crabb: Thank you, Mr Deputy Speaker. With the leave of the House, let me thank the Minister for that summation and the Opposition Front-Bench spokesman. This has been a very good debate. The fact that it has been so well attended and the quality of the contributions from Members on both sides underlines its importance and timeliness. I, for one, think it a good thing that the debate has not just been full of consensus. When we have a wide-ranging debate such as this, we should always be a bit suspicious when there is too much consensus. It is good to have disagreement and an exchange of views, which is what we have had, in the right tone, this afternoon. Finally, let me thank all Members who have participated, especially my hon. Friend the Member for Ynys Môn (Virginia Crosbie) and the hon. Member for Ceredigion (Ben Lake), who serve on the Select Committee with me and also particularly wanted to secure this afternoon's debate.

Question deferred (Standing Order No. 54).

DEPARTMENT FOR EDUCATION

Adult and Further Education

[*Relevant documents: Third Report of the Education Committee, The future of post-16 qualifications, HC 55, and the Government response, HC 1673.*]

Motion made, and Question proposed,

That, for the year ending with 31 March 2024, for expenditure by the Department for Education:

(1) further resources, not exceeding £42,894,465,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,

(2) further resources, not exceeding £22,809,063,000, be authorised for use for capital purposes as so set out, and

(3) a further sum, not exceeding £62,518,154,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.—(*Andrew Stephenson.*)

3.34 pm

Margaret Greenwood (Wirral West) (Lab): I am pleased to open the debate.

I thank the Backbench Business Committee for granting this debate on the spending of the Department for Education on adult education, post-16 education, further education and colleges, in response to an application by myself and the hon. Member for Worcester (Mr Walker).

I will begin by speaking about adult education, an area of provision that largely takes place in community settings and online. Adult education makes an important contribution to the social, economic and cultural wellbeing of the UK. It offers people opportunities for personal development, enriches lives and boosts mental health and wellbeing. It can help people to gain the skills they need to get into work, and to progress their careers once they are in work. There really is no downside—adult education is a social good.

It is vital that there are opportunities for people to benefit from adult education, no matter what their circumstances. It is important that adult education is made available in community settings and online, and that it is accessible to adults of all ages, because the needs and aspirations of people and the situations in which they wish to learn are incredibly varied.

An adult education student might be someone who gave up work in their 50s to look after an elderly relative, who has since passed away. That person could be looking to get back into work and, as their first step on that journey they might want to learn something informally to boost their confidence, where there is no requirement for them to study towards a qualification. Another person who might benefit from adult education could be someone who has retired, who wants to learn something new, such as a foreign language that they have always had an interest in but have not previously had time to study because of work, family commitments or both. Another might be a teacher who wants to retrain to be an accountant, or indeed an accountant who wants to retrain to be a teacher. In short, there are a vast number of reasons why adults might want to engage with education; the opportunities should be there for them to do so, no matter their circumstances, because when an individual thrives, their family and the community around them benefit too.

Last December, in its annual report on education spending in England, the Institute for Fiscal Studies found that even though total spending on adult skills is

set to increase by 22% between 2019–20 and 2024–25, that reverses only a fraction of past cuts. The report goes on to say that

“total skills spending in 2024–25 will still be 22% below 2009–10 levels...Spending on classroom-based adult education has fallen especially sharply, and will still be 40% below 2009–10 levels even with the additional funding.”

An article entitled “The dismantling of a sector: Adult education in crisis”, in *FE Week* last September, reported

“a 50 per cent fall in adults taking qualifications at level 2 and below, alongside a 33 per cent fall in the number of adults taking level 3 qualifications since 2010.”

The impact of those cuts is devastating to the sector. It is a matter of extreme concern, and stakeholders have spoken about the “existential decline” of the adult education sector because of reductions in funding, status and public awareness of provision. It has been described as a “national tragedy” by sector leaders and experts.

The cuts could not come at a worse time. As we face a cost of living crisis, workforce shortages and a crisis in mental health, a major area of public provision that could be doing important work in addressing these issues is being brutally cut. It makes absolutely no sense. From my experience working as an adult education tutor, I know the power of adult education in community settings to improve people’s confidence, help them gain employment or help them move on to higher education. In short, it has the power to transform lives.

According to the Confederation of British Industry, 90% of the UK’s workforce—30 million people—will need to be reskilled by 2030. Further, the British Chambers of Commerce has noted that businesses are crying out for people to fill job vacancies at all skill levels. That must be the No. 1 focus for Government if they are serious about economic growth.

Matt Rodda (Reading East) (Lab): My hon. Friend is making an excellent speech. Does she agree with me that it is also deeply disappointing to see the decline in the number of part-time mature university students, who also benefit from this type of learning?

Margaret Greenwood: My hon. Friend makes an important point and I thank him for his intervention. Absolutely, I do agree with him.

It is vital that Government funding of adult education and skills matches the need for it. I am concerned, too, that the Government’s proposals for implementing a new further education funding and accountability system could significantly reduce opportunities for adults to learn subjects such as art, history, sociology, drama, music, and literature.

The Government have consulted on the proposal that, in future, all non-qualification provision in adult education in areas funded by the Education and Skills Funding Agency, which accounts for about 40% of adult education provision, should meet at least one of the following objectives: achieving employment outcomes for all learners; achieving progression to further learning that moves individuals closer to the labour market for all learners; helping those with learning difficulties and/or disabilities to support their personal development and access independent living.

Although all of those objectives are hugely important, stakeholders are understandably concerned about what this might mean for people who need longer to gain the

confidence or basic skills to progress into work, and for those adults who want to learn for reasons that are not necessarily employment related. The *FE Week* article that I referenced earlier also revealed a mass move among adult education providers towards fee-paying courses, as free languages and creative arts provision is squeezed out. It is incredibly important that we have a broad curriculum offer for adults. Failure to provide that is to ignore the great potential for personal development that is out there. Education is of immense value of itself and it is a poor Government who fail to see that.

Mrs Flick Drummond (Meon Valley) (Con): The hon. Lady is making some very interesting points, and I agree with some of them on adult education. Does she then welcome the Government's lifelong learning entitlement, which is another effective way of getting adults back into sustainable work? It will reduce the benefit strain and the pressure on the public purse.

Margaret Greenwood: I thank the hon. Lady for her intervention. I will come on to that point later in my speech.

At a time when we have an ageing society and increasing problems of loneliness, it cannot be right to bring in policy measures that have the potential to remove or significantly reduce community-based learning opportunities. The latest impact report by the Workers Educational Association, which does a tremendous job providing the secretariat for the all-party group for adult education, which I chair, highlights how last year 84% of its learners reported improvements in their overall wellbeing, while 95% claimed that their WEA course made them more aware of what they can do next to improve their skills. That demonstrates just how effective community learning opportunities for adults can be.

We need to create an environment in which learning breeds learning—one where learners can learn things in which they are interested and then, through that, find out about other learning opportunities that might be of interest to them. If the Government's sole focus, when it comes to adult education, is on vocational skills, there are real concerns that that aspect may be lost.

There is a clear need for investment in the provision of information and guidance for adults when it comes to learning, too, and the WEA has highlighted the importance of that. It is highly likely that adults are missing out on learning because they do not know what is available to them or what they are entitled to. There is also wide variation across England when it comes to participation in adult education. The Learning & Work Institute's most recent participation survey, for instance, highlights that London has by far the highest participation rate when it comes to adult learning, at 56%. That compares with just 35% in the south-west. That is a gap of 21 percentage points—a gap that has risen from 17 percentage points in 2019.

Something else that could see more adults become involved in learning would be if the Government were to come forward with a lifelong learning strategy that articulates the value of education to the individual and to society as a whole. It is remarkable that England does not have such a strategy and it is something that the sector has long been calling for. The Centre for Social Justice has talked of the need for an all-age, all-stage

lifelong learning strategy, which builds from the foundations of adult community education, and has said that any such strategy should aim to provide every adult who needs to retrain with a pathway to develop the skills they need regardless of their starting point. This is something to which the Government should pay heed.

An area that needs particular attention and investment from the Government is adult literacy. According to the National Literacy Trust, 7.1 million adults in England—16.4% of the adult population—are functionally illiterate. These are people who may be able to understand short, straightforward texts on familiar topics accurately and independently and obtain information from everyday sources, but for whom reading information from unfamiliar sources or on unfamiliar topics could cause some problems. I have spoken about that on numerous occasions in this place. I tabled related amendments to both the Skills and Post-16 Education Bill and the Levelling-up and Regeneration Bill, the latter of which was selected for a vote. That amendment would have required the Government to include reducing geographical disparities in adult literacy as one of its levelling-up missions. It would also have required them, during each mission period, to review levels of adult literacy in the UK, publish the findings of that review and set out a strategy to improve levels of adult literacy and to eradicate illiteracy in the UK. Unfortunately, the amendment was defeated by the Government, despite receiving cross-party support.

The subject of adult literacy was also raised by my hon. Friend the Member for Ealing Central and Acton (Dr Huq) at Prime Minister's questions earlier this year. The Prime Minister's response was:

“The best way to solve this problem is to ensure that our young children get the reading skills, training and education that they need.”—[*Official Report*, 15 March 2023; Vol. 729, c. 830.]

That completely misses the point about adults who, for whatever reason, may have missed out during childhood and does nothing to help those 7.1 million people I spoke of earlier.

In ignoring the scale of the crisis in adult literacy, I fear the Government are potentially wasting the talents of more than 16% of the adult population. That makes absolutely no sense either for the individuals concerned or for the economy. There is an urgent need for the Government to bring forward a programme to help adults to boost their literacy skills.

Looking at adult education more broadly, Government policy initiatives such as the lifelong learning entitlement, which is due to come into effect in 2025, and the current free courses for jobs offer, have limitations. The latter is limited in scope and covers only vocational level 3 courses, while the lifelong learning entitlement is aimed at level 4 and above and people over 60 will not be able to access it. In addition, many people will not be able to take out a loan or may feel anxious about doing so, for any number of reasons, including concerns about repayment and the cost of living crisis. Those on low incomes or in insecure employment in particular are unlikely to want to take on debt.

The Learning and Work Institute's most recent adult participation in learning survey highlighted that, of adults who have not participated in learning within the last three years, 29% of respondents cited cost and not being able to afford it as a barrier. That is something the Government really do need to address.

[Margaret Greenwood]

I now want to talk about colleges and further education. Colleges in England educate more than 1.6 million students every year and employ approximately 103,000 full-time equivalent staff. They have a crucial role to play when it comes to growing the economy and extending educational opportunity. Support and investment from the Government are needed so that they can continue to effectively fulfil that role.

The IFS report from December 2022, which I referred to earlier in my speech, looked at education spending. It found that further education colleges and sixth forms are in a particularly difficult position when it comes to funding and that they saw larger cuts than other areas of education after 2010. There was no extra funding announced in the 2022 autumn statement to help colleges and sixth forms to cope with larger-than-expected cost increases. That is a matter of extreme concern and represents a serious threat to the sector.

I have heard directly from people who work in further education about the workforce crisis that they are facing. They have made it clear to me that, without further investment, there will be no staff to deliver the skills that our economy desperately needs. The Association of Colleges has pointed out that the average college lecturer is paid £8,000 a year less than average school pay and the sector faces particular challenges in competing with both schools and the industries it serves. The association is calling on the Department for Education to publish an evidence paper on college pay, using information collected by the FE workforce data collection, to provide the same sort of information that it provides to the teacher review body.

The Association of Colleges is also calling for the Government to raise 2023-24 funding rates in line with inflation, recognising that prices are higher than they were when the three-year budgets were set in October 2021. That would cost about £400 million. Without that cash increase, the Association of Colleges has expressed concern that colleges will need to make decisions this year that will damage their capacity to deliver the skills needed for economic growth and will leave the skills reform agenda unfulfilled. It is also calling for more investment to support skills in high-priority areas such as construction and engineering as we transition to a low-carbon economy. I call on the Government to engage with colleges and other bodies working within further education, hear their concerns and make sure that they are given the support they need.

To conclude, adult education, further education and colleges are crucial to the education and development of adults of all ages in every community. They play a vital role in addressing the skills and employment challenges that we face and they offer opportunities for people to mix with like-minded people and acquire knowledge and new skills, either online or in community settings. They are important for community cohesion and to address the devastating levels of loneliness that are apparent for so many. They enable parents to develop their own commitment to learning in a way that is beneficial to their children and to wider society. In short, adult education is a public good and the Government must make funding it a priority.

Mr Deputy Speaker (Mr Nigel Evans): Thank you for sticking to the guidance on the time limit, which is much appreciated.

3.49 pm

Mr Robin Walker (Worcester) (Con): I am very grateful to the Backbench Business Committee and the Liaison Committee for their support in approving this debate.

I congratulate the hon. Member for Wirral West (Margaret Greenwood) on her powerful opening speech on the hugely important topic of adult education, which forms one of the themes that we are debating today. She and I were before the Backbench Business Committee with our respective applications for debates on FE and college funding, and on adult education. We both agreed that, as both applications related to the education estimates, we would be happy to combine them. I share her admiration for the work of FE colleges and the community education sector in this space, as well as the important online work that they do. I echo her comments about the huge importance of adult literacy.

I hope that the House will forgive me if I focus mostly on the 16 to 19 element of this debate. I thank the Education Committee Clerks and members for the huge work that they have put into our report on the future of post-16 qualifications, which I hope we can discuss at some length today. I also thank the House of Commons Library and the Association of Colleges for the valuable briefings that they have provided.

Before delving into the detail, I should say that, as Chair of the Education Committee, I welcome the fact that the overall estimate for the Department for Education has increased, and that we are debating estimates today that see the total amount, across resource and capital, rise from £100 billion to £110 billion. We are spending substantial amounts of money on education. The Minister for Skills, Apprenticeships and Higher Education, my right hon. Friend the Member for Harlow (Robert Halfon), has been a tireless advocate for the FE sector, which he has often described as the “Cinderella sector” of education. As he has pointed out many times, that reflects not just how much it is asked to do with so little resource, but that there is no limit to its potential. As he has often said, Cinderella herself ended up marrying into royalty.

My right hon. Friend’s campaigning helped to secure extra hours for post-16 students as part of the catch-up programme, and his determination to support lifelong learning is as welcome for the FE sector as it should be for higher education. As Chair of the Education Committee, he recommended that the Department make the case for a three-year funding settlement for community learning at the next spending review, and reduce unnecessary bureaucracy for providers. Part of the reason that I—his successor as Chair of the Committee—wanted to debate the funding for that vital sector, and indeed for wider post-16 education, is that it has been, and still is, facing a very real funding squeeze.

The Institute for Fiscal Studies has reported that the FE sector has experienced a prolonged period of reduced funding, and concluded in December 2022 that 16 to 19 funding had experienced the biggest fall in real-terms funding of any education sector, in contrast with real-terms growth in primary and secondary schools, and a rapid and welcome growth in early years investment.

Darren Henry (Broxtowe) (Con): Having further education facilities is so important for developing new skills, unlocking careers and training people for new industries. We are soon to lose our main FE provider in my Broxtowe constituency, as Nottingham College moves out. On the point that my hon. Friend was making, does he agree that we need to increase FE funding so that we can provide more FE and skills provision for local communities?

Mr Walker: I agree. I am sure that my hon. Friend will champion the need for FE in his area, under whatever branding or name it might come. I absolutely agree that we need to see an increase. I will come to more of the reasons for that shortly.

The IFS also reported that colleges and sixth forms have seen a long-term decline in spending per student relative to schools. That goes all the way back to the 1990s, when their funding was around double that of primaries. In 2022-23, it was lower than spending per pupil in secondary schools and only 11% to 12% higher than spending per pupil in primary schools. The report noted that although extra funding in the 2019 and 2021 spending reviews meant real-terms increases in funding per student up to 2024-25, those will only partially reverse previous years of cuts and the impact of increasing numbers up to 2030. It is important to note that that analysis came before the high and persistent rates of inflation that we have seen over the past six months. In real terms, the analysis from the IFS shows that both sixth forms and FE colleges have seen a substantial reduction in per pupil funding since 2018, and have lost close to £1,000 per pupil since 2015.

Why does that matter? We will all know from our constituencies—my hon. Friend the Member for Broxtowe (Darren Henry) has just given an example—about the hugely important work of the FE sector and local sixth forms in preparing students for academic and vocational qualifications that offer them a brighter future. They are quite literally engines of social mobility.

I am incredibly proud of the work of Heart of Worcestershire College in my constituency and the excellent Worcester Sixth Form College, and I regularly visit both institutions to celebrate their students' success. I put on record my thanks to the recently departed principal of Heart of Worcestershire College, Stuart Laverick, who was a great champion for the college and the sector. I look forward to working closely with his successor, Michelle Dowse. We also have a number of smaller providers, including schools that operate sixth forms—Christopher Whitehead Language College and Tudor Grange Academy—which, alongside our popular and successful sixth-form college, increase the choice and range of options for post-16 pupils in Worcester. It is fair to say that all those schools regularly raise with me their concerns about funding.

Caroline Ansell (Eastbourne) (Con): I will take this opportunity to put on record my thanks to East Sussex College. It is equally as high-performing as Worcester and is the social mobility engine that my hon. Friend described. However, the finances, which he referred to, mean that it is in a very competitive field for the workforce. It is squeezed between schools and higher education. That means they struggle to recruit the quality, highly skilled staff that it needs to take us further and higher and to deliver on the Government's priorities. Does he recognise that scenario?

Mr Walker: I absolutely recognise that scenario, and I welcome that contribution from my hon. Friend, another Education Committee member. We heard that loud and clear as part of our inquiry and I continue to hear it from local providers. They compete not just with schools and higher education, but with the businesses for which they provide the skills, so there is an extra retention challenge for this sector.

This is a crucial part of our education system: the pathway for some between school and higher education; and for others, between school and vocational success, whether that is through apprenticeships or T-levels; and for others still, an introduction to the world of work. For many students who find schools hard to engage with, colleges can also provide a welcome cultural shift, with greater flexibility and independence as they move towards adulthood. Colleges play an essential and increasingly valuable role in preparing young people to be the workforce of tomorrow.

The Prime Minister has described education as “the closest thing we have to a silver bullet”, and in that respect the challenge he has set for more people to study mathematics until age 18 is welcome. However, that challenge can be met only if we fund post-16 education properly.

The Minister has never made any secret of his passion for vocational education and of his determination to see it gain parity of esteem in our education system. He has championed FE and colleges through a long and distinguished career as a Minister and a Select Committee Chair. It is from him that I inherited the inquiry into post-16 qualifications, on which the Education Committee recently reported. I have to say, with the greatest respect, that we were disappointed with some elements of his response to the inquiry, which the Committee published today.

The Committee heard evidence from a wide variety of post-16 providers, from colleges, academics, teaching unions and educational experts, and we heard a great deal that is positive about the direction of travel and the drive to raise attainment. However, we also heard consistent and extensive evidence on the resource, recruitment and retention challenge.

We made two particularly important recommendations: for a widespread review of spending on FE and post-16 education, which goes to the heart of today's debate; and for a moratorium on defunding advanced general qualifications until the T-level route has been more firmly proven. Both recommendations were agreed unanimously by every Committee member from both major parties—seven Committee members are on the Government side of the House—at the end of a long and detailed inquiry. I am disappointed that amid much interesting commentary on the detail of our report and the Government's position, the Minister appears to have accepted neither of those key recommendations.

Mrs Flick Drummond: As a member of the Education Committee, may I say that my hon. Friend is making some excellent points? Another point about the roll-out of T-levels is that there may be no places for people doing advanced general qualifications because they do not cover the same subjects. Quite a lot of 16-year-olds will therefore miss out on the areas that they particularly want to study, because the T-levels have not been rolled out and yet AGQs are being defunded.

Mr Walker: My hon. Friend reflects the concerns—amply spelled out in the report—about not removing pathways to success and routes forward for students while the T-level programme is, as yet, not fully developed and not fully proven. I think we all accept that T-levels can be a very valuable part of the landscape.

Mr Toby Perkins (Chesterfield) (Lab): Will the hon. Gentleman give way?

Mr Walker: I am happy to give way to the Opposition spokesman.

Mr Perkins: I am very grateful to the hon. Gentleman for allowing me to intervene. Regarding his Committee's call for a moratorium, the Labour party is committed to that. We entirely agree with him, and while he will not be in Parliament after the next election, he can be assured that if we have a Labour Government, the call he has made today will be supported.

Mr Walker: I am grateful to the hon. Gentleman for that clarification. I am sure my right hon. Friend the Minister is listening carefully. I know he is not averse to making the case to the Treasury for funding, so I urge him to take from this debate the strong cross-party consensus, reflected in the Committee's recommendation in paragraph 179 of our report, that:

"To prevent a further narrowing of 16-19 education, the Committee urges the Government to undertake a wholesale review of 16-19 funding, including offering more targeted support for disadvantaged students."

Caroline Ansell: Before my hon. Friend moves any further into his excellent speech, the witnesses to our inquiry were compelling when describing the impact of defunding on particular cohorts of students. On the impact of defunding BTECs, for example, they talked about vulnerable groups, including those with special educational needs. Does my hon. Friend agree that for those groups, it is especially important that we keep open those pathways to success?

Mr Walker: Yes, absolutely. My hon. Friend is right to draw attention to that specific issue; I was going to come back to it later and touch on the fact that it was partly the equalities impact of those decisions that led the Select Committee to its unanimous recommendation.

I will focus briefly on the element of targeted support for disadvantaged students in our recommendation that I just touched on. I recently took part in an inquiry of the all-party parliamentary group for students, alongside my hon. Friend the Member for Sheffield Central (Paul Blomfield)—I should call him the hon. Gentleman, but I call him my hon. Friend because we have worked together for a long time. That was an eye-opening inquiry, which reinforced the need for an urgent review of support for the most disadvantaged in the FE sector.

The Government have rightly increased the level of pupil premium in schools, and have used programmes such as the holiday activities and food programme and the levelling-up premium to keep up a relentless focus on tackling disadvantage. However, there is concern about the support available for disadvantaged students in FE, and widespread worry that the available bursaries just do not go far enough. The extension of the pilot for pupil premium-plus to post-16 students was welcome, but we have to query why the extra support for that age

group is so much lower than the extra support available to pupils under 16. My constituent Harrison Ricketts, who was in Parliament today to support a Youth Employment UK event, gave powerful and reasoned testimony to the APPG's inquiry about the pressures facing students. I hope Ministers will look carefully at some of the recommendations in that report, which are pretty reasonable and not necessarily very expensive.

In fairness, there are elements of the Minister's response to the Education Committee report that I welcome. The response expanded on investments for the financial year 2023-24. The Government state that they

"will invest £125 million in increasing funding rates for 16-19 education, including a 2.2% increase in the national funding rate for academic year 23/24...and an increase in funding for specific high value subject areas in engineering, construction and digital to help institutions with the additional costs of recruiting and retaining teachers in these vocational areas."

With regard to supporting pupils from disadvantaged backgrounds, the Government draw the Committee's attention to the 16-to-19 bursary fund, and state that in the last academic year,

"almost £152 million of 16-19 Bursary funding has been allocated to providers to help disadvantaged 16-19-year-olds with costs such as travel, books, equipment and trips, an increase of over 12% on the previous year."

The response also states that the Government will continue to approve the international baccalaureate diploma for funding, and clarifies that they did not say—as I think the Committee took them to have said—that they will withdraw funding for the international baccalaureate careers programme.

I want to expand on the recommendation about the level 3 qualifications review, which we have debated at some length. The concern of the Committee is not that we do not believe in pursuing high-quality and high-value qualifications such as T-levels; we are concerned about the pace with which the Department is pursuing that course, and the risks of removing advanced general qualifications where students currently find them a valuable pathway to progression. A wider review of funding could help find the resource to maintain a wider choice for students, more flexibility and a range of routes to progression, including T-levels. We have highlighted significant equalities concerns if Ministers persist with the current approach, and we do not feel that those concerns were properly or fully addressed in the Government's response, which we published today.

I do not have time today to detain the House on all the recommendations in our report, but I will highlight the need to address the issue of workforce if we are to deliver on the Prime Minister's very worthy ambition of more people taking maths to the age of 18. In our inquiry on teacher retention and recruitment, we have heard worrying evidence about the extent to which the Department has missed its targets on maths teacher recruitment, and in the first session of that inquiry the Committee heard from the FE sector that whatever problems exist for retention in the schools system are compounded in the post-16 space. Around 25% of college teachers leave the profession after just one year compared with around 15% of teachers in schools, and three years in, around half of college teachers have left compared with around a quarter of schoolteachers.

In fairness, I should acknowledge some welcome elements in the Minister's response in this regard, such as the updated teacher support fund, the national

professional qualification for leaders in primary maths and the expansion of the Taking Teaching Further programme for further education, but I am not convinced that these small initiatives fully address the scale of the challenge.

Mrs Drummond: My hon. Friend is making some good points, but there are two issues. First, bursaries to do maths are £29,000, yet when maths lecturers go into the workplace they only get £26,000, so their pay is automatically reduced. The other problem is that the pay rise for further education was only 2.5%, when of course teachers got 5%. That is one reason why retention is so poor.

Mr Walker: My hon. Friend raises two very valid challenges. It is also worth noting that the IFS analysis shows a significant disparity in pay between college teachers and schoolteachers, even before that pay rise issue. That gap has grown over time, rising from 14% in 2010 to 21% today. These are, of course, the very teachers we rely on to get our children the highest qualifications in their time in school or college, to achieve the Prime Minister's levelling-up ambitions and to inspire the workforce of tomorrow.

To touch on that very briefly, in our inquiry into careers education, advice and guidance, we heard from young people around the country who told us how much better in many cases the careers advice and guidance they received was in college than in school. The consensus was that many of them were only properly exposed to vocational opportunities, apprenticeships or the importance of the world of work once they reached college. Surely where our colleges are succeeding, we should ensure that they are rewarded for that work, and where they are not being given parity with other parts of the education system, this should be queried.

Just yesterday, I attended the launch of the Foundation for Economic Development's latest report on a national education consultation, and heard its call for a long-term plan for education. This highlighted the importance of parity across all areas of education and the strong case for levelling up both early years and post-16 funding. It called for a 10-year plan for education to match the ambition of the very welcome long-term plan for the NHS workforce that the Government delivered last week.

The Association of Colleges has made the case for a five-step plan, which I believe the Government should carefully consider and to which I would be very grateful for the Minister's response today. The hon. Member for Wirral West has already mentioned raising the 2023-24 funding rates in line with inflation, which is its first recommendation.

The second recommendation is to allow colleges to reclaim VAT. Colleges are now public sector organisations, but unlike councils, schools and academies, they cannot reclaim VAT. They spend an estimated £210 million a year on VAT that they cannot reclaim, and they see this as a tax on FE students. This strikes me as a sensible and timely recommendation, following the Office for National Statistics' decision to reclassify the FE estate, and it would appear to be an opportunity to give the sector a much-needed Brexit bonus, given the greater flexibility the Treasury now has on VAT rules.

The third recommendation is to ensure that 50% of the apprenticeship levy is spent on apprentices at levels 2 and 3 and below the age of 25, echoing a concern picked

up in the Select Committee report that so much of the apprenticeship levy is now going to older students. We do not begrudge the fact that there are higher apprenticeships and opportunities for people to go further, but we do want to make sure there is a balance that keeps the door open for people to enter the workplace through an apprenticeship.

The fourth recommendation is the need for a bigger skills fund to support skills in high priority areas, and the fifth recommendation is about the college pay analysis, which the hon. Lady has already addressed. While I appreciate that the Minister will face many challenges in delivering on all those recommendations, I believe that they merit careful consideration and a full response.

I believe that responding to those recommendations could make a real difference for my constituents. I have spoken to the new principal at the Heart of Worcestershire College about what could be achieved if they were addressed, and I was given the following examples. The college has had to limit growth in electrical installation due to its inability to attract additional staff in this area. If the college could attract one additional staff member, it could train an additional 30 students per year in electrical installation to meet the growing demands in that sector.

The college aims to have a gas centre in Worcester for conventional gas fitting, but also to take advantage of the developments in hydrogen-ready and hydrogen boilers and other sustainable technologies. It has advertised a position for that role on many occasions, but the low salaries just are not attracting candidates, and the gas centre project has therefore had to be put on hold.

Construction is a key growth area in our economy in Worcestershire and across the UK. Heart of Worcestershire College has struggled to recruit staff, so there have been ongoing delays to apprenticeships. As a result, the college has had to recruit several short-term agency staff.

Heart of Worcestershire College has struggled to recruit learning support staff, at a time when young people need more support than ever, post covid, to ensure that they reach their maximum potential and are work-ready. As part of its special educational needs and disabilities work, the Committee heard about the crucial importance of young people getting the right support in the right place at the right time, and that absolutely must include our colleges.

I urge my right hon. Friend the Minister to keep making the case, as I am sure he will, for an increase in the estimates for FE, post-16 education and colleges, but also to consider again the detailed proposals from the Select Committee inquiry he launched and from the Association of Colleges and so many others. I welcome the fact that the Government have set out to create a ladder of opportunity for students, and I recognise my right hon. Friend's passion for delivering that. I also welcome the fact that much has been done for the colleges in my constituency, including the consolidation of Heart of Worcestershire College on its riverside site, the refurbishment of its apprenticeship training centre and the delivery of a skills centre, as well as the expansion of our sixth-form college and much-needed improvements to its buildings and facilities. I am also grateful to the Minister for his detailed response to the Committee's report, but I am disappointed that he could not go further on a funding review or on the moratorium on

[Mr Robin Walker]

defunding advanced general qualifications, and I challenge him to make the case for both with the Treasury on the back of this debate.

The Minister himself has described this sector as having been a Cinderella sector for too long. It is high time we gave post-16 education the parity of funding and the parity of esteem it deserves. It is time for Cinderella to go to the ball.

4.11 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): I commend my hon. Friend the Member for Wirral West (Margaret Greenwood) for securing today's important debate.

The UK workforce faces a multitude of present and future challenges. A recent report found that almost 80% of businesses are seeing reduced output, profitability or growth due to the ongoing skills shortage. To help plug that gap, everyone must have the opportunity to upskill for the jobs of the future. The scale of the challenge is huge, with the CBI finding that nine in 10 people will need to reskill this decade alone. Having a thriving further education sector is vital to overcoming those hurdles. For decades, colleges have been helping people of all ages to upskill.

The stark figures I have just mentioned should be enough for anyone to see the need for investment. However, that is a far cry from the reality faced by the sector, which has withstood cut after cut at the hands of this Government. Between 2010 and 2020, spending per student for those aged 16 to 18 fell by 14%. The impact of those cuts is clear: the number of adults participating in some form of learning has collapsed to only one in three—the lowest level for 22 years. The Government have brought about a lost decade in adult education, just when investment was critical to meet the challenges of the future.

Ministers might overlook that harsh truth and instead focus on the extra funding announced in the 2019 and 2021 spending reviews, but our colleges still feel the full brunt of their cuts. Even with that extra funding, spending per college student will remain 5% below 2010 levels. For school sixth forms, the situation is even worse, and their spending per pupil will remain a staggering 22% lower than in 2010. To make matters worse, in the midst of a cost of living crisis, there was not a single penny of extra funding for further education in last year's autumn statement, despite huge pressures on college and sixth form budgets, including sky-high inflation and energy bill rises.

If the Government were truly committed to levelling up areas such as Sheffield, they would invest in the vital work of our colleges and sixth forms. I have seen that fantastic work at first hand in my constituency, where we are lucky to be home to Sheffield College and Longley Park Sixth Form Academy. Both are run by hundreds of dedicated staff, who go above and beyond to support students and prepare them for the working world. Anybody who sees their work is left in no doubt that every penny of investment in further education is money well spent. I use the word "investment" because that is what it truly is: money put into further education is an investment that pays for itself many times over.

I am proud to fly the flag for our further education sector. It has sadly borne the brunt of this Government's cuts, but it has also shown itself to be resilient, and it will continue to benefit us all directly and indirectly. As we begin to face up to the full scale of the skills shortage, and with future technologies including AI starting to have an impact, our further education system stands ready to help us embark on this new chapter. I was pleased to hear the Minister being pressed earlier to fund everything adequately, and we heard about the challenges that are there. The Select Committee has done an excellent piece of work to identify the changes that need to, and hopefully will, take place.

We should not underestimate the challenge that not being able to claim back VAT presents to colleges, particularly with current funding levels. Retention and recruitment is a massive problem, and many hon. Friends have discussed that already, so I will not go over that again. I will finish by saying that we hope this round of estimates is not another missed opportunity to provide our colleges and sixth forms with the funding they need to thrive. The sector is in dire need of investment, but if the past 13 years are anything to go by, we will not be waiting with bated breath.

4.16 pm

Wendy Morton (Aldridge-Brownhills) (Con): Like other Members of Parliament, I am frequently invited to local schools in my constituency, to education and skills providers and, importantly, to local businesses. In recent weeks, I have visited Ibstock, a big manufacturer of bricks, Aldridge Accident Repair Centre, Phoenix Tooling and many others. I hold business breakfasts and I speak with local employers, employees, apprentices and students.

Today's estimates day debate is on the Department for Education's spending on adult education, post-16 education, further education and colleges, and that is to be welcomed. It is extremely well timed, because we need to keep focused on building skills for today and tomorrow. As we have already heard, we do that through support for the further education sectors. It is the only way we can ensure that we are matching education and skills spending with the needs of industry, whether that is in science, innovation, technology, manufacturing or other key industries in the Black Country and the broader west midlands. The pandemic taught us many things—not only the fragility of supply chains, but the importance of onshoring skills and manufacturing capacity in key areas.

The Institute for Fiscal Studies has set out a range of challenges faced by the FE sector, including rising costs and recruitment and retention problems. We have heard some of those already this afternoon. The number of 16 to 18-year-olds is projected to rise by 18% between 2021 and 2030, which would make, I reckon, for around 200,000 extra students by 2030. We need to be working on addressing that rise in demand alongside the skills need and funding requirements.

I want to use today's debate to highlight the impact of skills shortages in the wider workforce and the role that further education and post-16 education can play to bridge the gap. In a BDO UK survey published in December 2022, three quarters of the 500 medium-sized business leaders who responded reported that the current skills shortage was a problem and could pose a threat to their own growth and the ability to find wider economic

growth in the economy. We need to be investing in further education now for future growth today and tomorrow, not least because according to a Learning and Work Institute report in 2019, the skills shortage will cost the country £120 billion by 2030 due to a shortfall of 2.5 million highly skilled workers. When coupled with the predicted oversupply of traditional intermediate or low skills, we can start to see the emergence of that skills gap. We need education to address that, as well as working closely with and understanding the needs of industry.

I share the Government's ambition for the UK to be a high-skill, high-wage economy, but that can be achieved only by addressing the skills deficit, and we need the broadest skills base possible to match those sector demands and needs. That means investing in people, skills and technology, including robotics and AI. I have seen some fantastic examples in my constituency. Last week, in the tooling industry, I saw a mix of traditional skills and experience with high-tech skills and apprentices demonstrating how industry, apprenticeships and the education sector really can be pulled together for the benefit of all. From speaking to local businesses, it is evident that we have skills shortages in my constituency, with vacancies for technicians, mechanics and toolmakers as well as in many other sectors. Across the wider region, we have businesses with skills gaps and persistently high youth unemployment. To achieve greater growth over the next decade, we need greater investment in further education and adult education, and recognition that there are alternatives to university as part of the education mix. It is really important that young people understand that choice—and I say that as somebody who left school after A-levels and went to university slightly later in life.

I have met some fantastic apprentices. Just last week, Britney from my constituency was here speaking at an event in the House of Commons, and she was absolutely amazing. We need to do more to encourage females into apprenticeships and engineering and debunk the myth that engineering is a dirty environment, because it does not have to be. It is time to realign and grasp the opportunity to strengthen the link between further education, learning opportunities and industry.

In the west midlands, with Andy Street at the helm and his tremendous focus and drive for the region, we are grasping that opportunity. We have seen the growth of further and higher education providers such as Walsall College and local providers such as In-Comm in my constituency, alongside the strengthening role of our chambers of commerce. I am sure the Minister is aware that, through the west midlands skills action plan, we have seen further engagement with businesses, and particularly small and medium-sized enterprises, colleges such as Walsall College, Youth Employment UK—I met it today in this place—and the Department for Education working to increase the take-up of apprenticeships. We see a clear plan to reduce the number of people with no qualifications and for more support to be given for people to progress in work by working with the Department for Work and Pensions.

Given the flexibility offered in the adult education budget through devolution, alongside the national skills fund investment, the west midlands has seen a sevenfold increase in level 3 provision. Cash investment at that level rose from £4.4 million pre-devolution to £13.9 million

in 2021. The plan feeds into the work of local providers such as In-Comm in my constituency, which is a leading provider of engineering apprenticeships, training and upskilling that works closely with industry partners. Perhaps I could be so bold as to invite the Minister to visit In-Comm. I am sure he would really understand and appreciate its work.

The importance of tripartisan relationships between education, providers and industry to address the skills gap absolutely must not be under-emphasised. However, I do recognise the complexity involved in the various funding streams and that the types of qualifications are confusing for many industry leaders. We need to work to address that.

According to the Coventry and Warwickshire chambers of commerce, businesses do want to invest in people—even with the current pressures due to the cost of living—but they need to find the right people to invest in. As we shift to decarbonising our economy, the need increases further. Like many, I welcome the Government's £10 million investment to address the outcomes of the local skills investment plan, but we need to align education and training providers more closely with industry to ensure that that tripartisan relationship is maintained.

I have two asks of my good friend the Minister. First, do the Government have any plans to increase the hours of industry during T-level programmes? Secondly, I have a plea not to overlook the FE sector and ensure that it is adequately funded to meet the aims I set out. The west midlands plan for growth gives a great focus to bringing together public, private and university partners who are best placed to use their local knowledge to efficiently allocate resources and overcome barriers. I want us to be ambitious for our country and for the next generation while not losing sight of today's generation and today's skills needs. My big plea is: let us work with education, providers and businesses today to develop the skills we will need for tomorrow.

4.24 pm

Andrew Western (Stretford and Urmston) (Lab): It is a privilege to contribute to this estimates day debate. I congratulate my hon. Friend the Member for Wirral West (Margaret Greenwood) on securing this discussion on such an important topic.

I was contacted by the Trafford College Group, which delivers skills and qualifications to more than 12,000 learners and employer partners across the south of Greater Manchester across multiple college sites, including its North Trafford campus in my constituency. Like many colleagues, I am not naive to the challenges facing the further education sector, but I confess that I was still shocked by what Trafford College Group told me about the impact that more than a decade of underinvestment in further education and a workforce crisis have had on its ability to meet the needs of local students and, indeed, employers. Its frontline experience must be considered today as we discuss departmental spending on further education.

