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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Friday 2 December 2016

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Mike Weir (Angus) (SNP): I beg to move, That the House sit in private.

Question put forthwith (Standing Order No. 163), and negatived.

Benefit Claimants Sanctions (Required Assessment) Bill

Second Reading

9.34 am

Mhairi Black (Paisley and Renfrewshire South) (SNP): I beg to move, That the Bill be now read a Second time.

Before I start to explain the Bill, I want to thank the people and organisations that have been incredibly helpful and supportive: the Child Poverty Action Group; the Scottish Association for Mental Health; Gingerbread; Citizens Advice Scotland; PCS; the House of Commons Library staff, who have done a power of work on this; and all the researchers in the SNP team. I also thank my colleagues for coming out to support me today. I give a particularly big thank you to Tanya, one of the researchers. She is an absolute belter of a person, and I really appreciate everything she has done.

To understand the logic behind the Bill, we need to appreciate that people feel anxious. They are terrified of the process that they will have to endure if they lose their job. We can debate whether that fear and anxiety is legitimate, but the reality is that people are scared.

We need to examine the current process that people have to endure. If a claimant is deemed to have failed to meet a condition of jobseeker's allowance—failing to attend an interview, being unavailable for work or leaving a job voluntarily—they are subject to benefit sanctions, meaning that their benefits are stopped for period.

The final decision on whether to sanction is made not by Jobcentre Plus work coaches or Work programme providers, but by Department for Work and Pensions decision makers. If a work coach or adviser believes that the claimant has not fulfilled their requirement, a “doubt” can be raised and referred to a decision maker in a sanction referral. That mysterious decision maker is unknown to the claimant and uncontactable. Normally, if we have an issue or are dissatisfied, we phone a number or speak to a manager, but a claimant referred for a sanction has no number to phone the decision maker to explain why they failed to meet a requirement. There is no means of finding out who this person is who ultimately has their livelihood in their hands, which only adds to the unhealthy, insecure atmosphere that drives so much anxiety and pessimism. The decision maker should attempt to obtain evidence

from the claimant, as well as from the work coach, and make a decision on whether to apply a sanction based on a “balance of probabilities”—whatever that means.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I congratulate the hon. Lady on securing this debate and getting a large number of people here on a Friday morning. I have had a careful look at her Bill. Is she advocating getting rid of conditions or sanctions entirely? That is the tone of her speech, which is in contrast to the detail of her Bill.

Mhairi Black: I am happy to give the hon. Gentleman my copy of the Bill, because he will see that that is not what I am trying to do. It is quite hard to pass a private Member's Bill, so while my colleagues and I would want to get rid of the sanctions regime altogether because we disagree with it, I am trying to use this Bill to make a small, genuine change that the Government can hopefully get on board with. I am not trying to be controversial.

Mr David Nuttall (Bury North) (Con): I join my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) in congratulating the hon. Lady on securing an admirable turnout among her colleagues. She wrote in *The National* on 16 July:

“If we must have a sanctions regime”.

To be absolutely clear, is the hon. Lady's position that she would prefer not to have a sanctions regime at all?

Mhairi Black: I cannot emphasise enough that if I had the power I would get rid of sanctions altogether, but I am not trying to do that right now. The Bill tries to amend sanctions.

There are two major problems in the current system, the first of which are the guidelines. Under the current regime, a sanction may be imposed if a claimant has good reason. The JSA legislation was amended to provide that “good reason” was to be set out in guidance rather than in the regulations themselves. That is the problem—it is only guidance. The Government argued that not setting out particular circumstances or situations in legislation allows the decision maker

“to take into account all reasons considered relevant when determining good reason.”

The decision maker's guide on the guidelines explains:

“Good reason is not defined in legislation.”

It says:

“DMs should take into account all the relevant information about the claimant's circumstances”

and their reasons for actions.

“Claimants will be given the opportunity...to explain why they have not complied with requirements and it will remain the responsibility of the claimant to show good reason for any failure and to provide information and evidence as appropriate to explain why they have not complied.”

That sounds fair enough when we just read it, but how does a person provide hard concrete evidence that their bus was 10 minutes' late, or that their train was delayed?

Let me set out where the whole idea behind this Bill came from. I am a member of the Work and Pensions Committee. We were looking into jobcentres, and we paid a visit to South Thanet, which is what I would describe as a leafy, prosperous, happy Conservative

[Mhairi Black]

suburb with not many real hard issues. When we went to the jobcentre, I was desperate to pick holes in the sanctions regime—desperate to sit there and say, “It’s horrible, it doesn’t work, it’s horrendous and people endure horrible things.” I am glad to say that I could not do that. Within the jobcentre, the sanctions regime was working as best as it possibly could. There were hardly any sanctions, because time after time the staff were patient and understanding. They worked incredibly hard to make sure that nobody ended up in that position.

I appreciate the fact that this Conservative constituency, geographically, economically and socially, does not have anywhere near the same pressure and problems as many other constituencies throughout the UK, including mine. In my opinion, that jobcentre was just lucky—lucky because of the personalities and the attributes of its staff. That was why the sanctions were not as harsh as they were in constituencies such as my own.

Michael Gove (Surrey Heath) (Con): I congratulate the hon. Lady on securing the opportunity to introduce the Bill, but I must correct her: South Thanet is not a leafy suburb. It is one of the most deprived parts of south-east England, and the population there—*[Interruption.]* Members of the Scottish National party should not be selective in their championing of those suffering poverty. The truth is that South Thanet, which I shall visit later today, is a disadvantaged area that over the past 20 or 30 years has suffered as a result of the changes in the economic climate in this country, and it is mischaracterised by the hon. Lady.

Mhairi Black *rose*—

Mr Speaker: Order. I always listen with the keenest interest to the right hon. Gentleman. From now on, however, interventions should be brief, and I think that we have now treated adequately of the matter of South Thanet.

Mhairi Black: I note the right hon. Gentleman’s point of view. I invite him to come up and see Ferguslie Park, where he will see what real deprivation looks like.

Alex Salmond (Gordon) (SNP): When I was listening to the intervention of the right hon. Gentleman from Surrey Heath—that other incredibly deprived area of the south of England—I was struck by the Foreign Secretary’s difficulty with language this morning, when he was trying to say:

“O wad some Power the giftie gie us
To see oursels as ithers see us!”

Mhairi Black: In my constituency, I have had people sanctioned because they were ill, because they had children who needed to be looked after and all sorts. Each of us has heard examples of how people have been sanctioned for a shocking amount of ridiculous reasons. There are some examples of people who have been sanctioned for missing an appointment at the jobcentre because they were at a job interview. It is ludicrous.

Lucy Frazer (South East Cambridgeshire) (Con): I congratulate the hon. Lady not only on getting the debate but on the tone of her speech. If it is true that

the system works in some places, is that not a reason to retain it and ensure that it works everywhere rather than to change it?

Mhairi Black: I am not saying that the systems works perfectly everywhere. As I have said, I disagree with the system as it stands just now. However, if I am to be realistic and try to make some small changes, South Thanet is a place where sanctions are not as harsh as they are all over the rest of the UK—they are not as harsh as they are in different constituencies.

I want to go on to explain why this Bill should go through, and I have examples of jobcentres that are not doing not too badly with the current system. There is a dramatic variation throughout the UK as to how many sanctions are applied and why they are applied. The fact that sanctions are being applied inconsistently across the board is backed up by this week’s National Audit Office report, which found that some Work programme providers make more than twice as many sanction referrals as others dealing with similar groups in the same area. The NAO report concludes that

“management focus and local staff discretion are likely to have had a substantial influence on sanction rates.”

When I secured this private Member’s Bill, I opened up a public consultation whereby individuals could answer a series of 10 questions, telling me their thoughts on the current regime and my proposed changes. Out of those responses, it was very clear that people felt that there was a Government-created point of view driven by much of the mainstream media that anyone claiming benefits is a scrounger and a chancer. They are made to feel as though they are lazy, work shy and someone who is leeching off the state and taxpayers’ money.

I will do something quite unorthodox here and quote from what probably constitutes as a national treasure, Kevin Bridges. He rightly said that if politicians really think that people are choosing to be vilified by those with power all so that they can sit in their boxers watching “Storage Wars” on a Tuesday afternoon eating Quavers, then they are really not living in the real world. I know that anyone who is in touch with reality knows that that image could not be further from the truth. One respondent worded it better than I ever could when they said that there is a belief that claimants are scroungers and liars. They said that where there is a good Jobcentre Plus management, that attitude is less and probably also accounts for the variations in the application of sanctions.

It is worth noting and putting it on the record that I am not slagging off or criticising jobcentre staff. I am criticising the lack of direction and clarity that they have to operate under and the fact that they have to endure an ever-increasing workload with increasing responsibility without clear instructions.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): Does my hon. Friend not agree that the Government are taking their eye off the ball with regard to the broad scope of this matter? We are seeing substantial numbers of staff leaving the DWP as result of the introduction of universal credit. Nights out are being held in Glasgow on a weekly basis by those leaving centres in Glasgow, which serve the whole of the United Kingdom. It is a disgrace, because we are losing the knowledge of the staff from the DWP, which has a gross impact on those dealing with sanctions.

Mhairi Black: I could not agree more with my hon. Friend. We are all aware of people who have felt horrible when they were working in jobcentres—they felt under pressure in having to treat people as though they do not deserve attention. He is quite correct to say that the DWP and these jobcentres are under increasing pressure, and it is putting an unhealthy level of anxiety on to the staff, never mind the people who are claiming the benefits.

Anne McLaughlin (Glasgow North East) (SNP): Does my hon. Friend agree that some of the staff who are under all that pressure will now face sanctions themselves and will have to impose sanctions on their colleagues? That is nothing short of disgraceful, and will only serve to make them feel even worse about themselves and even worse about the jobs that they do.