Allow me to offer a brief summary of what I was told is happening on the ground: 140 staff vacancies in the last 12 months—a cumulative figure of nearly 20% of its workforce. In health, care and early years courses, it reported significant issues recruiting staff, due to salary expectations leading to more than 20 vacancies in those areas alone in the past year. That forced Trafford College

[Andrew Western]

Group last year to take the decision to cease delivery of health and social care apprenticeships. Given the challenges in recruitment in that sector, that is a tragedy.

There are approximately 165,000 vacancies in social care and 132,000 vacancies in the NHS—the total figure is roughly equivalent to the entire population of a city the size of Newcastle. I suggest to any member of the New Conservatives group who seeks to blame immigration for the recruitment problems in our care sector that, instead, they look at their own party's record on funding the courses that train and upskill the care staff we need, because it is blatantly not good enough.

It is not just health and social care where Trafford College Group is having to restrict entry to courses. Building services, electrics, construction, engineering and early years education are all areas in which students in Greater Manchester are not accessing courses, which could be vital to improving their life chances, all because there simply is not the capacity in the workforce to teach them. It is not just students who lose in that situation; each of those courses is crucial to the needs of our local, regional and national economy. The National Association of Colleges and Employers has highlighted construction and engineering in particular as areas of the economy where skills shortages are most acute.

Like social care, early years education is crying out for more and better qualified staff, who can serve the equally essential purposes of narrowing attainment gaps for children from disadvantaged backgrounds while freeing up young parents—especially women—to drive forward in their careers, with all the benefits that has for the economy through increased productivity.

Navendu Mishra (Stockport) (Lab): I thank my hon. Friend and neighbour from Greater Manchester for an excellent speech. Trafford College Group has several campuses, including Stockport College, which I visited recently. One of the key issues that the principal highlighted was workforce recruitment because the pay scales are so low. That has a disproportionate impact on more disadvantaged communities, some of whom I represent. Does he agree that the Government are simply failing on pay for that sector?

Andrew Western: My hon. Friend makes an important point, and he is a champion for further education in his constituency. I quite agree that pay for the further education teaching workforce has lagged behind teaching salaries more broadly for some time. This is a growing crisis, which is leading to a loss of opportunities for our young people. I absolutely agree that the Government are failing on that and need to address it urgently.

Holding colleges back with inadequate funding to both address their workforce crisis and reverse the cuts since 2010 is the ultimate false economy, but that is exactly what is happening. Despite recent uplifts, the truth is that further education funding compares extremely unfavourably with both university and school funding.

The latest IFS annual report on education spending in England found that further education spending per student aged 16 to 18 in 2022-23 was £6,800, which is lower than spending per pupil in secondary schools and only 11% to 12% greater than per pupil funding in

primary schools, having been more than two times greater in the early 1990s. The hon. Member for Worcester (Mr Walker) made a similar point with that data earlier.

Mr Robin Walker indicated assent.

Andrew Western: The report acknowledged that extra funding announced in the 2019 and 2021 spending reviews would result in real increases in funding per student up to 2024-25. However, that only partially reverses earlier cuts, and increasing numbers of 16 to 18-year-olds up to 2030 will put further pressure on finances after 2024, when departmental spending plans have been scaled back. The director of the IFS has himself said the Government's real-term cuts to further education are:

“not a set of priorities consistent with a long term growth strategy. Or indeed levelling up.”

In contrast, the Labour party sees how a thriving further education sector is essential to growth. That is why a Labour Government will create a skills system that works for businesses and for people across our country, by reforming the apprenticeships levy, devolving skills budgets and delivering a national mission to upskill, led by a new Skills England. Devolving skills budgets in particular is something I would welcome after seeing, from my time leading Trafford Council and as the work and skills lead for Greater Manchester, the real need for skills policy to be better aligned and integrated with regional economic policy and local labour markets, to deliver a more localised, tailored approach to skills provision. In short, colleges, like those currently doing great work in the Trafford—and indeed Stockport—area, have a critical role to play in any plans to grow the economy, but they need support and investment to be able to do that after years of declining funding for adults' and young people's education.

I hope that when the Minister replies, he will set out what further support and investment will be provided to Trafford College, and colleges like it across the country, to tackle the workforce crisis that is holding them back, holding students back and holding our local, regional and national economy back, too.

4.32 pm

Edward Timpson (Eddisbury) (Con): It is a pleasure to speak in today's estimates day debate, which I think is the fifth allotted day. I begin, like other Members, by acknowledging the hugely important work done by all those in our FE colleges, delivering apprenticeships and providing access to adult education, and thanking them for the significant contribution they make to upskilling our nation in Eddisbury and across the whole country. For the purposes of my contribution today, I will unashamedly focus on one in particular.

Reaseheath College is one of the UK's leading land-based specialist colleges. Located near Nantwich in Cheshire, it sits within my Eddisbury constituency. It is also in very close proximity to my previous Crewe and Nantwich constituency. That means that since 2008 I have been fortunate to be able to develop a close and very constructive working relationship with the former principal, Meredydd David OBE, and the current principal, Marcus Clinton.

Rated good with outstanding features by Ofsted, Reaseheath, which has not long since celebrated its centenary, offers full-time and part-time courses from entry level to degree level, and apprenticeships in all

land-based subjects and in sport. It has 1,900 students aged 16 to 18, 360 adult students, 550 apprentices and 130 students with high needs. The college's truly world-class facilities—which I have seen many times for myself and made possible, it has to be said, by significant Government funding in recent years—and its industry-focused technical courses, help to support continued student success. Last year, 97% of students gained a job or progressed on to an apprenticeship or a degree in their chosen industry. That is very encouraging indeed.

However, as we go through a period of rebalancing our academic and vocational offer to students, we must all recognise the changing labour market and the need to equip our young people with the knowledge and skills that subsequent decades will demand. In that regard, both the college and I are very supportive of the Government's commitment to an ambition for further education, post-16 skills and apprenticeships, and adult education. In the Minister for Skills, Apprenticeships and Higher Education, my right hon. Friend the Member for Harlow (Robert Halfon), they could not have—from maiden speech to ministerial office—a more consistently passionate advocate. I know that, as was demonstrated only last week in a meeting with Graeme Lavery, Reaseheath's vice-principal and director of finance and resources, my right hon. Friend will continue to listen and seek to act on some of the issues and concerns raised by colleges that are holding them back from helping to achieve that shared ambition, and, in some circumstances, are putting them at unnecessary risk. Some of those issues have already been mentioned by my hon. Friend the Member for Worcester (Mr Walker), the chair of the Education Committee, but I want to mention two of them in particular.

Let me begin with technical levels, or T-levels. Since 2019, they have been at the core of the Government's plan to meet the needs of industry and ensure that those entering employment have the technical acumen in order to succeed. Reaseheath has embraced T-levels and is delivering a range of courses, from business and construction to agriculture, food science and animal care, but in doing so it has found that the main risk posed to T-levels is the ability to attract competent technical lecturers to deliver to both T-Level and apprentice standards.

There is also concern about the in-year clawback that places a 10% threshold on numbers at T-level colleges, setting T-level funding apart from other further education funding which is based on lagged numbers. Other FE colleges are able to react to a downturn in student numbers in a measured way, whereas in the cases of colleges such as Reaseheath, in-year cuts caused by the clawback can be short-sighted and damage capacity that has been developed over many years, and the implementation of lagged funding for T-levels is unlikely to happen until after 2025-26. I trust that the Minister is willing to address this, and I look forward to his response.

T-Levels also include a substantial element of work placement, and there is an element of funding to support such placements, but a problem is currently affecting all land-based colleges. The capacity and delivery fund, which was designed to support the development of networks, systems and staff, has been withdrawn for the 2023-24 academic year. The arrangements for the animal management and equine T-levels have been deferred by the awarding bodies until, respectively, 2024-25 for animal

management and 2025-26 for equine. That means that there will not be enough funds to support the maintenance of those networks, which raises the inevitable prospect of valuable links being lost. That was mentioned to my right hon. Friend during our meeting last week—for which, as I have said, I am grateful—and he was kind enough to agree to look into it further, but we really need to bring it to the attention of the Treasury in the hope that we can avoid losing key courses at this time of transition.

It is also the case that, while significant capital funding has been made available to support the implementation of T-Levels, there is considerable disappointment about the fact that specialist colleges received either no or very little funding in round 4, and the fact that the opportunities that were there to maximise strategic investment may have been lost.

My second point, which has also been raised by other Members, concerns funding and staff recruitment and retention, which are becoming the most critical and pressing issues facing not just Reaseheath but many other colleges. Despite recent uplifts, the base funding rate has fallen behind in real cash terms over the past 10 years, which has forced colleges to reduce non-pay costs, facilities maintenance and the school sector as the gap grows between schools and FE. Recruitment and retention of staff with the necessary specialist technical knowledge and experience is their largest concern, but the issue is now affecting all areas of Reaseheath, including catering and domestic teams.

Salary scales are understandably affected by pressures from the minimum wage and general inflationary pressures. The college estimates that a 3% basic cost of living increase would cost it about £830,000, while a 6% increase would cost it £1.22 million. As much as it would want it to, a sector grant increase clearly would not cover that. To match salaries and compete, Reaseheath suggests that it would require at least £3 million that is simply not there. As a consequence, the salaries that the college can offer are understandably limited to the income that it receives.

Despite engineering being a critical area for the college and the country, Reaseheath is finding it extremely difficult to attract and retain technically competent engineering lecturers, especially in agricultural engineering. It is working hard with employers and their federations to explore how employers, including major players such as JCB, can support the delivery of apprentices in particular, but unfortunately the current subcontracting rules are not flexible enough to support that—an issue of which I know the Minister is cognisant. The college is currently working with the Education and Skills Funding Agency to find a quick and acceptable solution, but the reality is that it will have to mothball the year 1 apprentices in agricultural engineering if a solution cannot be found very soon. That all has a significant impact on the employers and the future engineers to support the bounce back. With the additional issue of an ageing workforce in engineering more generally, there is—as the vice-principal, Graeme Lavery, has told us—a perfect storm brewing.

I ask the Minister, in continuing his personal mission to make specialist land-based colleges the cornerstone of our technical revolution, not only to come and visit Reaseheath College but to intervene where necessary to address its legitimate and well-intentioned concerns with his customary gusto, pragmatism and relentlessness.

Dr Neil Hudson (Penrith and The Border) (Con): My hon. and learned Friend is making a passionate speech, focusing on key land-based educational issues. He mentions courses such as agricultural engineering, animal handling and equine studies. Does he agree that we need flexibility of approach to protect and preserve the specialist courses that are so important for animal health and welfare, for the agricultural industry and for food security?

Edward Timpson: It comes as no surprise that my hon. Friend is absolutely right. With his veterinary background, he knows a lot about this area. He will know that such flexibility allows us to shape the demand that we place on our land and the skills that will be required to work the land as the technology changes. Reaseheath is at the forefront of that work and wants to continue it, but the Government strategy needs a level of flex to compensate for the transitional changes that do not always take into account the nuances that we can see at Reaseheath and elsewhere across the country.

We need to make sure that the strategic vision becomes a reality. For the last century, places such as Reaseheath have embodied the ladder of opportunity which my right hon. Friend the Minister has so long championed. With the right support, they can do so for the next.

4.42 pm

Munira Wilson (Twickenham) (LD): I congratulate the hon. Member for Worcester (Mr Walker), who chairs the Education Committee, and the hon. Member for Wirral West (Margaret Greenwood) on securing this important debate, which feels long overdue. We can probably all agree that successive Governments of all colours have left our sixth forms, further education colleges and adult education providers unloved, to a certain extent, and certainly underfunded—hence the references to Cinderella.

We now expect all children to remain in education or training until the age of 18, yet spending per pupil aged 16 to 18 is lower than it is in secondary schools. Despite that, we ask our sixth forms and our FE staff to teach more specialised subjects, with smaller classes and on lower budgets. When Ministers eventually stump up desperately needed cash for schools, as they did in last year's autumn statement, colleges rarely get a look-in.

The result is that over the next few years our further education system faces a perfect storm of funding challenges that I sense the Government have limited interest in fixing. That includes the population bulge that is currently moving through our secondary schools and is about to hit further education. The Government are also prematurely scrapping funding for dozens of level 3 qualifications to make way for T-levels, as has been set out extensively today. That has led to an unprecedented situation in which the Association of Colleges has refused even to make a pay offer to trade unions representing FE staff. Colleges simply cannot afford to make an offer to teachers that fairly reflects the work they do, and that protects them from the cost of living crisis. When half of teaching staff at FE colleges leave within three years, our colleges and staff simply cannot afford a protracted pay dispute with the Government.

Sadly, the Government's mismanagement of the economy and their failure to control inflation means the next spending review will involve some difficult and painful decisions, but the Open University's latest survey shows

that almost three quarters of UK organisations are experiencing skills shortages. Now, more than ever, the Department needs to make the case to the Treasury on the long-term benefits of investing in our colleges, which equip our young people with new skills, nurture their creativity and develop their talents.

Our starting point should be to support those with the most to gain from post-16 education. Liberal Democrats in government were very proud to introduce the pupil premium, which targeted funding at our most disadvantaged schoolchildren. It is high time we extended it to age 18.

I was recently delighted to welcome Get Further to Parliament. The charity has achieved astounding results by providing small-group tutoring to college students resitting GCSE English and maths. It is now looking for long-term certainty that the Government's 16 to 19 tuition fund will continue beyond next year. I hope Ministers will soon be able to provide that certainty. If the Government are looking for extra cash, they could repurpose the millions of pounds of apprenticeship levy funding that is returned to the Treasury every year.

As we have heard, Ministers are compounding colleges' funding woes by scrapping dozens of BTECs and other applied general qualifications that students value and employers trust. They are a well-established route for students to get into university, particularly those from under-represented backgrounds, with research from the Social Market Foundation finding that 44% of white working-class students enter university with at least one BTEC, and that 37% of black students enter university with only BTEC qualifications.

I fully understand and support the Department's desire to achieve parity of esteem between academic and vocational routes post-16, but the Conservative Government seem hellbent on shutting down the middle route for those students who would benefit from a mix of both academic and applied qualifications, or for whom T-level entry requirements are simply too high.

An analysis by the Sixth Form Colleges Association reveals that just 60 of the existing 134 level-3 applied general qualifications will be eligible for public funding after 2025. At a time when young people need more support than ever to realise and rebuild their future, scrapping these qualifications is a backward step that will damage the prospects of our most disadvantaged students.

Popular subjects such as criminology, which is studied by more than 40,000 students, and travel and tourism have fallen off the approved subject list entirely. Britain's hospitality sector is crying out for more recruits, at a time when the Government are desperate to reduce economic migration, yet the BTEC in hospitality and tourism is being defunded. The Government's catering T-level does not even have a start date. How does that make any sense at all?

Scrapping these courses is a huge and unnecessary challenge. In 2019-20, some 17,000 students enrolled on one of 25 level-3 childcare courses, which the Department is defunding next year. We know we have a shortage of staff in the childcare sector, yet all these courses are being defunded. In 2021, a little over 2,000 students started the education T-level that is replacing those courses. Again, that makes no sense whatsoever, given the shortages we face. It would take a miraculous expansion of the T-level in 2024 to prevent the number of trainees from falling off a cliff.

Katherine Fletcher (South Ribble) (Con): I have a great relationship with the wonderful Runshaw College in Leyland, and I am in the Chamber to highlight some of the things we have done to support the college. There is a worry about the 10% of students who do not have GCSEs to get on to T-levels, and who need some kind of vehicle to help them move into 16 to 18 education. Does the hon. Lady agree that we should encourage the Government to make sure that, while putting on only suitable level-3 qualifications, not placeholder qualifications, we should bear in mind the minority who might need a different type of qualification between A-levels and T-levels in their 16 to 18 education?

Munira Wilson: If I have understood the hon. Lady's point correctly, she and I are in agreement that there needs to be something in between T-levels and A-levels for students who may not be able to cope with either of those. So I believe there is agreement on both sides of the House that we need to slow this process down, allow the T-levels to bed in and prove that they are the right thing, and continue to fund the BTECs as an option for those who might not be able to cope with a T-level or an A-level. Let me finish my point on the childcare qualifications by saying that I do not think parents will thank the Chancellor for providing more free childcare hours if their local nursery has to shut due to a lack of qualified staff. This policy will only exacerbate that.

Colleges are also dealing with the fallout from the reclassification by the ONS of colleges as central Government institutions. That amounts to a near absolute ban on colleges borrowing from banks, making them solely reliant on Government grants. The Government have promised another £150 million in capital spending to ease the blow, but we are yet again in a situation where colleges are asked to deliver the same value-for-money objectives as schools, with few of the financial perks. Colleges that did not convert into 16 to 19 academies were consistently told that their unique status meant that they should have to pay VAT on the goods and services they buy. They are now back in the same boat as schools, so will the Treasury extend to them the VAT relief that schools receive? That is only fair. The Department should also guarantee a college's pension contributions if a college were to close, which would also cut its pension contributions.

Finally, on adult education, the Government's flagship lifelong learning entitlements are at least a step forward in improving access to lifelong learning. However, the Government have still not made a compelling case that a student finance system designed for undergraduates will be an attractive way for older people to finance their education. The Government will be asking mature students, many of whom will have mortgage or family responsibilities, to be repaying their student loans well into their retirement. The Department's short courses trial, which is meant to prove that there is a demand for student loans for individual modules, has handed out a mere 37 loans in the past year.

As I said on Second Reading of the Lifelong Learning (Higher Education Fee Limits) Bill, I do not believe that shows a lack of demand for lifelong learning, but it may show a lack of interest from the public in this mechanism for financing it. That is why the commission on lifelong learning set up by my predecessor as the MP

for Twickenham, Vince Cable, recognised that grant funding would have to be part of the mix of funding adult education. Liberal Democrats have built on its proposals to create a skills wallet, giving every adult up to £10,000 over their working life to spend on education and retraining. It can be partly match-funded by employers, local authorities and other organisations.

I want to finish by paying tribute to my local college, Richmond upon Thames College, which does a fantastic job, in challenging circumstances, in serving students from not just across the London Borough of Richmond but right across London, with many from very disadvantaged backgrounds. I also wish to reiterate that the Liberal Democrats believe that education is an investment in our children's and young people's future potential and our country's future growth. That vision is embodied by our colleges, which provide learners of all ages with the skills, confidence and resilience they need to flourish. It is high time we valued them properly, by extending the pupil premium, protecting student choice and fostering a culture of lifelong learning. That is what our post-16 education budget should be delivering.

4.54 pm

Sir David Evennett (Bexleyheath and Crayford) (Con): I am pleased to participate in this important estimates debate on post-16 education, as I am a great advocate and strong supporter of FE colleges. I am delighted to see the Minister for Skills, Apprenticeships and Higher Education, my right hon. Friend the Member for Harlow (Robert Halfon), in his place. He has always been a champion for this sector and I look forward to hearing his response.

I pay tribute to my hon. and learned Friend the Member for Eddisbury (Edward Timpson) for his brilliant speech, to my hon. Friend the Member for Worcester (Mr Walker), who chairs the Education Committee, and to the hon. Member for Wirral West (Margaret Greenwood), who opened the debate. We had a really good start to the debate and it has been very constructive.

In an age when we need to upskill our workforce, teach new skills to meet the challenges of the 21st century and develop staff, I believe colleges are a vital part of any Government's plan for our economy and our future. We know our country has skills and labour shortages, as well as workers whose skills are out of date. We also have many working-age people who are not in employment. We need a constructive discussion and debate on the way forward, such as the one we are having this afternoon. The debate has not been partisan, but constructive and sensible, looking at the interests of our economy and our country.

The challenges for this Government, and any Government, and for businesses, organisations and communities are enormous. I had the privilege, opportunity and pleasure of working in the FE sector at Bexley College between 1997 and 2005, when I was out of Parliament. Bexley College was then under the dynamic leadership of the principal, Dr Jim Healy, who was forward looking, innovative and heavily involved with the local community and local businesses. Many colleges at that time were not as involved in the community and businesses as they should have been, but Dr Healy made sure that Bexley College was involved.

[*Sir David Evennett*]

The college has now merged with others and is part of the London South East Colleges Group, which is progressive and forward looking under the great leadership of the principal, Dr Sam Parrett CBE. She has transformed the college to meet the challenges and opportunities of our area, but I am afraid she is restrained by the funding issues we have heard about from Members across the Chamber. I was privileged to teach and to serve. I taught courses to women returners, the unemployed, business groups, young students and many people who wanted to upskill, advance their careers and jobs, or change career direction. I saw at first hand what an FE college can really do and what it can achieve for individuals, communities and businesses.

I regularly visit and support the London South East College's Erith campus. It offers an exciting and wide range of educational opportunities at different levels, including business and finance, computing, education and teacher training, health and social care, media, nursing, building development and many other courses. I believe in lifelong learning. We all spend our lives learning new skills and developing new opportunities. I always tell my grandchildren that when I left Parliament in 1997—not by choice, I have to say, but because of the election—we did not have mobile phones or computers. When I came back in 2005, it was quite a different world. I was fortunate to be able to learn the skills of how to use a mobile phone and computer at Bexley College, because as a member of staff I received some training.

I strongly welcome the Government's Lifelong Learning (Higher Education Fee Limits) Bill, which will increase opportunities to develop skills and knowledge at all stages of people's careers. I believe FE colleges are fundamental to the delivery of that.

I agree with the Association of Colleges, which reports that the UK faces a range of challenges that will require workers to upskill or retrain. As we have heard, colleges play a vital role developing the skills required in the future and addressing longer-term productivity problems, which we in this country are suffering from.

The CBI reports that nine in 10 people will need to reskill, in large or small measure, by 2030. Every year there are significant changes in our economy and society requires workers to gain new skills, so that they can not only add to their own career development but contribute to their communities and the economy.

We must not always be too negative. The only criticism I have of the debate is that we have not been as positive as we should have been about some of the things that the Government have been doing. They invested £1.34 billion in education and skills training for adults through the adult education budget in the 2022-23 academic year. The AEB funds skills provision up to level 3 for eligible adults aged 19 and over, to help them gain the skills they need for work. The Government are also investing £1.5 billion to upgrade the estate of FE colleges. I know that that is not enough, and that we would all like more, but I am afraid that is the world in which we live at this time.

Katherine Fletcher: Leyland loves engineering. It has been famous for making trucks for hundreds of years. As my right hon. Friend mentions, the Government have been

investing to help these legacy skills work for the 21st century. We have £3 million for a new Buttermere building at Runshaw College in Leyland for engineering, civil engineering and design T-levels. Does he agree that the future is bright as these skillsets hit the workforce?

Sir David Evennett: My hon. Friend makes a very good point. I welcome what she has told us: it is an exciting time. We are in an era of change and we should glory in that. She has raised an example of a college development in an area of the country that is looking to the future.

The Government have invested £286 million of capital funding in the financial years 2023-24 and 2024-25. I realise that we would all like much more per-student spending, but for 16 to 18 education, it is set to rise by 9% in real terms by 2024-25. In 2021, the Government allocated an extra £900 million in funding for adult education and apprenticeships. That is something else in which we should glory. We are creating more and more apprenticeships. We all know that our excellent Secretary of State for Education took an apprenticeship rather than going to university to start with, and then she subsequently went—and what a success she has been, and what a great job she and the Education team are doing! The Government's extra investment will boost colleges' capacity to train and upskill more and more students and improve facilities. It is not just the students that we have to think about, but the facilities, as my hon. Friend the Member for South Ribble (Katherine Fletcher) mentioned.

Of course, more needs to be done. I welcome what the Government are doing, but an increase in funding is necessary. Perhaps a three-year funding package is the answer, because that would help colleges and institutions to develop and know how much money they have to play with in the next couple of years. One-year funding is always difficult. We all know that from our own personal budgets. If we knew what we were going to get, things would be so much easier.

Recruitment and retention of FE lecturers remains a major challenge. Colleges such as our college in south-east London are dependent on skilled tradespeople and industry experts to teach their courses, but the salaries are not good enough to attract people in to do this work. The Institute for Fiscal Studies reports that 25% of college lecturers leave the profession after one year, compared with 15% of schoolteachers. I know that 15% of schoolteachers is too many, because we need good schoolteachers. We have good schoolteachers, but we must retain them. However, 25% in the college sector is a huge number, which is such a disappointment. The fact is that replacing them is a big issue; they are talented people.

We have heard that teachers earn much more than college lecturers. That cannot be right if we are looking at investing in young people and not-so-young people to develop their careers and be of real value to our economy. How can it be right that we do not offer a decent salary that is commensurate with what people can earn in a school? We have heard the figures. There is an £8,000 difference between schoolteachers and the average college lecturer, but college lecturers are also specialists. They are specialists in the field that we need—real life specialists. They are specialists in industry, in commerce and in veterinary skills, and we need those

people who have practical experience to be able to enthuse our young people post 16. Dr Parrett from my college said:

“Staff pay is constraining colleges from delivering both on government priorities (including T Levels, Higher Technical Qualifications and apprenticeships) and from meeting employer need and learner demands.”

Those are key points that we should take on board.

Of course our south-east London colleges have been impacted by the lack of investment in further education and the current FE workforce crisis. I have highlighted the fact that we are losing staff and that we need talented people, with experience outside academia in the practical skills that we want people to deliver and learn. I will not repeat the list of wants from the Association of Colleges, although there are a couple that we have heard repeated across the Chamber. Reclaiming VAT seems to be an essential part of what we are looking for, as well as increasing the prices. Everything is going up and yet colleges' funding rates are not going up in line with inflation.

That is a huge disadvantage if we want to encourage colleges to be innovative and to develop as fast as they can to meet the challenges of our economy and our society. My right hon. Friend the Minister, who has been a friend of mine for a long time and has always talked sense on education—on higher and further education—needs to be supported. We are trying to do that, and to encourage him to ask the Treasury to look at the very important points that we have all raised this afternoon.

Further education colleges work superbly and effectively in the community and make a huge difference. Mine covers the boroughs of Bexley, Bromley and Greenwich, and it is pivotal to the success of south-east London that we have colleges training the workforce that we need in those areas.

Dr Hudson: My right hon. Friend is making a passionate speech from his personal and professional perspective, having worked in the FE sector. On the equality of opportunity for our young people that FE colleges provide, we ask our young people to be in training or education until they are 18, but local authorities are not mandated to provide transport. In my constituency, I have had to campaign and put pressure on the local council to free up half a million pounds to provide bursaries for young people to get to their next stage of training. Does he agree that we should mandate local authorities to use central Government moneys to allow our young people to take their life decisions and go on to their next stage of training, as we are asking them to do?

Sir David Evennett: My hon. Friend makes a good point. That is something that colleges and local authorities should look at, because it is important that we should not restrict choice, but increase opportunity. The way to do that is to ensure that people can get to the college, that they can take the courses and that there are the staff there to teach them. It is a joint effort.

Paul Howell (Sedgefield) (Con): My right hon. Friend is making an excellent speech on the need for more funding and appropriate resources for the sector. I chair the all-party parliamentary group for “left behind” neighbourhoods, and one thing that has been raised in

respect of longer-term education is not necessarily getting the students to the colleges, but the colleges doing a bit more outreach, including by going to parish halls and other good, secure places. In Sedgefield, as in many constituencies, the local infrastructure for buses, trains and so on is particularly poor. We need to make this a push-and-pull equation to enable people to study.

Sir David Evennett: When I was lecturing we did go to various halls and other places, so we were in the community rather than making the community come to the college. That is very important.

I will close by saying that I hope my right hon. Friend the Minister will take on board the constructive comments we have all made this afternoon. My concerns have been highlighted, but we want to see a thriving FE college sector, and the Government's endeavours to reskill our workforce will only be successful if we use the colleges as one of the foundations of that.

5.8 pm

John McDonnell (Hayes and Harlington) (Lab): I thank the alliance between Wirral and Worcester for forging this debate. I must warn my hon. Friend the Member for Wirral West (Margaret Greenwood) that she is now linked up with the militant trade unionists; in the debate we had on BBC local radio stations, the hon. Member for Worcester (Mr Walker) was strongly in support of the industrial action by the National Union of Journalists, so, given some of the attitudes at the moment, I just want to express some caution. I say these things but then I realise that *Hansard* has no irony, so I need to point out that that was irony.

These estimates debates are useful in different ways. As we have heard, they enable individual MPs to come from their constituencies and report their own experience of what is happening, and that feeds into a general understanding of what is happening in the field overall. However—I take this point from the right hon. Member for Bexleyheath and Crayford (Sir David Evennett)—there is another role for such debates: where there is a recalcitrant Minister, they enable us to hold that Minister's feet to the flames, and where we have a co-operative Minister, as we do here, as the right hon. Gentleman said, they give us the opportunity to strengthen that Minister's negotiations with the Treasury.

There will be a King's Speech in the autumn, an autumn financial statement in the normal way, and a Budget next year. If we are honest with ourselves, the reality is that that will be a pre-election Budget. The Chancellor has an element of headroom to create, if not a Budget that will create an economic boom, then one that will spend more money to attempt to create a feel-good factor before the general election. Every Government do it, so we have to recognise that. There is a real window of opportunity for us to strengthen the Minister's hand in those negotiations with the Treasury, and to reap quite rich rewards for—in the discussion of wider economic issues—relatively small sums that could have such an impact.

We all come from our different experiences, as we have heard. I dropped out of education and was then a production worker for many years. I went to Burnley FE college and did my A-levels, and then I came down to do university degrees, including a master's degree and so on. That gave me an understanding of what a liberating experience education is. It also changes life

[John McDonnell]

chances, and that is what it did for me. I have been campaigning for a number of years to establish a national education service built, like the NHS, on the principle that it should be free from cradle to grave—from the early years through to school, college, university and lifelong learning. That is my ambition. We are nowhere near that at the moment, but I think there is still potential for it. We cannot go on in the way we are at the moment. That is why I want to do everything I can to support the Minister in those negotiations with the Treasury, and to arm him with the arguments that we have heard today about the scale of investment that we need.

I do not want to run through too many stats, and I will be very brief, but the reality is—we have to admit it—that education spending is below the OECD average. We are the 19th highest spender out of the 37 OECD members. I looked at the House of Commons Library figures, as others have done. They show that education fell as a percentage of GDP in every year from 2011-12 to 2018-19. That is the longest continuous decline in investment in education that we have seen.

Outside this House today were thousands of teachers—National Education Union members—demonstrating and marching. I joined them. They were protesting about pay, but—this is why I commend them—it was also about ensuring that there is proper funding for education overall. It was a twin demand on their part: their dispute is about pay but, as importantly, it is also about ensuring that education is properly funded.

Owing to my interest in FE, naturally I want to advocate for FE. My hon. Friends the Members for Wirral West and for Stretford and Urmston (Andrew Western) referred to the IFS figures, including the £6,800 spending per 16 to 18 student, which is lower than spending per pupil in secondary schools. I think one of my hon. Friends made the point about college and sixth form funding being only 11% or 12% greater than that of primary schools, having been two times greater in the early 1990s.

I will drill down a bit further into the figures. Total spending on adult skills—for those aged 19-plus—is set to increase by 22% between 2019-20 and 2024-25, and I welcome that, but the Minister should be saying to the Treasury, “That reverses only a fraction of past cuts.” Total spending on adult skills in 2024-25 will still be 22% below 2009-10 levels. The Treasury must listen to this argument if we are going to have—as others have said—the skilled workforce that we desperately need in a 21st century economy.

The IFS stated:

“Spending on classroom-based adult education has fallen especially sharply, and will still be 40% below 2009-10 levels even with the additional funding.”

The argument is irrefutable and I hope that the Minister does steam in, with cross-party backing for increased investment overall. As the Library briefing mentions, the IFS also stated:

“Spending on adult education is nearly two-thirds lower in real terms than in 2003-04 and about 50% lower than in 2009-10. This fall was mainly driven by the removal of public funding from some courses and”—

as my hon. Friend the Member for Stretford and Urmston said—

“a resultant drop in learner numbers” overall.

The Library states:

“Since 2011/12, the number of learners on classroom-based education and training has fallen by 42%”,

and “community learning”—let us think about that in a diverse community such as mine—has dropped “by 55%”. The National Audit Office report published in September 2020 detailed how

“the financial health of the college sector remains fragile”,

as we have heard today. This is not only about funding constraints; it is about uncertainty relating to the resourcing to meet future challenges.

Pay was mentioned by the right hon. Member for Bexleyheath and Crayford. The IFS warned—exactly as he said—that below-inflation pay settlements for college staff mean that the level of pay is not a fair reward for the skills of those educators, and that that exacerbates “recruitment and retention difficulties” in colleges. The problems are everywhere—this is national. There is not a college without problems in recruiting, and that is happening because the qualified educators that we need literally cannot afford to work in the colleges, because it does not sustain them.

Mr Perkins: Does my right hon. Friend agree that the recruitment problems in further education are seen not only in all the vacancies, but in the fact that further education colleges are not even running a huge number of courses? They say, “We know that we won’t be able to find the lecturers and we can’t run this profitably, so we’re no longer going to put the course on.” There is therefore not a vacancy there, but a denial of opportunity to young students.

John McDonnell: I do not want to keep quoting the right hon. Member for Bexleyheath and Crayford, because it becomes embarrassing after a bit, but that was exactly his point, and I think my hon. Friend the Member for Stretford and Urmston said this, too. Without those staff, colleges will simply withdraw the course because they cannot get the qualified staff. That relates to investment, as well as to pay. One point that has been raised with me in my discussions with educators is that this also relates to the conditions of employment and to its precarious nature. If investment is not guaranteed for those courses, we get into a situation where some staff are on temporary contracts, and that cannot be right for the sector. We are dealing with people who have spent large parts of their lives gaining the qualifications that enable them to pass on that education to others.

Lia Nici (Great Grimsby) (Con): Does the right hon. Member not agree that the reason that people may make other choices, including, perhaps to go back into industry, is that we have a shortage of skilled people to go into those jobs, and that employers are paying a lot more than they used to to secure these kinds of people?

John McDonnell: That is a really good point, and I think that is right: we have to pay the going rate. At the moment, the going rate is not being paid in colleges, because the colleges do not have the funding that they need to do that. We will be caught in that vicious circle unless we ensure that there is adequate, decent pay within the sector.

Apprenticeships have been mentioned. In real terms, the figures for 2021-22 show that the level of apprenticeship funding was 11% below the peak in 2009-2010.

I cannot be on my feet without mentioning university funding, I am afraid, because it is one of the things that I have been lobbied on extensively. To be frank, the state has all but withdrawn from funding university education. Government funding for university teaching is now 70% below what it was a decade ago, and if we compare our spending on tertiary education with other advanced countries, we see that we are now bottom of the league. It is shocking: we put in less public investment than every single one of the other 38 OECD countries. To cite some figures, Government spending on tertiary education in the UK is equivalent to just 0.5% of GDP. In France, that figure is 1.1%; in Germany, it is just over 1%; and in the US, it is 0.9%. The average across the G20 countries is 0.9%. We are falling behind in this key sector because of that lack of investment.

I want to make another point that has been made to me continuously: the one area of funding in UK higher education that does not seem to have dried up is the pay of university vice-chancellors. Every single vice-chancellor of a Russell Group university is paid more than the Prime Minister. In 2021-22, the vice-chancellor of Imperial College London received £714,000. That cannot be right, and it builds resentment when we have low pay and a casualised workforce elsewhere—to be frank, that differentiation is just abusive. At the moment, we are in a dispute in London regarding the low pay of security guards and other facility staff at universities, simply to get them paid a living wage. That cannot be right.

There are other issues I would raise, but I do not want to delay the House. We have had an excellent debate today about the future of our economy and the skills that we need, but to achieve those skills, we need investment in the education itself. We have heard about capital investment, and I am pleased by some of the additional investment, despite the huge backlog. However, if we are going to deliver on that aim, the key ingredient is the staff. Unless we get the investment to ensure that we recruit the appropriate staff with the right qualifications—and not just recruit them, but retain them—we will not achieve what we want to achieve in terms of developing a 21st-century economy, particularly with the challenges of artificial intelligence, new technology, and everything involved in the fourth industrial revolution.

I say to the Minister that whatever support he needs in those negotiations with the Treasury, he has got it on a cross-party basis. Let us make this one of the key issues for the autumn statement and next year's Budget. If there is anything we can do to help him, either publicly or privately, please let us know.

5.22 pm

Dame Andrea Leadsom (South Northamptonshire) (Con): I congratulate the Minister for Skills, Apprenticeships and Higher Education, my right hon. Friend the Member for Harlow (Robert Halfon) on his contribution to the amazing revolution in apprenticeships that has taken place under consecutive Conservative Governments since 2010. That ambition has really come to fruition, and the number and variety of different opportunities for young people is amazing. It is a shame that Opposition Members

do not recognise that, because the ambition of Conservative Governments has been far greater than that of the Opposition parties.

Since becoming an MP in 2010, my experience has been to have an apprentice every year from one of the schools in my constituency. I am now on apprentice 14; they have all been fantastic, and almost all of them are now working for colleagues across the green Benches here in Parliament, or as special advisers for Ministers. If any Members who are in the Chamber or are listening on their television are interested in a parliamentary apprenticeship, I really recommend it. It is a fantastic opportunity for a school leaver in your area—fantastic for them, and fantastic for you as the Member of Parliament. As I say, it has been a real career path for many of those apprentices.

However, what I really want to talk about today—just very briefly—is the early years workforce. As my right hon. Friend the Minister knows, for many years, I have championed giving every baby the best start for life. With the huge support of both this Prime Minister and previous Prime Ministers, we have been successful in rolling out the family hubs and the best start for life vision across England, and we are now well into the implementation phase. As part of that, the family hubs and best start for life programme are providing £10 million for pilots of a multidisciplinary early years workforce.

We know—and I think there is cross-party agreement about this fact—that we need to put far more support into giving every baby the best start for life. Families—from pregnant people all the way through to new parents and carers of babies and toddlers, and right up to school level—have to come to terms with this new arrival in their life, with all the challenges that brings. They have to try to find their way around antenatal classes, mental health concerns, parent-infant relationship problems, breastfeeding and infant feeding. There are all the challenges they have with finding childcare and getting back to work, and all the decisions they have to make about whether to go for a nursery or a childminder, and so on.

We have a shortage of health visitors and midwives are under pressure, but in the early years space there are actually so many people who would love to get more involved and have a real career path in the early years workforce. We see so many fantastic volunteers, who work on a voluntary basis for Home-Start, grandparent drop-in groups, or stay and play groups. There are the people working in the charity sector as community champions, who bring people into family hubs to help them find their way around early years services, and act as navigators to advise people struggling with mental health, smoking cessation, debt advice, couple counselling and all the myriad problems that face new parents in our country.

As we embark on the roll-out of the family hubs and start for life programme, it seems to me that there is a lot more we could do to upskill the early years workforce for people who are currently volunteering. Indeed, people who are currently pregnant may be thinking, “Well, do you know what, I used to work in Tesco, but now as a new mum I'd actually quite like to go and work in a nursery, and perhaps have my baby in that nursery and be able to work with my baby alongside me, or I'd like to go and work in a family hub and I'd like to be a mental health first aider or a breastfeeding adviser.” Some of those roles do exist, but in large part they do not.

[*Dame Andrea Leadsom*]

I really do think this is a subject whose time has come. I know the Opposition are also very keen to see much more support provided to help families give their baby the best start for life. So I urge my right hon. Friend the Minister to look very carefully at what roles there are and what sort of career paths there are for people wanting to get much more involved in the early years space, and to look at how Government can support their ambitions to see every baby get the best start, while also upskilling the crucial early years workforce.

I understand that there are some 300,000 people working in the early years space right now. With our changes in childcare allowances and provision for families, which is absolutely the right thing to do, there will be the need for many more nursery workers and people associated with the care of young children, including childminders or those giving kinship care. Upskilling and providing those people with the right resources and qualifications they need is going to be a very big priority in the immediate future and in the longer term. I also believe it will give many young people a really satisfying career path for the future.

Paul Howell: For childcare, as for many sectors, this is obviously about attracting other people into the sector. I sometimes think we could get the vocabulary better when we are trying to go out and reach people, and instead of talking about basic skills, we could talk about essential skills and just be upselling the whole thing. These skills can be things such as resilience or teamwork, and these are the areas that people who have been at home and who have not got out much into the community would really value, and they would feel better if they were going into a different type of employment. I think this applies to the childcare sector as well as to many others.

Dame Andrea Leadsom: I completely agree with my hon. Friend that the prestige of working in early years, and indeed childcare, has sometimes not been what it should be. In any society, our babies are the future—quite literally—and everything we can do to help them to get the best start is absolutely essential. Often, the role is seen as fairly lowly, but trying to steer, nurture and empathise with tiny children and to help them learn to play nicely, pay attention, come when they are called and perhaps start reading are among the most crucial roles.

The same is true of supporting families, who often struggle. You do not have to be a special person to become a parent, but when you do become one, you are a special person to your baby. Parents are often crying out for a bit of help because they feel jittery, they do not feel confident or they do not have at their fingertips the information they need.

There is so much that we can do, and our skills revolution really should focus on creating valued, proper career paths and a proper ambition to have a career in the early years workforce. I therefore hope that my right hon. Friend the Minister will look closely at the early years workforce pilots that are starting in the very near future.

5.30 pm

Lia Nici (Great Grimsby) (Con): I have worked in the further education sector for 22 years—I hear the Minister's inner voice saying, "No! Surely that means my hon.

Friend started teaching in FE when she was still at primary school," but unfortunately that is not the case—so I have a lot of experience of the absolutely glorious things that further education can do, but I have also seen it warts and all.

People seem to forget that the further education sector, alongside schools, interacts with more members of the public than any other sector. Adult education, community education, 16 to 19, apprenticeships and higher education are all provided for within the further education sector. Even when I was learning to be a lecturer and doing teacher training all those years ago, the sector was called the Cinderella sector. It has always been acknowledged that it has done a lot of the heavy lifting from an educational perspective, but it has rarely been given the same funding as schools and, in particular, universities. The university sector does a wonderful job, but a university lecturer will generally deliver about half as many hours of actual contact time in a year as a further education lecturer.

The teams do a fantastic and very varied job, but I have heard a lot about how we need more funding, and of course every sector will always ask for more funding. I am pleased the Department for Education is increasing funding into all the sectors mentioned, but we do have a particular issue, as many Members of the House have said, about how much salary we are able to pay people coming into teaching, or taking part in teaching, and to technicians, assistants or whatever it might be in the further education sector. We might want to attract engineering lecturers, for instance, but someone would have to be crazy, or have a private income that meant they could just work as a hobby, to even look at doing an engineering teaching job if it did not start at £55,000 a year at least. That is because they could go and work anywhere else and start at that salary or a lot more.

That is a perennial problem in the industry, and I would like the Government to look at it. I understand that the issue really is challenging in the current climate, but if we do not start to look at it, we will end up with an ever-increasing problem. We already have skills shortages, ergo, in five, 10, 15 or 20 years' time, not only will even fewer people want to go into further education but even fewer will have the skills and industry experience to do so. As a country, we really have to take this issue seriously in order to see where we are going.

Mr Robin Walker: My hon. Friend is making an excellent speech, as I knew she would given her experience in the sector. We see this particular challenge in engineering, maths and physics. Does she agree that the Prime Minister's aspiration of getting everyone doing maths until 18 is exciting in that context, but that it requires supporting the workforce in our FE colleges to deliver it? We need that breadth of teaching of mathematics, alongside other key skills.

Lia Nici: I thank my hon. Friend for his expertise, and he is absolutely right. However, many students when I was teaching struggled with their maths GCSE. They struggled with their basic skills and functional skills in numeracy. There was still a fairy tale, seemingly, that if someone had studied mathematics for 11 years in school and failed their GCSE, magically the further education sector—everybody seems to think it can do everything magically and often it does—in less than one

year can produce a grade C or above, or a grade 4 or 5 and above, as the grades are now. There was this idea that someone who had failed at maths, hated maths and was scared about it could study for nine months part-time—maybe for one hour a week—in their college and would suddenly and magically have a maths GCSE. That is not the reality.

When I was head of department, all the mathematics we used to teach was applied, and further education has still not been able to do that across the board. That is often because we cannot find people who can teach maths confidently. Certainly we find it difficult to find people who can teach functional skills, numeracy or maths that is applied to the industry for which the students are coming to study. We have some real problems. For instance, I taught a group of level 2 media students once. I said to them, “I am giving you a tape measure, and I want you to go into the studio. We are going to calculate the square metreage of the studio so that we can do a lighting plan.” The students went off and within a minute they came back. They said, “Lia, we are having a problem here.” I said, “Why?” They said, “Because the tape measure is not long enough.” Think about that for a moment. Those students did not think that perhaps they had to measure it multiple times with one tape measure. Those are the basic skills we are talking about. I had to go into the studio and talk about it. That is the level we are at.

Schools are struggling to recruit maths teachers. I love the aspiration that everyone can be better at maths through to 18, but I always have the analogy of saying, “If you do not feel you are good at maths, equate that to something that you really don’t like”, because a lot of people have a fear of maths, or have been told over years, “You are not good enough at it”, so it becomes a self-fulfilling prophecy. I say to people, “Do you like horses?” They say, “No, I’m scared of horses.” I say, “Okay, so you’re scared of horses and horse-riding. You’ve never wanted to do it, or when you’ve tried it, you’ve hated it, or you’ve fallen off or you’ve never dared to get on. Tomorrow, I will make you go to a horse and get on it. You are going to have to ride it for an hour every week for nine months, but boy, you will be an Olympic showjumper by the end of it.” We need to think about how we will do these things, because we know as a country that we are a potential powerhouse in so many areas, but we have to think with common sense about how we will overcome some of the difficulties that we have.

Mrs Drummond: My hon. Friend is making an excellent point, because Britain is an outlier in not doing maths to 18. Other countries must be able to do it, so we should look around the world to see how they are achieving it. We need to go from primary school straight up to the age of 18 and work out a proper syllabus that everyone can access.

Lia Nici: My hon. Friend is absolutely right. As we have been able to do with phonics and literacy-based subjects, where we have moved ahead quickly, we need that thinking from primary school age and all the way up. As wonderful as further education is—I know that it is—it cannot repair all the structural issues to do with maths within that year or two years of study. We all want that to happen, but we have got to think sensibly about how it will happen, because people who are Prime Minister and have been Chancellor find maths very easy, but perhaps the rest of us do not.

From a further education perspective, Grimsby Institute, where I worked for many years, is a fantastic college that works really hard with industry. It was a grade 1 “outstanding” college for many years and is currently grade 2. I know how hard the staff work and thank Ann Hardy, the chief executive officer, and her team for looking at new ways of doing things and innovating.

I also thank Peter Kennedy and his team at Franklin College, which is our sixth-form college. The week before last, I went to see “The Bridge”, a new facility that it has opened to recreate corporate ways of working so that its 16 to 19-year-olds and adult learners—and its staff—can work in a corporate, modern environment, preparing them for work. Franklin College has done all its renovations and new build without grant help; it has done that with really good financial management. That is really worth celebrating and shows how outstanding leadership and management can do great things in the community.

I say to the Minister that we know how fantastic further education is, and he knows that, but it cannot do everything, so we need to start thinking about how we can do things more creatively and more flexibly. As my hon. Friend the Member for Sedgefield (Paul Howell) mentioned, we know that many colleges go out and deliver in the community. Many years ago, Grimsby Institute worked on blended learning, making sure that there was online provision and that it was going out in the community. We need to think differently in the environment we find ourselves in, with more vacancies than people available for the work, skills mismatches and a lack of skills in areas that we need to move forward.

Absolutely, apprenticeships can be the answer, but, with respect, they may be a little too complicated at the moment, and standards can often restrain our ambition. We know that we need standards, but my concern is that while large companies can become involved with apprenticeships, what about our sole traders and small and medium-sized enterprises? They really are the lifeblood of our businesses and industries, but it is a real challenge for them to take on apprentices with that right support. We do need to look at that.

I have concerns about some areas of T-levels. The aspiration for high quality is good, but while T-levels came out of the Sainsbury review of 2016, which was looking at parity between vocational and academic routes, I do not believe that they have parity with A-levels. That is not because people might think, “Academic is better.” No, actually T-levels are perhaps more demanding than A-levels in many ways. When an “academic student” goes to study A-levels, they can choose two, three or four subjects, plus work experience, a work placement or employment, so when they have finished their A-levels, they can go to university, get an apprenticeship or go and work—they have all those options at hand.

However, for T-levels, similar to national diplomas, students have to decide, for example, that they want to work in the health and social care industry, and have to study that with an employer. But what happens at the end if they discover that it is not what they want to do, or they feel that they are better at something else? If T-levels or something similar were smaller and modular, with a similar amount of guided learning hours to A-levels, a vocational student could do health and social care, travel and tourism, and digital media, and

[Lia Nici]

they could go and do some work experience as well. They could still build a T-level, but it would be multifaceted and very enjoyable. It would give vocational students much more choice about where they go from there, rather than just studying their health and social care level 3 T-level and that is it. They would then have to spend money later in life to do something else to go into another industry. I would like the Minister and his team to think about something like that.

The further education sector has always been the Cinderella of education but, along with schools, it is the kingpin to ensuring that this country can continue to be a powerhouse in future. I thank everyone in the further education sector, no matter what job they do—whether the cleaner or all the way through to the chief executive, and everyone in between. I thank them and appreciate their work, and I look forward to seeing colleagues again in the future.

5.46 pm

Peter Aldous (Waveney) (Con): I congratulate the hon. Member for Wirral West (Margaret Greenwood) and my hon. Friend the Member for Worcester (Mr Walker) on their efforts in securing the debate, and my hon. Friend on his work chairing the Education Committee, in particular for the publication in April of the Committee's report "The future of post-16 qualifications", which in many respects is the cornerstone of the compelling case for change to the way that post-16 education is provided in the UK.

Further education in its many forms—whether full-time in college, on day release, in the evening or through an apprenticeship—is the bridge between school and the workplace. It enables people from all backgrounds to realise their full potential and achieve their ambitions. It is also the means through which Great Britain plc can operate as an efficient economy, with increased output, improved profitability for businesses large and small, and high economic growth. Further education is the route to removing what is becoming the 21st century British disease of low productivity. To perform that role, FE and colleges must be fairly funded and their courses properly structured. At present, they are not, although my hon. Friend and his Committee have shown us how to remove the many obstacles they face.

My interest is as an MP serving a coastal constituency where there are exciting opportunities emerging in such sectors as renewable energy, sustainable fishing, and maritime and ports. East Coast College, with its campuses in Lowestoft and Yarmouth, is doing great work in preparing people for those exciting careers. However, despite significant investment by the college and Government in new facilities, such as the Energy Skills Centre in Lowestoft and the Eastern Civil Engineering Construction Campus in Lound, it feels that it is operating with one arm behind its back.

The FE sector is facing significant challenges. The number of 16 and 17-year-olds is rising rapidly as a result of the population boom moving through the education system. Many young people have been severely disadvantaged by covid and the ensuing lost years of learning. Colleges are helping to support them, ensuring that they catch up and assisting them in making the right education decisions and career choices. Colleges

and sixth forms, like everyone else, are facing rising costs as a result of rising levels of inflation. There is also, as we have heard, a workforce crisis. Without further investment, there will be no staff to deliver the skills that our economy so desperately needs. It is important to emphasise the vital role that colleges perform in delivering the economy's future skills needs.

On the East Anglian coast, significant opportunities are emerging in renewable energy, with the transition to a zero-carbon economy. Over half of the nation's UK offshore wind fleet is anchored off the Suffolk and Norfolk coast. Sizewell C will be one of the largest construction projects in the world. There is enormous potential for retrofitting, for hydrogen and carbon capture, and for the oil and gas infrastructure, both in the southern North sea and running through East Anglia to serve much of the UK.

East Coast College is doing great work in training, upskilling and providing careers advice. The scale of the opportunity is both enormous and exciting, but the college needs the revenue and resources to rise to the challenge. It also faces a similar dilemma in the NHS and social care sector, where it works closely with the James Paget University Hospital at Gorleston and other care providers in the north-east Suffolk and south-east Norfolk area.

The case for investment in colleges and FE is compelling. Despite recent uplifts, FE funding compares unfavourably with both the university and school sectors. That was confirmed by the IFS in its 2022 annual report on education. It highlighted both larger cuts than other areas after 2010 and no extra funding announced in the 2022 autumn statement. At a time when we are rightly promoting lifelong learning, it is concerning that participation in adult education has fallen at all qualification levels, particularly among those who are worse off.

Colleges are facing extreme challenges in the recruitment and retention of staff, which are exacerbated by funding rates rising by less than 3%. Further education colleges are facing their worst staffing crisis for two decades and they are increasingly constrained from delivering much-needed courses as the pay they are able to offer their staff is way below that which they can earn in industry and in schools. Colleges, I am afraid, are losing staff because they cannot match the pay in those other sectors. There is an ever-widening pay gap with those industries where skills shortages are at their worst: construction, engineering, digital and care.

The college workforce crisis is impacting on the Government's delivery of key policy priorities, including the roll-out of T-levels and higher technical qualifications. This will ultimately result in growing skills gaps, impacting on our nation's productivity, efforts to address regional inequalities and the transition to a low-carbon economy. This will leave people in poorly paid, insecure work.

At East Coast College for over a year there have been vacancies in the engineering, electrical and science teaching teams, where there is an urgent need for staff and new recruits. This means the college has had to restrict teaching where businesses urgently need staff, such as for plumbing and electrician apprentices. The college has also been unable to recruit civil engineering teachers for T-levels. Those vacancies are putting enormous pressure on existing staff who in turn, as matters stand, will be looking at minimal pay increases, with their wages comparing very poorly, as we have heard, with other similar local sectors. If the situation is not addressed,

with more funding provided, the crisis will get even worse, and at a time when the FE sector has such a vital role to play.

I chair the all-party parliamentary group on further education and lifelong learning, whose secretariat is provided by the Association of Colleges. It has a straightforward five-point plan to address the crisis, which my hon. Friend for Worcester set out and which I will re-emphasise. First, the 2023-24 funding rates must be raised in line with inflation, in recognition of the fact that prices are significantly higher than they were when the three-year budgets were set in October 2021. That would cost £400 million and is in line with what many of us campaigned for ahead of the spring Budget. Secondly, as we have heard, there are clear advantages in allowing colleges to reclaim VAT. Thirdly, we need to ensure that 50% of the apprenticeship levy is spent on apprentices at levels 2 and 3, below the age of 25. Fourthly, we need to provide a larger skills fund to support skills in high-priority areas such as low-carbon energy and healthcare, both of which East Coast College has prioritised. Finally, the Department for Education should collate evidence on college pay, similar to that which it provides for the School Teachers' Review Body.

I look around and see gaps everywhere, not just gaps on these Benches, but alarming gaps in our economic and education systems; gaps that are ever widening—skills gaps, pay gaps, productivity gaps. We must eliminate these gaps as quickly as possible. It is clear from today's debate that we are united behind, dare I say it, our champion, my right hon. Friend the Minister, in seeking to secure the funding that will be the first step that is needed in this vitally important work, so that Cinderella really can go to the ball.

5.56 pm

Jane Hunt (Loughborough) (Con): I thank the Chair of the Education Committee, my hon. Friend the Member for Worcester (Mr Walker), and the hon. Member for Wirral West (Margaret Greenwood) for initiating this useful debate.

Further education colleges have a wealth of experience in delivering learning, training and qualifications in their local communities, and that includes the fantastic Loughborough College in my constituency. They have a unique understanding of the skills gap through their relationship with businesses, industry and other local stakeholders, which enables them to adapt the courses they offer to help to skill young people, as well as upskilling and reskilling workers to meet the needs of the local economy in real time and prepare for the challenges of tomorrow. That makes them essential to our local communities and crucial to economic growth.

The country should make much more of, in particular, the flexibility of FE colleges to tailor the skills and training made available to meet local need, although we have already done that to some extent through the Skills and Post-16 Education Act 2022. Let me give an example involving Loughborough College. Not long ago, a business was thinking of coming to the area, but needed a workforce that was skilled in a certain way. I contacted the principal of Loughborough College by email, and she came back to me within about 10 minutes, having already contacted the business and reached an agreement on what they would do. Such flexibility and deliverability

of that kind are available to the whole town of Loughborough and the local area because of what the FE college can deliver.

As the co-chair of the all-party parliamentary group on T-levels, I am also immensely proud of the fact that at the heart of Loughborough College is one of the first T-level centres built with town deal funding. The college will have an institute of technology, which it will be building along with Loughborough University, the Derby College Group and Derby University. The Minister, very kindly, officially opened the centre, and broke ground at the IOT not long ago. All those developments have been brought together by a phenomenal staffing team, and an equally phenomenal principal and chief executive, Jo Maher. I have named her because I want to thank her very much: she has done an enormous amount for people in Loughborough, and has achieved a huge amount in a very short space of time. She is moving on, but thankfully she is staying in Loughborough to become the university's pro vice-chancellor for sport—and it doesn't get much better than being in charge of sport at Loughborough University, let's put it that way. She has achieved an amazing thing, along with all her staff, the governors and others. It is an amazingly proud moment for the town. The college has everything from T-level engineering to courses on health and social care and training for electricians and nursery staff. There are people who are going to make fantastic emergency service workers, prison officers and so on. It is a wonderful draw for the whole region to get those skills into the area.

For FE colleges to continue to deliver much-needed skills education, we must ensure that they are placed on a sustainable footing by addressing their historic levels of underfunding. Despite recent uplifts, FE college funding compares unfavourably with funding for universities and schools. As colleges spend 67% of their income on staff, current budgets are having a detrimental effect on recruitment.

Many colleges are being constrained in their ability to provide training at the level necessary to address skills shortages, because they cannot offer salaries competitive enough to attract the right people, who can earn far more in industry and even in schools. To reinforce that point, the Association of Colleges has informed me that, on average, teachers in schools are paid over £8,000 more than college lecturers, despite many college lecturers being more specialised and bringing real-life industry experience to their roles. That concern has also been raised with me locally. Salaries in the private sector are used to attract people with skills and knowledge; the same should be true in FE colleges.

Alongside the issue of additional funding in these areas, Loughborough College has highlighted to me that despite now being considered essentially to be public bodies by HM Treasury, colleges are not able to reclaim VAT as the vast majority of public bodies do. I have been told that this tax currently uses up 3% of a college's income. The money voted for by Parliament for 16 to 19 education in a wide variety of key sectors is being taxed, which is disproportionately affecting those from disadvantaged backgrounds, who make up the majority of those attending college. It is compounded by the fact that, following ONS reclassification, an immediate block on commercial borrowing was placed on colleges.

[Jane Hunt]

That has left colleges stuck between a rock and a hard place: unable to receive private funding, as they are considered to be a public body, but having to pay VAT as if they were a private entity. It is therefore important that due consideration is given to including colleges in the VAT refund scheme. That simple change would go a long way towards helping colleges to provide the high-quality skills training that our economy needs.

Mr Robin Walker: In these debates, we have heard a lot about parity. Does my hon. Friend agree that now that there is greater flexibility, the Government should look across the education sector and ensure that early years settings, colleges and others are given parity with schools in their treatment for VAT purposes?

Jane Hunt: I absolutely agree. I thank my hon. Friend for his intervention.

FE colleges such as Loughborough College are our greatest asset in local communities and the best conduit for social mobility. Let us reform the sector for the future, so that they have the tools and resources in place to make the difference to the lives of their students and to the businesses where they will go on to work. I want to put it in a positive rather than a negative way: yes, we need to look at the money and look at the VAT, but there is such fantastic resource within FE colleges. It is all there to be had. Let us do that, and let us help them.

Madam Deputy Speaker (Dame Eleanor Laing): I call the shadow Minister.

6.3 pm

Mr Toby Perkins (Chesterfield) (Lab): It is a tremendous pleasure to respond to this excellent debate. I thank my hon. Friend the Member for Wirral West (Margaret Greenwood) and the hon. Member for Worcester (Mr Walker) for securing it. They have both announced that they will not return to this place after the next election; they will both be a tremendous loss, especially given the contribution that they both make to our debates on education and their passion for the subject. I take this opportunity to thank them both for the contribution to the sector that they make in this place. I also congratulate the hon. Member for Worcester on his Committee's report, which precipitated this debate and has been tremendously welcome.

This has been an important debate about an area the Government have consistently underfunded, which has contributed, as the right hon. Member for Aldridge-Brownhills (Wendy Morton) said, to the staff and skills crises that employers raise with Members every week of the year.

I will reflect on a few of today's contributions. My hon. Friend the Member for Wirral West spoke about the economic benefits of adult education, which helps people to engage in education before often moving into the world of work. The hon. Member for Worcester, referring to adult education being a Cinderella service, said that Cinderella went on to marry a prince, but I remind him that Cinderella is a fairy tale. He was not in the mood to listen to any fairy tales today, speaking powerfully about the many measures outlined in his

report and his disappointment that the Government have not engaged more willingly on some of the recommendations on funding cuts. We entirely agree that there should be a moratorium on defunding BTECs, and he made a powerful point on the importance of careers guidance in opening opportunities, particularly to people from more deprived communities.

The hon. Member for Loughborough (Jane Hunt) spoke about an excellent college that I recently had the great pleasure of visiting with my colleague Jeevun Sandher. The college's responsiveness when the hon. Lady got in touch says everything about the specific role our further education sector plays and about the passion of people within the sector for ensuring that they are linked to the local community, to the local business community and to employers, and for ensuring they make a real difference.

Few areas of Government spending more directly explain Britain's sluggish growth figures than our failure on skills, on which the hon. Member for Waveney (Peter Aldous) reflected a moment ago. My hon. Friend the Member for Sheffield, Brightside and Hillsborough (Gill Furniss) said the savage cuts inflicted on colleges and adult education over the past 13 years have had an adverse impact on life chances and on our wider economy. From 2010 to 2019, the further education budget was cut by a third in real terms and adult education funding was cut by almost half, as my right hon. Friend the Member for Hayes and Harlington (John McDonnell) said.

The collapse in public funding for our FE sector has had many disastrous consequences. My hon. Friend the Member for Stockport (Navendu Mishra) and the hon. Member for Twickenham (Munira Wilson) spoke about the fact that college lecturers are now on £8,000 a year less in real terms than their equivalent salary in 2010. Years of pay freezes, redundancies and non-replacement of lecturers have seen as much as 80% of the FE workforce leave.

We heard excellent speeches from the hon. Member for Great Grimsby (Lia Nici) and the right hon. Member for Bexleyheath and Crayford (Sir David Evennett), who both spoke of their experience in the sector. They got out in time not to have the £8,000 a year pay cut they would have had if they stayed. The hon. Lady's call for further education salaries to be taken seriously was powerful. These salaries often mean that colleges cannot put on courses for which there is demand because they cannot recruit people to teach them, as the hon. Members for Eastbourne (Caroline Ansell) and for Loughborough said. David Hughes of the Association of Colleges has said:

"The past 12 years have witnessed a decimation in funding for education and skills for 16 to 18-year-olds... There are now insufficient places available and those which remain are inadequately funded."

Alongside the exodus from the further education profession, there is profound difficulty in finding courses of real importance to our economy in many areas. My hon. Friend the Member for Stretford and Urmston (Andrew Western) reflected on the fact that care apprenticeships are no longer being offered at Trafford College. The collapse in public funding has been mirrored by and has partially caused a reduction in the amount employers are spending on training their workforce. Research by the Learning and Work Institute found

that employer investment in training their staff is now 28% lower than it was in 2005. So 13 years into what the Government say is a “revolution” that places employers “at the heart” of our skills system, our employers are spending less on training their staff now than they were 13 years ago and fewer courses are available. The Government seem unable to make the changes that they are constantly told we need.

It is not just in the underfunding that our young people, learners and employers have been let down. An incoming Labour Government will offer the reforms that many employers and providers have been crying out for. My hon. Friend reflected on Labour’s plans to reform the apprenticeship levy into a growth and skills levy that is more flexible and will allow some of it to be spent on other, more modular courses. So many organisations have called for that; Kate Shoemith, the deputy chief executive of the Recruitment and Employment Confederation, said at the time of the last Budget:

“Offering flexible skills training, by reforming the Apprenticeship Levy, is long overdue.”

As we well as discussing boosting apprenticeships, the hon. Member for Great Grimsby spoke about the difficulty of the bureaucracy that many small and medium-sized enterprises encounter and the fall that we have seen in level 2 and 3 apprenticeships. As well as allowing employers to utilise their funds to help people back into work, it is important that the Government also get it right on qualifications. We heard from the hon. Member for Worcester about the Government’s review of BTECs, which is tremendously important. The Labour party supports T-levels, recognising that they are a qualification in evolution. Their purpose has changed before our eyes since they have been in place, but there have been issues with implementation, as the hon. and learned Member for Eddisbury (Edward Timpson) said. The primary role at the centre of that qualification of the passing of a single exam, as opposed to the more modular forms of study and assessment available in some of the other advanced general qualifications, means people are missing out on something that has proved transformational for many students. That is why I repeat that Labour will pause the disastrous approach the Government are hellbent on pursuing of defunding level 3 courses.

It is worth recalling the role that the dysfunction at the heart of the Government has played in the approach they are taking. The right hon. Member for Chichester (Gillian Keegan) was the Skills Minister who set England on the path to an all T-level world. She then disappeared into other Departments, while the right hon. Member for Stratford-on-Avon (Nadhim Zahawi) headed up a consultation on the Government’s approach, where a staggering 86% of respondents—skills professionals, employers, learners and their families—were opposed to their plans. That 86% is not a small minority—it is the kind of overwhelming response that we normally see only on a Liberal Democrat “Focus” leaflet. When the Government say that 86% of people are opposed to their plans, that needs to be taken seriously. The right hon. Gentleman did all he could do and announced that the Government would be removing only a small number of courses, and the sector breathed a huge sigh of relief. He was then promoted and we had the two-day reign of the right hon. Member for Chippenham (Michelle Donelan). She was followed by the right hon. Member for Braintree (James Cleverly), who was then

followed by the right hon. Member for North West Hampshire (Kit Malthouse). Finally, exhausted DFE officials provided briefing to their sixth Secretary of State in just over a year, the right hon. Member for Chichester, who returned as Secretary of State for Education.

Whether the outcome of the original level 3 consultation had gone missing somewhere between briefing Secretary of State No. 3 and briefing Secretary of State No. 6, I do not know, but what we do know is that, Bobby Ewing-like, the previous year had not happened and suddenly we were back to the disastrous approach that 86% of consultees had warned the Government against. We believe there is a real need for skills policy to be aligned with regional economic policy and to be evidence based. Unlike the current Government, we will ensure a joined-up approach, with a new body, Skills England, to co-ordinate the framework.

For too long this short-sighted approach has held back the ambitions of our people and our economy, but we all hope those days are nearly behind us. Finally, this exhausted Government can be put out of their misery and the Conservative party can have a period of quiet—or maybe not so quiet—reflection, during which it can consider what kind of a party it wishes to be.

And then it will be time for a Labour Government that recognise the importance of a joined-up skills system, encourage employers to invest in their staff, ease the bureaucratic burdens that shut small and medium-sized enterprises out of apprenticeships and ensure that money allocated for skills is actually spent on skills. A Labour Government will see that making the best use of all of our talents is the way to grow our economy and repair our society, and will see FE college lecturers, schoolteachers and local adult education providers as key contributors to our economic plan. Yes, the Labour Government will inherit a rancid economic picture, but they will have the plans needed to return our nation to growth, with schools, colleges, universities, devolved decision makers and employers working in tandem. That Government are coming, and they cannot come a moment too soon.

6.17 pm

The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon): I am pleased to respond to the debate. When my hon. Friend the Member for Worcester (Mr Walker), the former Schools Minister and now the Chair of the Education Committee, said that he had applied for the debate, I welcomed it because I wanted a good debate on further education. Despite the kind words of the right hon. Member for Hayes and Harlington (John McDonnell), I do not know if he is quite the secret weapon I would take with me when I have negotiations with the Treasury, but his point was well made.

I heard a lot of rhetoric from the shadow spokesperson, the hon. Member for Chesterfield (Mr Perkins). Warm words butter no parsnips. Last year, *FE Week* reported that:

“Labour cannot commit to boosting FE funding levels”.

The article went on to say that speaking to *FE Week*, the hon. Member for Houghton and Sunderland South (Bridget Phillipson)

“said the economic landscape had changed significantly and could not pledge any uplift in cash for further education or address the disparity between FE and higher education funding until the economic outlook was clearer.”

[Robert Halfon]

So despite what the hon. Member for Chesterfield says, the Opposition are not guaranteeing any uplift in further education funding.

I thank the hon. Member for Wirral West (Margaret Greenwood) for opening the debate. She is passionate about adult education; I am with her and I understand the absolute importance of community learning. I have seen that in my own constituency and I champion it in the Department. I will say more about adult and community learning later in my remarks, but looking at all the programmes together—the skills boot camps, the level 3 offer, Multiply and adult apprenticeships—we are spending well over £3 billion.

My hon. Friend the Member for Waveney (Peter Aldous) as well as the hon. Member for Wirral West raised the issue of community learning, which has actually increased over the past year. If we look at the key focus, we will see that, in the 2021-22 academic year, 304,000 learners participated in a community learning course, compared with 243,000 in the 2020-21 academic year. That is an increase of 24.9%. I have other figures that I could quote, but that does not mean that everything in the garden is rosy. We are doing a lot of work to try to support adult and tailored learning, which I will go on to discuss a bit later in my speech.

I am experiencing a bit of *déjà vu* here. This time last year, I believe that I was the Chair of the Education Committee leading the estimates debate, and my hon. Friend the Member for Worcester was answering it. What we say here is, I think, *touché*. What I would say to him is that, absolutely, he has made a valid case for funding for further education, as have many other Members. I will go on to talk about that a bit later in my remarks. I also think that it is important that we do not paint just a partial picture. We should look at the 10% uplift in T-level funding, the £300 million that we are spending on institutes of technology, the £115 million spending on higher technical qualifications, which are now being taught in more than 70 institutions, the £2.7 billion that we will be spending on apprenticeships by 2025, the up to £500 million that is being spent on Multiply, and the many millions of pounds being spent on boot camps. Billions and billions of pounds are being spent on skills, which is absolutely right.¹ It is right, too, to make the case for ever more resources—I always champion more resources—but it is important to paint the whole picture, not just a partial one. There are many good things happening, and it is fair to acknowledge that.

The hon. Member for Twickenham (Munira Wilson) raised the issue of BTECs, as did my hon. Friend the Chair of the Select Committee. He was resolute on this, so I will be quite resolute in return. BTECs have already been delayed. They have already been reviewed, and are being reviewed. There will be a significant number of BTECs that remain. We have specifically introduced the T-level transition year, the whole purpose of which is to prepare those students for T-levels, because, as was rightly said by my hon. Friend the Member for Great Grimsby (Lia Nici), T-levels are harder. But there is now a T-level transition year, and more than 60 institutions are teaching it, and there will be another 70 along the way to prepare students.

Importantly, we are removing some BTECs and other qualifications that have low uptake or poor progression. The hon. Member for Twickenham mentioned the tourism

qualification. I shall write to her with the details and the figures. I shall also come on to childcare in a bit because of the brilliant speech by my right hon. Friend the Member for South Northamptonshire (Dame Andrea Leadsom). As I was saying, though, we are removing T-levels that have low uptake or not great progression, or that significantly overlap with other T-levels. The whole purpose of this is that we have created employer-led qualifications through our apprenticeship reforms. The T-levels and the higher technical qualifications are all employer-designed with the Institute for Apprenticeships and Technical Education; I was proud to legislate for them in my last stint in this role. Employers will be able to develop new qualifications. For example, if they wanted to, they could develop a new tourism qualification.

There is another important issue, which has come up time and again. I have said that some BTECs will remain. I recognise that disadvantaged students are doing some of these BTECs, but we go down a very dangerous road if we say that we want to keep some qualifications because disadvantaged students do them, and the other ones, the middle class and everybody else can do. That is a dangerous road, because I do not want to have two-tier qualifications: some for the disadvantaged and others for the middle class and the well-off. What I want, and what I have devoted my whole parliamentary life to, is to develop state of the art, world-beating vocational and technical qualifications that are as good as, if not better than, A-levels. That is what is important. That is how I would respond, politely but robustly, to my hon. Friend the Chair of the Select Committee.

Mrs Drummond: That is a very interesting comment on the people who are doing BTECs at the moment. We were told by several people that T-levels had a very high entry requirement. Can my right hon. Friend confirm that that is no longer the case? The other point we heard in our inquiry was that 20% were dropping out of T-levels. What will they be doing if they are not able to carry on with T-levels?

Robert Halfon: First, as I say, a significant number of BTECs remain and will remain. There are new qualifications that can be developed so that those who do not pass will be able to do some other qualification at level 3, or they may want to do a level 2 or level 3 apprenticeship instead. There will be options for those people, but we could make the same arguments about those people who fail A-levels. We should not just have one rule for T-levels and another rule for those doing A-levels.

I will come on to funding, because every hon. Member has raised that. The hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss) talked about it, and I am pleased that she has had more £7 million invested in Sheffield City College. My right hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) was thoughtful as always; we have talked a lot about skills over the years and I reiterate that we are championing quality qualifications, which will address the skills deficits, and introducing lifelong learning through the lifelong loan entitlement.

The hon. Member for Stretford and Urmston (Andrew Western) again talked about funding; I will come on to that, and I am happy to write to him about the specific issue that he raised regarding Trafford College. I was pleased to meet my hon. and learned Friend the Member for Eddisbury (Edward Timpson) and the principal of

1. [Official Report, 17 July 2023, Vol. 736, c. 11MC.]

Reaseheath College. Land colleges have been beneficiaries of important capital funding and I know the college has received more than £6.5 million. I said in that meeting that I would work with my hon. and learned Friend on the issues he has raised and I will continue to do so as much as I possibly can.

The hon. Member for Twickenham talked about the skills wallet, and we do have a difference here. I have sympathy with many of the things she says and I genuinely admire her for her knowledge of education and skills, but we looked at the skills wallet and, as I understand it, it gives every adult £10,000 to spend on training, but with incremental payments, starting with £4,000 at age 25, £3,000 at age 40 and the final £3,000 at age 55. That would mean that learners would be constrained by when the funding became available. We want to be fair to students and fair to the taxpayer. Our lifelong loan entitlement will be transformative, because everyone will have access to up to £37,000 that they can take any time up to the age of 60. There are 12 entry points and they can do short courses or modules of courses.

I have nothing but incredible admiration for the way my right hon. Friend the Member for South Northamptonshire champions early years. I have good news for her, because when I found out she was on the list to speak in this debate, I wanted to be sure about what we were doing on early years skills—as my Department officials, who are watching, will know.

To let my right hon. Friend know what is going on, there is a lot. The first-ever national professional qualification in early years leadership cohort began in October 2022 and the second cohort commenced in February 2023. The employer trailblazer groups have developed level 2 and level 3 apprenticeships, but we now have a level 5 apprenticeship and we fund more than 20 childcare courses through our free courses for jobs offer. Some 2,000 learners started T-levels in education and childcare in September 2022, and there is a load of early years higher technical qualifications. There is masses going on, so we will have the trained workforce that she passionately and rightly talks about, right across that sector.

My right hon. Friend the Member for Bexleyheath and Crayford (Sir David Evennett) has great experience and wisdom. He too talked about funding, and he will know that his college—I think it is the London South East Colleges group—has had £24.5 million since 2020. I think the shadow Minister has also had £18 million in capital funding for Chesterfield College in his constituency; again, that is a brilliant investment by the Government that no doubt he will be celebrating to the rafters.

I have mentioned the right hon. Member for Hayes and Harlington. I appreciated the way in which he said what he did. We have spending constraints, but I will talk more about those in a moment. My hon. Friend the Member for Waveney spoke powerfully about the skills revolution in his area.

My hon. Friend the Member for Great Grimsby made a brilliant speech. There was a lot that I agreed with. On the maths to 18 issue, I was one of those people who had a fear of maths. I passed my maths O-level, but it took me three months and a second time around—I was slightly dyspraxic; it was a nightmare. It is wrong that I was told that I would never have to do it again. We should have practical numeracy—basic numeracy, times tables and so on—and what I call numerical

literacy, so that people can read bills and understand budgets. That would help those who have difficulties. Of course, any maths teaching should promote careers in mathematics. I think that the Prime Minister is right: we must have maths to 18 along the principles that he set out in his speech. I absolutely believe in that. The experience of my hon. Friend the Member for Great Grimsby was clear to see.

This is an estimates day debate, so we have to talk about facts and figures. The DFE's resource budget is about £86 billion—an uplift of more than £2 billion since the spending review—and £9 billion is directly linked to apprenticeships and further education. Apprenticeships are a key rung on what I call—colleagues have nicely quoted it back at me—“the ladder of opportunity”. We redesigned the programme in partnership with industry. There are now accredited routes to more than 670 occupations, from entry level to expert. Government funding for apprenticeships will reach £2.7 billion by 2024-25, as I have mentioned, and that money is reaching the economy.

The hon. Member for Twickenham mentioned the apprenticeship budget. We spent 99% of the apprenticeship budget, and let us not forget that we send hundreds of millions to the devolved authority, so the levy is being used.¹ I can give her a raft of quotes from businesses that are supportive of the levy. The Opposition quote one or two businesses here and there that perhaps want it to be a skills levy, but—I have to disagree with the hon. Lady and the shadow Minister—a skills levy would mean no apprentices or a diluted number of apprentices. We are spending billions of pounds on skills. I have already given the figures on that.