Mhairi Black: I could not agree more.

A respondent to the public consultation stated that staff are human, and that

“they can make mistakes, like or dislike clients and their individual views can affect how they deal with the individuals on their caseload. If they don’t like or trust someone, they are much more likely to sanction than if they like or have sympathy for the individual.”

Again, I must emphasise that this is not a criticism of jobcentre staff, who do a tremendous job given the system with which they have to work. It is recognition that we are all human, and that we all have our bad days and our grumpy days, but unless there are clearcut rules and regulations of conduct in place, that bad day could translate into ruining someone else’s day—and that simply cannot happen when they have someone else’s livelihood and survival in their hands. This creates a postcode lottery of sorts, and a situation whereby the way in which a person is treated is completely dependent on where their assigned jobcentre happens to be, who they get as a work coach and what mood that coach happens to be in.

Brendan O’Hara (Argyll and Bute) (SNP): I thank my hon. Friend for selecting this vital topic for debate. Does she agree that the National Audit Office’s report makes it clear that the rise and fall in referrals from 2010 to 2016 cannot simply be explained away by claimant behaviour? The Government would have us think that that is the case, so can she confirm that it absolutely is not?

Mhairi Black: Yes, I can, and I will touch on that later.

Helen Whately (Faversham and Mid Kent) (Con): I congratulate the hon. Lady on the thoughtful speech she is making, albeit that I disagree with some aspects of it, which I will come to when I have a chance to speak. She said that a decision might be affected by the mood of somebody working in the jobcentre or by whether they happen to like the individual. Yet, a little earlier, when she talked about how the process works, she made the point that the decision maker is separate from the individual’s normal work coach, which avoids that personal dynamic, so what she says does not make sense.

Mhairi Black: I think the hon. Lady is confusing two separate issues. What I am saying is that, when we speak of referrals, there is a huge disparity between different

jobcentres in different parts of the UK because the guidelines can be interpreted differently by different people. Therefore, instead of having these vague and unclear guidelines, which can be interpreted by different people in different ways, my Bill seeks to create a formal code of conduct, whereby it is clear who should be exempt from sanctions and for what reasons.

Kirsten Oswald (East Renfrewshire) (SNP): I very much appreciate my hon. Friend’s support for staff who work in jobcentres. Many years ago, I worked in a jobcentre, and these jobs are very challenging. It is clear that there is not sufficient guidance or an appropriate framework in place to allow people to make the system work as it should.

Mhairi Black: I completely agree.

The Bill is made up of 11 clauses, and it makes changes to the current legislation on the administration of certain social security benefits. It prevents a claimant in receipt of certain social security benefits from having their benefits reduced or restricted unless two requirements have been met.

I will focus on the first requirement. We want to introduce a formal code of conduct and a list of sorts, whereby an individual’s personal circumstances must be taken into account before any sanction can be applied. The Bill would also require that, before drawing up and reviewing a claimant commitment, which many individuals I have come across simply sign in the same fashion as most of us say we have read the 300-page terms and conditions when we buy a phone, download something or update our phone, the person has to be given advice—not guidance—on their rights and entitlements, and that advice has to be in writing.

Secondly, the Bill requires claimant commitments to include details of the person’s caring responsibilities, mental health, physical wellbeing and housing situation, before any sanction can be applied.

Mr Nuttall: I fear that the hon. Lady has just contradicted her own point. She says that the claimant will not read the claimant commitment, but she is making it a requirement that they have written guidance. What makes her think they will read the written guidance if they cannot be bothered to read the commitment?

Mhairi Black: I hope the hon. Gentleman will forgive me if I did not explain myself clearly enough. What I am saying is that formal written advice, not guidance, has to be given to people so that they can fully understand what a claimant commitment means. I have come across lots of people—not just in my own constituency office—who have signed a bit of paper that has been shoved in their face, thinking it means they will get their benefits, but without fully appreciating or having been told exactly what it means. Part of the reason they are sometimes not told exactly what it means is the lack of clear and concise instructions for jobcentre staff. That is what I am trying to formalise in the Bill.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Does my hon. Friend share my concern that consistent patterns show that some groups find it particularly difficult to comply with claimant forms? Single parents are particularly

[Dr Eilidh Whiteford]

badly affected, as are people with mental health problems. They have consistently been shown to be sanctioned disproportionately.

Mhairi Black: Yes, that is a point I am about to touch on.

Let me give a few examples of the kinds of responsibilities that should be taken into account. A report from Gingerbread found evidence that single parents are being inappropriately referred for a sanction in the first instance, or wrongly sanctioned, as a result of the decision-making process. Responding to the National Audit Office report on sanctions, a Gingerbread research officer said:

“Our own research has found that single parents are more likely to be unfairly referred for sanction than other JSA claimants; job centre advisers are getting it wrong far too often. We hear from single parents who are threatened with sanctions if they don’t take jobs that are unsuitable and unsustainable. We’re particularly concerned that new rules starting in April will mean even more single parents with young children are at risk.

Despite the mounting evidence that sanctions are ineffective, costly for the government and hugely damaging for those who are sanctioned, the government has done very little to fix this broken system.”

Victoria Atkins (Louth and Horncastle) (Con): Will the hon. Lady give way?

Mhairi Black: I am going to make a wee bit of progress first.

A single mother or a carer, for instance, might have an appointment, but their child or dependant might be sick, or they might be called to school to collect their child. The Bill would recognise their caring commitment to that child, and it would mean that they should not and could not be sanctioned. Similarly, if a mother has an appointment at half-past 8 in the morning and cannot attend, there should be a formal code of conduct so that jobcentre staff can see that, between the hours of seven and nine, she is getting the wee uns to school, so, of course, she cannot go for a job interview.

Victoria Atkins: I congratulate the hon. Lady on calling this debate. She has just described the system as broken. Could she please help me, then, with the fact that, on average in each month last year, more than 96% of JSA claimants and more than 99% of ESA claimants were not sanctioned? In other words, the vast majority of JSA and ESA claimants understand the system and are complying with it. It is not broken, as she asserts.

Mhairi Black: I would say that the hon. Lady has not got her facts correct—

Several hon. Members *rose*—

Mhairi Black: Hold on a second. If the hon. Lady looks back, she will see in the NAO report out this week that a quarter of all people who receive JSA have been sanctioned at some point. That is what the facts are.

Lyn Brown (West Ham) (Lab): Another interesting statistic from the NAO report was that over a quarter of those who were sanctioned actually had their sanctions lifted on appeal. Does that not say all we really need to know about how sanctions are injudiciously used?

Mhairi Black: The hon. Lady has just made a brilliant point. We see that all these sanctions can be overturned later. That has cost the Government more money in administration, and it has caused more heartache, anxiety and pressure for individuals who have committed no crime and who should not have been sanctioned in the first place.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): It is also worthy of note that, in relation to the recent Concentrix scandal, 90% of the cases have been overturned in the past few months on appeal, and the money has been given back to the claimants. That just speaks to the fact that the system is in disarray, and I would hope that Members on both sides of the House will listen to the point my hon. Friend is making and to the up-to-date statistics that are available, including about the 90%.

Mhairi Black: I appreciate my hon. Friend’s point; it is evident throughout different parts of the Government just now that the administration has become problematic, but today I want to focus on the fact that tens of thousands of single parents face the risk of being wrongly sanctioned by the jobcentre. Two in five sanction referrals and decisions against single parents are actually overturned, which shows just how faulty and flawed the system is. Surely we could make this small, uncontroversial change, prevent a lot of hassle to begin with and, hopefully, save some money.

Angela Crawley (Lanark and Hamilton East) (SNP): Earlier in the week, I spoke in a debate on employment and support allowance and personal independence payments. More than 65% of decisions are overturned on appeal, which means that your Government’s system is broken. Over 80% of the claims affect women who are predominantly single parents. Your system—the Government’s system—is broken.

Mr Speaker: I have no system, so mine is not broken, but that of others might be or might not be.

Mhairi Black: My hon. Friend is right.

Anne McLaughlin: Will my hon. Friend join me in reminding everybody that, despite the percentage of cases that are overturned at mandatory reconsideration, the vast majority of people do not ask for a mandatory reconsideration, because nobody tells them that they can do that and they do not know how to do so? We are talking only about the percentages of people who actually ask for a reconsideration.

Mhairi Black: My hon. Friend makes a brilliant point. It is covered by the second part of the Bill, which I will touch on later.

It is clear that DWP decision makers are not making any genuine assessment but are simply rubber-stamping referrals, because the proportion of people being sanctioned for not actively seeking work has risen to 98%. No real consideration is being given to the individual’s circumstances and life.

On health, “Living at the Sharp End”, a recent Citizens Advice Scotland research report on the causes and impacts of gaps in income for Scottish citizens advice

bureau clients, found that benefit sanctions were one of the top five causes of a period of no income. One of the most striking findings from an analysis of the report's 47 case studies is the impact that gaps in income have on the mental and physical health of clients in the sample. Of those case studies, almost a third mentioned worsening mental health issues as a result of a gap in income, and two of them explicitly mentioned suicidal thoughts.

I ask Members to think of the process that people already have to endure. As I said at the beginning, they are already terrified before they go into the jobcentre, never mind when they end up as part of the sanctions process. *[Interruption.]* If an individual suffers from depression, anxiety or any other mental health condition, the system as it stands completely neglects what life is like for them when they are having a bad day or are struggling. In response to a Scottish Government consultation in October 2015, the Scottish Association for Mental Health said:

“The number of sanctions applied in Scotland doubled in the last year, and individuals with mental health problems are disproportionately affected.”

Dr Philippa Whitford (Central Ayrshire) (SNP): The Health Committee is conducting an inquiry into suicide and the causes of suicide. Since the crash of 2008 and the increase in the number of unemployed people, we have seen a sharp rise in the number of suicides, particularly among middle-aged men, who suffer at rate of 3:1. The idea that the financial changes that this country has seen over the past seven or eight years have had no impact is, frankly, wrong. How people are treated really matters, not just for the quality of their life, but for whether they survive.