As the Chair of the Education Committee, my hon. Friend the Member for Worcester, mentioned, the Association of Colleges has called for 50% of the apprenticeship levy to be spent on apprentices at levels 2 and 3, who are below the age of 25. Under-25s made up 50% of starts in 2021-22; 70% of starts were at levels 2 and 3, providing an entry-level springboard into work. Contrary to the bad news set out by the shadow spokesman, we have had a 22% increase in apprenticeship achievements in the academic year—that is what counts: achievements. The 90% who achieve get good jobs when they finish their apprenticeship. There were 8.6% more starts in 2021-22 than in 2021. We are pushing and encouraging more degree apprenticeships. They are a brilliant route up the ladder. We are now putting in £40 million over the next couple of years—it was £8 million previously—to encourage providers to take up more students for degree apprenticeships.

My goodness, what a brilliant visit we had to the college in the constituency of my hon. Friend the Member for Loughborough (Jane Hunt). Anyone who wants an example of T-level success should go to Loughborough College, where state-of-the-art T-levels are being taught brilliantly—including healthcare T-levels, creating a pipeline for future NHS workers—and an institute of technology is being built. It was an honour to lay the groundwork. As I mentioned, we are spending £300 million on 21 institutes of technology around the country, of which there are already 12. They are the Rolls-Royce of further education in collaboration with higher education and big and small businesses, and an example of the Government's commitment to skills and of the investment in the skills that we need for the future. Sadly, I understand

1. [Official Report, 17 July 2023, Vol. 736, c. 12MC.]

[Robert Halfon]

that the principal is leaving Loughborough College, but I am sure that the college will find a principal who is just as brilliant as her to take over.

I mentioned the higher technical qualifications and new and existing levels 4 and 5. We have the T-levels. Yes, there are delays in some of them, but we want to get them right. We have 164 providers across the country, and 10,000 students started T-levels in 2022—that is more than double the 2021 figure. We will roll out T-levels in 2024-25 so that more young people can benefit from those high-quality qualifications. More than 92% of students achieved a pass.

Mr Perkins *rose*—

Robert Halfon: I want to come on to FE funding, but I cannot not let the hon. Gentleman in.

Mr Perkins: I am grateful. There is much I would like to come back to the Minister on, but I want to ask specifically about T-levels. He mentioned that 10,000 people are starting them, and many of the T-level students I have met have very much enjoyed their courses. However, at the moment, 230,000 students do applied general qualifications whereas 10,000 are doing T-levels. In two years' time, the vast majority of those 230,000 students will not have that course to study. Does he not hear why the call for a moratorium, for him just to take his time, is so powerful and why that view is so widely held?

Robert Halfon: I absolutely understand the reason why. There will, of course, be some worry when we change to a new system, but we have already delayed the onset under the previous Secretary of State for Education. We want to encourage people to do T-levels. They are world-beating qualifications, and those students will also be offered the chance to do a T-level transition year. As I said, new qualifications can be developed.

I want to talk about funding, because it has been raised significantly. We are allocating £3.8 billion more to further education and skills over the Parliament. We announced the final stage of the FE capital transformation programme, worth £1.5 billion. We are investing up to £584 million in skills boot camps. There is an extra £1.6 billion in 16-to-19 education. Many Members have raised the issue of VAT for colleges, and of course, that needs to be considered in the context of wider public finances. As hon. Members know, those things are decided by the Treasury. The Financial Secretary to the Treasury recently responded on this issue in a Westminster Hall debate, but the views of Members across the House will have been heard by the Treasury today.

We are offering tax-free teacher training bursaries of up to £29,000 in priority subjects to encourage more people to come into FE. There are other funds, including a Taking Teaching Further incentive payment of £6,000 for those coming from industry into FE. We are doing a lot to try to encourage more teachers, and we have spent a fair bit of money on advertising to try to encourage more FE teachers, even with the financial constraints that we have.

John McDonnell *rose*—

Robert Halfon: The hon. Member for Wirral West spoke passionately about adult education, and I want to let her know about the five pillars that I have for adult education:

community learning; careers support; learning for jobs; the lifelong loan entitlement, lifelong learning; and empowering local decision making. I will briefly explain what I mean by them, but first I will answer the question from the right hon. Gentleman.

John McDonnell: Before the Minister moves on from FE, it is worth acknowledging that only a few weeks ago, the University and College Union decided that it will ballot its members in September, with the potential result being industrial action in October if there is not some realistic offer with regard to pay and working conditions. Is the Minister addressing that at the moment?

Robert Halfon: The right hon. Gentleman will know that FE colleges are autonomous on these matters, so they have to make their decisions with the UCU. However, I certainly urge members not to strike, because it causes significant damage to students and learners, many of whom have suffered enormously during covid because of the lockdown.

Let me go through the five pillars that I mentioned to the hon. Member for Wirral West. Community learning refers to the education that we provide for adults in the community. It forms part of the overall adult education budget of £1.34 billion a year. We will continue to use the skills fund provision to support learners furthest from the workplace who may need a stepping stone towards formal learning. The provision is not qualification-based and is part of what we call tailored learning. She will know that there are a significant number of courses that people can do, if they do not have those qualifications or have not done those courses already, that are completely free. That supports adults to access further learning and employment, and their wellbeing. I accept the hon. Lady's argument that adult community learning is vital for wellbeing.

Careers support is another issue that was raised by the Select Committee Chair, my hon. Friend the Member for Worcester. I am considering the Committee's report carefully. We are investing over £87 million in high-quality careers advice, both for adults and for young people. We have careers hubs in over 90% of secondary schools; we have the new Baker clause, which means that schools have to have encounters with apprentice organisations or technical colleges as well; and we have the National Careers Service providing advice to adults. The Apprenticeship Support and Knowledge network is also going around schools and colleges, promoting careers.

Learning for jobs is the third pillar—all of the pillars are linked. I have talked about the Multiply programme, the free courses for jobs—there are over 400 courses—and skills boot camps, in everything from engineering to heavy goods vehicles and the green economy. We also have the local skills improvement plans, which ensure that communities can advise on what skills they need in their local areas, and when we have skills deficits, we have the Unit for Future Skills to look at the national situation. We have the lifelong loan entitlement, which I have spoken about briefly. That entitlement will be very powerful and absolutely transformative, because it will allow people to have the end destination of a qualification, but to get on and off at various stations along the way by doing short courses and modules of courses.

The final pillar of adult education is empowering local decision makers: Mayors, learners and employees. As the hon. Member for Wirral West pointed out, we

have devolved 60% of the adult education budget to 10 areas of the country, amounting to almost £800 million going to the mayoral authorities, but empowerment is not just about devolution to local government. The lifelong loan entitlement will devolve power to individuals, and apprenticeships devolve power to employers, allowing them to develop the skilled workforce that their businesses need. We plan to publish the mandatory FE workforce census findings later this year as experimental statistics, which will include findings on workforce sector pay—I think it was the hon. Member for Wirral West who raised that issue.

To conclude, we are investing in FE and skills in difficult circumstances. I absolutely recognise the pressure on resources, and will do everything I can to champion resources with the Treasury and elsewhere. I welcome the thoughtful cross-party debate that we have had right across the House of Commons. I have a picture of John Kennedy in my office at the Department for Education, because I am a big fan. He said that “We choose to go to the moon, not because it is easy, but because it is hard.” Like JFK, this Government are unwilling to postpone our FE and skills reforms because they are difficult. In testing times, we know how much the benefits that they will bring to our nation’s economy and prosperity are needed. We are determined to build an apprenticeship and skills nation.

6.42 pm

Margaret Greenwood: This has been a really useful, wide-ranging debate, and I thank everybody who has taken part in it. I particularly thank the hon. Member for Worcester (Mr Walker) for helping to secure it and for his flexibility around that, and also for his focus on 16-to-19 education and for raising the issue of BTEchs. That is incredibly important; it is something that has been raised by local school leaders in my area, and something that the hon. Member for Twickenham (Munira Wilson) also raised.

I support my right hon. Friend the Member for Hayes and Harlington (John McDonnell) in calling for a national education service, free from cradle to grave. As he said, we are a long way away from that, but it is still a really important ambition that we should have. I thank my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Gill Furniss), who spoke about the impact of Government cuts. She spoke of a lost decade in adult education and the importance of meeting the skills challenges that we face. My hon. Friend the Member for Stretford and Urmston (Andrew Western) spoke about the appalling workforce crisis in his constituency, an issue that the hon. and learned Member for Eddisbury (Edward Timpson) also raised. Recruitment and retention of technical staff is something of an issue.

Adult education is a public good, and at a time when we are facing challenges in the economy, skills and employment, it is vital that the Government revisit the level of funding being provided to the sector and address the recruitment and retention issues that have been so clearly expressed. It is also important that the Government think again about their approach to non-vocational education and consider the value it can bring to an individual’s personal development and particularly to our cultural sector, and that they fund a broad curriculum.

Madam Deputy Speaker (Dame Eleanor Laing): The Question necessary to dispose of the motion stands over until 7 o’clock under Standing Order No. 54. The sitting is therefore suspended until 7 pm.

Question deferred (Standing Order No. 54).

6.44 pm

Sitting suspended.

7 pm

The Deputy Speaker put the deferred Questions (Standing Order No. 54).

DEPARTMENT FOR WORK AND PENSIONS

Resolved,

That, for the year ending with 31 March 2024, for expenditure by the Department for Work and Pensions:

- (1) further resources, not exceeding £88,727,809,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,
- (2) further resources, not exceeding £571,264,000, be authorised for use for capital purposes as so set out, and
- (3) a further sum, not exceeding £89,293,628,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.

MINISTRY OF JUSTICE

Resolved,

That, for the year ending with 31 March 2024, for expenditure by the Ministry of Justice:

- (1) further resources, not exceeding £6,418,705,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,
- (2) further resources, not exceeding £1,528,277,000, be authorised for use for capital purposes as so set out, and
- (3) a further sum, not exceeding £7,350,811,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.

DEPARTMENT FOR ENERGY SECURITY AND NET ZERO

Resolved,

That, for the year ending with 31 March 2024, for expenditure by the Department for Energy Security and Net Zero:

- (1) further resources, not exceeding £11,749,854,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,
- (2) further resources, not exceeding £3,525,935,000, be authorised for use for capital purposes as so set out, and
- (3) the sum authorised for issue out of the Consolidated Fund be reduced by £3,200,982,000.

DEPARTMENT FOR EDUCATION

Resolved,

That, for the year ending with 31 March 2024, for expenditure by the Department for Education:

- (1) further resources, not exceeding £42,894,465,000, be authorised for use for current purposes as set out in HC 1383 of Session 2022–23,
- (2) further resources, not exceeding £22,809,063,000, be authorised for use for capital purposes as so set out, and
- (3) a further sum, not exceeding £62,518,154,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.

The Deputy Speaker then put the Question on the outstanding estimates (Standing Order No. 55).

MAIN ESTIMATES 2023-24

Resolved,

That, for the year ending with 31 March 2024:

(1) further resources, not exceeding £260,944,202,000, be authorised for use for current purposes as set out in HC 1253, HC 1297, HC 1366, HC 1371, HC 1380, HC 1383 and HC 1385 of Session 2022–23,

(2) further resources, not exceeding £70,718,410,000, be authorised for use for capital purposes as so set out, and

(3) a further sum, not exceeding £290,156,315,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund and applied for expenditure on the use of resources authorised by Parliament.—(*Victoria Atkins.*)

Ordered, That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Chancellor of the Exchequer, John Glen, Andrew Griffith, Gareth Davies and Victoria Atkins bring in the Bill.

SUPPLY AND APPROPRIATION (MAIN ESTIMATES)
(No. 2) BILL

Presentation and First Reading

Victoria Atkins accordingly presented a Bill to authorise the use of resources for the year ending with 31 March 2024; to authorise both the issue of sums out of the Consolidated Fund and the application of income for that year; and to appropriate the supply authorised for that year by this Act and by the Supply and Appropriation (Anticipation and Adjustments) Act 2023.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 343).

Business without Debate

DELEGATED LEGISLATION

Madam Deputy Speaker (Dame Eleanor Laing): I propose to put motions 4 to 9 to the House together.

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

ENVIRONMENTAL PROTECTION

That the draft Environmental Protection (Plastic Plates etc. and Polystyrene Containers etc.) (England) Regulations 2023, which were laid before this House on 23 May, be approved.

ELECTRICITY

That the draft Electricity and Gas (Energy Company Obligation) Order 2023, which was laid before this House on 24 May, be approved.

HIGHWAYS

That the draft Business and Planning Act 2020 (Pavement Licences) (Coronavirus) (Amendment) Regulations 2023, which were laid before this House on 7 June, be approved.

PENSIONS

That the draft Pensions Dashboards (Amendment) Regulations 2023, which were laid before this House on 8 June, be approved.

INTERNATIONAL DEVELOPMENT

That the draft African Development Fund (Multilateral Debt Relief Initiative) (Amendment) Order 2023, which was laid before this House on 22 May, be approved.

That the draft African Development Bank (Sixteenth Replenishment of the African Development Fund) Order 2023, which was laid before this House on 23 May, be approved.—(*Scott Mann.*)

Question agreed to.

Financial Markets and Monetary Policy

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

7.3 pm

Sir Robert Syms (Poole) (Con): It is a pleasure to be here and to see the Treasury Minister on the Front Bench for the debate. I appreciate that many of these matters are dealt with by the Bank of England, but that is part of the reason why I will raise a number of points.

I voted against quite a lot of lockdown, with one of the strong reasons being that if 7 to 9 million people were sitting at home and, at the same time, the Bank of England was printing substantial sums of money, there might well be consequences. We can see in inflation, the strikes and a number of other things the pernicious effect of money printing and inflation in the British economy.

During lockdown, the Government took on a substantial amount of debt. Many people who were sitting at home were paid reduced salaries, but they could not spend the money, so they built up substantial savings. There are debates among economists about the amount of those savings. Some think it is 4% of GDP; others 8%. The Office for Budget Responsibility puts the figure at around £228 billion. That has been powering the economy over the past several months. The OBR initially predicted that we would have a recession, but the economy has shrugged that off. It is highly likely that this year we will not have a reversal. We may have a cost of living crisis in pay and inflation, but there is still a substantial amount of money flowing through the British economy.

The amount of money printed and the fact that people were not producing anything have created a problem. As we saw from headlines last week, one of the reasons that inflation is sticky is that money is still flowing through the economy. Headlines last week reported that package holidays were more expensive because they were not being discounted. Second-hand cars are going for quite a high rate. Although hospitality has had problems with high energy bills, it is difficult in many areas to book a restaurant or a hotel. The discounting that we would normally see at certain times of year is not happening, which is why inflation has not fallen as much as we expected. Nevertheless, supermarkets suggested today that food prices are starting to fall, and energy prices are falling. I think it highly likely that inflation will fall, although it will be a little delayed.

There is a lot of money swishing around in the British economy. The Bank has been pushed into raising interest rates. The thing about interest rates is that, unlike 20 years ago when most people had variable rates, a lot of people are now on fixed-rate mortgages, especially those with larger mortgages. Therefore, there will be a lag, as there always is when interest rates are put up, but this time it will be substantial. My concern is that most of the impact of raising interest rates on the economy has not yet been felt. Every now and again, the Bank will feel pressured to keep raising rates, particularly at a time when financial markets test the Bank and we have a 24-hour news cycle. That will be a problem for the British economy because raising rates will not make much difference to the next financial year, but will have a big effect in 2025.

A number of people have expressed concern that we may have overkill in raising rates. Andrew Haldane, the Bank of England's chief economist a while back—a very good economist with a good finger on the pulse of the British economy—is worried that the Bank will overdo it. David Smith wrote a good article in *The Times* today, in which he said “a little patience” needs to be shown. We will have a testing time over the next 12 to 18 months, because raising rates will not show up much in reduced spending in the shops, and there will be various pressures on the Bank to act.

What we actually need is masterful inactivity and a lack of action, to let things continue. We will have a fall in inflation. We will probably go to real interest rates, which we do not have at the moment. The Bank needs to keep calm, have patience and allow inflation to fall, and that will do the job that needs to be done, but it will take a particular while. There is pressure in the markets. Today, two-year gilts were sold at 5.668%, which is the highest for 20 years. The markets will keep on testing the Bank.

That is my first concern. I know that the Chancellor of the Exchequer rightly has regular meetings with the Governor of the Bank, although I am not sure they have cocoa or a glass of claret. The message from the Treasury and from Parliament has been, “Be patient. Do not get yourself pushed into raising rates and causing a major reversal in 18 months or two years' time.” In the short term, there will be an effect on the economy in terms of housebuilding and the construction industry, but I suspect it will not have much of an impact on budgets until that time passes.

Jim Shannon (Strangford) (DUP): I commend the hon. Gentleman for raising this complex matter. He is outlining the issues for the banks and talking about ensuring patience and balance. My constituents tell me that they are worried about mortgage increases, as I am sure are his constituents and everyone here tonight. They worry about all the things he refers to, as well as increasing prices. What would he say to those worried constituents who might not have such patience and do not know whether they will have possession of their house in a year's time?

Sir Robert Syms: Interest rates are a very blunt instrument and I am sure many people are worried. I hope that if inflation picks up trajectory and goes down, we will start to see interest rates top off and that some with fixed mortgages—many have quite long fixed mortgages—will feel much more relaxed. To pay tribute to the Chancellor, he has, with the lenders and in a very competent way, produced a very good package of forbearance for those who may have problems with mortgages. The Government have, in many respects, set a very stable environment for the economy, but there are worries. My principal worry about the Bank, independent as it is, is that it may overdo interest rate rises.

My second point concerns quantitative easing and quantitative tightening. Clearly, we did more QE than was probably needed, but we are where we are and it needs to be reversed. If you are going to try to eat an elephant, you have to do it one bite at a time. It will take us 20 to 25 years to reduce the stock of bonds that the Bank of England holds, and what I do not understand is why the Government are not having a more active

[Sir Robert Syms]

discussion with the Bank about when it will sell the bonds. We have a situation where the Bank has put up interest rates, that leads to a fall in bonds and at the same time the Bank sells bonds, creating a loss that it passes on to the Treasury. Whereas if it waits three or four months, inflation is likely to fall and some pressure may come off bonds, and that may mean that it is able to sell bonds for a slightly higher amount.

Now, whether there is a sort of hair-shirted virility symbol in doing that, I think selling bonds into a market where you will lose more than you would otherwise do is not really very good husbandry. Ultimately, although the Bank holds the debt, as the Government are the underwriter of the debt, it is a little bit like saying to your estate agent, "Go and sell the house, I don't care what the price is." The Government should have a view so that when we discuss things with the Bank, we ought to try to do our best to minimise the losses on quantitative easing as we reverse the process. Some projections say that over the next 20 years the loss could be £100 billion. Well, if we are very careful in how we get rid of the bonds and it is a £90 billion loss, then that is a win.

Mrs Thatcher always had a problem that when she was trying to control broad money there were no instruments apart from higher interest rates, but if we have this stock of bonds over the next 20 years, it might well be that it could form a part of policy that we either speed up or slow down to reduce broad money. It might be something that can be used in policy terms. My view is that the Debt Management Office—which has an interest because it has to sell Government debt, and the Bank of England selling it at the same time does not help—the Governor of the Bank of England and the Chancellor really ought to sit down a couple of times a year and agree a joint letter that sets out the parameters for how they will unscramble quantitative easing with a quantitative tightening programme, which I think the markets would understand. I do not think anybody would think we were infringing on the independence of the Bank of England if we were actually trying to ensure that the taxpayer gets best value.

On almost anything, any budget or taxation, the Treasury is very careful in approving things. This could be a big budget item each year for the next several years, so I do not know why we are taking a relatively benign attitude of saying to the Bank, "Just sell it and we'll pay the bills." I should say that I was a Lord Commissioner for a while and I signed some of the documents that indemnified the Bank. [Interruption.] There is probably another Lord Commissioner laughing, but we ought to pay quite careful attention to how we unscramble this. Those who read the column by my right hon. Friend the Member for Wokingham (John Redwood) will know that he has raised this matter a number of times. It is worth raising, because we are at the early point of unscrambling quantitative easing, and slightly more interaction between the Government and the Bank of England is necessary.

My final point is about money supply. During the pandemic, we were printing money at 20%. Then the money supply dropped a little, to about 15%, and now it has dropped very substantially. M2 is nearly into negative territory, and according to the last Bank of England estimate, M3X and M4X are growing by between

1% and 2%. Too much money in the economy is a bad thing because it creates inflation, but too little money in the economy is a bad thing because it can cause a credit crunch. In his book on the Wall Street crash, John Kenneth Galbraith pointed out that the principal reason for the major worldwide depression was the fact that money in the United States economy declined by a third. That is what pushed the economy over the edge, because the banking system essentially collapsed.

We have gone from an over-exuberant money supply situation to one in which money supply is barely growing. This is not unique to Britain; it is a feature in the eurozone and in the United States, and we know that the eurozone will have further problems. Those countries still have differentials in productivity and trade imbalances, and there is money swishing through their system as well. There was even some discussion about the Bundesbank having to be bailed out because of bonds it has bought—and, unlike the Bank of England, it cannot print money because it does not have a currency.

There is a worldwide problem. Money supply is falling in the United States, in Europe and in the United Kingdom. If we assume the normal 18 months to two years, that takes us into 2025. My principal point is that if we raise interest rates, which has an impact after a long lag that will hit at the end of 2024 and the beginning of 2025, and if we have a reduction in monetary growth and credit which has an impact at the end of 2024 and the beginning of 2025, there will be two interactions that could cause growth to hit a brick wall.

The economy has changed substantially over the years. We now have internet banking, money flows very freely, and we have digital currencies. I think we ought to be looking much more carefully at what is going on in the British economy, and, indeed, at how money supply affects real output. However, I think we also need a monetary policy; I do not think we should withdraw completely and allow the Bank of England to determine these matters, and that may require us to look at levers to ensure that credit and monetary growth go up.

What I really want to do this evening is to put it on the record for those at the Treasury that if they read Twitter, they will find that many monetarist economists are beginning to think that the decline in money will cause severe economic dislocation. The rule of thumb is that there should be a smooth transition of money, not sharp falls or sharp rises, and I fear that we are not getting a smooth transition of money. As I have said, that is a feature of all the various zones, and it is something that the Government need to pay attention to and not ignore.

The Government do not mention money supply very much. The Bank of England has started to talk about it again, but I suspect that we have to learn what Mrs Thatcher would have told us some years ago: that money is very important, and it is a very important part of economic policy. We cannot totally vacate it and leave it to central bankers. One reason I always opposed the euro was that I did not think the problems of the world could be solved by unelected central bankers, and I think some of that goes for our own unelected central bankers.

The next time the Minister sees the Chancellor, I hope he will ask him to read the report of this debate and reflect on the fact that there is a problem with money supply. We may be going into a new era, although I do not know whether the supply will continue to be

negative or whether it will pick up, and the Chancellor needs to have discussions with other actors in this area. If we are not careful, the combination of the lag on interest rates and the current credit squeeze could give an incoming Conservative Government a real nightmare in due course, in terms of the way in which they manage the economy. So let us give these matters a little thought.

I look forward to the Minister's reply. Probably, in accordance with the normal Treasury line at the moment, he will reply by not saying very much, but I am sure he has listened.

7.19 pm

The Economic Secretary to the Treasury (Andrew Griffith): I congratulate my hon. Friend the Member for Poole (Sir Robert Syms) on securing this debate. Notwithstanding the fact that he may have accurately predicted my reticence in some areas, this is an important matter. It was the House that originally decided on the current monetary arrangements, and it is a matter for the House to continue to scrutinise how they are conducted. I also thank the hon. Member for Strangford (Jim Shannon) for his contribution.

As my hon. Friend the Member for Poole knows, the Monetary Policy Committee has operational independence. That covers all monetary policy, including both the Bank rate and the relatively novel feature of quantitative tightening, which we have seen for the first time in recent months. It is not entirely an independent actor; the Chancellor annually writes to the Governor and the Monetary Policy Committee with a remit letter, which has remained unchanged in its most substantive term, which is the inflation target of 2%. I think everyone in the House understands the clear position of the Government, the Chancellor and the Prime Minister on the desirability of bearing down on inflation to try to remove what is a hidden tax on everybody in society and get us as quickly as possible to the point where not just inflation is falling, but interest rates are falling on the back of that.

My hon. Friend knows that financial markets are determined by a wide range of factors. It is of note that many of those factors are international: across most western economies, we are seeing some combination of them. He talked about the gilt market, which I reassure him remains deep and liquid. It has traded throughout the past 12 months; it has a good track record and is one of the deepest markets in the world. Underlying demand for the UK's debt remains strong, and we have a well-diversified investor base.

The Debt Management Office co-ordinates closely with the Bank on the new phenomenon of quantitative tightening, whereby the Bank itself is selling gilts. Clearly it is not desirable for anybody that both the Bank and the Government are in the market at the same time.

There is a high degree of operational co-ordination between the Bank of England and the Debt Management Office. In the Treasury, we pay close attention to the operation of markets and—as we did in the autumn of last year and in the case of Silicon Valley Bank UK Ltd—will take whatever action is necessary.

I want to state the Government's position very clearly for my hon. Friend and for the House. I listened very carefully to his points and comments about each of the money supply measures that are published, and I will take them back to Treasury colleagues and the Chancellor. I spent some time yesterday with the House of Lords Economic Affairs Committee, and I conceded to it that my view is that money does matter. We should not be indifferent: it is a factor. The level of money supply, which my hon. Friend raised, is a feature.

We have been through an unprecedented period. None of us forecasted the global covid pandemic and none of us foresaw Russia's illegal invasion of Ukraine. Nevertheless, my hon. Friend raises an important point that I will take back to colleagues. I am reassured that he is paying close attention to it, as I know are other colleagues in the House.

My hon. Friend will also know that the MPC, in deciding to pursue quantitative tightening, has set out its ambitions for the 12 months ahead, so there is a clear road map. It voted in September 2022 to reduce the stock of asset purchases by £80 billion over the following 12 months through redemptions and active sales, and that is coming through. Just as the Treasury receives the benefit, it is also picking up some of the cost of those sales as the transaction concludes.

The Government will ensure that in fiscal policy—that for which we are responsible—we continue to make tough choices to bear down on inflation, and that it is aligned with monetary policy. My hon. Friend was kind enough to acknowledge the level of interaction and dialogue that happens at multiple levels between the Bank and the Treasury. Each has its respective role, but he can be reassured that policy is co-ordinated.

On that note, I thank my hon. Friend again for his thoughtful contribution this evening. I also thank the hon. Member for Strangford for joining this important debate. I suspect it will not be the last time this House debates the matter and, given the magnitude and significance of the impact of monetary policy, that is probably appropriate, but it is for the House to decide. I look forward to continuing to engage with my hon. Friend and other hon. Members on this and other important issues relating to financial policy.

Question put and agreed to.

7.26 pm

House adjourned.

Westminster Hall

Wednesday 5 July 2023

[CAROLINE NOKES *in the Chair*]

Ethnic Minority and Migrant Victims of Violence Against Women and Girls

9.30 am

Kate Osamor (Edmonton) (Lab/Co-op): I beg to move,

That this House has considered the matter of the criminalisation of victims of violence against women from ethnic minority and migrant communities.

It is a pleasure to serve under your chairship, Ms Nokes—I believe for the first time. I am proud to have secured this debate, especially as I chair the all-party parliamentary group on women in contact with the justice system. I want to give voice to black, Asian, minoritised and migrant women who have been victims of abuse, many of whom, far from being protected, have found themselves facing criminal proceedings due to failings in criminal law and practice. That includes those who are victims of domestic abuse, so-called honour-based violence, sexual violence and other forms of violence against women and girls. Meanwhile, in many cases the perpetrators of abuse against those victims are escaping justice. For too long, the Government have dismissed calls for change to prevent the unjust criminalisation of victims.

The backdrop to the debate is an epidemic of violence against women and girls. Every year, my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) reads out a long list of women who have been killed over the past 12 months. It is clear that the criminal justice system is failing victims. It is eight years since the offence of controlling or coercive behaviour was introduced, and two years since the Domestic Abuse Act 2021 became law. Those were both positive developments. However, today, there is a continuing failure to take domestic abuse and other forms of violence against women and girls seriously. Victims continue to be prosecuted and convicted for offences that result directly from their experience of abuse.

I have been supported in preparing for the debate by the Centre for Women's Justice and by the Tackling Double Disadvantage partnership. The Centre for Women's Justice is a lawyer-led charity that works with frontline women's services to challenge police and prosecution failings around violence against women and girls, including the unjust criminalisation of victims. The Tackling Double Disadvantage partnership consists of six charities that aim to tackle intersectional discrimination experienced by black, Asian, minoritised and migrant women in contact with the criminal justice system.

Evidence gathered by the Centre for Women's Justice and the Tackling Double Disadvantage partnership highlights a lack of understanding of the dynamics of domestic abuse among police, prosecutors, lawyers and judges. That includes failures to identify victims, failures to offer them support, failures to take proper account of their experience of abuse in proceedings, and reliance on misogynistic attitudes, myths and stereotypes, as well as a lack of cultural competence.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for bringing forward the debate. I make my point with great sadness—the shadow Minister, the hon. Member for Birmingham, Yardley (Jess Phillips), has a passion for the subject, and she knows this better than most—because, unfortunately, in Northern Ireland we have had some 42 murders of women over a five-year period. That is the highest rate in all Europe, second only to Romania, and it tells me that in Northern Ireland the murder of women and disrespect for women are at higher levels than almost anywhere else. That grieves me greatly.

We always look to the Minister for a positive response, which is what we seek from the debate and what the hon. Member for Edmonton (Kate Osamor) is rightly asking for. When it comes to having better services in place, it is important that the Minister corresponds with the Minister responsible in the Northern Ireland Assembly to ensure that protection for women across this great United Kingdom of Great Britain and Northern Ireland is improved, especially in Northern Ireland.

Kate Osamor: I thank the hon. Gentleman for that important and powerful intervention. Unfortunately, violence against women does not discriminate: it can happen anywhere. I hope the Minister will take on board the shocking numbers that the hon. Gentleman just relayed.

Fiona Bruce (Congleton) (Con): I commend the hon. Lady for securing this debate and for her powerful speech. She is absolutely right that violence against women can happen anywhere. Does she agree that we cannot with integrity call out violence against women in countries such as Pakistan and Nigeria, much of which is based on women's faith and beliefs, unless we also tackle the issue at home?

Kate Osamor: I thank the hon. Lady for her powerful intervention and commend her for all the work she does in that very saddening space.

Shockingly, victims of violence against women and girls who are not trafficking victims do not have a statutory defence when they are compelled to commit offences in similar circumstances. Another outstandingly bad discrepancy is that householders defending themselves against an intruder are permitted by law to use disproportionate force, provided it is reasonable in the circumstances, but no such leniency is allowed for domestic abuse victims defending themselves against their abuser. Attempts were made to amend the Domestic Abuse Act 2021 to fix that issue, but sadly the Government defeated them.

Data collected by lawyers at the Centre for Women's Justice found that an alarming 57% of women in prison—at least—have experienced domestic abuse. The true proportion is likely to be much higher due to the barriers to women disclosing abuse. The cases involve a wide range of circumstances: some women were coerced by their abuser to offend and some defended themselves against abuse and were prosecuted as a result.

In one such case, a woman I will call Miss A was charged with driving while disqualified without insurance. The charge included excess alcohol and dangerous driving. She explained that her partner had dragged her from her home while she was partially dressed and forced her to drive. A police officer indicated for them to pull over,

[*Kate Osamor*]

and she says that her partner threatened to kill her if she did not drive on. He punched her in the ribs and tried to grab the steering wheel while they were chased by the police. She was prosecuted and convicted, and her conviction was upheld on appeal to the High Court.

Black, Asian, minoritised and migrant women face additional disadvantages. Women and girls from minority ethnic groups are over-represented at every stage in the criminal justice system. That is partly due to a lack of cultural competence: agencies fail to respond appropriately to evidence of abuse, misinterpret women's behaviour and fail to ensure that women can understand and participate fully in the proceedings against them. Added to that is the evidence of racism in the criminal justice system and the openly hostile environment for migrants.

A woman I will call Miss B entered an arranged marriage in her home country at the age of 15 and was subjected to physical and mental abuse. She then accepted an offer from a man to get her to the UK, but he sexually exploited her and she ran away. After using her friend's documents to work as a cleaner and a carer, she was caught by immigration control and sent to prison for three months for fraud, before spending time in immigration detention. Thankfully, she met a woman from the fantastic Hibiscus Initiatives, whose women's centre I have had the pleasure of visiting. It offered her support, and thankfully, since her release, she has been granted leave to remain and has given birth to a healthy baby boy.

The continued failure to introduce a data-sharing firewall between the police and immigration engenders a lack of trust among migrant women, which puts them at greater risk of violence and abuse. Measures in the Nationality and Borders Act 2022 and proposals in the Illegal Migration Bill curtail the rights of migrant and trafficked women further, leaving them even more vulnerable to abuse and widening the net of criminalisation. Toxic cultures of misogyny and racism in the police have also been highlighted by too many high-profile cases over the years.

It is against this backdrop that a small proportion of victims each year find themselves facing arrest, prosecution and imprisonment because of their experience of abuse. As the Government themselves acknowledged in their female offender strategy, by far the majority of women in prison or under community supervision are victims of domestic abuse, and there are strong links between women's experience of abuse and their offending or alleged offending.

For ethnic minority and migrant women, it is particularly hard to access support. Migrants with the "no recourse to public funds" condition face extra barriers in seeking crucial support from the state to help them to flee abusive relationships. Meanwhile, research by Refuge has shown that black women are 14% less likely to be referred to its services by police than white survivors of domestic abuse. The Government's female offender strategy delivery plan, released earlier this year, contained no commitment to take action to end the unjust criminalisation of victims of violence against women and girls, and the Victims and Prisoners Bill has been widely condemned by specialist women's services for failing to deliver what victims need.

Given the issues I have raised today, I would like to provide the Minister with a series of recommendations, drawing on the work of the Centre for Women's Justice and the Tackling Double Disadvantage partnership. First, will the Government amend the Victims and Prisoners Bill to introduce statutory defences for victims of domestic abuse who are accused of offending, and to add a commitment to the victims code to protect all victims of violence against women and girls from unjust criminalisation, therefore ensuring that they have their rights upheld as victims and are not stigmatised?

Secondly, will the Government increase investment in women's services for victims facing criminal proceedings, to ensure that they have a safe space to disclose abuse and receive support at the earliest stage, and especially services led by and for black, Asian, minoritised and migrant women? That would help the implementation of a strategic approach to changing the culture of the police and other criminal justice agencies.

Thirdly, the Government should seek to ensure that ethnic minority and migrant women have access to cultural mediation, translation, interpretation and international calls and are provided with improved standards of interpretation and the choice of the gender of their interpreter.

Fourthly, I urge the Government to implement a firewall to end the sharing of victims' and witnesses' data between the police and the Home Office for immigration enforcement purposes, as recommended by the Justice Committee, the Domestic Abuse Commissioner and the women's services sector. That would help to create greater security and confidence for migrant women who come forward to report abuse.

Fifthly, I ask the Government to commit to the annual publication of disaggregated data on gender-based violence and its link with women's pathways into the criminal justice system, including a distinct focus on ethnic minority and migrant women.

Last, but by no means least, I urge the Government to withdraw proposals in the Illegal Migration Bill that would limit the rights of potential victims of trafficking and leave women far more vulnerable to abuse without recourse.

I have with me a letter for the Minister that sets out in more detail the demands and asks for change put forward by the Centre for Women's Justice and the Tackling Double Disadvantage partnership, and requests a written response to our recommendations and a meeting; I hope the Minister will be kind enough to accept it. I would be grateful if the Minister considered those proposals closely and worked with me and other Members from across the House who are here today.

9.44 am

Apsana Begum (Poplar and Limehouse) (Lab): I congratulate my hon. Friend the Member for Edmonton (Kate Osamor) on securing this important debate and championing the plight of domestic abuse survivors, including survivors of domestic abuse who find themselves unable to access support due to no recourse to public funds, an issue on which she has been an advocate in this House.

As co-chair of the all-party parliamentary group on domestic violence and abuse, I am all too aware of the impact of the cost of living crisis. There is no doubt about its impact. Although we hear constantly about

the crisis and its effects on families, schools and pensioners, we hear less about how it prevents women from fleeing domestic abuse. Even before the cost of living crisis, finances already acted as a barrier to people leaving an abuser. Survivors often struggle to access the money that they need to flee, and the cost of living crisis has hugely exacerbated that.

A recent survey published in January by Women's Aid found that 73% of survivors had either been prevented from fleeing as a result of the crisis or it had made it harder for them to flee. In my view, the cost of living crisis and economic and financial abuse in particular are placing survivors of domestic abuse at risk of criminalisation. For example, in my borough of Tower Hamlets, the safer neighbourhood team has found that the most shoplifted item in the borough right now is Calpol. That is an utterly devastating fact. We know that that is driven by poverty and the utter desperation of mainly women and mothers.

I want to turn to the experiences of women survivors in the criminal justice system. We should all be appalled that at least 57% of women in prison or under community supervision are victims of domestic abuse. Indeed, campaigners have long raised their plight and the need for far greater support for them, as well as legal safeguards to prevent victims from being criminalised as a result of their abuse. This cannot be emphasised enough: we have known for long enough that black and ethnic minority women are disproportionately drawn into the criminal justice system and therefore, as the Tackling Double Disadvantage partnership has said, suffer from that double disadvantage.

I want to raise the plight of pregnant women in prison. The imprisonment of pregnant women is wrong. They are almost twice as likely to give birth prematurely and are five times more likely to experience a stillbirth. The Ministry of Justice is aware of that and campaigners have long called for no woman to have to give birth in prison. In 2019, for example, a woman gave birth in a prison cell in Bronzefield prison, which is Europe's largest women's prison with no access to a midwife or any maternity care. The woman's baby did not survive. That is a huge injustice. I think most people in this country will see it as a grave injustice that women in prison are often expected to give birth without the care that is needed, so I urge the Government to review that. Once a year, campaigners including Level Up and No Births Behind Bars are outside the Royal Courts of Justice and outside Parliament campaigning on that issue.

I also want to raise the issues around pregnant refugees. Under the current provisions in the Illegal Migration Bill, pregnant refugees are likely to be placed in circumstances worse than the already inhumane situation of pregnant women in UK prisons. In places such as Manston, there have been outbreaks of diphtheria and reports of assaults and drug use by guards. Last year it was estimated that Manston was detaining thousands of people who arrived in Britain via small boats—some for as long as 40 days or more. No one should be detained in such places at all, never mind those who are pregnant. The British Medical Association, the Royal College of Midwives, the Royal College of Obstetricians and Gynaecologists, and Maternity Action have all raised the issue of healthcare in immigration detention and the fact that it is very poor indeed.

In 2014, some 99 women were locked up in Serco-run Yarl's Wood detention centre while pregnant, and research by Medical Justice found that they often missed antenatal appointments, often had no ultrasound scans, did not have direct access to a midwife and could not request visits. Surely that is an injustice and needs to be addressed. Many of those women will have fled persecution and violence in other parts of the world, and they go on perhaps to experience violence and abuse in this country as well.