Mhairi Black: My hon. Friend makes her point succinctly.

Peter Grant (Glenrothes) (SNP): I do not know whether my hon. Friend heard the comment that we think we heard from a Conservative Member—I have no doubt that it will be corrected if we misheard it—but I was convinced that they suggested that a major cause of stress for claimants is that, “They are terrified they might get a job.” [HON. MEMBERS: “Shameful.”] Does my hon. Friend agree that anyone with that kind of attitude is not in any position to judge those who are actively trying to find employment?

Mhairi Black: My hon. Friend is exactly right. If that comment was made, I suggest that the person who said it gets to their feet and puts it on the record. I suggest that, if someone has that point of view and thinks it is acceptable to speak in that way about our most vulnerable people when it is the Government's job to look after them, they are not fit for government.

Mr Nuttall: The point is that the best way to help people is for them to find work. The fact of the matter is that there are more people in work in this country than ever before, so people have no reason to be terrified about going into a jobcentre. They ought to be looking forward to it, because the likelihood is that, under this Government, they will find a job.

Mhairi Black: For the purpose of *Hansard*, may I ask the hon. Gentleman to rise to his feet and confirm or deny whether he made that statement? His silence is a shame.

Lyn Brown: I am grateful to the hon. Lady for giving way; she is being very generous. I am sure that her constituents, like mine, do not want to see people who are able to work simply staying at home and taking whatever money they can, but that is not what the Bill is about. It is not about stopping sanctions for people like that; it is about doing what our constituents want and looking at the issue more humanely. They, like us, see this Government acting in a way that is bringing real stress and distress to families unnecessarily.

Mhairi Black: The hon. Lady is spot on and I am glad that she gets it.

As part of our public consultation, Sean in Glasgow confirmed the need for exceptions for those with mental ill health. He said:

“I live in Glasgow and suffer from a few mental and physical health conditions which affect my ability to work, and have affected my Jobcentre claims in the past (a couple of times, I've been too depressed to go to a meeting and my claims have been cancelled—my depression and isolation at those times left me sitting around, hungry and alone, with no money, and too depressed to deal with it), so I feel I'm qualified to talk about this topic and, indeed, recently contacted the Minister for Mental Health to discuss possible ways in which we can ameliorate the mental health burden on the NHS and increase levels of care for sufferers at the same time.”

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Last week I tabled a written question asking the DWP for an estimate of the number of people in Scotland subject to a benefit sanction who have had to use food banks. The answer I received was:

“The Department does not hold this information.”

Does my hon. Friend agree that the Government cannot possibly continue to deny the link between sanctions and food bank usage if they are not collecting that vital information?

Mhairi Black: I could not agree more with my hon. Friend. As I have said multiple times in this Chamber and outside it, one of the things that saddens and depresses me most about the society we live in just now is the fact that use of the phrase “food banks” has become normal. Although we should support our food banks, they are now considered to be a legitimate add-on to the state and people are told that they should just go to them.

Sue Hayman (Workington) (Lab): I thank the hon. Lady for making that important point. Tomorrow I will support Tesco in a neighbourhood food collection. It is fantastic that Tesco is doing that, but is it not shocking that in today's society we are having a public collection of food for people?

Mhairi Black: The idea that individuals and citizens in our society are reliant solely on the charity of others to eat and to feed their children shows that we are sliding backwards down a hill to Victorian times.

Dr Whitford: We also have to acknowledge the increase in malnutrition in this country, particularly micro-malnutrition, which means a lack of vitamins and minerals. People who are living precariously with low-paid jobs tend to have poor nourishment, and if they are reliant

[Dr Philippa Whitford]

on food banks they have no access to fresh food, given that the vast majority of them do not provide it. We are, therefore, laying down problems for the future.

Mhairi Black: What Sean in Glasgow got across was that one of the main reasons behind the anxiety that prevents people from having nutritious food and from feeling confident enough to get out of their bed if they are depressed and to get a healthy diet comes down to the pressure that the system as it stands puts on mental health.

Callum McCaig (Aberdeen South) (SNP) *rose*—

Mhairi Black: I am going to make a wee bit of progress.

When someone suffers from mental health issues, there is no escape. It does not matter what is happening around them—it is in their head. No matter who they speak to or where they are, they are looking at life through a prism of utter fear and intimidation that exists only in their head. It takes over their entire life and their entire perspective on everything. It affects all the decisions that they make.

I ask Members to imagine feeling like that and then being told that, because their bus was late, they will not have any income to buy food or deodorant, to put money in the electricity meter or to feed their kids for a week. That is the reality of what many people are experiencing.

Angela Crawley: May I add to that the fact that women are, unfortunately, unable to access sanitary provision? As a result, they are reliant on the “big society”, as Government Members refer to it. Food banks provide tampons and sanitary products to women who cannot afford to buy those simple products because the Government’s sanctions regime penalises them.

Mhairi Black: My hon. Friend has hit the nail on the head. The fact is that we have people who are in desperate need not just of food, but of everyday products.

Victoria Atkins: The hon. Lady gives the impression—*inadvertently*, I am sure, because I know that she would not wish to mislead the House—that people who are sanctioned receive no money. She gives the impression that there is no pot of money in the benefit service from which people can claim in the event that they are sanctioned, but claimants who are sanctioned can apply for hardship payments equivalent to 60% of their normal benefit payment; JSA claimants who are seriously ill or pregnant can receive 80%, if they qualify for hardship payments; and all ESA claimants who meet the criteria for hardship can receive payments. Does she agree?

Mhairi Black: No, I do not agree. At no point did I say that people in that position do not have access to any funds; what I said is that many people are left with absolutely nothing because they do not know about the fund, and they do not know that they can claim from it. Apart from anything else, they do not know how to. Someone who is depressed and anxious, and who is all over the place worrying about where their children’s

next meal is going to come from, does not have time to think and worry about how to go down the paper trail to get a mandatory reconsideration.

Dr Eilidh Whiteford: My hon. Friend has taken us to a point in the debate where we have to talk about the disproportionality of sanctions. Criminals who are fined by a court for crimes that they have committed lose less money than people who have been 10 minutes late for an appointment or gone to another interview.

Mhairi Black: My hon. Friend is right.

Hannah Bardell (Livingston) (SNP): Perhaps I can correct the hon. Member for Louth and Horncastle (Victoria Atkins). On sanctions, the UN Committee on the Rights of Persons with Disabilities said:

“Opportunities to apply for hardship payments exist, but few people appear to have been informed thereof; the payments are also modest, discretionary, subject to strict access rules and of a temporary nature.”

I think that that clarifies the point.

Mhairi Black: My hon. Friend is right, because numerous studies over numerous years have shown us the reality that the system serves only to create and exacerbate mental health problems. Is it really surprising that being unable to afford food and skipping meals have implications for individuals’ health? When umpteen reports tell us that something is wrong, and when the UN tells us that something is wrong, surely it is not controversial to make a small change such as the one I am suggesting.

Callum McCaig: I think the most powerful part of my hon. Friend’s speech is what she is saying about the impact on people’s mental health. We can look at the pounds and pence that the Government are saving through their measures, but they are storing up an immense problem. Who pays for that? It is the taxpayer. If we cannot appeal to Government Members’ humanity, at least we can appeal to their love of money.

Mhairi Black: My hon. Friend has put it succinctly, and I would probably agree. Part of the reasoning behind the Bill is to try to make the system not just a bit more humane, but a wee bit more economical—a bit more value for money.

George Kerevan (East Lothian) (SNP): Is my hon. Friend aware that the NAO report sets out the clear calculation that when the hardship payments and the cost of running the sanction system are added in, the Government are not actually saving any money?

Mhairi Black: That point speaks for itself. This is not a political argument; it is factual. The system is costing money; it is not giving us good value for money. It is causing a lot of distress and hardship for many people.

Dr Philippa Whitford: Over the last seven or eight years, pressures on the mental health services in this country have increased. It may not simply be that the sanctions regime is not saving money; the regime is likely to be costing money, because it is driving more people to require support.

Mhairi Black: I think everyone on the SNP Benches agrees with that.

Michael Gove: The hon. Lady is making a powerful point about mental health and the need to have a better system of sanctioning those who, for whatever reason, fall foul of the rules. However, in Scotland recently mental health spending has been falling as a proportion of overall health spending, and child and adolescent mental health spending is significantly lower in Scotland than it is in England. Will she join me in challenging the Scottish Government to increase mental health spending, particularly on child and adolescent mental health services?

Mhairi Black: I understand the political point that the right hon. Gentleman is trying to make, but I do not want to drag us into a political debate in which we argue about Scottish budgets and so on. I remind him that Members cannot keep putting pressure on the Scottish Government and asking them to fill every single hole that this Tory Government creates, while cutting our money. As I say, I am not interested in going down the path of that argument. I am trying to be constructive and ensure that the Government can get on board with what I am suggesting.

Housing is a major issue when it comes to people being sanctioned. Research by Citizens Advice Scotland found that when people cannot pay for essentials such as food, electricity and gas, they are likely to accumulate arrears and fall into debt. The accumulation of rent and council tax arrears puts people at risk of eviction. For people who are in social rented housing, as 29% of Citizens Advice clients are, that places a burden on the local authority and the Courts and Tribunals Service, as well as adding to the hardship and vulnerability experienced by those individuals and their families.

Lucy Frazer: The hon. Lady is making a powerful point about mental health, which is, of course, incredibly important. Does she accept that housing benefit is not taken away when a benefit sanction kicks in?

Mhairi Black: I appreciate the point that the hon. Lady makes, but with the greatest respect, she misses the point. When people are under extreme stress, they accumulate debt. That is how, as the study says, they end up in arrears, which puts pressure on councils, local authorities and the individuals themselves.

In a report published in December 2015, Crisis found that homeless service users are disproportionately affected by sanctions. In the past year, 39% of the survey sample had been sanctioned, and three quarters of the survey respondents who had been sanctioned said that it had had a negative impact on—surprise—their mental health. Overall, 21% of sanctioned respondents said that they had become homeless as a result of the sanction. The simple fact is that, no matter how we look at it or how we arrive at this point, no Government should make their citizens homeless. It does not matter whether that is happening to 21% of people affected, or whether the figure is higher or lower. One person made homeless is too many. This Bill is an attempt to prevent that situation from ever arising.

Dr Whitford: Is it not the case that aspects of support normally provided by central Government end up being a burden on local government? We do not allow families

to live in doorways in cardboard boxes, so they will end up in temporary accommodation, which is funded by local government.

Mhairi Black: My hon. Friend has just echoed the arguments that have been made on that point.

I want to move on to the second main part of my Bill. It deals with hardship payments—my hon. Friend the Member for Livingston (Hannah Bardell) spoke about them earlier—which I view as the second-biggest problem in the system. Currently, when a sanction has been imposed, a person may be able to get a reduced-rate hardship payment, but such payments are not awarded automatically. A person will need to apply for them. Again, we must remember that we are talking human beings who are often very vulnerable. Whether because of their mental health, their physical health, their financial situation or their caring responsibilities, they are up to their eyeballs in stress already, and when they hear the dreaded word “sanctions”, the situation becomes 10 times worse.

The system is not designed to guarantee that everyone will be listened to. Some people might be lucky enough to be listened to. The system might be fine, as I said at the beginning, in jobcentres that are managing to make this skeleton of a system kind of work, but there is no guarantee that it will be the same for everybody. When an individual hears that they are being referred for—that dreaded word—a sanction, their world often falls apart and they are thrown into utter chaos.

Peter Dowd (Bootle) (Lab): As the hon. Lady may be aware, the

NAO has said that

“the Department has limited evidence on how people respond to the possibility of receiving a sanction, or how large this deterrent effect is”,

and that the use of sanctions is

“linked as much to management priorities and local staff discretion as it is to claimants’ behaviour.”

Does she agree that we are moving into a postcode sanctions lottery regime?

Mhairi Black: I agree with the hon. Gentleman. That is precisely why I am trying to bring in something to formalise what should already be in place to ensure a bit of consistency between different jobcentres and constituencies in the UK.

To expect someone who is up to their eyeballs and whose life is in chaos because they have heard the word “sanction” to know the system inside out, to know what they are entitled to and to know when and how to apply for it is simply unrealistic. It is not the reality of what genuinely happens. Some might accuse the Government of deliberately creating the system in that way to create a disincentive for people to challenge and claim what they are entitled to receive, as we know that the amount of unclaimed benefits to which people are entitled vastly outweighs the some 0.8% of benefits that are fraudulently claimed. However, I will let people make up their own minds.

We are realistic, and we know that the UK Government will impose sanctions. The Bill would therefore include in the code of conduct an assessment for hardship payments, so that anyone subject to a sanction would

[*Mhairi Black*]

automatically have their situation considered. If someone is sanctioned, jobcentre staff should immediately assess them to see whether they qualify for a hardship payment, rather than it being the individual's responsibility to initiate an assessment. That makes perfect sense. If jobcentre staff have a stressed person in front of them who is in a difficult position and in an emotional state, they should be the responsible participant. They are the one who is supposed to be doing the job that the Government do, which is ensuring that no one falls through the gaps. That is not a big ask; it is logical to ask, "Is this person qualified for a hardship payment?"

Ms Ahmed-Sheikh: I am grateful to my hon. Friend for incorporating part of a private Member's Bill that I tabled last year on the automaticity of hardship payments. That speaks to the whole point of her Bill, which is about the inconsistent application by jobcentres of what should be available to people in such situations. She is trying to make a minor change to ensure that everyone across the country has access to the same level of service from people working in jobcentres to make sure that nobody is left behind.

Mhairi Black: I completely agree with my hon. Friend. Again, I make the plea that the fundamental logic behind the Bill is that citizens should not be made homeless or destitute by their Government. They should not be left with absolutely nothing in their pockets because of the Government. It is our responsibility to look after our citizens. It is therefore perfectly logical to assess an individual at the point of sanction to see whether they qualify for a hardship payment.

Martin Docherty-Hughes: One thing I have noticed in my constituency is the hard work of DWP staff, working in conjunction not just with local authorities but with community planning partners across my constituency. Those staff are now being withdrawn from food banks, which undermines that conjoined work, thereby undermining the entire process that the Government want to introduce.

Mhairi Black: We have all experienced that and can see it in our own constituencies. Again, I have not introduced the Bill to be controversial. The Bill seeks to tighten what is already in place, to tidy it up and to offer a wee bit of security and consistency for all people throughout the UK.

Margaret Ferrier: Is there any evidence to suggest that sanctions help to reduce unemployment?

Mhairi Black: No, there is not. If anything, the evidence shows the opposite. This is not about getting rid of the sanctions regime altogether, as some people would wish.

Victoria Atkins: Will the hon. Lady give way?

Mhairi Black: No, I will make some progress.

This Bill is a genuine attempt to change a system that is already causing so much pain and heartache to individuals. I consulted on the Bill, and I received more than 9,000 responses. Some 98% of those responses were from people who agree with the Bill.

I give credit to the film, "I, Daniel Blake". I went to see it again earlier this week, and it was even more hard-hitting the second time. I genuinely urge everyone in this room to go and see that film, because sanctions hit real people. They are not statistics. They are human beings who are struggling and suffering due to the actions of the state.

Mr David Nuttall (Bury North) (Con): It's fiction.

Mhairi Black: The public are watching, and we owe a debt to Ken Loach for focusing our minds on the human costs. His film tells the story of a 59-year-old joiner from Newcastle, Daniel Blake, who suffers a heart attack at work.

Patrick Grady (Glasgow North) (SNP): I was glad to join my hon. Friend at the cinema. I heard the sedentary intervention by the hon. Member for Bury North (Mr Nuttall), who has now left the Chamber. Well, the film might be a drama, but it is certainly not fiction. It depicts the day-to-day reality that so many people are experiencing. We have heard dozens of examples of exactly those kinds of cases in our constituency surgeries, and it does a disservice to the people depicted in the film and, indeed, to its director to talk it down in that way.

Mhairi Black: The hon. Member for Bury North (Mr Nuttall), who has just left the Chamber, said that the film is fiction, which is exactly the kind of attitude that genuinely disappoints me in this House. The minute that people hear something they do not like, they leave and say, "Rubbish."

Victoria Atkins: Stick to the facts.

Mhairi Black: I can hear the hon. Lady heckling me. Well, I will show her that the facts are that sanctions are hurting people and leaving them with no food in their cupboards and no money in their electricity meter. Sanctions are leaving people with nothing. To sit there and simply say, "Stick to the facts" just shows how ignorant and out of touch from reality she is.

Victoria Atkins *rose*—

Mhairi Black: I will not take an intervention from the individual because we have all heard enough from her. I suggest that she listen to what the reality is for so many people.

Chris Law (Dundee West) (SNP): The hon. Member for Louth and Horncastle (Victoria Atkins) is right that sticking to the facts is important. My city of Dundee was dubbed sanctions city 2014, and I am frankly ashamed that it still has that title today. Let there be no doubt that we also have the busiest food bank in Scotland. For anyone here who thinks that is a work of fiction or that these are not the facts, I make it clear that the sanctions city of Dundee also has the highest use of food banks in Scotland.

Mhairi Black: Like my hon. Friend's city, my constituency had one of the highest sanctions rates in 2014-15. I have seen that first hand not only because I live there but through this job. I have seen what sanctions do to

people. I have seen the spiral that it puts people's lives into—the downward spin that they cannot stop, because it just gets worse and worse.

Joanna Cherry (Edinburgh South West) (SNP): Just to give some facts, my constituent Bryan suffers from severe disability as a result of childhood polio. His personal independence payment was withdrawn because he failed to attend an appointment as a result of an undelivered letter. Bryan phoned the office to say what had happened to the letter, but, despite that, his PIP has been withdrawn, and as a result, he has lost his disability living allowance. He is no longer in receipt of any disability benefit. He lost his entitlement to disability tax credits, and he has lost his Motability car. His appeal, which I am supporting, will not be heard until next year. Are those not the facts and the reality of the situation?

Mhairi Black: I thank my hon. and learned Friend for her intervention, because we all have constituents who have suffered under the system as it stands. We can see first hand just how cruel and heartless the system can be to people who are left behind.

Hannah Bardell: Does my hon. Friend agree that, time and again, we hear stories such as that told by my hon. and learned Friend the Member for Edinburgh South West (Joanna Cherry)? This Chamber is becoming the appeals chamber for the DWP. That is not what we are here to do. We are not here to address the mistakes of this Government. We are here to make good legislation and to stand up for people in our society. The Government should listen to my hon. Friend and accept her Bill.

Mhairi Black: I thank my hon. Friend very much. To go back to my point, “I, Daniel Blake” shows the kind of situation raised by my hon. and learned Friend the Member for Edinburgh South West (Joanna Cherry). Daniel Blake is forced to move on to jobseeker's allowance because the DWP says that he is fit for work, and he is left in limbo, while he waits on a mysterious decision maker to decide whether he is actually fit for work, despite the doctor having already made it clear that he is not. Blake is then told by his DWP work coach that he is not making enough effort to get a job, and he is subsequently referred for a sanction.

Paula Sherriff (Dewsbury) (Lab): A constituent of mine missed an appointment because his baby daughter was rushed into hospital as an emergency, and he was therefore sanctioned. He came to my office when looking for the nearest food bank. As a nation, should we not be absolutely ashamed that this sort of thing is happening, and should not the Government hold their head in shame?