I also want to speak about the condition of no recourse to public funds. The case has been made again and again; the research and the evidence are there as to how that is having an impact on migrant survivors of domestic abuse's ability to come forward. I appreciate the steps and strides made in the Domestic Abuse Act. No one can take away from the fact that that was landmark legislation and had a lot of support on both sides of the House. It was important that we put this matter on a statutory footing and ensured that there were provisions to support people. But what was missing was support for migrant survivors of domestic abuse.

One of my concerns is about the DDVC, the destitution domestic violence concession, which allows those women who do come forward to apply for leave to remain, if they have the intention to apply for indefinite leave to remain, to get a three-month period to, essentially, sort themselves out. How can they really, in a three-month period, sort themselves out to get a roof over their head and have a sense of security while they are escaping domestic abuse? I am aware that there are the domestic violence ILR rules as well.

The problem underpinning all of this is that women and survivors will not come forward unless they are aware, and feel absolutely confident, that their information will not be shared with immigration enforcement, so I support the calls that are being made again and again that we need a firewall to end the sharing of data between the police and the Home Office for immigration enforcement purposes. That has been recommended by the Select Committee on Justice, by the Domestic Abuse Commissioner and all other women's sector services. It literally can make the difference between life and death for migrant survivors of domestic abuse.

Lastly, I want to say a little about my own case. The topic that we are debating today cuts to the core of my experiences. Colleagues will be aware that two years after being elected, I endured an eight-day trial, instigated by a complaint made by my ex-husband's brother-in-law, which forced me to talk about my painful and private experiences of domestic abuse. The action was taken by my local council, and my ex-husband was a councillor at the time. I was found to be innocent of all the charges, but what remains is that the matter of domestic abuse was actually used against me by the prosecution; it was argued that the domestic abuse was a motive for the alleged crimes. As Raj Chada, who represented me—he is the criminal defence partner at Hodge Jones & Allen—argued:

“Prosecutors and investigators need to better understand and consider how victims of coercive control and domestic abuse behave and how they are treated by the criminal justice system.”

It is absolutely imperative that the Government now look at introducing statutory defences for victims of domestic abuse who are accused of offences, and add to the victims code a commitment to protect all victims of

[Apsana Begum]

violence from unjust criminalisation, ensuring that they have their rights upheld as victims and are not further stigmatised. Additional safeguards are needed throughout the criminal justice process. The Tackling Double Disadvantage partnership is calling for the introduction where necessary of additional safeguards, such as a process to allow the pausing of a police interview under caution where it becomes clear that the suspect may be a victim of domestic abuse. I did not have that. I am not saying that, as a Member of Parliament, I should have been treated specially or differently, but I am describing my case and my experiences of being interviewed under police caution, where I made the position very clear, and it took a lot of confidence and courage to come forward and say, “This is what has been happening and I am still fearful of what my ex-husband can do to me, just for coming forward—just for speaking out.”

There did not seem to be an understanding of domestic abuse in the handling of the case in its early stages, and I fear that other people are being prosecuted for offences in relation to which the law does not necessarily take into account the impact and experiences of domestic abuse. My case was a fraud case; there are no statutory defences around domestic abuse in a case such as that. The case rested heavily on the approach of the prosecution, which considered domestic abuse a motivating factor for the crime. I therefore call for additional safeguards and statutory defences, and for a commitment to the victims code to protect people from unjust criminalisation. I strongly feel that what happened to me must never happen to anyone ever again, but I fear that it is still happening to many people in this country.

I thank the Centre for Women’s Justice and the Tackling Double Disadvantage Partnership. The partnership is made up of a number of organisations, which I will name: Hibiscus Initiatives, Agenda Alliance, Women in Prison, the Zahid Mubarek Trust, the Muslim Women in Prison project and the Criminal Justice Alliance. They are making a range of calls on the Government; I have already mentioned the firewall on data sharing between police and the Home Office. They are also calling for increased investment in women-specific services, specifically for victims of violence who are facing criminal proceedings, so that women have a safe space to disclose and receive support, and they are calling for that investment to be made particularly in services that are for and led by black, Asian, minoritised and migrant women. They are also calling for criminal justice practitioners at every stage of the process—whether police, judges, juries, or prisons and probation services—to take proper account of the abuse experienced by victim suspects and defendants, and to be made accountable for doing so. That call is about having access to training, guidance and expert support from women’s specialist services, so that criminal justice practitioners can consider fully the relationship between alleged offending and experiences of abuse.

Without the support of the women’s sector, I too would have found myself not necessarily having the language to describe my experiences. It was profoundly empowering to put the proper words to my own experience, so that it could be understood by the criminal justice system. That would not have happened without the support that I ended up receiving, and availability of that support is a postcode lottery for many people in

this country. For example, there are just not enough independent domestic violence advocates. I know that the Government are providing a statutory definition in the Victims and Prisoners Bill. We can make a statutory definition of what an IDVA is and does, but there need to be enough of them. There needs to be a commitment to funding enough of them, whether through Victim Support or local and established services. We can put things in Bills, but we need the funding to ensure that they can be implemented and have an impact.

I have already mentioned the Illegal Migration Bill. The Tackling Double Disadvantage Partnership is calling for the withdrawal of provisions that would limit the rights of potential victims of trafficking. We have to understand the experiences of women who have been persecuted and are fleeing violence in other parts of the world. They also have rights under international law, and we have to take that into account in terms of their experiences in this country.

Finally, I have not really mentioned data, apart from the data sharing among the Home Office, immigration enforcement and the police. It is important to collect and analyse disaggregated data to improve our understanding of the criminalisation of victims of violence against women and girls, and of the intersection between that and the experiences of black, Asian and minoritised and migrant women. Not enough data is available, and I could say lots about why it is not, but it is absolutely important to make that data available. Victims themselves need to know what is happening in the criminal justice system and the sector needs to know as well.

Every week, two women in the UK are killed by a current or ex-partner, and 49% of those women are killed less than a month after separation. That is unacceptable and preventable. Women make up 5% of the prison population, and so many of them will be victims of domestic abuse. That is also unacceptable. So many of those women are giving birth behind prison bars, which is also unacceptable. But this is all preventable. This injustice is preventable and I urge the Government to take action sooner rather than later.

10 am

Florence Eshalomi (Vauxhall) (Lab/Co-op): I pay tribute to my hon. Friend the Member for Edmonton (Kate Osamor) for securing this really important debate. It is timely when the rights and voices of women are being silenced—an issue that is really important to us all.

I also pay tribute to my hon. Friend the Member for Poplar and Limehouse (Apsana Begum) for always being honest in sharing her own personal story, because every time she speaks about it she is helping another woman to have the strength and courage to come forward. That is not easy, but even if it is only one woman who comes forward, it is possible that they could change and impact another woman’s life, so I thank her for that and for always being honest about that.

I want to speak about an issue that sometimes we, as a society, sweep aside: girls who are associated with gangs, and the violence and sexual violence that they face. When we talk about gangs, people perceive violence and youth crime as an issue that predominantly affects young men and boys, but a number of girls are also being criminalised. If we look at county lines, we know that many gangs use young women to transport drugs up and down the country because they are less detectable.

We also know that those girls are being criminally exploited. Child criminal exploitation is a big issue, and child sexual exploitation is also a big issue.

We see gang members involved in county lines sexually exploiting vulnerable young women and girls. We see male gang members grooming those young women into sexual relationships, to a point where those young women and girls do not realise that they are being groomed and used. They think they are in a relationship; they look up to this male. Then they are tricked into opening bank accounts, and tricked into using their homes to cuckoo and store drugs and weapons, including knives and guns, all with the allure of this older male being their partner.

For a number of these girls, it is quite hard to break out of these relationships. The issue of debt bondage comes in. They have to pay back the gang members, and that payback is often in the form of sexual exploitation. These girls have been raped multiple times by gang members. In some cases, gang initiation practices involve multiple rapes of these girls. How do we see the police and other agencies responding? They criminalise these young girls. They say that they are gang members, not recognising that they are being exploited both criminally and sexually. So we need a gendered approach when we talk about these young women and girls who are being exploited sexually.

Also, a number of these young women and girls are from a black and minority ethnic background, and they already have no faith in the criminal justice system. They feel that no one will believe them. I remember what happened to Sarah Everard in my borough—where she was attacked and kidnapped was close to the area I represented as a ward councillor. I have walked those roads. In one of the sessions that I had with a group of youth workers, one of the girls said to me, “If they can’t even believe someone like Sarah Everard, what chance do they have of believing me?” That is how the girls see it in terms of what is happening with the policing system.

We need to consider how we hear the voices of young black and minority ethnic women in the criminal justice system, and not just throw away the key and lock them up. We need to make sure that we listen to them when they tell us they are being sexually exploited and criminally exploited, and not perceive them as gang members. We need to listen when they are coerced into opening bank accounts so that money can be transported through them. We need to listen to them when they face being made homeless, often with their young children, and see their tenancies end because their homes are being used by gang members. We need to make sure that we believe these young women.

Sadly, in January 2019 the National Crime Agency estimated that 91% of people associated with county lines were men, but females were under-represented both as offenders and victims of exploitation because the data is not there. One of the issues I raised when I held a Westminster Hall debate on this subject was the importance of ensuring that violence reduction units, police and crime commissioners and different policing agencies across the country hold data on how many girls and young women come into their services. There is a lot of data on boys and young men. The data on women and girls is patchy at best. It is important that when the police stop and search a car with a young girl in it, they do not assume that she is the girlfriend of a

gang member. She could be being held in that car against her will. She could be being criminally or sexually exploited. It is about asking her questions about her safety.

We see these young women and girls providing support to gang members when there is a stabbing. Again, I remember speaking to a gang member, who said, “When there is an incident—a stabbing—it is the girls and young women who are the first ones there.” It is the girls and young women who offer mentoring and trauma support to those young boys—who organise the funerals, lay flowers and tend to the burial site. Where is the help and support for those young girls? It is important, when we talk about violence against women and girls and minority ethnic women, that we think about their voices and ensure that they are heard.

On the specific area of girls associated with gangs, I ask the Minister when the Government will start working with the PCCs and violence reduction units to ensure that we collate the data on a gendered approach, because if we are serious about tackling the issue of violence against women and girls, we need to ensure that we have the data in the first instance.

10.7 am

Jess Phillips (Birmingham, Yardley) (Lab): I believe this is the first time I have had the pleasure of serving under your chairship, Ms Nokes. I want to say a massive congratulations to my hon. Friend the Member for Edmonton (Kate Osamor) for bringing forward this important debate, and to all the agencies that compiled the report. I am hopeful that the Minister will want to arrange a meeting with them to look at the findings, which, from my experience, are clear and accurate.

The nub of the issue, as my hon. Friend identified, comes from Refuge data, which found that black women are 14% less likely to be referred to its services for support by the police than white survivors. I have worked in the field for a long time, and people often say these are—I hate this language—“hard to reach” groups. In actual fact, black women are 3% more likely to report abuse to the police and 14% less likely to be referred by police services to specialist services. This is not a hard-to-reach cohort of people; this is a group of people asking for help and not being provided with it. There is something fundamental in that statistic about where we are going wrong, before we even get to the idea of people being criminalised.

To my hon. Friend the Member for Poplar and Limehouse (Apsana Begum): maybe I just have not slept very well this week, but the statistic about Calpol being the thing that was most stolen in her constituency, based on police data, made me want to cry. That is unbelievable, yet so believable. That was before she went on to speak about her experience, where criminalisation was undoubtedly used as a weapon by her abusers. That is not uncommon. I first read about the charges against my hon. Friend in *The Sun*, when she had only just been elected. It was not a very detailed piece but as a professional in this area, on reading it, I did not see a woman being criminalised; despite having never spoken to her, I instantly knew that she was a victim of domestic abuse. I contacted her immediately to say as much. Why on earth could the first criminal justice agency to interact with her in that case not see that from the evidence in front of it? It is a disgrace.

[Jess Phillips]

What I am seeing at the moment, specifically in domestic abuse cases where children are involved, is that the new game in town for those accused of domestic abuse who want to attack their accuser is claim and counterclaim, and I have recently encountered counterclaims against known victims of domestic abuse that have led to their arrest. In one case I am handling, the health visitor of a woman who had been to the multi-agency risk assessment conference eight times, such was the high-risk nature of the threat to her life—two attempts had been made on her life, and on the lives of her child and parents—turned up at my office in a desperate panic because the woman had been put in a prison cell owing to counterclaims by her ex-husband.

Every single claim and counterclaim case I have been involved with in which the police have made an arrest has involved an Asian woman—and that is not just because of the demographics of the area that I represent. I am watching black and minoritised women being criminalised literally for being victims of domestic abuse. As I say, that interacts very badly with our failing family court system, where the game in town for a long time was parent alienation. Now that has been widely rebuked, there is a new game: every single domestic abuse claim a woman makes in family court—bar rape, one notices—gets turned around and put back on her. In every case where I have seen claim and counterclaim lead to either criminalisation or poor decisions in family court—this is totally anecdotal, based on my personal experience; I would love to show some data, but neither the Home Office nor the family courts collect any, so everyone gathered here will have to take my word for it—it has involved a black or Asian woman. There is definitely a problem in the system; I am seeing it live with my own eyes. My hon. Friend the Member for Poplar and Limehouse is incredibly brave to talk about her experiences again, and I am proud to know her.

To the points made by my hon. Friend the Member for Vauxhall (Florence Eshalomi), again, missing data is part of the problem, but the brutal exploitation of girls in gangs, both criminally and through sexual exploitation, only for them to go on and be criminalised, is absolutely woeful. Some 63% of girls and young women serving sentences in the community have experienced rape or domestic abuse in intimate partner relationships. I have absolutely no doubt that a large number of those will be linked to the gang and sexual exploitation activity that is going on.

We in the Labour party are seeking to amend the Victims and Prisoners Bill so that child criminal exploitation is defined in law. So far, the Government have pushed back against that, but hope springs eternal that by the time the Bill comes back in its next iteration they will have decided that defining child criminal exploitation in law is important. I know my hon. Friend the Member for Vauxhall has lent her voice to that. Moreover, on the push for data, I cannot express enough how we need better data on all of these things. The situation is woeful.

This is not new news. At the moment, I sometimes feel like I am in a meeting that I was in 20 years ago. We must be 20 years on from Baroness Corston's report, which roundly proved that criminalising women was costly to society, dangerous for our criminal justice

agencies and bore no results. I used to run a female offenders' centre in the west midlands that came about because of what was in the Corston report and we had a 97% non-reoffending rate. Sadly, I think the state has the opposite: a 97% reoffending rate. We know that women's centres and services that divert people from prison work. It is not soft touch; it stops criminal activity. Do I think for a second that somebody who has stolen some Calpol should go to prison? That is phenomenal, yet it happens up and down our country. We know the data.

Unfortunately, the Government have a policy of building new women's prisons, which they will fill overnight at great cost to the taxpayer. The reoffending rate achieved will be nowhere near as good as investing that money in women's centre services. I set up a women's centre because I watched victims of domestic abuse from my refuge being criminalised as part of the pattern of the abuse they had suffered, for things such as their children not going to school—that is the point of a women's centre. Women move miles away from their home, where they have been living in horrendous situations in which they have basically been enslaved, and their children are frightened to leave them to go to a new school. Then they are criminalised because their children will not go to school. That is just unbelievable bad practice, all over the country.

I am not entirely sure why the Government, in the small bit of data they bother to collect, would look at the reoffending rates from prisons and women's centres and think, "Prisons: that is the one for us." It is absolute madness and does not make any sense. The failed and now returned to the state privatisation of probation—a dreadful and failed experiment over the past 10 years—has largely decimated our women's criminal justice centres, which were doing brilliant and amazing work. I cannot stress enough the need for better data and understanding in this space.

On statutory defences, as alluded to by my hon. Friend the Member for Edmonton, I tabled amendments to that effect in the Domestic Abuse Act 2021. I continue to believe that statutory defences in cases of domestic abuse and sexual violence and exploitation should have a role in our law. Just as my hon. Friend pointed, it seems ridiculous that the same provisions for cases of force used in break-ins do not exist for victims of domestic abuse. It is as if the state is basically saying "We are not expecting zero violence. You should be able to take a bit of violence before you kick back." That is pretty grim, and I urge the Government once again to look at statutory defences. Under the stewardship of the right hon. Member for Maidenhead (Mrs May), statutory defences were put into law in cases of modern slavery and human trafficking.

I am afraid to say that, although the law is written well, the practice is not so good, as my hon. Friend the Member for Vauxhall pointed out, so much more work needs to be done in that space. But there is nothing for victims of domestic and sexual violence. The right hon. Member for Maidenhead, the ex-Prime Minister and Home Secretary—back in the time when Home Secretaries stayed for a long time—acted with a spirit of fairness and had an understanding of what will work and what is right. I encourage the Government to take on that grit.

As for the firewall, I will briefly say that a woman in my constituency came to me because her husband was threatening to kill her. He continued to threaten to kill her after she called the police, as I told her to do, and she had a “sig” marker put on her house because her life was at risk. The police turned up, and the next thing I know she called me. Because she did not speak particularly good English, she said that she was in Bradford, but she was actually in Bedford, in Yarl’s Wood, because when she called the police to say that her husband was threatening to kill her and was coming round, she ended up in immigration detention. She has since, of course, been given indefinite leave to remain; I think she is actually a British citizen now. She should never have been detained, and she certainly should not have been detained when there was a threat to her life, because the next time her husband threatens to kill her, she will not call the police, and then I will read out her name on the next International Women’s Day.

We have case after case like that, and the Government’s response to our amendments on the firewall—the Domestic Abuse Commissioner has made clear that he supports that, and anybody who knows anything about anything thinks it is a good idea—is to act as if they are doing a kindness. What a kindness they did to my constituent when they put her in detention when her life was at risk. They act as if they are doing a kindness when they say, “Well, sometimes there is a need for the police to speak to immigration.” Of course there is. I speak to immigration all the time, but I do not do it as an enforcer; I do it to try to ensure that a victim’s immigration status can be sorted out and she can access the right services, and I do it at her request.

There is absolutely no reason why the police could not act in exactly the same way. No one is saying that we can never speak to immigration, but we should speak not to immigration enforcement, but to the Home Office at the point at which the victim needs her immigration sorted out. Caseworkers in violence against women and girls services do that all over the country, all the time, and nobody ends up in detention, so why do they when the police do it? It is a disgrace—it is part of the hostile environment—that the Government do not want to end the practice of detaining women who come forward to say that they have been raped or abused, that their lives are at risk, and that something should be done about it.

The Government agreed to the Istanbul convention, apart from the bit about migrant women. They literally carved out their rights, creating a two-tier system.

Caroline Nokes (in the Chair): Order. I remind the shadow Minister to leave time for the Minister.

Jess Phillips: I will sit down shortly.

There is literally no excuse. I really hope the Government look at the report I mentioned, take its recommendations incredibly seriously, and use facts and evidence, not ideology, to make decisions about what they do with my constituents’ tax money.

10.23 am

The Parliamentary Under-Secretary of State for the Home Department (Miss Sarah Dines): It is a pleasure to serve under your chairmanship, Ms Nokes. I am grateful to the hon. Member for Edmonton (Kate Osamor) for securing such an important debate. I also thank everybody in the Public Gallery for taking the trouble

to come along to listen to us. A lot of people work very hard in this area. I accept the letter with pleasure; I know a lot of work has gone into it. The recommendations will be separately and carefully looked at, and there will be meetings if meetings are sought. I thank them very much for that hard work.

As the hon. Lady and other hon. Members are aware, the Government take tackling violence against women and girls very seriously. We are determined to strengthen our response to those horrific crimes, which cause so much pain and suffering across society. We are working in that regard.

I will come to our approach in more detail, but I want to make the point at the outset that the needs of victims and survivors are central to all the work we do in this area. That means that when they encounter the criminal justice system, they should get effective and sensitive support, and should be treated with the utmost respect and compassion.

Let me turn to some of the specific issues raised by Members. In relation to female offenders, we know that many women who come into contact with the criminal justice system have experienced domestic abuse. Ethnic minority women in particular are over-represented at each stage of the criminal justice system, and they face disparities associated with their ethnicity, faith and culture. Since the publication of the female offender strategy in January, we have begun a programme of work aimed at improving criminal justice outcomes and disparities, and we have established the female offender minority ethnic working group, or FOME, to take that forward.

The programme of work includes cultural awareness raising for staff, commissioning an evidence review better to identify and understand the issues that lead to or underpin disparities for ethnic minority and foreign national women, and developing guidance for prison and probation staff better to understand the family relationship structures and support needs of ethnic minority and foreign women.

I thank the hon. Member for Poplar and Limehouse (Apsana Begum) for sharing her experiences of the criminal justice system. As a new Minister, I responded on behalf of the Government to her Westminster Hall debate last November, and heard of her experiences. I thank her for participating in today’s debate.

Women in the criminal justice system have complex issues and vulnerabilities—for example, a history of abuse. There are some things on which I agree with the Opposition spokesman, the hon. Member for Birmingham, Yardley (Jess Phillips). Statistics show that 67% of women in custody or supervised in the community by the probation service with an assessment have experienced domestic abuse. Female prisoners are twice as likely to report the experience of abuse during childhood—53% of women against 27% of men—and female prisoners who report having experienced abuse as a child are more likely to report suffering sexual abuse than male prisoners. The figures are 67% for women and 24% for men. However, we need to remember that there are also vulnerable prisoners of the other sex.

Let me mention the Centre for Women’s Justice. The Ministry of Justice regularly works with the centre, and notably on the rape review, there is a high level of engagement, alongside the Home Office. A lot of work

[Miss Sarah Dines]

is being done. The centre will also work closely with the Minister of State, Ministry of Justice, my right hon. Friend the Member for Charnwood (Edward Argar), throughout the passage of the Victims and Prisoners Bill. Some of the issues we are discussing today are not directly in my portfolio, but I work closely with my right hon. Friend the Minister of State.

Caroline Nokes (in the Chair): Order. May I interrupt the Minister for a moment? Somebody in the Public Gallery is using a telephone. May I alert the Doorkeeper to that? Back to you, Minister.

Miss Dines: I am grateful, Ms Nokes.

On the cost of living, the Government remain committed to supporting victims. We have launched a £300,000 flexible fund, which we are working closely with Women's Aid to deliver. I was privileged to visit a refuge recently, and to speak to the women who will benefit and who have benefited from that money, which has been accepted. The fund was launched on 10 May, and it makes payments of between £250 and £500. More financial support goes to pregnant women or those with families. Further support—

Jess Phillips: Will the hon. Lady give way on that point?

Miss Dines: Yes, of course.

Jess Phillips: That fund ran out within about three weeks of it being launched. I have tried to access it twice, and there is no longer any money in it.

Miss Dines: I am always pleased when money runs out because that means it has been fully utilised. I was about to finish the sentence by saying that further support is under review. The demand for that service has been considered.

Let me mention one or two other points that hon. Members raised with great earnestness. On the drugs strategy and county lines, on 6 December 2021, the Government published a 10-year drugs strategy, and through that strategy we will support our flagship county lines programme, investing £149 million over three years in that area. That funding will add to the £65 million invested since November 2019.

How will the Victims and Prisoners Bill improve people's experience and the experience of victims? We are supporting victims of domestic abuse by enhancing the position of independent domestic violence advisers, while improving wider support services through a joint statutory duty in England on police and crime commissioners, local authorities and health bodies to collaborate in commissioning support services. Beyond the Bill, we are providing £51 million to support victims of sexual assault and domestic abuse. Those are unprecedented numbers that the Government have committed to this field.

I have a little more time to mention support for migrant victims of domestic abuse. How we support migrant victims of domestic abuse has been raised by several hon. Members today. Let me reiterate that the Government are committed to supporting all victims of domestic abuse, regardless of their immigration status. We know that victims of domestic abuse with insecure

immigration status can face additional barriers when seeking support from agencies and professionals. That is why in April 2021 the Government launched the support for migrant victims scheme, which is run by Southall Black Sisters and their delivery partners. I have had the pleasure on numerous occasions to speak with members of that organisation. That scheme provides wraparound support for migrant victims, including accommodation, subsistence support and counselling. As I mentioned, I am pleased to have met members of the organisation on several occasions and I am grateful for their work in this area.

As committed to in the domestic abuse plan, we allocated up to £1.4 million in 2022-23 to continue to fund the scheme. We have now extended that funding into March 2025. More than 950 victims have been supported through the scheme since its introduction, and I welcome the important work that Southall Black Sisters and many other specialist organisations do in this area.

Data sharing, which has been mentioned by several hon. Members, is an area where there are strongly held views. Following our 2022 review of data sharing for migrant victims of crime, we will be establishing a migrant victims protocol. That will provide an assurance to individuals that no immigration enforcement action will be taken while criminal justice proceedings are ongoing or while support to make applications to regularise their stay is being sought.

Alongside establishing that protocol, we are developing a code of practice on personal data sharing between the police and the Home Office regarding victims of domestic abuse subject to immigration control.

Kate Osamor: The Minister says that the Government are doing all they can to support women affected by domestic abuse, but what about migrant women who have no recourse to public funds? What are the Government going to do to support those women?

Miss Dines: The Government have committed large amounts of funding to support partners, and are always looking at and reviewing what they are going to do.

Jess Phillips: Will the Minister give way?

Miss Dines: If I could just progress a little, I will mention the code of practice, which is pertinent to this area. Both the code of practice and the migrant victims protocol are currently under development. We are engaging with the Domestic Abuse Commissioner and the Information Commissioner Office on the code, and considering how to engage further in this area.

Jess Phillips: Will the Minister give way?

Miss Dines: I will be happy to do so once I have made a little more progress.

Right at the beginning of the debate, the hon. Member for Edmonton said that she had grave concerns about how people are dealt with by the police. I agree, on behalf of Government, that it is crucial for police officers to have the right tools and training to engage sensitively and appropriately with all victims of domestic abuse.

I hope it is useful to set out what training is already available for the police. For those entering the service, the College of Policing's foundation training includes substantial coverage of police ethics, including the effects of personal conscious and unconscious bias. The initial training, undertaken by all officers, also covers hate crimes, ethics, equalities and policing without bias. Further training is then provided in specialist areas throughout an officer's career. For example, training for those involved in public protection includes methods to raise officers' self-awareness of their own views, stereotypes and biases.

Florence Eshalomi: The Minister may be aware of Valerie's law. We are asking the police to look at having specialist training covering the fact that bruises and scars from domestic abuse do not show as much on the skin of black and minority ethnic women. The police have been found not to have believed some of these women, so does the Minister agree that there should be police training on that?

Miss Dines: When I have had engagement with the national leads from the College of Policing, I have always been impressed with how they have been prepared to develop and pursue areas in their training. I know the hon. Lady will make representations to them and to me on how the training can be made better, and I am always interested in hearing about that.

I am pleased that Domestic Abuse Matters training has been widely undertaken. The Domestic Abuse Matters programme has been delivered to the majority of forces and we are supporting the roll-out to remaining forces. There are also updated modules, which are of assistance.

Jess Phillips: Will the Minister give way?

Miss Dines: I will just pursue this point for a little while.

The first responders training specifically considers the needs and vulnerabilities of different victims as a core thread running throughout. The training also specifically covers responding to so-called honour-based abuse. We have not debated that in detail today so I will not spend too long on it, but I am pleased the training is developing in areas where that is needed. That is why debates such as this are so informative—because new ideas and recommendations can be brought forward. The College of Policing also issues authorised professional practice documents, which are the official source of professional practice on policing.

Various hon. Ladies raised the issue of data, and that is important because data and evidence is what informs us. While we received much reassuring information in December when His Majesty's inspectorate of constabulary and fire and rescue services and its partner organisations published their report on the super-complaint, there is a need for improvement in the recording of ethnicity data and for the police to develop wider awareness of the different cultures and religions in their local communities. The Home Secretary and I take this very seriously. I am pleased the police have accepted the recommendations relating to those points and I look forward to seeing positive change as a result.

Funding for ethnic minority victims has also been raised in the debate. Violence against women and girls affects a wide range of people, and a one-size-fits-all approach is not always the most appropriate way to support victims, especially those with specific needs and

vulnerabilities, which includes ethnic minority victims. We recognise the importance of specialist "by and for" VAWG services to understand the specific issues that ethnic minority victims face; they have the necessary skills and experience to provide that support. One of the pleasures of being the Minister with responsibility for this area has been meeting so many experienced people in these fields—voluntary, paid, individuals, groups. It has been wonderful.

To further bolster this important work that the Government do, the Home Office, alongside the Ministry of Justice, has launched the violence against women and girls fund, which will allocate up to £8.4 million of funding for "by and for" and specialist services across England and Wales over two years. The competition has concluded and announcements on successful bidders will be shared in due course.

The Home Office has also recently awarded over £10 million to organisations providing specialist support to children who have been impacted by domestic abuse, an area close to the hearts of all of us in this room. As part of this, we have provided SafeLives with funding to specifically improve the support available for children from ethnic minority backgrounds. This includes developing the knowledge of frontline professionals by delivering training with support from specialist "by and for" organisations.

As set out in the tackling domestic abuse plan, we aim to enable a whole-system approach to make sure the whole system operates in greater co-ordination to respond to domestic abuse and support victims. This support is essential and that is why we committed to invest up to £7.5 million in domestic abuse interventions in healthcare settings. It is very important that we tackle this and support each and every agency we can. This will include independent domestic violence advocates informed by, and specialised in, the needs of marginalised victims.

The Government response to the Domestic Abuse Commissioner's "A Patchwork of Provision" report, published in March, reiterates the value of "by and for" specialist services in providing the tailored support required by those with protected characteristics and those who experience the highest levels of exclusion from mainstream services.

I offer my thanks again to the hon. Member for Edmonton for securing the debate. I look forward to reading in further detail the recommendations in her assessment report, which will be given to me. This is an important and emotive subject, as reflected in the emotions and careful considerations of this debate. As I said at the beginning, the Government are wholeheartedly committed to tackling violence against women and girls. That means going after perpetrators, strengthening our systems and, crucially, ensuring that victims and survivors get the support they need and deserve, whatever their background and ethnicity.

10.40 am

Kate Osamor: First, I want to say thank you to my hon. Friends the Members for Poplar and Limehouse (Apsana Begum) and for Vauxhall (Florence Eshalomi) for your powerful speeches.

Caroline Nokes (in the Chair): May I remind hon. Members that we have had lots of "you" and "yours" today?

Kate Osamor: Thank you for reminding us, Ms Nokes.

I thank everyone who has helped me to put this debate together. It is really important that this House has considered the criminalisation of victims of violence against women from ethnic minority and migrant communities.

The Minister said that the Government are committed to tackling disparities facing ethnic minority women in the criminal justice system. Although the inequalities experienced by ethnic minorities are mentioned in the delivery plan, it does not go far enough. We need to tackle institutional racism in the criminal justice system from top to bottom. It is no wonder that black and ethnic minority women do not trust the police and the criminal justice system, for many different reasons. When we hear stories such as those of the police officers taking pictures of Nicole Smallman and Bibaa Henry, we know that the lack of trust across the community only deepens. There is a lot of work still to be done. I thank the Minister for accepting my letter, and I look forward to working alongside the Government to improve outcomes for victims of domestic violence.

Question put and agreed to.

Resolved,

That this House has considered the matter of the criminalisation of victims of violence against women from ethnic minority and migrant communities.

10.41 am

Sitting suspended.

Robert Stephenson and Company: 200th Anniversary

11 am

Caroline Nokes (in the Chair): I will call Chi Onwurah to move the motion and will then call the Minister to respond. There will not be an opportunity for the Member in charge to wind up as this is only a 30-minute debate.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I beg to move,

That this House has considered the potential merits of Government support for the 200th anniversary of Robert Stephenson and Company, Newcastle.

It is a real pleasure to serve under your chairmanship, Ms Nokes. I draw the House's attention to my entry in the Register of Members' Financial Interests as a chartered engineer.

I am very proud to have secured this debate to celebrate the fact that my constituency, Newcastle upon Tyne Central, is home to the world's first locomotive factory. Just 100 yards from Newcastle Central station stands the very shed where Robert Stephenson and Company developed the key enabling technology of the industrial revolution, transforming the physical, economic and social landscape of the United Kingdom and, indeed, countries around the world.

In the bicentenary year of the founding of the factory, which improved the lives of generation upon generation, I want to understand what steps the Government are taking to commemorate it, and to set out the importance of celebrating our industrial heritage so that we can inspire a new generation of industrial innovators to solve the great challenges of our age.

George Stephenson was born into poverty in 1781 and had no formal education until the age of 18, but he died a man of worldwide renown. In 1823, with two local industrialists, Edward Pease and Michael Longridge, and his son Robert, he set up Robert Stephenson and Company. Robert was only 20 at the time but already a notable engineer in his own right, and he built on his father's work. He even became a Tory MP representing Whitby, so I hope that Robert Stephenson and Company will receive cross-party celebration.

When the factory opened, 90% of the global population lived in abject poverty and infant mortality was 40%. Horses to carry Newcastle's famous coal were scarce and colliery owners sought better ways to transport it across the country. It was by responding to that challenge that George Stephenson earned his title as the father of the railways. The Stephensons' factory was the world's first works to specialise in the construction of locomotives. It transformed the coal industry, gave birth to public transport by initiating the first ever passenger railway, and was the literal engine of the industrial revolution.

The works also helped to bring about two of the country's greatest railway structures: Newcastle Central station, widely accepted as one of the country's finest stations, and the High Level bridge, the world's first combined rail and road bridge. That is only a fraction of Stephenson's legacy: the truth is that every single person in this room has benefited from the Robert Stephenson and Company factory, and every country has felt the impact of the works.

One of the most important historical sites of the 19th century is now part of a redevelopment scheme called the Stephenson Quarter, which includes the Boiler Shop, a popular venue for music and food, finding new relevance in the vibrant cultural life of Newcastle. There is a plaque commemorating Locomotion No. 1 at the original works site, but there should be much more to commemorate it.

The first locomotive to be built at the works was named, imaginatively, Locomotion No. 1, which ran on the Stockton and Darlington railway. It was followed by Hope, Black Diamond and Diligence, and then by the famous Stephenson's Rocket, the most advanced locomotive of its day. The designs proved to be the template for the next 150 years of locomotive construction in Britain and around the world. The factory built the first locomotives to run in America, Australia, France and Germany.

Knowing that the best locomotives were made in England, the US state of New Jersey ordered the John Bull all the way from Newcastle in 1831. It was last operated in 1981, which makes it the oldest operable steam locomotive in existence. Today, the John Bull is on proud display at the National Museum of American History, so it is no exaggeration to say that Newcastle's industrial heritage belongs to the world.

Just 76 years after setting up shop, the factory had produced more than 3,000 locomotives and was selling to more than 60 countries. The world had become a smaller place. The first industrial revolution saw various labour-saving inventions that drove rises in output and production, but few had as much of an impact on our very way of life as the steam locomotive. Railways connected communities and made what was distant close, and in so doing altered the significance of space and time. New opportunities for travel gave birth to the work commute—we may not all be appreciative of that—Victorian seaside resorts and even the standardisation of time, because the need for standardised railway timetables drove local and national co-ordination and eventually gave rise to the international standard, the Greenwich meridian. There could not be a more striking symbol of the manner in which the innovations of Stephenson and Company ushered in modernity and united people across localities, regions and nations.

Of course, there was opposition at the time, particularly from the vested interests of horse and river power companies. It was said that cows would stop giving milk and hens would not lay eggs, that the locomotive would cause miscarriages in women and that its smoke would turn each day into a dark night. Those early examples of online harms—that is, on-railway-line harms—did not come to pass, but that is no excuse for the current Government's failure to legislate for the harms of today's transformative communications technology, the internet. The industrial revolution generated other harms, of course: exploitation, unsafe working conditions, child labour and poverty. In response, the labour movement, of which I am a proud member, grew to protect and promote the interests of ordinary working people.

In the north-east, we are immensely proud of our industrial heritage. Our region is not only the birthplace of the locomotive; our mines, mills and plants fostered many of the riches that flowed from the first—carbon-based—industrial revolution. As a nation, we take pride in the people who lived in our castles, but our history should also tell the story of working people: the mines

where they toiled and the railways and bridges that they built. According to research from Historic England, 93% of people agree that local heritage raises their quality of life. Living close to historic buildings and places is associated with higher levels of self-reported health, higher levels of happiness and higher life satisfaction. There are museums in the north-east that celebrate our industrial heritage, not least the Discovery Museum, which is in my constituency and showcases world firsts such as Parsons' Turbinia and Joseph Swan's light bulb. I pay tribute to Arts Council England's museum development programme for the north-east, which provides grants to help museums to remain a key part of all communities in the region.

How was the bicentenary of Robert Stephenson's works celebrated? In my constituency, the Common Room, which is the home of the North of England Institute of Mining and Mechanical Engineers, held an exhibition to celebrate the life and achievements of Robert Stephenson. The Robert Stephenson Trust's celebrations included a train-naming ceremony at Darlington. Newcastle City Council planned to celebrate with the launch of the Pattern Shop in what was the Stephenson works' engine room, but the collapse of Tolent, the building company, put paid to that. What did the Government do? Will the Minister confirm that the amazing anniversary passed unnoticed by the Government? Were they perhaps distracted by the multiple changes of Prime Minister and Chancellor over the past 12 months?

I recently tabled parliamentary questions about preserving and celebrating our industrial heritage and received, rather surprisingly, quite a useful answer from the Minister for Media, Tourism and Creative Industries, but it focused very much on the preservation, not the celebration. It gave as an example of an asset worthy of preservation that listed marvel of engineering, Newcastle's 19th-century swing bridge—the bridge that cannot swing anymore. Unfortunately, in response to previous written questions from me, Ministers have failed to take responsibility for preserving the swing bridge, saying that they expect to have ongoing discussions—whatever that means. Will this Minister say what role the Government have in the preservation and celebration of our industrial heritage and why Newcastle's swing bridge and the Robert Stephenson works apparently do not qualify?

As I have said, celebrating our industrial heritage gives communities pride. That pride helps to inspire our young people into the industries of today and tomorrow—and under a Labour Government there will be industries of today and tomorrow. With our industrial strategy and green prosperity plan, we will reindustrialise the north-east with clean tech and green jobs, with wealth flowing directly back into the communities that those industries serve and cutting energy bills. This is about owning the future, setting missions to guide industry and facing up to the challenges that would otherwise overwhelm us.

Climate change is one of the greatest scientific and engineering problems that the world has ever known. We have built a world of technology based on fossil fuels—the Robert Stephenson works are an example of that—and now we need to re-engineer it and do that fast, or we will endanger the very civilisation that our technology created. Labour will more than double our onshore wind capacity, triple—

Caroline Nokes (in the Chair): Order. May I remind the hon. Lady that she needs to stick quite tightly to the matter of Government support for the 200th anniversary of Robert Stephenson and Company?