Mhairi Black: I entirely and completely agree. That is the perfect example of someone who, under the Bill, would be exempt from a sanction because of their caring responsibilities. Those in charge would see that someone whose child is ill or has an emergency of course needs, as a parent, to be with them.

Angela Crawley: May I add another example? A constituent of mine with three young children approached me to tell me about her issue with Concentrix in November

last year, when she was sanctioned for six weeks over Christmas. Her children went without at Christmas as a result of this Government's policy, only to discover that that was later overturned. This is a Government who allow families to go without for six weeks over Christmas.

Mhairi Black: In many ways, the fact that the Bill has come before the House so near to Christmas may actually be a good thing. A number of people I have met or who have stopped me in the street up in Paisley or Johnstone have told me, “I don't know what to do over Christmas. I don't know where to get food. I don't know if I can afford to get the kids any presents and be able to survive and have lighting in the House.” That is not the kind of society that I want to live in. It is not the kind of society that any Government should be proud of. The Government would be daft—it would hurt them in the polls at the next election—not to see the damage they are doing to society. Surely, when the Government hear stories like those we are telling today, they should think, “We need to change something here.” I have tried to make the Bill as palatable as possible to enable the Government to adhere to it.

Lyn Brown: Will the hon. Lady give way?

Mhairi Black: No. I am going to make a wee bit of progress.

There is a cracking and very powerful bit in the film. As I was saying, Daniel Blake has to go around giving out his CV and all that to prove that he is trying to find work to get any money at all. At one point, a guy phones him up and says, “Listen, I want to offer you a job.” Blake says, “I can't come into work,” and he asks, “Why not?” Blake replies, “Because my doctor says I'm not fit.” He says—

Victoria Atkins: Will the hon. Lady give way?

Mhairi Black: Hold on, and listen.

He says, “You're a scrounger. You're just lazy. You're going around applying for jobs, but then you tell us that you're not fit. You're just wasting everyone's time.” We can see the logic behind the fact that there are those in the general public who think—they are led to believe this by the rhetoric of this Government and the mainstream media—that people on benefits are scroungers and that they are lazy. It is the perfect example in the film of when we see that this guy is struggling and is hurting”—

Victoria Atkins: Will the hon. Lady give way?

Mhairi Black: No. Please listen to the point.

This guy is in a really difficult position: he is caught in a vicious cycle in a system that continually allows him to fall between the cracks, which is all to the detriment of him, his life, his mental health—and, to be honest, his physical health—and his financial situation. The worst thing about the film is that at the end of it I know, especially because of my job, that it is true. I know that people are really experiencing exactly what is shown in that film.

Victoria Atkins *rose*—

Mhairi Black: The hon. Lady said she wanted facts, so if she does not want fiction, here are some individual examples.

In response to the survey, Connie Dobson said:

“Nearly all people I have supported, had no idea they were about to be sanctioned until the meagre payment they so desperately anticipate, which barely covers their living/caring costs, as it is, isn’t available at the bank on the date it was due. Some don’t receive letters at all re their sanction, and those who do, receive them after the payment was expected, leaving them in undue hardship, without any means to buy food and other essentials”, such as nappies and sanitary wear, and they “are unable to top up their...gas/electricity” to keep themselves warm.

Another respondent said:

“In my experience of being on JSA a few years ago one of the problems was that it was very difficult to contact my (or any) adviser by phone. The advice given was that if you failed to turn up to sign on (or meet any other of the claimant commitments) without good reason you could face a sanction. It also said that you should contact your adviser ASAP to let them know that you would be late/missing an appointment etc. The problem was they almost never answered the phone! They should not be allowed to sanction someone if it is impossible for them to contact the Jobcentre and give an explanation! One of the biggest problems with the sanction regime is that they do not take in to consideration peoples personal circumstances.”

A female respondent, who is only 23, from sanctions city—Dundee—highlights the real cost of the regime on our constituents:

“I wholeheartedly agree with all of the above! I am a 23 year old female student in Dundee and the majority of my life was ruined by these sanctions. I found myself in a position with very little support and due to benefit sanctions along with very little advice, information and resources was left unable to feed, clothe and look after myself. These sanctions also affect any housing benefit which low income families depend on which resulted in me being homeless with my small son, twice. I am now in a much better position no thanks to any help from the government, in employment, have my own flat and am studying with hopes to pursue a career that helps people facing such hardships as it’s clear that something is seriously wrong.”

Such comments are made not just by individuals but by organisations such as those that I thanked at the beginning. Those organisations exist purely because they want to help people. Because they deal with these things day in, day out, they are the real experts on this.

Michael Gove: The hon. Lady is making a very powerful case, and the individual cases she is bringing to mind are deeply affecting. Does she have a sense of how many people currently sanctioned would not be sanctioned if her Bill were made law?

Mhairi Black: I do not have the exact figures, but from the experience of my constituency office, most of the sanctions cases I have dealt with that have been overturned would have been prevented altogether had the provisions been in place.

Lyn Brown: I promise that this will be my last intervention, but I could not resist intervening. One thing that really struck me in the National Audit Office report is where it says:

“The Department has not used its own data to evaluate the impact of sanctions in the UK.”

How would the hon. Lady have such information when the Government do not even bother to keep it? I am sure that she agrees with me that the Government’s intellectual disinterest in the effects of the regime is absolutely outrageous.

Mhairi Black: I sincerely thank the hon. Lady for that intervention. The problem is an overarching one, not just for this issue, but for all the different aspects of Government, in that their records are very poor. In the Work and Pensions Committee we have seen the complete lack of data collated by the Government.

As I was saying, the organisations that do this work day in, day out and deal with these people every day know what is happening. In fact, in many ways they know better than we sometimes do, because we are always stuck in this place and they are on the front line, dealing with individuals and listening to cases.

The Scottish Association for Mental Health has said:

“SAMH calls for all MPs to support this Bill. People with mental health problems are among the most vulnerable of benefit recipients, have been disproportionately targeted to be sanctioned and are among the least likely to understand or be able to comply with the conditions attached to their benefit. Sanctioning this group of people serves no purpose other than to make their illness worse and their personal circumstances even harder to cope with—making employment a less, not more, likely outcome. Ensuring that a pre-sanctions assessment of benefits claimants’ circumstances is carried out should lead to a reduction in the numbers of people inappropriately sanctioned; as well as not pushing vulnerable people into financial hardship and making them more unwell, the reduction in cancelled or appealed sanctions should also benefit the public purse through reduced administration costs. SAMH notes the NAO’s report on sanctions...and calls on the UK Government to rethink this punitive approach.”

Alison Thewliss (Glasgow Central) (SNP): I very much thank my hon. Friend for the case she is making, particularly on mental health. I have a clinically depressed constituent who was given an indefinite ESA sanction for failing to attend a work-focused appointment. His sanction persisted for six months because he was just too sick to do anything about it. Does she agree that her Bill would go some way to addressing the issue of people not being able to comply and not being able to do anything about it?

Mhairi Black: My hon. Friend gives a perfect example of the individuals we are talking about for whom the Bill is logical and sensible.

Citizens Advice Scotland has said:

“Our evidence shows that too often the current system of benefit sanctions is leaving many of our clients facing destitution and crisis. While Citizens Advice Scotland does not in principle object to the use of sanctions in appropriate cases as a last resort, we strongly believe that no one should ever be left without any income at all.”

People should be able to meet essential living costs, and at the very least be able to heat their homes and eat. Under the current sanctions regime, too little account is taken of an individual’s circumstances before they are referred for a sanction. The Bill proposes that a person’s mental and physical health, caring responsibilities and housing situation are taken into account ahead of the imposition of sanctions. It would also improve access to the hardship payments for some of the most vulnerable by ensuring that they receive written advice about the possibility of claiming hardship payments before a sanction

is imposed, and by introducing a duty on the Secretary of State to ensure that any person subject to a sanction is assessed for their eligibility for hardship payments.

Mr Nuttall: Before the hon. Lady concludes her remarks, will she outline for the House the approximate cost of the Bill? The explanatory notes clearly state that it will need a money resolution, so it would be useful for us to have some idea of how much it will cost.

Mhairi Black: I have the costs somewhere. In fact, if the hon. Gentleman looks in the explanatory notes, he will see them there.

I have explained how the Bill could have an impact on thousands of our constituents and am honoured to have the chance to do so. What is ridiculous about this whole thing is that I got the chance through a lottery, and that a lottery is helping to decide whether or not hon. Members have the chance to help. That is one thing for which I would criticise the House. Through sheer pot luck and because I happened to put my name beside the right number, I have the chance to make a genuine, logical, sensible, small and constructive change to the system.

Tommy Sheppard (Edinburgh East) (SNP): Surely one of the most compelling arguments for supporting the Bill is that there is ample evidence that it will work. We know from many pilot projects across the country that that is the case. In central Edinburgh, a pilot project required Department for Work and Pensions staff to work with NHS staff on target claimants with drug and alcohol dependency. They were able to reduce the number of sanctions applied to zero. If that can happen in a pilot project, it should happen all over the country. As a matter of public policy, we should treat our citizens the same; we should not depend on the empathy and good will of individual jobcentre managers.

Mhairi Black: I could not agree more with my hon. Friend. It is worth pointing out that the logic driving the reforms is inconsistent throughout the system. The Bill should be passed exactly because we want to bring a bit of sense and reality back into the system.

There is a huge disparity between the sanctions system and the mainstream judicial system. The scale of fines is higher for sanctions than it is for courts. In our legal system in the magistrates or sheriffs courts, there is always an assessment of the offender's circumstances before a fine is decided. In the sanctions system, there is nothing.

Victoria Atkins: Will the hon. Lady give way?

Mhairi Black: No, I will not give way.

The point we must remember is this: why are we prepared to take the personal circumstances of potential criminals into account, but not take into account the circumstances of people whose only crime is that they cannot find work? [*Interruption.*] Will hon. Members stop heckling me?

Victoria Atkins *rose*—

Mhairi Black: I have let the hon. Lady in multiple times, and she has sat there and not listened to a single word. She can put her hand up all she likes. Shaking her head and wishing that this was not the reality is exactly

the attitude that is wrong; it is what I am trying to challenge. SNP Members experience day in, day out the hardship that the Government are causing, so I suggest she sits back and genuinely listens to what I am proposing in the Bill rather than trying to score political points and build her ego.

If the Tories are so convinced that they have adequate protections in place, why not support a Bill that formally establishes them for the most vulnerable? The UK Government will say that they already have the guidance in place, which I appreciate. That is all the more reason to protect it formally and give it statutory power and cover. The Bill would also ensure consistency across the board. In reality, the protections in the Bill go beyond the vague protections within guidance by specifically protecting vulnerable groups and putting responsibility on the Government to assess a person's individual circumstance.

The Government say that they have already taken measures to protect claimants from sanctions when they announced their intention to undertake a trial involving warning claimants of the intention to impose a sanction on them—a yellow card system whereby people are given a period of 14 days to provide evidence of a good reason. In a written answer on 18 November, the Minister stated:

“The Jobseeker's Allowance Sanctions Early Warning Trial in Scotland ran until September 2016 and involved approximately 6,500 claimants. Data was collected throughout the trial period to assess the extent to which the warning trial affected sanction decisions.

Qualitative interviews are currently being undertaken with a sample of these claimants to gain an understanding of how the new process affected claimant behaviour. The trial has now finished and a full evaluation is being undertaken.

The interim report will be published at the end of the year and the final report around April 2017. Findings from the trial will inform any decisions on future roll-out.”

If the Government are prepared to make small changes, then surely for the reasons I have outlined for the last wee while, it is perfectly reasonable to ask them to support the Bill, or at least to give some kind of concession or introduce a similar proposal of their own.

Fundamentally, the Bill has two points: first, to assess the individual's personal circumstances before any sanction is applied; and secondly, when a sanction is applied, to assess them automatically for a hardship payment. They are very small asks. As I have said, I have tried to be as constructive as possible to introduce a measure that the Government can get on board with, and to put aside party political differences and the different routes that we believe politics should go down.

Chris Stephens (Glasgow South West) (SNP): My hon. Friend has given a tour de force this morning. Is it the case that support for the Bill also comes from the trade union representing staff employed by the Department for Work and Pensions—the Public and Commercial Services Union—which wants consistency across the board?

Mhairi Black: When I was first putting out the feelers to find out what people thought should be in the Bill, I went to numerous jobcentres. All the jobcentre staff I came across said that the Bill would be brilliant for them. They said it would be great because it would give clarity on what they can do. If they had a list or a code

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of conduct, they could say, “Right. You’ve got a child who is sick. It is clear that this does not apply”, and it would not be left to their personal judgment.

The Bill is logical and small. It protects not only our citizens and the most vulnerable people in our society, but the staff, who are under tremendous pressure in a system that is constantly changing at a rapid pace. I have genuinely tried to make the Bill one that we can pass together. I have tried to build a bridge over which all political parties can cross. I ask the Minister and all hon. Members who have sat in the Chamber today—I imagine the hon. Member for Bury North (Mr Nuttall) will not be joining me—to support the Bill as much as they possibly can.

Several hon. Members *rose*—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the hon. Member for Bournemouth West (Conor Burns), I remind the House that there will be an urgent question at 11 o’clock, so I ask whoever is on their feet not to be too shocked when we go into it.

10.48 pm

Conor Burns (Bournemouth West) (Con): I join my Conservative colleagues in congratulating the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on securing this private Member’s Bill.

There is surely a consensus on both sides of the House that unemployment is a tragedy when it befalls anyone. There can be few things in life worse than wanting to work and failing to find it. However, I begin by bringing a group of people into the debate who were mentioned only once by Opposition Members in all the interventions in the hon. Lady’s speech: the taxpayer, which was referred to by the hon. Member for Aberdeen South (Callum McCaig). Every benefit that is paid to a benefit claimant is paid out of the receipts that the Government take in tax. The hon. Member for Paisley and Renfrewshire South referred at one point to something that would cost the Government. The Government do not have any money; the Government have only taxpayers’ money.

Mike Weir (Angus) (SNP): Does the hon. Gentleman not recall the National Audit Office report that showed that this sanctions regime does not actually save any money? His point is without merit.

Conor Burns: The hon. Gentleman is approaching this from exactly the wrong angle. The point is that the Government have an obligation to ensure that every person who is in receipt of a benefit is entitled to it. That is part of the social contract that underpins our society. It was at the very core of the Beveridge report, whereby people paid in in times of good, in times of work, and drew down in times of sickness, unemployment and retirement—drew down in terms of need.

If the hon. Gentleman is suggesting that we should carry on in certain circumstances, where people have been demonstrated not to be legitimately in need of benefits, that is an abuse of the taxpayer. Any of those taxpayers are on very modest incomes indeed and work extremely hard to contribute to our society.

Callum McCaig: The hon. Gentleman entirely misses the point of this Bill. He listened to me enough to get part of the picture, but he has missed the point I was making entirely. When we sanction people, there is a cost to that. There is the immediate cost and the immediate saving to the taxpayer, which seems to be all Government Members care about, but the long-term costs—in health to the individual and society—are immeasurable. Let us think about that, let us not forget it and let us spend now to save in the long term.

Conor Burns: I understood the hon. Gentleman’s point absolutely; the reason I referred to him was because he was the only Member on the Opposition Benches who mentioned the word “taxpayer” at all. I was making a more fundamental point that we need to approach these debates from the perspective that the Government have an obligation to ensure that those who receive benefits are entitled legitimately to receive them.

Mhairi Black: The point the hon. Gentleman is making is that we need to have sanctions in place because people have to be claiming benefits legitimately—fine. We disagree on that, but that is not what this Bill is about. What it is about is preventing people from being sanctioned wrongly; it is about making sure that nobody is left destitute. It is not about sanctions overall; it is about one small change to prevent hardship.

Conor Burns: I hear the hon. Lady and I take her point absolutely, but I am afraid she did rather give the game away early in her speech when she said that in her view we should not have a sanctions regime at all—[*Interruption.*] That is the perspective from which I will give way to my hon. Friend the Member for Bury North (Mr Nuttall).

Mr Nuttall: I am grateful to my hon. Friend for giving way. It has been suggested a couple of times this morning—and we need to put an end to it—that the NAO report states that the system costs money. Page 43 of the report, in figure 23, clearly states:

“The total costs and benefits to government of sanctions are unknown”.

The NAO does not come to a conclusion; it leaves the matter open. It is not saying that there is a cost. Does he agree that one cannot put a cost on how many millions and billions of pounds are saved by ensuring that everyone complies with the rules?

Conor Burns: I entirely agree. I do not think we can put a cost on the opportunity for work. Of course, it is this Government—through the policies of those on these Benches, both in coalition and now in majority Government—who have ensured the economic conditions that have led to our having more people in work than ever before in history.

Several hon. Members *rose*—

Conor Burns: I will make a little progress, if I may, and then I will give way to the hon. Member for Glasgow South West (Chris Stephens).

We should also understand that this system of sanctions is not new; it has operated and existed for decades. It underlies a fundamental principle of ensuring that those

who are being supported are not abusing the support that is being offered. There is a very real risk that the practical effect of the hon. Lady's Bill, however well intentioned it is, would be to render the system of sanctions impotent, preventing it from encouraging claimants to meet their commitments.

It is important that we understand the historical context and practical purpose of sanctions. Conditionality has been a long-standing feature of welfare benefit entitlements in the UK since the formation of the welfare state itself. The Beveridge report spoke of the citizen having a "profound reciprocal obligation" to co-operate fully in the restoration of his earning power. Maintenance would be provided by society but

"only to the extent to which its members are willing to accept their corresponding social obligations".

Access to full unemployment benefits has always been conditional on the recipient being involuntarily unemployed, being available for work and doing as much as can reasonably be expected to find such employment.

Chris Stephens: The hon. Gentleman has been talking about the "taxpayer" and about how benefits are not a right. Does he know that 3,665 employees in the Department for Work and Pensions are chasing benefit fraud estimated at £1.2 billion, but that only 320 employees are based in the High Net Worth Unit of Her Majesty's Revenue and Customs chasing tax avoidance estimated at £70 billion? Should we not be going after the tax avoiders far more than we should the most vulnerable in our society?

Conor Burns: First, I say to the hon. Gentleman that I did not say that benefits are not a right; benefits are a right, and a right that I fully respect and uphold. Secondly, on the point that we have heard many times—we had Opposition day debates on it when I was a bag carrier in the Treasury—as he knows, the Chief Secretary to the Treasury, when he was Financial Secretary to the Treasury, reconfigured HMRC by focusing on more regional offices, so that we can have greater impact in the collection powers of HMRC and the focus it has on ensuring that the tax collected is the tax owed.

Michael Tomlinson: I am very grateful to my hon. Friend and constituency neighbour for giving way. He mentions the Beveridge report. I am reminded by my hon. Friend the Member for Faversham and Mid Kent (Helen Whately) that it is from 1942, but in fact the sanctions regime goes back to 1911 and the setting up of the first unemployment benefits regime.

Conor Burns: My hon. Friend and neighbour is absolutely correct. It is the reciprocal arrangement between the benefit claimant and the taxpayer, who is supporting that person in distress, that underpins the social contract that is at the core of our society.