Chi Onwurah: I appreciate that, Ms Nokes. The reason why we need Government support for the Robert Stephenson celebrations is just what I am coming to.

Celebrating northern pioneers should be an opportunity to inspire younger generations, tackle the skills gap and diversify our STEM—science, technology, engineering and maths—sector. Our country has a 175,000-person skills shortage in STEM, and the sector experiences a chronic lack of diversity at the same time. The Royal Academy of Engineering recognises that and is studying the important role of industrial heritage in education, economy and place. Historic England has found that participation in heritage programmes enables young people in industrial heartlands to claim ownership of their local areas and contribute towards their revitalisation. The celebration of the works site is, then, a key part of ensuring that we have the skills for the next industrial revolution. I would like to recognise the work of the ERA Foundation and, in particular, its director Tom Gordon in supporting this debate.

Will the Minister outline the Government's plans for celebrating and commemorating the bicentenary year of the Robert Stephenson and Company works site? Will he outline what the Government have done to recognise and celebrate the north-east's industrial heritage and the national industrial heritage? The Minister may mention the Great Exhibition of the North in 2018. It was a great exhibition and it was of the north, but can he set out what its industrial heritage legacy was and where we can find it? Can he demonstrate that he not only understands the significance of the legacy of the Stephenson works but will take steps to honour and preserve their heritage?

I note that the Department for Transport is answering this debate, rather than the Department for Culture, Media and Sport, but will the Minister outline whether his Department has any plans to harness the great advantage of Newcastle's industrial past and pioneers, such as George and Robert Stephenson, to inspire the next generation of north-east innovators, who are so needed to build on our strengths in so many of the areas relevant to the industries of the future, such as carbon capture and storage and green hydrogen?

Caroline Nokes (in the Chair): Order. May I remind the hon. Member that I really do not want her to start straying into her own shadow portfolio, which would cause quite a lot of consternation in the Chair?

Chi Onwurah: I am just concluding.

Speaking as the Member for Newcastle upon Tyne Central, I know that the United Kingdom has huge industrial potential and an amazing industrial heritage. I want a Government who recognise the achievements of the past and put them in the service of the challenges of the future. Celebrating the Robert Stephenson works is one way of doing that; I would like to understand what the Government's way of doing that is.

11.15 am

The Minister of State, Department for Transport (Huw Merriman): It is a pleasure to serve under your chairship, Ms Nokes. I thank the hon. Member for Newcastle

upon Tyne Central (Chi Onwurah) for securing this important debate on the potential merits of Government support for the 200th anniversary of Robert Stephenson and Company. She rightly pointed out that two Departments could have answered the debate. I hope, for the reasons I will come to, that she will understand why it is the Department for Transport and the Rail Minister doing that, rather than the Department for Culture, Media and Sport.

Let me talk about Railway 200, because the thrust of the hon. Member's points relate to that plan. As she stated, for nearly 200 years the railways have been the fabric of our nation and one of our most treasured public institutions, connecting people across the country and driving economic growth. The Government recognise the extraordinary contribution that the railways have made in all parts of the United Kingdom, and that the 200th anniversary is an important moment to mark and celebrate.

As such, I am delighted that the Department for Transport will support Railway 200. Led by Network Rail, Railway 200 is the railway industry's plan for a year-long programme of events, partnerships and initiatives to celebrate the railway and its positive impact, and officials in the Department are working closely with Network Rail and the Great British Railways transition team to deliver that important series of events.

On rail in the north-east, 2025 marks the 200th anniversary of the opening of the Stockton and Darlington railway and, as the hon. Member mentioned, the world's first steam-hauled passenger railway journey, pulled by Locomotion No. 1, between Stockton and Shildon via Darlington. The idea soon caught on, connecting people and businesses first across the country and then around the rest of the world. It powered innovation, created opportunities and later played a crucial role in wartime.

I have been excited to learn of the activities being planned in local places to celebrate the bicentenary, including by Newcastle City Council, Darlington Borough Council and Stockton-on-Tees Borough Council. I am pleased that the Government and their arm's length bodies are already contributing to a range of projects in the north-east in advance of the 2025 celebrations.

Chi Onwurah: I thank the Minister for his comments and support for the celebration of Railway 200, but the debate is specifically about Robert Stephenson and Company, which was founded in 1823, so the bicentenary is this year.

Huw Merriman: We are focused on the 200th year of the delivery of the railway. It is one of those matters where we get the title of the debate, think it through and think, "This is our opportunity to talk about what we are doing to mark 200 years of the railway." Like me, the hon. Member referenced Locomotion No. 1, and that is the point I am addressing. Perhaps she could bear with me as I go through my speech, and if there are matters that she feels we have not addressed, we will of course respond to her accordingly.

I want to talk about what is going on in the north-east. Darlington was successful in a levelling-up bid in the most recent Budget, which included funding to upgrade the Darlington heritage centre. In 2019, the Department for Digital, Culture, Media and Sport invested £18.6 million in the National Railway Museum's "Vision 2025" project

through the cultural investment fund, which included a transformation of the National Railway Museum in York and the Locomotion museum in County Durham in good time for the celebrations.

With Government funding, Historic England established the Stockton and Darlington railway heritage action zone to rejuvenate and restore the 26-mile stretch of historical railway and realise its potential to become a major visitor destination in the build-up to the bicentenary. Likewise, the National Lottery Heritage Fund, an arm's length body of DCMS, has awarded more than £3.2 million of funding to support a five-year project to develop the Darlington rail heritage quarter, which is delivering a programme of engagement activity. There are fantastic opportunities for MPs to get involved in bicentenary celebrations and capitalise on cultural events throughout the country. DCMS has offered to share contacts with interested MPs so they can find out more about what they can do in their constituencies.

With your approval, Ms Nokes, may I talk generally about the railway and the 200 years over which it has delivered?

Caroline Nokes (in the Chair): I will accept 200 years of railways, but not wind farms.

Huw Merriman: Okay, Ms Nokes—we will do just that. Of course, I will be stopped if you feel I am going off track, as it were.

The focus of Railway 200 is growth and renewal. The growth of the railways can be described by projects—completed or under way—that help us to celebrate the past that the hon. Member spoke about so well. Last year, the Elizabeth line, a new railway linking east and west in the south-east, opened, and it could account for one rail journey six.

We are investing even more money to link east and west in the north. The trans-Pennine route upgrade will see the electrification of the line that links Manchester, Huddersfield, Leeds and York, which will transform the line and bring more frequent, reliable, faster and greener trains from rebuilt stations with longer platforms. Once that is completed, it will form the basis for Northern Powerhouse Rail to be delivered.

Linking north to south we have our new high-speed rail project, High Speed 2, which will reduce the journey time from Manchester to London by almost an hour and give this country a high-speed rail spine, which we have lived without for too long. All those new railway lines will help us to deliver our commitment to decarbonise rail by 2050.

As for renewal, that cannot be completed overnight, but it is well under way. In his Bradshaw address in February, my right hon. Friend the Secretary of State for Transport set out his vision for rail: a customer-focused commercially-led industry with Great British Railways

as the guiding mind for the sector. We have already delivered national flexi season tickets, with more than 700,000 sold so far, and we have rolled out single-leg pricing across the London North Eastern Railway network, going up to Newcastle and delivering simpler, more flexible tickets that are better value.

Chi Onwurah: The title of the debate is “Robert Stephenson and Company: 200th Anniversary”, and we should be considering the merits of celebrating that anniversary. I am sorry if the Department did not realise that the anniversary is this year and that the debate should be about the company. Perhaps the Minister needs to spend more time in the north-east to get that established.

I am happy for the Minister to write to me to answer the question of what has been done to celebrate the anniversary of Robert Stephenson and Company. There are six months of the year left, and something could be done in that time. The merit of the anniversary is that it should be used to inspire our young people to take up careers in industry.

Caroline Nokes (in the Chair): May I interject? I allowed the hon. Member for Newcastle upon Tyne Central (Chi Onwurah), who is in charge of the debate, quite a lot of leeway, considering the title of the debate, and I have also allowed the Minister quite a lot of leeway. However, perhaps the Minister would like to focus tightly on Newcastle, and indeed the 200th anniversary of Robert Stephenson and Company. I have had enough of straying off the subject, from both Members.

Huw Merriman: I apologise, Ms Nokes. I love debates in which we can talk about the matters at hand. We of course roam around, which is absolutely right, but I will say that if hon. Members get in touch with me to say exactly what they want from the debate, regardless of political party, we will absolutely have that debate. I remind the hon. Member for Newcastle upon Tyne Central that I have not once strayed off the subject of the railways, and I think it is fair to say that she gave us a good guided tour of industry in general. Perhaps I will just wrap up, shall I?

We look forward with great excitement to our anniversaries, particularly the industry's 200th anniversary, which will be in 2025. This is our chance to show national pride in our railways and all they have delivered—not just for this country but around the world. I look forward also to working with the hon. Member with regard to her current celebration, about which we will write to her with more detail, and the even greater national celebrations in 2025.

Question put and agreed to.

11.24 am

Sitting suspended.

Freehold and Leasehold Reform

[MR VIRENDRA SHARMA *in the Chair*]

2.30 pm

Gareth Johnson (Dartford) (Con): I beg to move,

That this House has considered freehold and leasehold reform in England.

I will centre my remarks on the issue of management companies and the fees that they charge to people who live on newer housing estates. This is a big and growing issue in my constituency, and I want to talk to the House about some of the practices of management companies that behave in the most appalling way—in respect of not just the services they provide but the fees they charge to homeowners on the estates for which they are responsible. We have a large number of affected people in my constituency, which is perhaps not surprising given that some 7,000 new houses have been built in Dartford over the last 10 years. Management fees are imposed on homeowners, whatever their tenancy, to pay for the upkeep of communal areas and other amenities.

It is hard for me to overstate how big an issue the conduct of management companies is. Since announcing that I secured this debate, I have had email after email from local residents at their wits' end, who complain about the practices of management companies. Indeed, around 20% or 25% of people who attend my surgeries are there to raise such experiences. Frankly, the stories they have provided about the practices of management companies are shocking.

The central allegation is that developers retain ownership of the land once a house is built and then create a company or use an existing company to sell the land to, so that they have the right to be the estate management company. This happens without any consultation at all with homeowners or anybody else, and without sufficient regulation. Central to my speech is asking the Government to bring in the necessary legislation so that we can deal with this growing problem once and for all. What often happens is that companies are set up or used to implement the work or to liaise with residents, thereby creating several tiers of companies for homeowners to deal with.

Take, for example, the Bridge estate in Dartford. The local councillor, Clement Quaqumey, has raised the plight of local residents who are enduring a nightmare. Because the Bridge community is divided roughly half and half between businesses and residents, the residents end up paying huge amounts of money to receive little more than landscaping services. They have no alternative but to pay the money, as they are committed through the service charge deed they have signed. These contracts are the source of the homeowner's commitment. People unwittingly signed up to the contracts without fully understanding their implications.

Particularly when it is a seller's market, people are desperate to buy their dream home and never expect that management companies will hike up their fees with little notice. When that is challenged, however, it soon becomes clear that the homeowners can do little or nothing about it. We simply cannot allow homeowners to continue to be treated in this way.

A constituent contacted me yesterday to say that they are being charged £2,500 a year for an extremely poor service. Such fees are in addition to the council tax that homeowners still have to pay in full. Homeowners

understandably resent having to pay council tax and a separate payment for the maintenance of roads, pavements and play parks that can, of course, all be accessed by the general public free of charge. This is a problem that has to be addressed, and soon.

Residents of Ingress Park, another estate in my constituency, have contacted me to say that this beautiful place to live—and it is beautiful—is spoilt by the charges imposed on the homeowners there. The charges make the properties harder to sell and create bureaucracy that strangles the people living there. People complain of the accounts not adding up—and that is if and when they are able to obtain them. Again and again, I receive complaints from residents who ask for accounts to show them what their money is being used for but they are not able to obtain them. Residents have also complained of contractors clocking in late and leaving early, with nothing whatsoever being done to check their behaviour.

One of the worst instances that I have dealt with was in a road called Winston Close, which is in Stone in my constituency. Residents were given just two months' notice that their annual fee was going to rise from just under £2,000 to just under £6,000, to pay for windows to be replaced. To be fair to the management company, it relented and phased that increase over a longer period of time during which the windows would be replaced, but it still led to huge increases for local residents, as well as a lot of stress and upset. Had the original demand been persisted with, the residents would have had no option whatsoever other than to pay. That clearly illustrates what is wrong with the current system of management fees. The management company can literally treble the amount that homeowners have to pay, with little or no notice, and the residents have no alternative other than to cough up.

A constituent in Castle Hill, which is in the Ebbsfleet Garden City area, also contacted me. He relayed to me that the fee for residents in that area has recently been increased by 30%, yet as a freeholder he does not have access to any dispute-resolution tribunal, so he has just had to take that increase on the chin. That cannot be right and this practice has to end.

I met residents of Bexley Park in my constituency who have managed to secure the agreement of more than 50% of residents that they should remove themselves from their management company and go to another. I am sure Members will agree that it is no mean feat to get over 50% of residents in an area to sign up and say, "We no longer want to use our management company. We want to transfer to a different one." However, the original management company cleverly said to them, "That's absolutely fine, but we want hundreds of pounds from you, and every single householder has to pay that money before they are allowed to transfer." That was an impossible hurdle for those people to overcome, as the management company knew.

We have to make it easy for residents to move to another management company and thereby end the monopoly that such companies enjoy over homeowners. There is currently no competition because residents are stuck with their management company, which has no incentive whatsoever to improve its services or provide value for money.

Another constituent from Stone told me that they had questioned some workmen in their communal area who were there to change four of the fluorescent light fittings.

It turned out that they had travelled from Leeds to Kent to do that job and were charging over £400 to do it. It was clear that that lady could do absolutely nothing about the situation. There in front of her was a clear example of the abuse that is meted out to homeowners in some of these newer housing estates, in the form of someone being sent from such a long distance away to carry out a fairly straightforward job and then charging an exorbitant amount of money for it.

Residents on the old Stone House Hospital site in my constituency, which I understand comprises purely leasehold dwellings, contacted me to complain that the freeholder was forever changing and rarely cared about problems on the development.

Another problem with the current system is that there is little or no co-operation between management companies. Two or even more management companies operate on some estates in my constituency, so we end up with a situation in which separate people come to mow the grass, with one at one end of the estate and another at the other, when that job could have been carried out by one individual mowing the whole estate. That lack of co-operation illustrates the poor value for money. The examples instances just go on and on—indeed, I could fill the whole 90 minutes of the debate with issues that have been raised with me about poor value for money, exorbitant fees and the unfair and unjust current system.

I genuinely believe that developers and management companies are taking advantage of how the public conceive of a freehold. Understandably, people believe that a freehold will give them full control over their property, but the reality on these new estates is very different. So-called freeholders are not only being forced to pay the charges, but when it comes to selling the property they have to effectively ask permission from the management companies to do so and have to pay a fee to those management companies for a seller's information pack. One lady contacted me to say that when she questioned the management company over the contents of her seller's pack, it responded that each query she raised with them would be charged at £60 plus VAT. Ironically, she was questioning the management company about mistakes it had made in the pack. Such a system of having to ask permission simply causes delay, unnecessary costs and, of course, extra profit for the management company.

Moreover, people have no say in the running of the management company or input as to what the priorities should be for an estate. Whatever the management company wants for an estate is done to the residents who live there. There is no way of avoiding the exorbitant fees, no right to challenge and no conceivable way of changing the management company. Quite frankly, it is a licence for those companies to print money. If we do not legislate quickly, we will create a legacy that will stay with the British housing sector for generations to come. We should not allow people to be treated in this way for simply wanting a nice new home to live in.

2.43 pm

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to see you in the Chair, Mr Sharma. I state for the record that alongside the hon. Members for Worthing West (Sir Peter Bottomley) and for St Albans (Daisy Cooper), I am co-chair of the all-party parliamentary

group on leasehold and commonhold reform. We are ably supported in that endeavour by the Leasehold Knowledge Partnership, which works alongside the National Leasehold Campaign. We have worked over a number of years to get this issue right to the top of the political agenda, I am grateful to the hon. Member for Dartford (Gareth Johnson) for what he has said.

It is coming up to seven years since I first described leasehold as the payment protection insurance of the housebuilding industry. A couple of years ago, I said that estate management fees would be the new PPI because, as we are hearing today, they are clearly replacing leasehold as the new revenue stream to fleece homeowners of money that they should not have to pay. I have yet to hear a convincing argument as to why these companies need to exist on standard estates. They are simply adopting the works that the local authority used to do. When talking to people, it is difficult to imagine any justification for why they should have to pay twice for exactly the same services. That is what they are doing, with the only difference being that if people do not agree with the way council tax bills go, they can vote the council out. There is no such power over the management companies.

Management companies and fees will continue to be an issue: it sounds as though they are becoming more and more widespread, and there are now very few new estates where the model is not being used. Frankly, though, I do not think there is any reason for it to continue. It is beginning to raise some fundamental questions. For example, there is an estate where people pay for litter bins and collections, and they are saying, "Why should people who do not live on this estate get to walk their dogs on it, because they are not paying for cleaning the place up?" We end up in a very bad place if we do not tackle these issues and weed out the exploitation.

I say to those who raise these issues that we can see how knotty some of the legal questions are, and they do need untangling—an estate management company has a number of aspects to it—but despite the legal technicalities we have won the argument that leasehold is not fit for purpose, and that same argument needs to be applied to estate management companies. We also need political will to get the full reforms over the line.

Some might seek to defend the current system of leasehold. Perhaps the promises made by the Secretary of State for Communities and Local Government five and a half years ago have been forgotten; we have had quite a few changes since then. It would be churlish not to acknowledge that there has been some progress in cleaning up the mess, but in terms of legislation to help existing leaseholders, we have had very little action. The noises coming out of Whitehall in recent weeks have been concerning. For all the talk of change and promises made, perhaps nothing will actually happen. We cannot allow this to continue. We must ensure that justice is done.

People's homes—the biggest single purchase they will ever make in their lives—have been turned into a cash converter, usually for an anonymous freeholder. It is the biggest insult in the history of housing that people pay ground rent. Although it is initially quite a modest fee, in the small print of a lot of these agreements—which are, thankfully, being exposed now—the price of ground rents goes up. With an escalator it can sometimes double after 10 years and then double again after another 10 years. That often means the property becomes unsellable.

[Justin Madders]

The linking of ground rents to the retail price index is also becoming an issue given the rise in inflation, which makes some of the doubling ground rents seem slightly less outrageous than they are. This is now putting people in real hardship. The biggest insult of all is the fact that when people pay the ground rent, they get absolutely nothing in return. It is literally money for nothing and needs to be consigned to the dustbin of history.

The *Financial Times* recently reported that throughout the history of property the costs of leasehold and freehold homes have generally moved in lockstep, but over the past five years the price of freehold properties has continued to rise, whereas leasehold properties have not kept pace with that rise. No doubt Grenfell has played a part in that as the inadequacies of the regime that tragedy exposed have been laid bare, but the general toxicity of leasehold as a tenure has also made prices stagnate, and the stories of people who are unable to sell their homes because of unreasonable leases has played a part. The message is clearly coming through that leasehold has to be consigned to history.

The scandal has been going on for an awfully long time—for so long that the National Leasehold Campaign is having its activities immortalised in a play called “Fleecehold”, which will be coming to London next month. I hope the Minister will have time away from her duties to catch that. The fact that the campaign has become a piece of theatre shows us how long we have all been fighting for justice.

I absolutely agree that residents need greater power over the management of their homes, and flat owners need new rights to form residents’ associations. We need a simplification of the right to manage, leaseholders need the right to extend their lease to 990 years with zero ground rent at any time, and we need to bring forward the proposed reform of enfranchisement for leaseholders. We also need to deal with marriage value and prescribe rates for calculating the premiums.

We need to crack down on unfair fees and increase contract transparency, and we need to make sure that there is a proper reference document for fees so there is no longer a service charge rip-off. We need to give leaseholders the right to challenge those fees and poor performance from the service companies. We must also end the right of third-party landlords to build on other people’s homes without any consideration, which is another anomaly of the current regime.

We should regulate all managing agents and get rid of the frankly ridiculous situation in which the property manager of a high-rise building does not need to have any relevant qualifications. We should bring forward the statutory protection of all leaseholders’ funds, and give leaseholders the right not to pay if the landlord does not deliver their accounts on time. We should follow the example set by the Competition and Markets Authority and require some developers to reset ground rents to their original term.

We also need to look at shared-ownership properties, which are becoming a bigger issue. The triple whammy of service charges, rent for the bit that is not owned and ground rent is making it impossible for people to sell them.

I expect the Minister will say that the Government remain committed to leasehold reform but, with all due respect, it is not her we need to hear from: we need to

hear from the Secretary of State or the Prime Minister himself. We need the Secretary of State to come to the Dispatch Box and tell us without any ambiguity what the Government’s position is. I say that because exactly one month ago the House resolved that the Secretary of State should make an oral statement by 23 June on the Government’s proposals for leasehold reform. Well, we are still waiting for that statement. What does the fact that the Secretary of State cannot even adhere to a motion passed by the House asking him to tell us what the plan actually is tell us about the Government’s commitment to reform?

Has the Secretary of State been gagged by the Prime Minister? There was a newspaper report last month that quoted someone from Downing Street saying that the Secretary of State wanted to be

“a maximalist on leaseholder reform, but we simply haven’t got time to be maximalist right now.”

I have to say that, given the fact that we are regularly finishing in this place three or four hours early, arguments about there not being enough parliamentary time are not going to wash.

Rather than relying on anonymous briefings to the press, the Government’s position on leasehold ought to come very clearly from the Secretary of State at the Dispatch Box. He should tell us what he is going to do and when he is going to do it by. We have had enough false dawns and jam tomorrow; we need action and we need it now.

2.52 pm

Derek Thomas (St Ives) (Con): I certainly find little to disagree with in the speech made by the hon. Member for Ellesmere Port and Neston (Justin Madders) and I commend my hon. Friend the Member for Dartford (Gareth Johnson) for bringing this issue to the House. The problem is prevalent. Many of my constituents are stuck in this time warp of managing their leasehold property, which they never expected to have to do.

As we have heard, there is cross-party consensus on the need for leasehold reform. I cannot put it better than the Government did themselves:

“The existing residential leasehold system is fundamentally flawed. It has its roots in the feudal system and gives great powers and privileges to landowners. Despite a series of reforms over the last thirty or so years, abuses continue to flourish causing misery and distress to leaseholders.”

Since then, the Government asked the Law Commission to advise on reform and made a manifesto commitment to advance it. They fulfilled the first part of the Law Commission’s recommendations by passing legislation to reform ground rents, but delayed on the second part, on reforming existing leases. Constituents write to me every month to ask when the second part will be introduced. They think the Government are wasting time. Their leases are a wasting asset; losing time means they lose part of their property.

We know that a property-owning democracy gives people security and the power to make choices, control their own lives, build their communities and plan for the future. Leasehold ownership puts limits on that power, and the Government’s delay to reforms is preventing homeowners from making plans for the future. Take the confusion about whether marriage value will be abolished so that leaseholders no longer have to pay a premium to extend a lease that has less than 80 years to run. One of

my constituents, Stephen, holds a lease on a property with the National Trust. There are 81 years remaining, and he has to decide whether to pay for a new lease now or wait to see whether the Government will carry out their promise to abolish marriage value.

Another constituent, Amy, owns a leasehold property in London, which she has been trying to sell. She has very sensibly moved to my constituency to start a new life with her partner, but she cannot sell her property because of safety defects that have not been remedied. I will come back to Amy in a minute.

My constituency includes the beautiful Isles of Scilly, which have been exempted from leasehold reform in the past. The off islands and parts of St Mary's are owned by the Duchy of Cornwall. The Duchy's leasehold properties were shielded from enfranchisement because of their long historic or particular association with the Crown. Regardless of whether or not those properties should still be exempt from the Government's reforms, the Duchy is waiting to see what the Government's plans are before it even extends leases.

One of my constituents has been trying to extend the lease on his property for nearly two years. He runs a business from the property and needs to plan for the future. On each occasion, he has been advised by the Duchy to await leasehold reform. I have met the Duchy to challenge and address the situation. It is also faced by many constituents who are waiting to hear the guidance from Government, as it will have an impact on them.

I have worked with the Duchy and know its intention is to keep islands as a living community. The Duchy is not one of the ground-rent grazers we have heard about. It leases all untenanted land on the islands to the Wildlife Trust at a peppercorn rent of one daffodil a year. Some remnants of feudalism are charming; leasehold is not. Government should push forward with their plans for reform. This afternoon has shown that there is cross-party support.

I want to return to the specifics of Amy's case. Amy moved from her flat in London three years ago to set up home with her partner, now her husband, in my constituency. She owns 50% of a one-bedroom shared-ownership flat. The housing association is Metropolitan Thames Valley, and the developer Mount Anvil. She put her flat on the market in August 2020, but it quickly became clear that it would not be sold, as it is unmortgageable under the current Royal Institution of Chartered Surveyors guidance. Since then, she and I have been battling to get more information from Metropolitan Thames Valley housing association. It has undertaken inspections that show that cladding is not an issue, but there are missing firebreaks, and concerns about wooden walkways and balconies. Those relate to building regulations from when the housing was first built and are nothing to do with Grenfell Tower. Without those issues being fixed, under current guidance, Amy cannot get an EWS1 and, as such, cannot sell. Her building is under 18 metres, so she does not get the protections that others do.

The Building Safety Act 2022, which we all promoted and voted for, covers a lot of cladding, but is still very murky on other fire-safety defects. Under the new waterfall system, the first person to fix and pay for those issues should be the developer. In this case, that is Mount Anvil. We are told by Metropolitan Thames Valley that Mount Anvil had engaged in conversations but has

been less receptive recently. I know from my own work, personally through my office and through Government Departments, that Mount Anvil is not meeting the expected requirements. As a result, potentially 50 properties in that block of flats are not in a state in which they should be and cannot be sold. There is no indication or hint that remediation work will start any time soon.

Amy has been allowed to sub-let her property, simply because it was unaffordable for her not to. She does not want to be a landlord. She pays a lot of tax on it as a result, and 50% of the property is owned by the housing association. The housing association has also added £50 a year to her charges, on a property she does not want to own. She wants to sell and is not being allowed, simply because of delays in leasehold reform. While she has shared ownership, she cannot get another mortgage. She and her husband live in a section 106 affordable home in Porthleven. They would move out of it tomorrow, releasing two affordable homes to other families, if they were in a position to sell the shared-ownership property. She cannot remortgage because of the issues around her property so she has had to extend her mortgage with Nationwide, which has allowed her to do that for significant extra monthly costs. She is paying another £200 a month for her mortgage, another £50 a month for her service charge, and there is no information whatsoever from the housing association or the developers about when they will do the work and there has been zero progress with Mount Anvil. The building is missing firebreaks, which have always been required under building regs.

In August, it will be three years since she tried to sell the property and started this journey. To this point we have not been able to resolve it and in that time she has had to pay a further £5,000 to deal with the lease extension, so she now has a 999-year lease, but, to add insult to injury, the Land Registry has said she will not receive the documents she needs for a further two years, which will make it even more difficult for her to sell her property.

The simple solution is for the Government to deal with Mount Anvil and the housing association and get them to do the work they should be doing, not just for Amy but for the owners of all such properties, as well as to further progress leasehold reform, which we have all been asking for and have been promised.

3 pm

Jeremy Corbyn (Islington North) (Ind): It is a pleasure to take part in the debate. I thank the hon. Member for Dartford (Gareth Johnson) for securing it, and every one of us could amplify everything he said with very similar experiences from our own communities, even though the areas we live in are often very different geographically.

My constituency is spread between about 40% social rented, 30% owner-occupation and 30% in the private rented sector. The debate is essentially about owner-occupation and leaseholds, but within that 30% very few, or certainly a declining number, are in what I would call traditional freehold properties—where somebody owns the house and land, and their costs are their mortgage, if they have one, and all the relevant bills, but there are no service charges because there is no other involvement.

[Jeremy Corbyn]

Any place that is now sold in my constituency as a single-family home inevitably gets bought by a property company and is divided up into a number of flats. Dividing a place up into flats is not of itself wrong, but the quality of the conversion is often a problem as is the resulting ownership issue. In my constituency, people who have bought a flat either in a new development or in a converted property are suffering appalling levels of stress; they believed they were going to have to pay a reasonable ground rent and reasonable service charges and management fees but then find after a very short time living there that they have no control whatsoever over any of those issues.

The system is very badly designed. Indeed, perhaps it was not designed at all, but it is so badly in existence that there is a positive incentive to manage badly, charge extortionately and be abusive towards those who live in these leasehold properties. This has been recounted by the hon. Members for St Ives (Derek Thomas), for Ellesmere Port and Neston (Justin Madders) and for Dartford and I can absolutely relate to it.

Many people have got in touch with me about this and I want to give an example. In a sense, the business model of those who buy into the leasehold sector is appalling and offers incentives in all the wrong directions. There are five examples of that. The company that owns the property sets out charges to the leaseholders in the property and will directly benefit from having unnecessary work done in the building. Totally unnecessary work is created by the management company, and the leaseholder has no say in whether it is done and no say in the contractor who does it, yet they have to pay for it. There is an incentive for the company to choose the most expensive contractor and then charge on for it. Some of these companies are also incredibly litigious and threaten to take flat owners to court to start proceedings for repossession as soon as there is any element of late payment. Remember that many people who buy leasehold flats for the first time are young and have young families. They are in the most expensive and difficult times of their lives, and there is the greatest pressure on them as a result, so the stress levels are huge. The companies consistently use the same small set of suppliers across many of their properties, and those suppliers are also complicit in the running up or invoicing of ridiculously high charges across their whole estate portfolio. When residents try to communicate with the companies, they get fobbed off, blocked, or threatened with legal action and legal letters. The stress levels are appalling.

Let me give an example about electricity:

“In our most recent service charge 3 months ago, we were collectively billed £4k for commons parts electricity”—

the common parts have the amazing total of 10 LED lightbulbs in them, and:

“This was 10x the estimated expense for the period. Upon inspection it became clear that the power provider...chosen for us failed to take a single meter reading for the entire year and ‘estimated’ our bill.”

When the residents highlighted that, the company demanded they pay the total figure anyway. They are now in dispute over it.

There are many examples of excessive charges for minor or often unnecessary works or, as the hon. Member for Dartford pointed out, ludicrous charges for the

almost non-existent cleaning of common parts. That can be just running a Hoover over the carpet once a month, yet people are told to pay several hundred pounds a year for that kind of thing. It is the same with refuse collection, rubbish collection and so on. There must be some big changes to that.

The last testimony I will give is from somebody who bought a flat that they believed would be affordable. They then discovered that the company was

“proposing decorating works on our building at a cost of £19800. We received a quote of £7600 for exactly the same work from a local contractor. Although we nominated this contractor, as is our right, they have chosen to go ahead with the company that they always use. We can challenge this at tribunal but we would need £8-£10000 upfront costs”.

They have to pay that even to get a hearing. If ever there was an area that needed substantial investigation and reform, it is surely this one. People feel disempowered, angry and frustrated. They cannot sell and cannot move, and they have no idea what charges are coming down the road.

I have dealt with many cases of leaseholders who either bought their place from the local authority under right to buy or who bought it from somebody else who did. They often dispute the capital works charge or service charge. Sometimes they are right and sometimes they are not, but there is a clear process by which they can make that complaint. They can make it to the local authority, which is accountable. It is not always perfect, but there is usually agreement at the end, because there is a degree of accountability. With the companies, there is no accountability whatsoever. Every power lies with the person who has invested money to make a vast return, and the returns that are being made on leasehold properties are enormous.

I hope that the Minister will recognise that the stress that we are expressing—

The Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean) *indicated assent.*

Jeremy Corbyn: I see the Minister nodding; I thank her. I hope that she understands that the issue is not isolated to any one part of the country. The whole country is suffering from this, and we urgently need a serious process of leasehold reform that gives people some power over their own lives and in their own homes.

3.9 pm

Fiona Bruce (Congleton) (Con): I appreciate the opportunity to speak, Mr Sharma.

I support many of the comments that have been made, as I think we are all here today because we want to express a sense of deep injustice on behalf of decent, hard-working and responsible constituents. We are all aware that the situation with matters of property has prevailed for far too long without reform and is now an injustice. As we all know, justice delayed is justice denied. I know that the Minister is aware of the situation and has limited powers to influence the parliamentary timetable, but I implore her to go back to the Secretary of State following this debate and communicate to him the sense of injustice, which we are all communicating on behalf of our constituents.

I want to mention some of the multiple assurances on reform that the Government have given over many years, and I will focus particularly on the concern that my hon. Friend the Member for Dartford (Gareth Johnson) highlighted: the need for freehold management reform. I do so on behalf of residents on several estates in my constituency, but I will highlight just one: Bath Vale. I will come on to give some examples of the injustice that residents there have experienced.

We all agree that whereas long leaseholders in England and Wales have a statutory right to challenge at a first-tier tribunal unreasonable service charges and the standard of any work carried out, freeholders do not have the same right. As long ago as July 2017, the Government recognised that in a consultation paper, “Tackling unfair practices in the leasehold market”, saying:

“The contrast between the positions of freeholders and leaseholders can be particularly clear where a developer retains the ownership of communal areas and facilities and the responsibility for their maintenance through a managing agent, or where a developer sells on the ownership of the communal areas and facilities to a private company”,

which often then appoints another management agent. The paper continues:

“In all these cases, even though freeholders may be paying for exactly the same services as leaseholders, they do not have a right to challenge the reasonableness of service charges...which qualifying leaseholders can do.”

In October 2018, the Government published a consultation paper, entitled “Implementing reforms to the leasehold system in England”. Again, the paper announced an intention to

“create a regime for freeholders which provides that maintenance charges must be reasonably incurred and that services provided are of a reasonable standard. We will also replicate consultation requirements and obligations on the provider of services to provide information to the freeholder. Finally we will provide freeholders with the ability to challenge the reasonableness of the charges they are required to pay towards the maintenance of communal areas and facilities at the First-tier Tribunal.”

The outcome of that consultation was published in June 2019, when the Government recommitted to equal rights for freeholders, and to a right to manage for residential freeholders, as part of creating greater parity between leaseholders and residential freeholders.

Time went by, and in August 2022 I wrote to the Minister’s predecessor to highlight the issue on behalf of residents of Bath Vale in Congleton. The difficulties that the residents have had started 12 years previously, when the first properties were built, and they still continue. The residents told me in 2020 that the reserves stood at several thousand pounds lower than what residents expected, and some of the charges were highly questionable—for example, a charge of £1,500 for insurance administration, which was cancelled when the residents challenged it. Similarly, water supplies had been charged for common parts, running into thousands of pounds over several years, even though there are no such water supplies. There were outstanding concerns regarding a road completion that was not adopted by the local authority, and woodland plans had not been implemented—to such a degree that the appearance of the site was affecting residents’ ability to sell.

I wrote that letter on 11 August 2022. I received a reply on 4 January 2023—not from this Minister, I accept, but from a predecessor—once again stating that

“the Government intends to legislate to ensure that freehold homeowners who pay estate rent charges have the right to challenge their reasonableness and to go to the tribunal to appoint a new management company if necessary. We will also consider introducing a Right to Manage for residential freeholders”.

That claim was repeated in a debate that took place on 20 April, and by then my hon. Friend the Member for Redditch (Rachel Maclean) was the Minister. She will remember that my hon. Friend the Member for North East Bedfordshire (Richard Fuller) made an articulate case on this very issue, much as my hon. Friend the Member for Dartford has today. The Minister repeated the Government’s response once again:

“We know that legislation needs to be introduced...We are committed to introducing legislation to plug this gap. We intend to create a new statutory regime”.

I do not need really need to go on, but the Minister said:

“We need to end this freehold situation where homeowners who thought they had bought a home to live in...are subject to abuse and find these charges escalating out of all proportion”.—[*Official Report*, 20 April 2023; Vol. 731, c. 478.]

To close, I will repeat what I said at the start. My question is: when? I urge the Minister please to inject a sense of urgency, which there has clearly not been to date. These are decent, responsible constituents who bought their own homes never expecting to be in this situation. It is unjust. Will the Minister meet me and residents of Bath Vale? She kindly offered a meeting at that debate on 20 April, and I know she was sincere and that her own response to this issue was genuine and heartfelt. Will she now meet me and take back to the Secretary of State that this situation cannot go on and that legislative time must be provided to sort it out?

3.16 pm

Jim Shannon (Strangford) (DUP): I thank the hon. Member for Dartford (Gareth Johnson) for leading this important debate on leasehold reform, or freehold as it might be for some people—I think everyone who has spoken has said that. As often happens in this House, whatever our political aspirations or affiliations, we have been bought together by this joint issue. It is always a pleasure to follow the hon. Member for Congleton (Fiona Bruce). We have been together twice in one day in Westminster Hall—we were here at 9.30 am and came back for more at 2.30 pm—and we have also had many meetings today on various issues. It has been a busy day for us all.

I have spoken on this issue many times in Westminster Hall and in the Chamber. I have raised the importance of protection for tenants regarding their leases and concerns about rising costs for ground rent. Security of tenure is imperative for our constituents, and we have to do all we can to assist them in these matters. All Members present put forward a clear case on behalf of their constituents, and I want to do the same. I look forward to the response from the shadow Minister, the hon. Member for Greenwich and Woolwich (Matthew Pennycook), whose requests will be as illustrative as ours. I look forward to the Minister’s comments as well. As others have said, she has indicated a willingness to respond in a positive fashion to try to address these issues. Time is of the essence. That is the main point that has been put forward, and I wish to make that point as well.

[*Jim Shannon*]

In the past, colleagues of mine have raised the issue of leasehold reform in Northern Ireland. I will echo their comments and reinforce their importance. More than 4,000 Northern Ireland homeowners bought property under right-to-buy legislation, but they may struggle to resell their homes due to the fact that it is extremely difficult to obtain a mortgage on properties with less than 85 to 90 years left on the leasehold. Many constituents are only now becoming aware that many years of their leasehold have expired, making it extremely less likely that they will be able to sell their home. In addition, banks and building societies will not lend money to cash-buy those types of properties, so the hope that another cash buyer would even consider purchasing these types of homes in the future is slim or, indeed, non-existent. In theory, this will seriously disadvantage those working people and families who aspire to own their own homes but do not have the capital to purchase a home outright.

One of Margaret Thatcher's policies—she had many policies; I did not agree with them all, by the way—was that people should own their own homes. I always thought that was as it should be; people aspire to own their own home and if we can help them to do so, we should. However, the Northern Ireland Housing Executive has stated that there is currently no statutory provision to help deal with the problem that we are discussing today. From 1 April 1997 to 31 March 1998, 4,111 flats were sold with leases of 125 years or less. That leads me back to my earlier point that people are less likely to purchase such homes because the leasehold and ground rent can be quite debilitating. The Northern Ireland Housing Executive does not hold information for housing associations—they are different organisations, but still control some properties—so the number of people affected will be much higher.