The scope of behavioural forms of conditionality and the severity of the sanctions applied for failure to comply with the required conduct—attending appointments with the unemployment advisers and so on—have increased substantially since the 1980s. A series of social security reviews conducted by Conservative Governments between 1979 and 1997 led to the introduction of a stricter benefit regime from the late 1980s and culminated in the introduction of jobseeker's allowance in 1996, which intensified the monitoring of unemployed claimants' job-seeking behaviour.

It was the last Labour Government who adopted a "work first" and "work for all" approach, embracing JSA's monitoring of claimants' job search activities, backed up by benefit sanctions in cases of non-compliance.

The coalition Government further intensified benefit conditionality. The roll-out of universal credit has further extended the scope of the conditionality regime. Individual claimant commitments increase jobseeking expectations for most claimants. In addition, claimants of universal credit who are in work but on low income are also subject to conditionality for the first time. The current sanctions reflect the conditionality, in that longer periods of sanction are imposed for the most serious failures, such as giving up work voluntarily, refusing to apply for a suitable job, or not taking up the offer of a suitable job. Less serious failings, such as missing an appointment or not updating a CV, of course incur a shorter sanction.

Tommy Sheppard: I am confused about why the hon. Gentleman is trying to defend the principle of conditionality, when there is nothing in this Bill that says that conditionality would be removed. Does he not understand that there is a difference between people being required to look for work if they are in receipt of benefit and removing people's method of staying alive if they miss an interview by 10 minutes because their child was sick or because they had a personal catastrophe? We should be looking at the individual and not treating people as a bloc.

Conor Burns: As was acknowledged in earlier interventions, there are procedures for emergency payments, so the idea that the hon. Gentleman is perpetrating—that somehow it is these cruel, callous Tories—

Proceedings interrupted (Standing Order No. 11(4)).

Aid Reviews

11 am

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op) (*Urgent Question*): To ask the Secretary of State for International Development if she will make a statement on the aid reviews published by her Department yesterday.

The Parliamentary Under-Secretary of State for International Development (James Wharton): The House will be aware that the Government published yesterday, “Raising the standard: The Multilateral Development Review 2016” and, “Rising to the challenge of ending poverty: The Bilateral Development Review 2016”. These reviews set out how the UK will address the global response to problems that threaten us here at home, such as the migration crisis, cross-border conflict, climate change and disease pandemics.

In the reviews, the International Development Secretary makes it clear that Britain’s aid contribution is an investment in our future security and national interest. As the reviews describe, the UK will champion an open, modern and innovative approach to development that will effectively tackle the global challenges of the 21st century while delivering the best results for the world’s poorest. This is clearly in our national interest.

The reviews are an extensive and detailed look at the UK bilateral and multilateral development systems. They confirm the geographic regions of focus for the UK, which multilateral organisations the Department for International Development will work with and the tools that will be used to maximise our impact as we tackle poverty across the globe. They also highlight best practice in the global development system, as well as examples of poor performance that will face urgent action.

The Government are clear that the global approach to development needs to adapt and reform to keep pace with our rapidly changing world. As a world leader, the UK will be at the forefront of these efforts, promoting pioneering investment in the most challenging and fragile countries, making greater use of cutting-edge technology, and sharing skills from the best of British institutions, from the NHS to our great universities. Improving the way the UK delivers aid along with our multilateral partners is vital to delivering the best results in fighting poverty and value for taxpayers’ money. Global Britain is outward looking, and we will use our aid budget to help build a more stable, more secure, and more prosperous world for us all.

Stephen Doughty: I thank the Minister for his answer, although I am disappointed, given the importance of these matters, that it took an urgent question rather than an oral statement to raise them in the Chamber. Perhaps the Secretary of State did not want to draw too much attention to the fact that, despite her previous statements about abolishing her Department and claiming that our aid was being stolen and squandered, she will now, as the Minister has confirmed, continue with many of the policies of the previous Labour and Conservative Administrations, not least with the preservation of a separate Department for International Development and, on the face of it, meeting the 0.7% aid

target. As the Minister said, these issues enjoy cross-party support, they are a moral duty and are firmly in Britain’s national interest.

The reviews raise many important issues—the work that the Government are doing to bear down on multilateral institutions to ensure they spend our aid well; the work in fragile and conflict-afflicted countries; our support for the global fund for HIV AIDS, tuberculosis and malaria; the emphasis on disability; and the work on women and girls—but there remain many unanswered questions. First, no data or spending plans are attached to the reviews, so will the Minister explain whether any DFID bilateral programmes will close or be drawn down over the next few years of the spending review? Will he publish data and put them in the House of Commons Library? Secondly, EU agencies, such as the Directorate-General for European Civil Protection and Humanitarian Aid Operations—ECHO—and the European Development Fund, are rated among the highest-performing international agencies. Will we continue funding them, regardless of the Brexit process?

Thirdly, we see in the reviews a shift to spending aid not through DFID but through institutions such as the Commonwealth Development Corporation and a new fund called the prosperity fund, which has been given £1.3 billion of aid money, which is being spent in China, Malaysia, Mexico, India and other higher-income countries, not the poorest in the world. Will the Minister explain why that is happening? Are we keeping the poverty focus? Is it even legal and in line with international development legislation? In the last few days, Lord Bates, in answer to a written question, claimed that aid was being given to China to “maximise UK-China trade”. Where are sustainability and climate change in the economic development plan?

It is good to see the commitments to humanitarian aid, but, finally and on a separate issue, will the Minister reconsider the issue of humanitarian airdrops in Aleppo?

James Wharton: I am conscious of the time limit and the fact that hon. Members will want to avail themselves of the opportunity to ask questions, so I shall be brief.

I welcome what was, begrudgingly and hidden beneath the veneer of criticism in the hon. Gentleman’s comments, an acceptance that in this area there is much cross-party support that cuts across the political divide sometimes separating us in this place. We are all determined to see the maximum value delivered for the taxpayer, in our national interest and that of those helped by our international aid spend. Will bilateral aid programmes close? Well, some will, I am sure, but that will be done on an ongoing basis. All programmes are always kept under review. New programmes come into existence and some programmes, when they do not deliver to the expected standard, are of course closed down, so I could not stand here and promise that no bilateral programmes will close in the years ahead. That said, there remain clear commitments to the 0.7% spend, to having a separate Department and to doing aid in the right way to deliver real change and improvement in people’s lives—as has been encapsulated in comments by the Secretary of State and in some of the findings in the reviews.

The hon. Gentleman asked about EU agencies and whether Brexit might divert funding from them. I do not want to pre-empt the process of Brexit, but I would

suspect that where it could deliver value for money we would look to work with international institutions, of whatever type, in order to secure the outcomes we want—because it is on outcomes that we are focused. We want to ensure maximum value for money, help the most people and drive development in the most effective way. He also asked about climate change. International climate finance is a large part of what DFID does, and we have significant commitments in that area that we will continue to meet. The CDC and the prosperity fund each can be powerful tools in driving aid and development and have enjoyed, I think, more than a modicum of cross-party support, which I hope will continue into the future.

Iain Stewart (Milton Keynes South) (Con): I welcome the reviews, but will my hon. Friend assure me that nothing in them should dissuade people from continuing to donate to excellent overseas aid charities, such as World Vision, based in my home area of Milton Keynes, for which I believe the hon. Member for Cardiff South and Penarth (Stephen Doughty) once worked?

James Wharton: I would go further: not only should people not be dissuaded from the generosity that the British public so often show to the charities and non-governmental organisations that work in overseas development, but they should be encouraged to continue it. It is so important. It makes a real difference on the ground. My hon. Friend cited one example in his constituency, but there are many organisations that do great work, many in partnership with DFID and the Government and other international partners and actors, and many of them are making a real difference to people's lives.

Kate Osamor (Edmonton) (Lab/Co-op): I thank the Department for finally releasing the multilateral and bilateral aid reviews. The House, the NGO community and civil society have had to wait a long time to finally read the reviews. Why did it take so long? The reviews show that DFID is working in challenging environments and delivering aid transparently—no wastages, no reason for alarm—so why has the Secretary of State continued to show little support for DFID? I hope she will now show it some support. In 2011, the development reviews included specific country-by-country data, including indicative spending levels per country. Why do the current reviews not include these important data?

James Wharton: The shadow Secretary of State asks why it has taken so long to publish the reviews. We live, of course, in a new global environment. We have seen many events this year—in this changing world of politics—including the vote to leave the EU, and the Secretary of State rightly wanted to ensure that the reviews, when they were published, fully took account of the new opportunities presented to us, including the chance to be truly global in our outlook and to deliver a global Britain, and of the contribution that DFID can make to that. It was absolutely right, therefore, that we took our time to ensure that the reviews could take account of the changing environment and global circumstances.

I take exception, however, to the shadow Secretary of State's characterisation of the Secretary of State as in any way needing to show more support for the Department. I have had the great pleasure to work with her in DFID

since the summer, and I have seen somebody who is driving real reform and change and taking with her a Department that is buying into a vision and a strategy that will deliver more and better for some of the world's poorest people.

I am absolutely committed to the great work that my Department does, and I have absolutely no doubt that the Secretary of State is, too. I have equally no doubt that she is the right person to drive an agenda that will push forward a Department and an area of work of which this country should be proud to partake, taking us into a new world and a new space to deliver more and to deliver better for the people who most need it—the poorest people who will receive support from the work that we do. I am proud to be in my Department; I am proud of the Ministers in my team—and that includes the Secretary of State, who is doing an excellent job.

Mr Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Cardiff South and Penarth (Stephen Doughty) on tabling this urgent question. My Kettering constituents appreciate that the United Kingdom is among the most generous nations in the world when it comes to international aid. I think, however, that they would also ask the Minister to attach more conditions to the aid that we give. For example, a large number of countries have a large number of their nationals in prison in this country and they refuse to take them back to put them in prison in their own country. There are also countries to which we give aid in which persecution of Christians is rife and the Governments of those countries seem to do very little about it. Top of the list on both categories would be Pakistan. Will the Minister respond to that?