I am aware that this debate is centred on England, but I always like to give a Northern Ireland perspective. Everybody knows that; I think Members expect it to be the case. It is how we illustrate the issues. In this great House, of course, we represent four regions—four nations within one—and it is what brings us together that cements and strengthens our position. This issue is a UK-wide issue and it must be addressed UK-wide. When the Minister responds to the debate, I would be very keen to know her thoughts on where the discussions will go with the responsible organisations in Northern Ireland.

Given that there is no limit on service charges, insurance, ground rent and forfeiture charges, leaseholders have been left open to exploitation by their landlords. Given that there is no such cap, we actively allow leaseholders to be taken advantage of and there is no regulation or protection for them.

I have spoken in the past about the necessity of a fair fee for a fair service. Other Members have also referred to that idea. A Government survey has found that 70% of leaseholders regretted buying a leasehold property. That is a staggering figure—almost three quarters of them regret it. Although in Northern Ireland there is the option to buy out a ground rent, that often comes at a fee that people simply cannot afford to pay.

Furthermore, land and property service fees and solicitor fees are paid separately, placing an additional burden on leaseholders. There must be more onus on

the responsibility that ground rent must be paid. In Northern Ireland, if an individual tries to buy out their ground rent but there is a record of a missed payment, the additional payment can be up to six times the missed amount, which again would be detrimental to the finances of some families. There is something wrong with a system that seems to penalise leaseholders, with all the advantage lying with those who have control of their ground rent, or indeed landlords or owners of land.

I strongly urge the Minister to engage with the Department for Communities back home to see what steps can be taken to address these issues, as they have proven to be prevalent in all of our constituencies, whether in Northern Ireland, England, Scotland or Wales. That means that these crucial issues need to be tackled UK-wide.

3.23 pm

Matthew Pennycook (Greenwich and Woolwich) (Lab): It is a pleasure to serve with you in the Chair, Mr Sharma. I declare an interest: my wife is the joint chief executive of the Law Commission, the work of which I will cite later in my remarks.

I congratulate the hon. Member for Dartford (Gareth Johnson) on securing this important debate, and I commend him for the remarks he made in opening it. I thought that he did an admirable job of bringing home to the House the poor service and, indeed, the abuses that many leasehold and resident freeholders on private or mixed-tenure estates routinely face at the hands of their managing agents. He also made a strong case for action to ensure that leaseholders and those residential freeholders are better protected.

I thank all Members who have participated in the debate. We have heard a series of excellent contributions that have highlighted—often in painstaking detail, because Members are engaging with this on a weekly and monthly basis at their surgeries—how, all too often, leaseholders in all parts of the country are treated by developers, freeholders and managing agents not as homeowners or even as valued customers but as a source of profit to be gouged almost as those parties see fit in many cases.

The hon. Member for Dartford focused his remarks on the problems associated with managing agents and estate management companies, and he was right to draw particular attention to them. The Opposition, of course, recognise that there are good managing agents who work hard to ensure that the residents they are responsible for are safe and secure and that the homes they manage are properly looked after. However, as we have repeatedly argued over recent years, the case for doing more to protect leaseholders from poor service and exploitation at the hands of unscrupulous managing agents is as watertight as they come. Relying on incremental improvement and the sharing of best practice within the industry to raise standards is bound to fail.

To bear down on bad practice and improve the lives of leaseholders, the Government need to act. They have a ready-made blueprint for doing so, because in 2018, Ministers tasked a working group chaired by the noble Lord Best with bringing forward detailed recommendations on how a new regulatory framework for property agents should operate. That working group's final report, which made a series of proportionate and sensible recommendations, was published in July 2019, yet in the intervening 48 months, the Government have done nothing to progress the implementation of those recommendations.

It is not at all clear why that is the case, especially given the fact that there are clearly opportunities to bring forward and progress such legislation, with the paucity of business that the House is dealing with at present. Can the Minister give us a clear answer today to this question: do the Government intend to implement the recommendations set out in the regulation of property agents working group's final report in what remains of this Parliament? We are looking for a simple yes or no.

Regulating the dysfunctional property agent market alone is not enough. It is the inherent flaws of the leasehold system that ultimately enable substandard managing agents to abuse and exploit leaseholders and residential freeholders. Even if the Government did introduce regulation to raise standards and drive change within the property agent industry, leaseholders would still struggle with punitive and escalating ground rents, unjustified permission and administration fees, unreasonable or extortionate charges and onerous conditions that are often imposed with little or no consultation. As my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders) argued in a powerful speech—I commend him for the dedication he has shown to securing change in this area—what is needed is fundamental and comprehensive reform of the leasehold system to address the historical iniquity on which it rests and to ensure it works in the interests of leaseholders.

However, having ostensibly agreed with us on that point, over recent months it has become clear that the Government are likely to row back on the commitments they previously made in respect of leasehold reform. Let me remind the House what those commitments were. In 2017, the Government asked the Law Commission to suggest improvements to both the leasehold and commonhold systems, and once the recommendations were published in July 2020, they made it clear that they were considering how to implement all of them. In 2022, the Government passed, with our support, the Leasehold Reform (Ground Rent) Act 2022, which set ground rents on newly created leases at zero. Ministers assured us that that legislation was merely the first part of a two-part seminal programme to implement wide-ranging reforms in this Parliament.

In January this year, in an interview with *The Sunday Times*, the Secretary of State went further and unambiguously announced his intention to abolish the leasehold system in its entirety, raising expectations correspondingly among leaseholders across the country. Not only are leaseholders still waiting for the publication of the leasehold reform part 2 Bill—the hon. Member for Congleton (Fiona Bruce) was right about the need for urgency; leaseholders have been waiting for far too long for change in this area—but credible recent reports have suggested that while we will see a further piece of leasehold legislation in the King's Speech later this year, it is likely to be a more limited one.

In the Opposition day debate we secured on this subject on 23 May, the Minister claimed that there had been no Government U-turn on leasehold reform, yet she also repeatedly refused to commit to the fundamental and comprehensive reform package that leaseholders had been led to expect was forthcoming, and the statement that the approved motion called on the Government to bring forward by 23 June has not materialised. I will give the Minister another chance today to unambiguously clarify the Government's position. If she was correct in

asserting that there has been no U-turn on leasehold reform, will she give leaseholders across the country a cast-iron guarantee that the Government will legislate to implement all the Law Commission's recommendations on enfranchisement, commonhold and the right to manage before the end of this Parliament—yes or no? If she will not do so, will she at least assure leaseholders who are watching that a slimmed-down leasehold reform part 2 Bill will still contain the most significant of the Law Commission's recommendations in relation to the right to manage and commonhold?

I put that question specifically to the Minister because, in the Opposition day debate on 23 May, Ministers reaffirmed their commitment to taking forward a number of measures relating to leasehold enfranchisement, from the abolition of marriage value to a cap on ground rents in enfranchisement calculations, but we heard next to nothing in that debate in the way of a solid commitment regarding the right to manage or commonhold. That is a matter of real concern because reform of both is essential if we are to fundamentally and comprehensively overhaul the current system.

Right-to-manage reforms are necessary to provide a remedy to leaseholders who cannot afford to enfranchise, and commonhold reforms are imperative if we are to have a viable system for regulating blocks of flats apart from leasehold.

I hope the Minister will not refuse to engage with the questions, because leaseholders across the country deserve answers now on precisely what the Government mean when Ministers state that the Government remain committed to bringing forward further leasehold reforms, not least because, as the hon. Member for St Ives (Derek Thomas) pointed out, so many leaseholders have put transactions and their lives on hold while they have waited, and continue to wait, to find out what the Government ultimately intend to legislate for.

Unless and until leaseholders receive answers and a renewed commitment from the Government to enact all the recommendations of the Law Commission on enfranchisement, commonhold and the right to manage, leaseholders will reasonably conclude that the Government have scaled down their ambition, and that the only way to ensure that the leasehold system is completely overhauled to the lasting benefit of leaseholders, and commonhold reinvigorated to such an extent that it becomes the default and ultimately renders leasehold obsolete, is to vote Labour at the next general election.

3.32 pm

The Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean): It is a great pleasure to respond to this debate and to serve under your chairmanship, Mr Sharma. I thank my hon. Friend the Member for Dartford (Gareth Johnson) for securing today's debate, in which there is strong parliamentary interest. As many Members have highlighted, I have spoken about these matters many times in this Chamber and the main Chamber, but I am happy to set out in a lot more detail the Government's position.

I thank the other Members who have contributed, including my hon. Friends the Members for St Ives (Derek Thomas) and for Congleton (Fiona Bruce), the hon. Member for Ellesmere Port and Neston (Justin Madders), the right hon. Member for Islington

[*Rachel Maclean*]

North (Jeremy Corbyn), and the hon. Member for Strangford (Jim Shannon), who highlighted many of the things that we can learn from working across our United Kingdom. I am grateful to him, as ever.

There is a broad consensus on the case for change. I want to reassure Members that the Government remain committed to creating a fairer housing system that works for everyone. We will introduce further reforms in this Parliament to address the historical imbalance in the leasehold system.

As this debate has shown, the imbalance stems from the unequal power dynamic inherent in leasehold ownership, in a system with landlords often acting in their own interests and leaseholders bound by a lease that can be decades old and not easily changed. As we have heard today, particularly from my hon. Friend the Member for Dartford, freehold owners may also be subject to the will of third party interests.

We have already taken important steps to address the matter, having introduced the Leasehold Reform (Ground Rent) Bill in May 2021—I thank the hon. Member for Greenwich and Woolwich (Matthew Pennycook) for his and his party's support in passing that Bill. Since coming into force on 30 June 2022, it has prevented landlords in most new leasehold homes from charging any financial ground rents at all. That was a very important first step, but there is more to do to tackle the power imbalance.

We are committed to improving leasehold tenure—by helping existing leaseholders to better understand and challenge their charges or the services they pay for, take control of their homes or buy their freehold—and to providing a freehold alternative from the outset, with improved rights for those that pay estate charges.

As a tenure, residential leasehold is time-limited and control is shared with the landlord. The leaseholder's decisions about their home, including the charges that they pay for services, are usually made by someone else—the landlord or the managing agent working for the landlord—but paid for by the leaseholders. The landlord might not even live in the building or have the same priorities and motivations in mind. We have heard multiple examples today about how that negatively impacts leaseholders. My hon. Friend the Member for Congleton is completely right to say that those are decent, hard-working people who have done the right thing and deserve to live in their homes in peace and security. It is the largest asset they are likely to buy, so it is wrong that they are being ripped off—if that is a parliamentary term.

High service charges are being levied for carrying out simple requests. Managing agents are not providing a level of service that leaseholders should expect. Urgent repairs are being neglected, crippling costs are levied for buying out or extending a lease and leaseholders are charged exploitative and increasing ground rents in exchange for no services at all. For freehold homeowners who already have an expectation of control over their properties, we understand the concerns raised today and we will act. We will continue our programme of action to remedy those abuses and provide the vision of home ownership that leaseholders should expect, which is greater control over their own home, greater accountability or involvement in key decisions on what they are paying for and, ultimately, a place of safety, comfort and security for them and their family.

Gareth Johnson: The Minister says in her speech that the Government will act to deal with the abuse by management companies and the imposition of fees for freeholders. Does she mean by “act” that legislation can be expected?

Rachel Maclean: I ask my hon. Friends and other Members for a little patience while I proceed through my speech. I want to set out precisely the Government's commitment to legislation because I know that is the question that everybody wants to be answered and I have limited time in which to do that.

My hon. Friends the Members for Dartford and for Congleton pointed out that freeholders on new estates must pay charges towards the maintenance or upkeep of communal areas. The obligation to pay those charges might be provided by a deed of covenant or through an estate rent charge that forms part of the purchase contract. The Government believe that when buying a home, it should be clear to potential purchasers what the arrangements are for the maintenance of roads and upkeep of open spaces, public or otherwise. That information is most often set out in a freehold management inquiry form, which is published by the Law Society and widely used across the sector. However, I know that that information was not provided to some, or perhaps not drawn to their attention, at the point of purchase. Furthermore, in many cases contracts do not specify, limit or cap those freeholder charges. To compound matters, when people receive an invoice, they are not provided with information about what the charges cover. Much as with leaseholders, that lack of transparency, both at the homebuying stage and when people have settled into their property, leaves homeowners in a vulnerable position and is something that the Government intend to address.

Leaseholders already have certain protections and rights that will enable them to hold management companies to account. Freehold homeowners have no equivalent, even though they might be paying for the same or similar services, as highlighted in the remarks by my hon. Friends. The current situation is unfair. Where they are required to contribute, it is not appropriate that people have limited rights to challenge those costs, and we are committed to introducing legislation to plug that gap. We intend to create a new statutory regime for freehold homeowners based on the rights that leaseholders have, ensuring that estate management charges are reasonably incurred, that services provided are of an acceptable standard and that there is a right to challenge the reasonableness of charges at the property tribunal.

We will also give a right to change the provider of maintenance services by applying to the tribunal for the appointment of a manager. That might be useful if a homeowner is dissatisfied with the service they are receiving or there is a significant failure by the estate management provider in meeting their obligations. We will also consider the option of introducing a right to manage for freehold homeowners. It is not only estate management charges that need to be reasonable; that principle must also apply to administration fees that individual homeowners may face in their dealings with the estate management company.

Turning back to leaseholders, as highlighted by the hon. Member for Ellesmere Port and Neston and the right hon. Member for Islington North, there is a similar

situation. Leaseholders complain of unreasonable and excessive service charges and we strongly believe that service charges should be transparent and communicated effectively, with a clear route to challenge or redress if things go wrong. Many landlords and managing agents already demonstrate good practice and provide relevant information, but too many do not and are failing to provide sufficient information or clarity to leaseholders, especially over fees and service charges.

We recognise that the existing statutory requirements do not go far enough to enable leaseholders to identify and challenge unfair costs. That is why we will take action to support and empower leasehold homeowners. We will take action to increase service charge transparency to help leaseholders better understand what they are paying for, make it harder for landlords or managing agents to hide rip-off charges and enable leaseholders to more effectively challenge unreasonable fees or charges. I also want leaseholders to know that they can seek free advice from an organisation funded by the Government, the Leasehold Advisory Service, if they are concerned about charges that they are asked to pay.

Jeremy Corbyn: That sounds like a very promising development. Is the Minister aware that there is sometimes a problem with the ability to challenge because of legal processes or the enormous costs involved, so some people, such as the residents I was referring to, do not have the power to make a challenge even though that would be very justified?

Rachel Maclean: I thank the right hon. Gentleman for that point and he is absolutely right. He will hear about some of the things we are going to do to make it easier and fairer and not as expensive to challenge, and I shall set out some more detail now.

When leaseholders challenge their landlord, we know, as the right hon. Gentleman said, that they are sometimes subject to unjustified legal costs, and we are committed to ensuring that leaseholders are not subject to them and, where appropriate, can claim the legal costs from the landlord, which certainly seems fairer than the current situation. Currently, if set out in the lease, leaseholders might be liable to pay their landlord's legal costs regardless of the outcome of a dispute—even if they win the case. That is a classic case of heads you win, tails you lose. Also, the circumstances in which a leaseholder can claim their own legal costs from a landlord are currently very limited. That may lead to leaseholders facing higher bills than the charges being challenged in the first place and can deter leaseholders from taking their concerns to the courts or property tribunal, as the right hon. Gentleman says.

Whether on freehold estates or in leasehold or commonhold blocks, we are committed to raising professionalism and standards among all property agents, protecting consumers while defending the reputation of good agents from the actions of rogue operatives. I know that my hon. Friend the Member for Dartford has been working on that issue in his constituency, and I can assure him that I will continue to work with industry—I have regular dialogue with it—on improving best practice across the sector, including on codes of practice for property owners.

Ground rent was particularly highlighted by the hon. Member for Ellesmere Port and Neston, and we are concerned about the escalating costs of ground rents

for leaseholders who still pay them. As many will know, we asked the Competition and Markets Authority to investigate the potential mis-selling of homes and unfair terms in the sector and it has been successful in securing commitments benefiting over 20,000 leaseholders, including removing doubling ground rents.

Both enfranchisement and the right to manage help give leaseholders greater control. In most cases managing agents would still be used, but they would be accountable to leaseholders directly, rather than a third-party landlord, ensuring that interests are aligned. For those who want greater control over their homes, many leaseholders find the process for extending their lease or buying their freehold prohibitively expensive, complex or lacking in transparency and we equally understand that many right-to-manage applications fail on technicalities attributed to overly detailed procedure, which is why we asked the Law Commission to look into that. It has since published reports on enfranchisement, valuation and the right to manage.

To reduce the cost of enfranchisement, we are committed to tackling the problems with these existing arrangements at their root. We will abolish marriage value and cap ground rents in enfranchisement calculations, so that leaseholders who currently pay onerous ground rents do not also have to pay an onerous premium to buy their freehold. These changes will result in substantial savings for leaseholders, particularly those with less than 80 years left on their lease. These changes will also make sure that sufficient compensation is paid to landlords to reflect their legitimate property interests.

To make the process simpler and more transparent, we will introduce an online calculator to help leaseholders understand what they will pay to extend their lease or buy it out, and the Government are committed to reforms to improve access to the existing right to manage, whereby leaseholders may take over the management of their block without having to buy the freehold. We want to make the process of exercising the right to manage simpler, quicker and more flexible, and make the operation of it more effective. To that end, we are carefully considering the detail of the Law Commission's recommendations.

To give homeowners greater control, we want to make sure that the benefits of freehold ownership are extended as far as possible. We remain committed to banning the sale of new leasehold houses so that, where possible, all new houses are provided as freehold from the outset. For flatted developments, we want to reinvigorate commonhold so that it can become a mainstream and widespread freehold alternative to leasehold for both new and existing flats. Again, we are reviewing the Law Commission's detailed recommendations, which propose legal fixes that will make commonhold a desirable alternative in more and more settings. We have established the Commonhold Council, made up of consumer and housing industry experts, to advise the Government on how to prepare both consumers and the market for the widespread use of commonhold. Furthermore, the Leasehold Reform (Ground Rent) Act 2022 is levelling the playing field for future commonholds as well as benefiting new homeowners. It removes ground rents from new leaseholds, and the associated financial incentives for developers to build leasehold over commonhold, where ground rents were never permitted.

[*Rachel Maclean*]

I thank my hon. Friend the Member for Dartford for prompting such a vital debate and everybody for their contributions, and I am pleased that we have been able to discuss these issues properly. We plan to introduce reforms in the King's Speech, which will take place in the autumn, so the reforms should take place within this Parliament. I recognise that every single Member would like a more detailed timeline, but I will continue to have these discussions, as Members have implored, both with my colleagues in the Department and with those across other channels who are responsible for tabling legislation.

Fiona Bruce: Would the Minister be willing to have a discussion with the residents I have referred to in more than one debate? I would be very grateful.

Rachel Maclean: Of course. I would be absolutely delighted to meet my hon. Friend's residents. I implore her to contact my office so that we can arrange that as soon as we can.

I hope this debate has demonstrated to the House, leaseholders and homeowners on freehold estates across the country our continued commitment to reform and to making things better. I am grateful to Members across the House, campaign groups and members of the public for highlighting the difficulties that homeowners face. As I am sure Members can appreciate, this is a significant undertaking, and I look forward to coming to the House with more detail as soon as I am able to.

3.47 pm

Gareth Johnson: I thank all right hon. and hon. Members for their contributions to the debate. The consensus on both sides of this Chamber is that we need to see a transfer of power from management companies to homeowners, so that we can end the poor value that is too often provided by management companies, end the exorbitant fees and, perhaps most importantly of all, give homeowners the power to transfer from one management company to another, which is currently restricted. I am grateful to both the shadow Minister, the hon. Member for Greenwich and Woolwich (Matthew Pennycook), and the Minister for their responses, and I certainly look forward to His Majesty's speech.

Question put and agreed to.

Resolved,

That this House has considered freehold and leasehold reform in England.

3.48 pm

Sitting suspended.

Thornbury Health Centre

4 pm

Mr Virendra Sharma (in the Chair): I will call Luke Hall to move the motion and then the Minister to respond. As is the convention for 30-minute debates, there will not be an opportunity for the Member in charge to wind up.

Luke Hall (Thornbury and Yate) (Con): I beg to move,

That this House has considered Thornbury Health Centre.

It is a pleasure to serve under your chairmanship this afternoon, Mr Sharma. It is a genuine privilege to have the chance to debate the important matter of how we deliver good local health services on such a symbolic and important national day: the 75th birthday and anniversary of our national health service. Today, it is quite natural that politicians from all political parties will be discussing the NHS—whether it needs to reform or innovate more, and how it can improve—but I take this opportunity to thank everybody who works in the NHS for all that they do and achieve every single day. Like so many others, my family has relied on their dedication, expertise and, at times, compassion in some of the most difficult times in our family's life. I will never stop saying a huge thank you to the team at Southmead Hospital for all that it did for my family, and of course for so many others in the region.

People access healthcare in a variety of ways: through their GPs, through local hospitals and, increasingly, in their own homes. South Gloucestershire, where my constituency is based, is a growing community. We have new developments all the time, and there are more residents to support. If we are to meet the growing demand for local health services in the years ahead, it is vital that capacity in our local health service is extended, that pressure on the main hospitals is reduced and that our community receives the financial investment in local health services that it requires. That is why I called for this debate—to highlight some of the challenges that we face, but also some of the opportunities ahead of us in the west of England, in building a state-of-the-art Thornbury health centre to provide health services to people right across South Gloucestershire.

Alan Mak (Havant) (Con): I congratulate my hon. Friend on securing the debate. I join him in wishing the NHS a happy 75th birthday, and I thank all those from the Havant constituency who work or have worked for the NHS.

Earlier this year, I helped to launch the construction of the new emergency department to boost capacity at the Queen Alexandra Hospital, which has benefited from Government funding. Does my hon. Friend agree that local integrated care boards and other NHS bodies should use this special 75th anniversary year to redouble their efforts to plan for the needs of their communities in the future, including by taking account of campaigns run by Members of this House?

Luke Hall: My hon. Friend is absolutely right. Like him, I have used my time in Parliament to campaign for improved health services in my community. In Yate, for example, the minor injuries unit has moved to a seven-day

service with extended opening hours, and it is delivering extra services, such as X-ray services, at the weekends—a drastic improvement for the community. We are working towards a redeveloped site at Frenchay, which would focus on delivering services as a centre of rehabilitative excellence.

The plan for Thornbury is to focus on primary care, outpatient care and preventive care. The combination of those three local facilities will take pressure off Southmead and the surrounding hospitals and allow people to be treated and cared for in a facility closer to their homes and families. It is important that I put across to the Minister that the campaign for Thornbury health centre is a campaign not just for a new building, but for an integral part of the health offering right across the west of England, which relies on those different parts of the health jigsaw.

Thornbury is a vibrant and growing market town that has already seen significant demographic growth. People who live in Thornbury, Olveston, Tytherington, Tockington, Alveston and all the surrounding towns and villages have been crying out for the upgraded health centre for many years. It has been a difficult and frustrating journey at times, because we have had a number of false dawns—there were consultations in 2010 and 2013—but local support remains extremely strong. It is important to the community that we get this delivered, and the clinical need to deliver it grows week by week and month by month.

This redeveloped Thornbury health centre would include greater access to GP services, greater primary care and out-patient services, mental health provision, social care beds, support to carers and their families, and a specialised frailty hub that would support keeping people in their own homes for longer, with the care that they need. There is political support, clinical support and public support to get this done.

Alan Mak: In October 2021, I opened the new Emsworth surgery building, after a six-year campaign that I led to secure funding. Local community groups in Emsworth played a key role keeping up momentum. Does my hon. Friend agree that NHS bodies should always take account of public views, not just clinical and political perspectives?

Luke Hall: I congratulate my hon. Friend on the work he has done to improve health services in his community. He is right that, when delivering these services, there is a clear need for local leaders, political leaders, healthcare leaders and clinicians to work together, to deliver the best possible type of healthcare services for the community.

I would argue that the clinical need for Thornbury health centre is extremely clear. Estimates from the integrated care system for Bristol, North Somerset and South Gloucestershire expect the population in our area to increase by around 18% by the end of this decade. At the moment, the area is served by three GP practices, providing care for a population of around 21,500 patients. The estimate is that that will grow by a further 4,600 patients by 2030. The new health centre would see these services brought together, providing an integrated service, to the substantial benefit of local people.

Projections from the integrated care board show that substantial medical demand exists for this project. In its Thornbury primary and community care report, it outlines

the business case for sustainable primary healthcare services in Thornbury and highlights the specific strain experienced by the neighbouring health services. That report makes clear the clinical need to develop and deliver these new facilities. Out-patient services across a range of specialties have had to face interim relocation during the course of the process. Physiotherapy services are currently being carried out at Thornbury leisure centre, while in-patient rehabilitation beds are provided at the Grace care home. That again would be brought together under one roof under this proposal.

Commercial space would be allocated for pharmacy and dental services, and there is potential for a wider service offering from South Gloucestershire Council, to be delivered as part of this overall project at the site. The clinical and healthcare benefits that a newly developed Thornbury health centre would bring the community are clear and, I would say, inarguable. The ICB is now looking at the Government to provide an answer on the next steps.

On public support, I want to lay out for the Minister and Department the fact that I recently launched a survey in Thornbury and the surrounding towns and villages about healthcare services in the area. As of today—just a few weeks later—I have had more than 2,000 responses, with more coming in every day; some 97% of those making those responses have signed my petition, calling on the Government to deliver the funding required to upgrade Thornbury health centre. More than 90% of those who responded agreed that upgrading the health centre would substantially reduce pressure on the surrounding health infrastructure around Thornbury, and take pressure off the hospitals.

There is significant support in those responses for increasing some of the out-patient care services, with many listing that as their top priority for Thornbury and the surrounding area. That is closely followed by increasing the number of GP appointments, which would be achieved by this development. Proposals to provide more social care beds, a frailty hub and better mental health support also have widespread support in the community. It is clear that there is widespread community, as well as clinical, support for this project to deliver a new health centre, and for the extent to which it would reduce pressure on some other medical services.

Although this project has been frustratingly slow, there has been progress in the past few years. In 2016, the Department of Health, as it was then, opened the estates and technology transformation fund, which was aimed at helping practices to establish the infrastructure to support improved access to a wider range of different services, and increase capacity for providing alternatives to hospitals and facilities for training. We made a local £10 million bid to the fund, seeking to deliver the integrated unit and bring together the GP practices, but it was unsuccessful.

Local discussions continued. I pushed at the highest levels of Government for the prioritisation of Thornbury health centre, which resulted in the then Secretary of State for Health and Social Care, the right hon. Member for West Suffolk (Matt Hancock), coming to South Gloucestershire in November 2019 and confirming that he had asked NHS Improvement to take a lead on delivering a new Thornbury health centre. Following that intervention, and with support from NHS England, NHS Improvement and the Department, we submitted

[Luke Hall]

a new bid for over £13 million to the sustainability and transformation partnerships wave 4 capital funding pot to deliver a redeveloped Thornbury health centre. Since then, we have regularly raised the importance of getting this done with Ministers, including in a roundtable with a former Minister of State, our clinical commissioning group, the local council, Sirona Care and Health and lots of the other bodies who would be involved in delivering the bid, including officials from the Department.

That was followed by the decision of South Gloucestershire Council, the unitary local authority, to purchase the former Thornbury Hospital site from North Bristol NHS Trust. Locally, we have taken this as far as we can. We have jumped through every hoop and followed every process. We have a huge appreciation of the challenges the Minister's Department has faced in recent years and of the pressures the pandemic put on the Department. However, health services were given a laser-like focus from Government and are now delivering with the after effects of that pandemic. Clearly, those services must be a priority.

It has been two and a half years since that bid was submitted. Even accounting for all the challenges that we have all been facing and that the Department has been facing, that is a substantial period of time. I want to make the point to the Minister that it is vital that, even though the Department is dealing with significant, nationwide challenges such as tackling the backlog—and it is quite right to focus on them—Thornbury health centre must also remain a priority because we must find a way to deliver services for the changing demographics in South Gloucestershire. This project is ready to go if the Department is willing to get behind it. People in South Gloucestershire are in desperate need of this new health centre. We need a response to our bid so that work can finally get under way to deliver on a project that we all want to see.

I am grateful for the work of a number of different Ministers, particularly the Secretary of State for Health and Social Care, who took the time to meet me earlier this week to discuss how we can get this project delivered and make some progress. I think and hope that the detail and time that he and other Ministers and officials have given to the project demonstrates its importance, and the level of interest from the Department to get this done.

I hope the Minister can update us and the community on some of the remaining questions surrounding this debate. First, can he confirm that Thornbury health centre remains important to the Government and the Department and that there is the will to get this done? Does the Department have any outstanding concerns that have not been addressed as part of this process? We have had a long and collaborative relationship, but if there is anything that those at the Department are not sure about, they need to let us know. Will the Minister confirm that progress is still being made behind the scenes on the project? Are officials still meeting with the local ICB to discuss its delivery? Also, are they looking at other examples around the country to find ways in which modern methods of delivery could ensure that we deliver this health centre within the financial envelope in the face of escalating costs? Crucially, when will we hear the bid's outcome, which we have waited so long for?

It is vital that we deliver an upgraded Thornbury health centre. Our bid would allow us to do so. It would provide more GP appointments and better access to primary care, out-patient services and mental health support, as well as a frailty hub to support people in their own homes for longer. The clinical need is there, as is the public and political support. The bid is with the Department, but the project has dragged on for too long. It is time for the redevelopment of Thornbury health centre to really get moving, so that we can deliver the high-quality, local public health services that South Gloucestershire is keen to see. We need it now more than ever.

4.15 pm

The Minister for Health and Secondary Care (Will Quince): It is a pleasure to serve under your chairmanship, Mr Sharma. I congratulate my hon. Friend the Member for Thornbury and Yate (Luke Hall) on securing this debate. I know from the many conversations that we have had that it is a hugely important subject to him; he said that he has also raised the issue with the Secretary of State. I know how tirelessly my hon. Friend works for the people of Thornbury and Yate on healthcare and numerous other matters. I join him in referencing why today is very special; it is the 75th anniversary of the formation of our national health service. I too pay tribute and offer thanks to all those who work, or have worked, within our NHS.

My hon. Friend has made a characteristically eloquent and articulate argument for a new Thornbury health centre that would bring together services and provide an integrated service for patients and his constituents. I note that the community is growing, as he said, and that further growth is planned in future years. I also note the specific case my hon. Friend made about the demographics.

Before I turn to the specific issues in Thornbury, I will highlight how the Government are prioritising capital spend in the NHS to transform and improve healthcare outcomes for people, and, importantly, to put healthcare financing on a sustainable footing. The Government are backing our NHS with a significant capital investment that will create a step change in the quality and efficiency of care up and down our country—that, of course, includes South Gloucester. We have already provided record sums to upgrade NHS buildings and facilities so that trusts can continue to provide the best possible quality of care.

[JAMES GRAY *in the Chair*]

Currently, the Department of Health and Social Care's capital budget is set to reach upwards of £36 billion for the period 2022-23 to 2024-25. That is a record capital settlement. We are using that level of investment to address current care delays—for example, by creating surgical hubs to bring down waiting lists, and an increase in beds that was recently announced as part of the urgent and emergency care recovery plan. That investment will transform the quality of NHS care. We are putting new community diagnostic centres across England, investing in genomic medicine and delivering the new hospital programme.

Despite the eye-wateringly large sums that have been made available for capital within the NHS, demand is high and the calls on that budget from all across the country are significant. That presents us with challenges,

as my hon. Friend the Member for Thornbury and Yate rightly alluded to, and therefore we need to work innovatively with local integrated care boards on things such as modern methods of construction. I will come to that in a moment.

I want to touch on wider capital funding, because Bristol, North Somerset and South Gloucestershire integrated care board has been allocated some significant funding in recent years from those national programmes. That is in no small part due to the tireless championing of the area by my hon. Friend the Member for Thornbury and Yate, and MPs in his neighbouring constituencies. The funding includes: over £17 million from our elective recovery targeted investment fund for a period of estate works and digital initiatives; over £20 million in 2020-21 and 2021-22 from our critical risk infrastructure programme for A&E improvement; and over £5 million in 2020-21 to 2023-24 for mental health schemes, such as eradicating mental health dormitories and improving mental health crisis centres. In addition, the integrated care board has been allocated over £70 million in operational capital funding, making a total of over £223 million made available during this spending review period. I know my hon. Friend will agree that this investment has been invaluable in updating outdated infrastructure and, of course, in ensuring modern and sustainable facilities for both staff and patients.

I now turn specifically to Thornbury health centre, which is the crux of my hon. Friend's speech. I certainly understand the need for investment in the area—my hon. Friend has made that case incredibly powerfully today—and I am of course aware of the plans to integrate community services at Thornbury health centre. Furthermore, I recognise that he is keen to see progress on this investment as soon as possible. That is why my officials at the Department of Health and Social Care are working at pace with NHS England, and of course the local trust, to assess how we can take it forward. To answer one of his specific questions, a meeting to discuss options for that investment is scheduled to take place shortly and we are considering examples from recent similar programmes around the country as a template for how to deliver Thornbury health centre.

My hon. Friend asked about MMC, which I alluded to a few moments ago. Modern methods of construction are considered as part of the business case process, and

the Department has already raised this point with his integrated care board and will discuss it further at the meeting, at which next steps will be discussed.

I welcome my hon. Friend's continued involvement in and support for this project, and I am certain that his efforts will help to ensure that we can find a way forward that delivers quickly for the people of Thornbury and delivers value for money for local taxpayers. I can certainly commit that the Department's ministerial team will continue to work closely with my hon. Friend, and I will personally ensure that the Primary Care Minister—the Under-Secretary of State for Health and Social Care, my hon. Friend the Member for Harborough (Neil O'Brien)—keeps him regularly updated on progress following the meeting to which I referred.

Let me turn to Frenchay Hospital, which my hon. Friend the Member for Thornbury and Yate also referred to. I thank him for his dedicated work in campaigning to secure a return of health services to the site. I understand that the new health and social care facilities at Frenchay Hospital are a key element of the integrated care board's plans to transform and of course improve rehabilitation care for local people across South Gloucestershire. When those plans are complete, there will be a centre of excellence, with between 40 and 50 beds, for intensive rehabilitation, which will be co-located with new extra care housing. I know that the North Bristol NHS Trust remains committed to its plans for new rehabilitation facilities on the Frenchay Hospital site, and continues to make good progress on its plans, working with the local authority and other partners.

In conclusion, I again pay tribute to my hon. Friend the Member for Thornbury and Yate and the work that he is doing to support healthcare provision across South Gloucestershire. I can certainly confirm that this Government are committed to delivering transformational investment in the NHS estate across the country and that we look forward to delivering a step change in the quality and efficiency of care. The Primary Care Minister and I look forward to working with my hon. Friend to bring about the local changes to healthcare provision that he and his constituents want to see.

Question put and agreed to.

4.23 pm

Sitting suspended.

Charity Lottery Fundraising Caps

4.30 pm

Wendy Morton (Aldridge-Brownhills) (Con): I beg to move,

That this House has considered the potential merits of removing the caps on charity lottery fundraising.

It is a pleasure to serve under your chairmanship, Mr Gray, and to bring forward this debate on the important work of Britain's charity lotteries. I must first draw attention to my entry in the Register of Members' Financial Interests as a vice-president of the Lotteries Council. The charity lottery sector is worthy of Members' time, as I am confident today's contributions will demonstrate, and I am grateful to Members present. As I found when researching the debate, the interest of Members from across the House is evident from *Hansard* and, as I am sure the Minister is aware, from the number of questions to his Department on this important topic.

Back in 2017, the now Lord Bellingham secured a Westminster Hall debate on the future of society lotteries and the limits on prize values. I remember it well because I attended. The debate was well supported by Members from all sides of the House. A little over six months after that debate, the Government concluded their consultation on society lottery reform, and recommended that the maximum draw prize increase to £500,000, that the draw limit be raised to £5 million and, most importantly, that the annual cap increase to £100 million. In 2020, a revised annual limit came into effect, albeit that it was a reduced amount of £50 million.

Today, charity lotteries, or social lotteries, as they are more formally known, generate over £400 million a year for charities and good causes the length and breadth of Great Britain, meaning they constitute a significant funding stream for many well known charities and local community groups alike. I am sure we will hear from Members today about some of their local charities that benefit from those lotteries. Charity lotteries are regulated via the Gambling Act 2005 and are subject to heavy bureaucratic burdens, though the national lottery is not. For example, charity lotteries are subject to stringent caps on annual sales, caps on sales in each individual draw, and caps on the prizes that operators are allowed to offer, and there is rightly a statutory minimum return to good causes—I completely agree with that.

To put it simply, despite existing to fund charities and good causes, the sector is mired in exactly the sort of red tape that our Conservative Government should be focused on eliminating. To be honest, given that charity lotteries predate the national lottery by at least three decades, it is somewhat baffling as to why such a heavy regulatory burden exists at all. From the mid-2000s, the idea took hold in some quarters that the national lottery required protection from charity lotteries, and that is a myth that I am keen to see debunked on the basis of the available evidence. For example, years of Gambling Commission industry statistics show continued growth in sales, and returns to good causes from both sectors have reached record levels.

The recent Culture, Media and Sport Committee report on the national lottery explicitly acknowledged that charity lotteries do not negatively impact the national lottery, and called out the oddly hostile attitude that

Camelot has shown to the sector over the years. It is imperative that we do not lose sight of the fact that when both sectors thrive, it is the charities and good causes in all our constituencies that stand to benefit the most. The complementary nature of both funding streams cannot be understated—sorry, overstated; we must ensure *Hansard* gets that right.

I am sure that many Members present will be familiar with the People's Postcode Lottery through their constituency or the effectiveness of its advertising, which, as well as admirably shining a spotlight on supported charities, has been known to feature the likes of Jason Donovan. I am certainly aware of fantastic work done in my constituency by a number of organisations that are in receipt of funding from the People's Postcode Lottery. Such organisations help to deliver vital funding for voluntary sector groups of all sizes.

Funding has been delivered locally to RicNic, Walsall's "own the stage" project, which provides drama-based classroom resources and workshops to get children to participate in the arts; the Canal & River Trust, which has restored the Black Cock bridge, a Victorian bridge that was built in around 1880 in Walsall Wood, over the Daw End Branch canal; the Royal Voluntary Service, which operates locally from Brownhills Memorial Hall on Lichfield Road, a building known locally as the Memo, where the RVS runs groups who help elderly and vulnerable people to keep active and socially engaged; the Walsall-based Cats Protection, which also has a retail base in my constituency; and Manor Farm Community Association, which was awarded funding for the Silver Connections outreach programme for older people. I could go on, Mr Gray, but I will not. I hope I have given you a flavour of the type of organisations in receipt of this support, and I am sure you have some in your constituency.

Given the huge benefits of those and many other organisations to communities across my constituency—a pattern that I know is mirrored in constituencies right across the country—I am proud to play my part as a champion of the low-risk, not-for-profit charity lottery sector, which exists to fund good causes, some of which I have just name-checked. That is the reason why I felt it was important to secure today's debate.

In addition to confirming the complementary nature of charity lotteries, the DCMS Committee report to which I referred made clear recommendations on empowering charity lottery operators to set their own prize limits of up to £500,000, and on ensuring a level playing field with unregulated prize draws. Those are important recommendations that I would like the Government to adopt as policy. I urge my good friend the Minister and the Government to remove the annual sales cap on charity lotteries without further delay, to ensure that this vital fundraising stream can maximise its charitable returns. It is open to Ministers to deliver that crucial reform, and most of the other reforms I have mentioned, by way of a statutory instrument. I do not believe it needs parliamentary legislation, so I hope that the Government can find time for that.

An analysis undertaken by the People's Postcode Lottery demonstrates that the £50 million annual sales cap on the sector is restricting the funding that can be provided to 40 large charity partners, depriving them of millions of pounds in funding annually. That is despite the success of the brand in generating lottery ticket

sales well in excess of the £50 million permitted annually per licence. Newly released analysis shows that over the next five years, caps on annual sales will deprive more than 70 People's Postcode Lottery-supported charities of some £200 million in vital funding. It almost goes without saying that charities can ill afford to lose those funds.

I was astonished when I heard that the People's Postcode Lottery has to operate a structure encompassing over 40 individual gambling licences in order to comply with the law on annual sales limits. That creates a heavy burden of duplication, which constrains the scale and flexibility of the funds so generously raised by the lottery's players. The over-regulation of charity lotteries means that some well-known charities—for example, Girlguiding, Keep Britain Tidy, Young Lives vs Cancer, the National Society for the Prevention of Cruelty to Children and the Royal Voluntary Service—are losing out. Put simply, the sector is mired in needless red tape that could easily be removed by us in the House of Commons with Government support.

The Government previously committed to a £100 million annual sales limit for charity lotteries. However, if they removed the cap completely instead of increasing it, that would benefit not only the largest operators but smaller charity lotteries such as Essex & Herts Air Ambulance and the local hospice lotteries. It would be a more efficient use of the Department for Culture, Media and Sport's time, as it would remove the need to revisit the sales cap frequently. Operators such as those that I mentioned could also shed the additional licences associated with the requirements of the Gambling Act 2005, which operators say are difficult and costly for small not-for-profit lotteries to navigate.

It is completely unclear why the sales limits exist. In fact, the Gambling Commission is on record as saying that it has been

“unable to uncover any reference as to why these limits were put in place”.

The sales limits cannot affect player behaviour in any way, so they do not impact on sales, but they have a negative impact on the charities that receive funding, and they add to the bureaucracy for lottery operators. It seems counterproductive to continue limiting charities' income in such a blunt manner, particularly at a time of growing charitable need.

Removing charity lotteries' annual sales limits could better equip the third sector to support those most in need, without costing the Treasury or the taxpayers a single penny. That makes the argument even more compelling. I put it to the Minister that this aspect of the debate is very much worthy of the Chancellor's consideration, as the change would be cost-neutral fiscally. Perhaps the Minister will put a good word in with the Chancellor ahead of the autumn statement.

As I draw my contribution to a conclusion, I draw attention to the striking support that lifting the cap on charity lotteries and these common-sense sector reforms have attracted from colleagues from across this House, as we see today. That speaks volumes about the value of the charity sector, and of charity lottery reform. I acknowledge that the Government have shown themselves willing to act in support of Britain's charity lottery sector in recent years—my good friend the Minister comes from a background of fundraising in the charity sector. I commend the reforms to date, but it is clear that further action is required now.

I recognise that the Government have to manage many competing priorities, but charity lottery reform can be undertaken via a simple statutory instrument, or by including the changes in any new gambling Act. Reform has the support of over 100 of Britain's best-known charities, the sector itself and Members from across the House. I politely call on the Minister to please prioritise action on this worthy issue.

4.43 pm

Kim Leadbeater (Batley and Spen) (Lab): I warmly welcome this debate, and congratulate the right hon. Member for Aldridge-Brownhills (Wendy Morton) on securing it and on her excellent speech. Members have made a strong case for removal of the charity lottery sales limits, although in some ways those are badly named; they would be better described as fundraising limits, as they effectively limit the annual fundraising by any one charity. Several of the lotteries run by the People's Postcode Lottery are already at the limit, which prevents growth of the grants provided by those lotteries to the charities they support. However, even if they were not already at the limit, the fact that the People's Postcode Lottery requires a bureaucracy of 20 separate trusts simply to get the funds that they raised distributed to the charities they support seems nonsensical to say the least.

It does not seem to be the Government's policy to work with charity lottery operators to provide the best legal and regulatory environment possible for growing the funds that operators provide to the communities that we all represent. I do of course recognise the need to get a balance in the marketplace, so that fundraising by the national lottery is also maximised and not impacted in any way—in fact, I was proud to host an event in Parliament yesterday celebrating the launch of the new national lottery strategy; the Minister was in attendance—but as was said, that has been reviewed and discussed multiple times, and no evidence is forthcoming that removing the sales limit would impact the national lottery in any way. Indeed, it is difficult to see how it could, as the sales limit does not impact consumer behaviour in any way. I also note that in the last few years, since the 2020 changes to the limits, the national lottery has shown record sales and funding for good causes, proving yet again that the argument about a negative impact on the national lottery is a red herring.

As the Minister may be aware, prior to entering Parliament I was an ambassador for the Jo Cox Foundation, which was set up to take forward the work of my sister. It has a focus on tackling loneliness and community building. I therefore have experience, as I know the Minister does, of the challenges of running a charity, including the need for reliable, long-term sources of funding. It is clear that the operational environment for charities is more difficult than ever.

In March, the Charities Aid Foundation surveyed 547 UK charity leaders to identify key concerns, specifically regarding charities' cost of living issues. What the foundation found about the impact of the cost of living crisis on charities is not surprising, but that does not make it any less worrying: 59% are concerned that people will not continue to, or begin to, donate to their cause because of the cost of living crisis; 71% per cent expressed concern about managing increased demand for their services; and a shocking 35% believe that their organisation

[*Kim Leadbeater*]

will struggle to survive altogether. I do not know if those statistics have rung alarm bells in DCMS, but they certainly should have.

In addition, polling of the public in March showed that 14% of people plan to cut back on charity donations in the coming year. I worry that that figure will only rise in the coming months, yet here we have a policy proposal that would help charities and charity lottery operators across the country, but unfortunately it feels like an uphill battle to get DCMS to do anything about it.

The statistics from the Charities Aid Foundation also reflect my experience at constituency level. In March, I visited three local projects in Batley and Spennings Dale that have received funding raised by players of the People's Postcode Lottery. I went to Magic Breakfast and visited the breakfast club it runs at High Bank Junior, Infant and Nursery School in Liversedge. I met many of the pupils and teachers there, who were enthusiastic and clear about the difference that the breakfast club makes. I also visited the wonderful Rainbow Baby Bank in Heckmondwike, which provides a wide range of baby clothes, supplies and equipment to families across the area who are desperately in need of support. Finally, I visited the Riding for the Disabled Association project at Cliffhollins riding school and pony club centre in East Bierley, which is a brilliant facility run by an enthusiastic and talented team who are helping many local people regain confidence and undertake an activity that would otherwise not be available to them. It was certainly a very eclectic day.

I was struck not only by the difference that the funding raised by the People's Postcode Lottery made to those organisations and the local people who used them, but by the links between the organisations. Charity lotteries are creating and supporting a network of organisations, which are in turn supporting communities such as those that I have the honour of representing. In many cases, those organisations, groups and charities are propping up society and stepping in to provide services that, in my view, the state should be providing. That the Government seem at best reluctant to help them do that work is bizarre. I hope that today's debate will show Ministers the breadth of cross-party support for removing those limits. If they cannot move quickly to abolish those limits, they should at the very least start a consultation in the months ahead, so that all our constituencies can benefit.

4.48 pm

Marion Fellows (Motherwell and Wishaw) (SNP): It is a real pleasure to serve under your chairmanship, Mr Gray. I sincerely congratulate the right hon. Member for Aldridge-Brownhills (Wendy Morton), not only on securing this important debate but on her fantastic speech, in which she sought to persuade the Minister by various means. Indeed, the Minister has been persuaded by a number of women today, though I must not forget the hon. Member for Strangford (Jim Shannon).

Like many other speakers today, I want to put on record my support for removing the charity lottery sales limits, and for the fundraising work done by charity lotteries, which is hugely beneficial in loads of ways. There has been a lot of discussion in Parliament over the last couple of years about problem gambling, and

I share many of the concerns raised, but charity lotteries have a product that could not be more different from online betting and casinos, both in terms of problem gambling risk and the purpose of the activity, which is to raise funds for good causes as opposed to private profit. However, charity lotteries are not just about raising funds for good causes; the players, who ultimately raise the funds, get to have a little fun, and perhaps win a prize, while doing good for charities. It is a great model.

In February last year, over 600 of my constituents shared a £7.9 million cash pot when the People's Postcode Lottery's monthly millions draw landed in Wishaw. Players won between £8,000 and £368,000, and I can truly testify that there was a great deal of excitement in Wishaw. Of course, many local businesses will have benefited too. Charity lotteries can provide a bit of fun and excitement, as well as supporting good causes.

Charities in my constituency have also benefited. Over £100,000 has been provided to community charities, including Basics Food Bank, Wishaw YMCA and the North Lanarkshire Disability Forum. I am a great supporter of all those local charities. Larger charities that have received funding include the Scottish Wildlife Trust, which runs the Garrion Gill nature reserve, and Street League, which does fantastic work using sport as a pathway to get young people into employment.

I have supported the campaign to remove the charity lottery sales limit for some time, and at the SNP conference last year I joined the Deputy First Minister of Scotland, Shona Robison MSP, at a panel debate to discuss this very issue. It is shocking that many excellent charities stand to lose funding because of this piece of Government red tape. I draw Members' attention to the words of Dame Laura Lee, the chief executive of Maggie's cancer centres, which is a fantastic charity. She said:

"If limits aren't lifted it is estimated that charities across the UK could lose out on nearly £200 million over the next five years – for Maggie's alone that's over £4 million that could fund vital free psychological, emotional and practical support for thousands of people living with cancer."

She also said:

"We could reach even more people living with cancer – people who are experiencing possibly the hardest time of their lives – if charity lottery limits were abolished."

There we have it: current Government policy will cost Maggie's £4 million. That alone should be enough, I hope, to convince the Minister to take action. We are really good at having a go, us ladies.

Looked at another way, here is a great opportunity for the Minister to make a real difference, with lots of support across the political spectrum, to ensure that charities get the funding they deserve from charity lotteries and that charity lottery operators do not spend time dealing with needless bureaucracy. I hope that he will take it.

4.53 pm

Jim Shannon (Strangford) (DUP): It is always a pleasure to serve under your chairship, Mr Gray. It is also a real pleasure to hear from the right hon. Member for Aldridge-Brownhills (Wendy Morton), who set the scene so well. It is ladies who are leading the debate, but I am happy to add my support. The hon. Member for Motherwell and Wishaw (Marion Fellows) certainly set the scene too. I did not know that Wishaw had benefited from the People's Postcode Lottery—well done. We heard from

the hon. Member for Batley and Spennings (Kim Leadbeater) about her visits around her constituency and the clear benefits of charity lotteries.

We do not have the People's Postcode Lottery in Northern Ireland. We are not allowed it—for whatever reason, our laws prevent it—but it is advertised on the same TV stations that we all watch, so we feel somewhat concerned that we cannot participate. It is the law of the land. Nobody is trying to stop us; it is just that the gambling laws in Northern Ireland are a devolved matter. I know that the Minister will summarise that issue.

As all the hon. Ladies who have spoken referred to, charity lotteries generate moneys for good. On Friday, the National Lottery Community Fund—I have a really good working relationship with it, as all MPs do—notified me, as it always does, of the moneys coming to my constituency, and I want to use that to illustrate what can happen if the opportunities are there.

I understand that deciding whether or not to gamble is a personal choice, just like deciding whether to take alcohol. Similarly, the overuse of either is not good for an individual or, indeed, for a family unit. That is why I believe in the regulation of gambling, to the extent that we can regulate it, but I also believe in adding layers of protection where possible, for the sake of family units. That being said, I am aware of the wonderful work done by lotteries throughout the United Kingdom; the hon. Ladies all illustrated that very clearly and I know that the Front-Bench spokespeople will too.

I recently received an email about hundreds of thousands of pounds of national lottery funding making a difference to community organisations in my constituency, from Comber Regeneration to the Women's Institute in Ballyblack outside Newtownards, and from Community Advice in Newtownards to the Portaferry gala, Portaferry Men's Shed and the Killinchy social club. The benefits to all those groups are clear, but so is the regulation of the national lottery. We need to ensure that any changes to remove the cap on charity lottery fundraising will not adversely affect the regulatory protection that is in place. I believe that is the key to any changes. We all admire and appreciate the Minister for his frankness, but also for his humour and the way he puts his case; he is much loved by all of us in this House because of the way he approaches our questions.

In Northern Ireland, we are governed by stricter regulations regarding gambling under the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985, which is why we do not have the People's Postcode Lottery. I will outline some of the order's key provisions. A society must register with the district council specifying the purposes for which it is established and conducted. Tickets may have a maximum price of £1. Each ticket must specify the name of the society, the name and address of the promoter, the date of the lottery and the name of the district council that registered the society. The price of every ticket must be the same and shown on the ticket. It is therefore not permissible to offer, for example, a book of six tickets for the price of five; it just cannot be done. The total value of tickets or chances sold in any one lottery must not exceed £80,000. No more than 50% of the proceeds of a lottery may be used to provide prizes.

It is clear that regulation remains much tighter in Northern Ireland than on the mainland, but I am keen—I have made this plea in Westminster Hall before—for

the People's Postcode Lottery to be able to come to us in Northern Ireland. The hon. Member for Motherwell and Wishaw described how it descended on her constituency and disbursed money in great amounts; perhaps someday that will happen in Strangford. Nothing would give me greater pleasure than to see my constituents benefit too.

I know that the Minister and Government have been considering the issue, and I understand that the small changes proposed today focus on allowing charities to raise more money and thereby do more good. I am keen to see that happen, because it is certainly admirable and welcome, but regulation must be in place to protect families as much as personal choice allows. I will always support good regulation when it comes to gambling; I know that the right hon. Member for Aldridge-Brownhills and everyone else who has spoken have the same opinion. I thank the right hon. Lady again for bringing the matter to Westminster Hall for consideration.

4.59 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): I too am delighted to participate in the debate. I thank the right hon. Member for Aldridge-Brownhills (Wendy Morton) for bringing the issue to our attention. The Minister will not be surprised to hear that we in the SNP fully support the removal of the cap on charity lottery fundraising. He will be aware that last year the People's Postcode Lottery published a report entitled "Limitless potential: The case for raising the cap on charity lottery fundraising," which highlighted that charities are losing out on millions of pounds due to legal limits on lottery fundraising.

We all know that charity lottery funding can make a huge difference to communities across our constituencies. It is simply not right that capping charity lottery fundraising creates red tape, bureaucracy and, for some charities, stagnation of funds, causing groups in need of funding to miss out, potentially, on millions of pounds that could make such a difference to the lives of our constituents. Their efforts are being undermined by the cap.

In my constituency of North Ayrshire and Arran, £319,000 has been awarded to local charities, in 56 separate grants. In addition, numerous national charities with a footprint in my constituency, such as the Royal Voluntary Service, have received support. The Ellen MacArthur Cancer Trust operates in Largs, providing sailing trips for young people recovering from cancer. The trust has received £4.1 million of funding so far, and receives £450,000 each year to help change the lives of so many young people. With many other charitable groups in my constituency benefiting from funding, I know how important this issue is.

We need to remove the cap. The Minister will be aware that his Government committed to do so in 2020. It is not controversial or a contentious ask for the cap to be removed. Those calling for its removal should be pushing at an open door, but we have not seen anything done to progress that commitment. There is support across the House for the measure, so it is hard to understand why it has not happened. I hope the Minister will be able to respond positively to the calls he has heard today.

The measure could be implemented immediately. Importantly from the Minister's perspective, it would not cost the Treasury a single penny. What are we waiting for? The Government have closely examined this area of

[*Patricia Gibson*]

charity lottery reform, and found that charity lotteries make a hugely positive difference. We already knew that. It is really important that the value we place on charity lotteries, the work they do and the support they can provide are recognised.

It is important to note that the cost of living crisis means soaring demand for the services of charities, as well as an increase in their costs. Many charities are suffering a huge drop in donations, as those who would ordinarily donate willingly find that they have much less money to go around and therefore cannot contribute as they may have done in better times. Removing the cap as soon as possible will support funding streams such as charity lotteries so that they can continue to provide the additional support that many groups in our constituencies need.

Charity lotteries are the only type of charity fundraising and only type of gambling capped by law. The reason for the cap is not entirely clear or logical to everyone but, while it remains in place, it limits the funding available to charities from charity lotteries. Last year, three key postcode trusts, funded by People's Postcode Lottery players, each lost out on around £1 million of potential income due to the lowering of ticket prices from 85p to 80p, which was required to avoid breaching the current £50 million annual sales limit. Further ticket price reductions will be needed as player numbers grow. As a result, those trusts' incomes will stagnate, as will the value of the grants that they are able to award, despite growing ticket sales and ongoing charitable need. It does not seem to make any sense.

That all means a real-terms decrease in funding over time. Charities are already losing out, and they will continue to lose out unless this issue is addressed urgently. Over time, more postcode trusts will be affected, impacting charities more deeply. From the annual funding fairs that I organise in partnership with the constituency MSP in Saltcoats town hall, I know all too well—as everyone else will from their own constituencies—the huge demand for funding from very important charitable groups, which undertake a range of vital work to improve the lives of my constituents and to support the work of local charities.

The Minister knows that when we get down to brass tacks, this is quite an easy thing to fix, and he will have the whole House behind him in doing so. It will cost the Treasury nothing, which is always a bonus for a Minister, and it will have an immediate positive impact on hard-pressed charities in our communities. I urge him just to get on with it so that our vital charity sector can continue to do what it does so well: helping to improve the lives of our constituents.

5.6 pm

Alex Davies-Jones (Pontypridd) (Lab): As ever, it is a pleasure to serve under your chairship, Mr Gray, and to respond on behalf of the Opposition. I congratulate the right hon. Member for Aldridge-Brownhills (Wendy Morton) on securing this important debate, and all Members from across the House for their contributions. It is rare that this House speaks with one voice, but on an issue of such importance it is great to see. I do not think that the Minister can have failed to hear the pressure from across the House. In a crowded policy

field, charity lotteries often do not get the attention that they deserve; however, they do excellent work in supporting communities, as we have heard, especially where so-called Government investment has failed to appear, let alone deliver.

In my constituency of Pontypridd, many local charities and community groups have received funding by players of the People's Postcode Lottery, myself included—I should probably declare an interest as a player of it. Already this year, Miss Tilley's CIC, a social enterprise that works alongside disabled people in Pontypridd and Cardiff to help them access work, learning, volunteering and other opportunities, has received £25,000. That is a lifeline to a small charity. Last year, 13 other organisations based in my constituency received funding, including All Stars Gymnastics club, Llantwit Fardre cricket club, Rhondda Cynon Taf Scouts and Rhydyfelin Community Group. As I said, they are small local organisations delivering vital work in communities that would be unable to operate without that funding.

Those are community charities, but some of the country's best known and well-loved charities working in my constituency are also in receipt of charity lottery funding. We have heard about some of them today: the Royal Voluntary Service, which has seven local groups; the Wildlife Trust of South and West Wales, which runs Y Gweira nature reserve; and the Ramblers, Breast Cancer Now, and Volunteering Matters, which have a presence in all our constituencies. Charity lotteries are not the only source of funding for those charities, but they are a vital one, especially as they provide unrestricted and ongoing funding, which is essential.

I am sure that the Minister has a number of projects and groups in his constituency that have benefited from such funding. It is therefore even more shocking that during a cost of living crisis that is affecting communities the length and breadth of the country, and which is largely of the Government's own making, Ministers have failed to properly support charity lotteries, despite their incredible work. I have no doubt that the procrastination that has been exacerbated by the revolving ministerial door at DCMS means that such important issues have not been given the focus that they deserve. I have a lot of respect for the Minister, and I hope that this will be at the top of his policy agenda. I hope to hear more about that today.

Charities are facing a triple threat because of the current economic situation: their own costs have gone up, they face an increasingly difficult fundraising environment, and many are having to respond to increased needs in the communities that they serve. Against that backdrop, it is frustrating that a valuable source of charity funding is being stifled by a policy of this Government. We have heard today how easily a different policy could be implemented. There is widespread support for the removal of the cap on charity lottery fundraising. Indeed, my colleague Jane Hutt, the Minister for Social Justice in the Welsh Government, has written to DCMS to ask why the Conservative Government have not taken action.

Charity lotteries do a great deal of good across Britain. They support charities in every single constituency in Britain and provide millions of pounds of funding that otherwise would not be available. Earlier this year, 100 of the best-known charities in the country wrote to the Culture Secretary on this specific issue, so the

Minister knows just how significant a feeling there is about it in the sector as well. Many charities are aware of the negative impact of the annual sales limit on their work; indeed, many of them are losing out because of it.

My hon. Friend the Member for Batley and Spen (Kim Leadbeater) referred to Magic Breakfast, which is a brilliant organisation. The recent comments of its chief executive, Lindsey MacDonald, highlighted the fact that unless the limits are removed Magic Breakfast expects to lose out to the tune of £1 million, which equates to more than 3.5 million breakfasts. That would be a colossal impact on just one charity out of the many affected. The issue also affects homelessness charities, environmental charities, international development charities, youth groups such as the Girl Guides, cultural organisations such as the National Trust and vital cancer charities such as Maggie's, as we heard.

Of course, a crucial point is that it would not cost the Treasury a single penny to resolve this issue. I hope the Minister has heard that message loud and clear. Why has he or a succession of previous Ministers not taken action? What is preventing the policy from being implemented? It should not be the case that it is about any perceived impact on the national lottery, because the Gambling Commission's own statistics show that lottery fundraising across Britain is at an all-time high.

It should also not be because of a lack of awareness of the problem, as both the charity sector and the charity lottery sector have made a strong case for change for many years, and they are to be commended for their perseverance on this issue. Nor should it be because removing the limits could impact on player behaviour in some way. As we have heard today, this is about a behind-the-scenes bureaucratic measure that most of the population will never even have heard of. Unless we see some action soon, the only conclusion that can be drawn is that the Government do not care about the negative impact of the current policy.

Impactful organisations such as the People's Postcode Lottery do some excellent work on the ground. The organisation's staff and players should be proud that they have raised more than £1 billion for charities and good causes in every corner of Great Britain, although sadly not in Northern Ireland, as we have heard. We often hear much from the Government about the strain on public finances; perhaps responsibility for the current state of the economy is a debate for another day, but I encourage the Minister to consider the important role that charity lotteries play in plugging vital funding gaps.

We can all agree that many of our constituents are struggling and that times are tough. However, the cost of living crisis is not only impacting households: many charities and businesses have seen their costs shoot up at the same time as fundraising has become more difficult and the services they provide have increased, so they are impacted by a triple whammy. Indeed, I am really concerned that some charities will not survive this crisis, and I am sure the Minister has heard similar concerns. With that in mind, I urge him to give serious thought to the merits of lifting the cap. I am sure he has heard the arguments for doing so. Lifting the cap is a simple process that would have huge benefits for all our constituencies. So come on, Minister—do the right thing.

5.12 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Stuart Andrew): It is a pleasure to serve under your chairmanship, Mr Gray.

I thank my right hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) for securing this debate and I thank everybody who has taken part. It has been good to take some time out from the complexities of the gambling White Paper and the questions about levies, betting terminals, casinos and loot boxes, and instead hear about and discuss the fantastic work of the society lottery sector, the great things that it does and the funding that it provides. That includes organisations such as the air ambulances, hospice lotteries, Age UK, the Royal British Legion and so many others up and down the country.

As I said in the House recently, in a previous role I set up a society lottery for the hospice that I used to work at, so I understand the important contribution that society lotteries make to charities' incomes. I am absolutely committed to doing everything that I can to make sure that charities get as much money as they can. That is precisely why I fought for the £100 million with the Treasury: I went into battle to help with the current situation that many charities, which have been so brilliantly celebrated today, are facing.

Through my wider ministerial role, I have seen at first hand the real impact that funding from charity lottery players has in supporting a huge range of good causes, and it often sits alongside grants from the national lottery. For example, just last week I visited the London LGBTQ+ Community Centre in Blackfriars, which receives funding from the National Lottery Community Fund. Ahead of the Eurovision final in Liverpool, I saw the support that the fund had given to Daisy Inclusive UK for the work it is doing with youth social action groups in that city.

Members have articulated the tremendous amount of work that goes on in their constituencies. Indeed, the People's Postcode Lottery has supported a range of projects in my constituency, including some that have been mentioned—the Woodland Trust, Magic Breakfast and Farsley Community Orchard. I also recognise the fact that many good causes receive funding from both the national lottery and society lotteries. The V&A in Dundee received over £19 million from the national lottery and £1.2 million from the People's Postcode Lottery.

As Members will be aware, following a comprehensive consultation, which received more than 1,500 responses, the Government legislated in 2020 to introduce a wide package of reforms to the framework that governs society lotteries, and as a result of those reforms we significantly increased the annual sales limit, from £10 million to £50 million. For many charities that are running their own lotteries, there is plenty of headroom there, but I will come to some of the specific issues shortly.

We also increased the draw sales limit from £4 million to £5 million, which was warmly welcomed by the sector, and the increases also enabled lotteries to offer a prize of up to £500,000. I believe that package of reforms struck the right balance to achieve the best possible outcome at that time. It is important to remember that there were different stakeholders with different perspectives

[*Stuart Andrew*]

and priorities then. Some wanted us to go further, and called for an increase in the sales limit to £100 million and a maximum prize limit of £1 million, but others thought we had gone too far and felt that those increases would have a negative impact on, say, the national lottery and the good causes it funds.

Wendy Morton: I think we all recognise and welcome the changes that the Government made at the time, but having listened to the Minister I want to press him on two points. First, does he accept that there is a place for both the national lottery and the society lotteries? We are not talking about either/or; it is not competition. When we get it right, both sectors can benefit.

Secondly, I appreciate that when there is a consultation there will be lots of different stakeholders to accommodate, but when it comes to the People's Postcode Lottery specifically, the issue is that charities are being negatively impacted and that, with a bit of tweaking and adjustment from the Government, charities could benefit a lot more.

Stuart Andrew: I take those two points. I absolutely agree that society lotteries and the national lottery can coexist; they have done throughout the existence of the national lottery. I will come to the point about the People's Postcode Lottery in a moment.

Just last week, I met the current operator of the national lottery. It reminded me that the national lottery was purposefully set up to be the most efficient way to get money to good causes. It is important to remember that since it began in 1994, more than £47 billion has been raised for good causes. That is significant, and it equates to the national lottery raising more than £30 million each week. The majority of that funding goes straight to the heart of all our communities. We obviously need to ensure that that continues, because it delivers to a diverse range of groups and organisations in our communities. Given my wider portfolio, I know it is also critical for sport provision and elite sports. It is important to think about that.

In recent months I have learned a great deal about the complexities of transitioning from one national lottery licence to another and about transitioning for the first time to a new operator. It is clear that our objective for the lottery sector is for the national lottery and society lotteries to thrive together. It is also important to remember that our Secretary of State has a statutory duty to enable national lottery receipts to be maximised, and the continued growth of society lotteries needs to sit alongside that.

From the evidence that I have seen, we seem to have got the balance right to date, but, as with most things, there may be a tipping point, and I continue to bear that in mind. We last reviewed the 2020 reforms 12 months after they were implemented. We concluded that there was not yet enough available evidence to determine the full effect of the changes, and we wanted to see more substantive data over a longer period before considering any further changes. It still feels like the right approach to me, but I strongly believe that an evidence-based approach is always the right one. That is why we got the gambling White Paper into a good place: because it was all based on evidence.

We also want to make sure that the regulatory requirements placed on society lotteries are proportionate to their size. Should we enable society lotteries to sell £100 million-worth of tickets each year, we would also need to consider whether the largest lotteries should have placed on them further requirements, such as on the level of information they provide to consumers, and whether the percentage of sales they return to good causes should increase. It is important that we make those challenges too and look at some of the comparisons. I want to make sure that not just one area sees an increase but there is also an increase to charities.

The guiding principle, then and now, is that the regulatory framework regime that governs society lotteries should encourage the maximum return to good causes, and that the licensing regime should be light, protecting players without placing unnecessary burdens on operators. We will continue to work with the Gambling Commission as it keeps the sector and the case for further changes under review.

It is also not certain, when we look at the detail, that a further increase to the sales limit would necessarily result in a significant increase in funding for good causes. For example, despite a five-fold increase in the annual sales limit in 2020, I understand that what the People's Postcode Lottery returned to good causes did not increase by nearly the same amount. We have to consider such things, so evidence and the consideration of conditions are important. For those who ask me to make further changes immediately, even if there were robust evidence to do so, there are processes that we are obliged to follow.

Wendy Morton: May I press the Minister a little more on that? If he is not willing to deal with it immediately, would he look at it as a matter of urgency, given the number of charities that are being detrimentally affected?

Stuart Andrew: My right hon. Friend has obviously seen a copy of my speech, because I am coming to that in a moment. We will need to carry out a consultation—we have to do that—take account of those views, study the evidence, seek the views of other Government Departments and find time in a busy parliamentary schedule to bring any proposals to the House. It is not as simple as might sometimes be portrayed. Nevertheless, I have heard in the debate, and throughout my time in post, that there is a desire for us to be clearer about when any such review may take place, so I will ask officials in the Department to consider the matter in more detail with the Gambling Commission to see what is realistic. I will provide an update in the autumn to those who have attended this debate.

As I said, I met the People's Postcode Lottery just this morning, and my priority remains delivering our ambitious commitments in the gambling White Paper, because I think there is some serious work that needs to be done there. I am also keen to ensure the smooth transition of the fourth national lottery licence and to make swift progress on the horserace betting levy review, which is really important. In this morning's meeting, the People's Postcode Lottery recognised the considerable work that we are trying to get through.

The consideration of any further changes to the framework for society lotteries needs to be considered in the context I have set out, but I have committed to continue to explore what flexibility there already is

within the system to get us through the interim period ahead of any further detailed review. In the meantime, I am confident that, thanks to the millions of people who enjoy playing the lottery or buying a scratchcard, both society lotteries and the national lottery will continue to raise much-needed funding that benefits so many people. For many independent society lotteries there is plenty of headroom. I recognise many of the points that have been made about the specifics of the People's Postcode Lottery and assure Members that I will keep a close eye on the matter.

5.24 pm

Wendy Morton: I am grateful to my right hon. Friend the Minister for responding to the debate, and I am equally grateful to everyone who has contributed. The message was very clear: we understand the value of the

charities and the work they do in our communities. I welcome, and look forward to receiving, the autumn update. However, although I understand the importance of the gambling White Paper and know that we have to get that right, some of the women in this place—and gentlemen—will continue to gently push the Minister, because we are so passionate about this. I also recognise the passion that the Minister has for the charity sector, given his experience before he came to this place.

Question put and agreed to.

Resolved,

That this House has considered the potential merits of removing the caps on charity lottery fundraising.

5.25 pm

Sitting adjourned.

Written Statements

Wednesday 5 July 2023

ATTORNEY GENERAL

Serious Fraud Office: Appointment of Director

The Attorney General (Victoria Prentis): I am today announcing the appointment of Nick Ephgrave QPM as the next director of the Serious Fraud Office.

Under the Criminal Justice Act 1987, I appoint a person to be the director of the Serious Fraud Office, who shall discharge their functions under my superintendence. The Prime Minister and Cabinet Secretary have been notified of this appointment.

This appointment has been conducted in line with civil service guidance and the process has been overseen by a civil service commissioner.

Mr Ephgrave will take up the role of director of the Serious Fraud Office at the end of September 2023.

[HCWS915]

DEFENCE

British Armed Forces: Independent Inquiry Related to Afghanistan

The Secretary of State for Defence (Mr Ben Wallace): As announced to the House on 15 December 2022, I commissioned the right hon. Lord Justice Haddon-Cave to chair an independent statutory inquiry under the 2005 Inquiries Act to investigate and report on alleged unlawful activity by British Armed Forces during deliberate detention operations (DDO) in Afghanistan in the period mid-2010 to mid-2013, and the adequacy of subsequent investigations into such allegations.

It is right that the Ministry of Defence continues to balance the requirement to be as open and transparent as possible against national security considerations. The inquiry is now reaching the stage of substantive hearings, and I can confirm that the allegations relate to the conduct of UK special forces.

This confirmation is made in the exceptional circumstances of this inquiry, where the activities of this organisation are the central focus of the inquiry's investigation, as set out in its terms of reference. Outside of this very specific context, such confirmation should not be seen to alter the longstanding position of this Government, and previous Governments, to not comment

on the deployment or activities of the UK special forces. I remain steadfast in this for the protection of those involved and our national security.

[HCWS914]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Highly Protected Marine Areas

The Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): Three highly protected marine areas (HPMAs) in English waters—North East of Farnes Deep, Allonby Bay and Dolphin Head—are formally designated from today, after Lord Benyon signed the designation orders for these sites on 14 June 2023.

Since leaving the EU and becoming a fully independent coastal state, we are seizing the opportunity to properly protect our most precious marine areas. Using our new freedoms, we are already in the process of introducing new measures to restrict damaging fishing activity such as bottom trawling in offshore Marine Protected Areas (MPAs) by the end of 2024.

Today's HPMAs will complement the MPA network to introduce even higher levels of protection in our seas. Where in MPAs the marine environment can recover to a good, healthy state through managing harmful activities that damage the designated features, HPMAs will prevent all harmful activity to promote full recovery of the whole site to as natural a state as possible. They will contribute to healthy, sustainable and climate-resilient ecosystems that benefit both the marine environment and our fishing communities. They will give marine life space to fully recover, and evidence suggests that increased numbers or size of species in such protected areas may benefit fisheries overall over time as they spill out into nearby areas beyond the protected areas.

Our actions on HPMAs demonstrate the Government's clear commitment to the UK vision for "clean, healthy, safe, productive and biologically diverse ocean and seas"; and to our international commitments to protect at least 30% of the global ocean by 2030 under the global biodiversity framework, which the UK spearheaded.

These HPMAs have been designated under the Marine and Coastal Access Act 2009, and general duties will apply from today. The next step will be for the Marine Management Organisation to implement specific management measures for fishing and non-licensed activities within the HPMAs. These will be consulted on soon.

As announced in the "Environmental Improvement Plan", we now intend to identify further suitable sites for consultation and potential designation.

The designation orders are available to view at www.legislation.gov.uk.

[HCWS913]

Ministerial Correction

Wednesday 5 July 2023

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Violence in the West Bank

The following is an extract from the Urgent Question on Violence in the West Bank on 4 July 2023.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): My thoughts go out to the people affected by the horrific attacks on the Jenin refugee camp. We must be clear that this is a violation of international law and that the occupying forces, in particular, have a responsibility to end the violence. I will give a clear suggestion of a possible action: will the UK Government send a clear message of condemnation by bringing to an end the importation into the UK of goods that are produced in those Israeli settlements that are deemed illegal under international law?

Anne-Marie Trevelyan: As I say, we will continue to make calls on Israel—*[Interruption.]* Goods made in the settlements are not allowed to be imported, and that continues to be the case. We continue to grow the work that we do on trade with Israel, the Palestinian Authority and the OPTs, and I know the Department for Business and Trade is focused on that development work.

[Official Report, 4 July 2023, Vol. 735, c. 703.]

Letter of correction from the Minister of State, Foreign, Commonwealth and Development Office, the right hon. Member for Berwick-upon-Tweed (Anne-Marie Trevelyan):

An error has been identified in my response to the right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts).

The correct response should have been:

Anne-Marie Trevelyan: As I say, we will continue to make calls on Israel—*[Interruption.]* **Goods imported from the settlements are not entitled to benefit from UK-Israel trade preferences.** We continue to grow the work that we do on trade with Israel, the Palestinian Authority and the OPTs, and I know the Department for Business and Trade is focused on that development work.

ORAL ANSWERS

Wednesday 5 July 2023

	<i>Col. No.</i>		<i>Col. No.</i>
DELEGATED LEGISLATION	902	WALES—continued	
PRIME MINISTER	789	Freeports.....	784
Engagements.....	789	International Tourism	780
WALES	779	Investment	786
Cost of Living Support	787	Network Rail Funding.....	785
Economic Growth.....	781	New Nuclear Power Sites	783
		Strength of the Union	779
		Transport Connectivity	785

WRITTEN STATEMENTS

Wednesday 5 July 2023

	<i>Col. No.</i>		<i>Col. No.</i>
ATTORNEY GENERAL	39WS	ENVIRONMENT, FOOD AND RURAL AFFAIRS.	40WS
Serious Fraud Office: Appointment of Director	39WS	Highly Protected Marine Areas.....	40WS
DEFENCE	39WS		
British Armed Forces: Independent Inquiry			
Related to Afghanistan	39WS		

MINISTERIAL CORRECTION

Wednesday 5 July 2023

	<i>Col. No.</i>
FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE	3MC
Violence in the West Bank	3MC

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**not later than
Wednesday 12 July 2023**

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CONTENTS

Wednesday 5 July 2023

Oral Answers to Questions [Col. 779] [see index inside back page]
Secretary of State for Wales

Speaker's Statement [Col. 788]

Oral Answers to Questions [Col. 789] [see index inside back page]
Prime Minister

Safety Cameras [Col. 802]
*Motion for leave to bring in Bill—(Mark Eastwood)—agreed to
Bill presented, and read the First time*

Estimates Day (5th allotted day)

Energy Infrastructure [Col. 805]

Adult and Further Education [Col. 849]
Estimates agreed to

Financial Markets and Monetary Policy [Col. 903]
Debate on motion for Adjournment

Westminster Hall

Ethnic Minority and Migrant Victims of Violence Against Women and Girls [Col. 305WH]

Robert Stephenson and Company: 200th Anniversary [Col. 324WH]

Freehold and Leasehold Reform [Col. 331WH]

Thornbury Health Centre [Col. 352WH]

Charity Lottery Fundraising Caps [Col. 359WH]

General Debates

Written Statements [Col. 39WS]

Ministerial Correction [Col. 3MC]