James Wharton: My hon. Friend raises an important point. Aid helps some of the world's poorest and it helps to make a real difference to the development of those countries and the individuals who live in them. At the same time, we must use every opportunity to impress on those countries the values that we want to see adopted and to impress on them the things about which we care. I certainly do that, and I know my colleagues in the Foreign Office do the same. We are always careful to ensure that we do no harm where we spend money and deliver programmes. That remains a key tenet of what we do. My hon. Friend is quite right to raise the issue he did, but he can be assured that what he said is very high on our agenda.

Patrick Grady (Glasgow North) (SNP): These are less multilateral and bilateral reviews than a sort of unilateral declaration of the Secretary of State's personal and political agenda on this issue. If the multilateral system is broken, as claimed in the review, where is the determination to work with other Governments to fix the problem? Surely holding agencies to a unique set of DFID measurements will increase the bureaucratic demands and inefficiencies. In the bilateral review, there is an apparent shift from a partnership approach, working towards shared goals, to a contractual approach in which stakeholders are merely service providers meeting DFID's own determined goals. Where is the evidence that this will be more effective and have a greater impact? Finally, I have asked this question several times: if meeting the sustainable development goals and ending

[Patrick Grady]

poverty are not in the national interest, what is? What are the other national interests beyond building a more peaceful, secure and stable world?

James Wharton: A broad range of questions there—I could spend far longer than the time I have available to answer them. It is commendable that the Secretary of State, this Department, this Government, we in this place and British taxpayers are driving performance agreements for multilateral organisations which will improve the work they do and the efficiency with which they use the funding. That will allow them to help more people over the longer term and in a more sustainable way. I think that is exactly the right approach. We should put the requirements of efficiency and transparency on organisations that receive funding from the UK taxpayer. It is commendable that that is the direction in which we have been moving.

The hon. Gentleman asked about the sustainable development goals and whether meeting them is in the national interest. I believe that they are absolutely in the national and, indeed, the global interest. We all want to see serious progress made towards addressing some of the global challenges that will affect not just us, but generations to come right across the world. DFID is making a significant contribution, of which I am proud.

Helen Whately (Faversham and Mid Kent) (Con): I congratulate the Government on their ongoing commitment to aid and to ensuring that taxpayers' money invested in aid is well spent. Does this review not provide another example of how the UK is leading the world—not only in the amount we spend on aid, but in ensuring that it is well spent through transparency and accountability?

James Wharton: It is absolutely the case that the reviews provide a great example of the UK in its global leadership role, setting the pace not only on how development aid should be done, but on how to ensure transparency, accountability and value for money, so that every pound and every penny we spend makes the maximum possible impact. That is a moral imperative, because if we do not succeed in those respects, the people who could be helped will have to go without that support. I thank my hon. Friend for her question. She is absolutely right, and it is the direction towards which we intend to continue to push.

Mike Kane (Wythenshawe and Sale East) (Lab): The aid review showed that EU institutions were some of the best-performing global agencies. Will the Minister join me in praising them?

James Wharton: We work with a wide range of global agencies, many of which deliver effective programmes that make a real difference to people's lives. As I said in my earlier comments, where we can efficiently do so, we will always look to work with multilateral organisations that can deliver change—whatever the political origination of those organisations might be.

Mr David Nuttall (Bury North) (Con): Will my hon. Friend reassure my hard-working constituents whose taxes, of course, provide the money that enables international aid to be provided that there will be a

laser-like focus on ensuring value for money? Does he agree that, in the long term, the best way to help the poorest countries in the world is for them to develop their economy, so that there is more trade and less aid?

James Wharton: My hon. Friend makes a very important point. The Department remains entirely focused on driving value for money. These reviews underline that commitment, and my hon. Friend is, of course, right that we want to help nations and people lift themselves out of poverty by supporting the structures of their society and the pillars of their economy by ensuring that they can trade and generate income, so that they become less dependent on international aid. Indeed, the prosperity fund is a very good example of this Government's commitment to that course.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Will the Minister tell us how moving to payment by results for global agencies can help them plan for long-term development budgets with any certainty or confidence at all?

James Wharton: If we have a payment-by-results system, in some appropriate circumstances, the certainty that those organisations will get will come from the performance that they can deliver, because they will be sure that the donors can continue to have confidence in them and the work that they do. It is absolutely right to deliver value for the taxpayer, not just because it is good and right for the taxpayer in this country, but because for every pound we derive value from, we can help some of the poorest people in the world.

Mims Davies (Eastleigh) (Con): For young women around the world, inequality often starts with the inhumanity of a lack of sanitation, making additional privacy more difficult. Will my hon. Friend welcome the words of the chief executive of WaterAid, a charity that is doing fantastic work around the world, in welcoming DFID's decision this morning?

James Wharton: I will indeed. A range of widely respected organisations have made clear their support for what is contained in these reports and the approach that the Secretary of State and DFID are following. The support coming from a range of organisations, including non-governmental organisations, and from individuals across the political divide is significant and important. I think that makes a statement in and of itself about the work we are undertaking.

Julie Cooper (Burnley) (Lab): The aid review rightly says that more aid should be directed to conflict-affected areas. With that in mind, will the Government consider humanitarian air drops to Aleppo—a measure that would have cross-party support?

James Wharton: I believe this issue has been extensively covered in the House recently. There are practical limitations on what can be done because of the circumstances in Aleppo and the very tragic events unfolding there even as we speak. The Government continue to be committed to supporting in every way that they should and can those people who are affected by the terrible events that are happening. At this time, however, I am not sure that the hon. Lady's suggestion is practicable or deliverable.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I stand here as an advocate and supporter of this Government's policy of spending 0.7% of our national income on international aid, and I am proud that it was under a Conservative-led Government during the last Parliament that the former Member for Witney, David Cameron, drove this policy through. Will the Minister confirm that this is still the policy that the Government will pursue? However, my constituents also want to see value for taxpayers' money, so will he confirm that that is at the forefront of his mind as well?

James Wharton: I am happy to confirm that on both fronts. I join my hon. Friend in paying tribute to our former Prime Minister, David Cameron, who was a leader—not just in this country, but globally—on this agenda. He made commitments during his time in office that will ensure that this country is at the forefront of the debate and the forefront of delivery in the international development space. My hon. Friend's constituents can rest assured that we are doing good things and ensuring value for money as we do so.

Chris Law (Dundee West) (SNP): Where is the voice of civil society—particularly the voice of civil society in developing countries—in these reviews? Does the Minister recognise that well-supported and active civil societies are crucial in building peaceful and stable democracies that can allow economies to grow and poverty to be overcome?

James Wharton: That is a very important point. Civil society can be vital to holding those in power to account and ensuring that democratic systems function properly. It is an area of work in which DFID is very much engaged, and I have seen some of those projects myself when I have travelled in Africa and in other countries for which I have responsibility. The hon. Gentleman is absolutely right: civil society is a key driver for development and stability, and we will continue to invest in it.

Kevin Foster (Torbay) (Con): I welcome the publication of the two reviews. Reading the "Multilateral Development Review", I was interested to note how working with UNICEF on bulk orders of medicines via the Gavi programme had not only saved, potentially, the lives of 4 million to 5 million children, but saved £900 million that could be used for other purposes. Does the Minister agree, though, that one of the biggest impacts on people's lives occurs when countries emerge from dictatorship and try to move towards a more inclusive society, and various tensions are then unleashed? Does he agree that we need to ensure that international aid remains focused on helping countries to make what can be difficult transitions to functioning democracy without ending up in the sort of collapse we have seen elsewhere?

James Wharton: My hon. Friend is absolutely right. That is a broad strategy across the Government, and one to which we are committed. I was pleased that my hon. Friend mentioned Gavi, which does such great work. Indeed, Seth Berkley, chief executive of Gavi, said of the reviews:

"The UK Department for International Development's multilateral reviews have become an internationally-recognised benchmark, casting expert eyes onto our results and processes and, importantly, letting us know when we're veering off course."

We remain world leaders in driving value for money and holding to account organisations that do so much good, and we will continue to do so.

Tom Brake (Carshalton and Wallington) (LD): May I be the first Member of Parliament to congratulate Sarah Olney on her fantastic election yesterday, when she overturned a majority of 23,000? I am sure that the residents of Richmond Park are very interested in what we are discussing today.

Will the Minister confirm that the Government's desire to boost trade following the EU referendum will not be at the expense of the poorest countries in the world and that they remain a priority? Will he also confirm that if the most effective way of distributing aid in the future is through the European Union, the Government will not hesitate to do that?

James Wharton: I will, if I may, pass over the first part of the right hon. Gentleman's comments and focus on the latter two questions that he asked.

Trade is vital to lifting people out of poverty. If we can improve economies and their functioning in some of the world's poorest nations, that is often the best way to ensure long-term and sustainable development. As I have said a number of times today and previously, we will always look to our international partners to ensure that when we spent UK taxpayers' money, it is spent efficiently. That will mean considering partners that can deliver the outcomes that we want to secure, regardless of whether they happen to be founded in, based on or run through the European Union.

Lucy Frazer (South East Cambridgeshire) (Con): Does the Minister agree that when, for the price of a cup of coffee, we can vaccinate a child against the five most deadly diseases, which might otherwise very well kill them, the money is not only necessary but well spent?

James Wharton: Absolutely. It is one of the great tragedies that so much preventable disease none the less causes such suffering and loss of life across the world, but we are in a position to make a difference to that. Indeed, we are one of the leading nations in the fight. I have already spoken about our work with Gavi and about its opinion of the reviews. My hon. and learned Friend highlights one of the moral imperatives that underpin the commitment that we have made to continue to be proactive and, indeed, world-leading in this regard.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Can the Minister confirm that he is talking to the Department for Exiting the European Union about continued finance for projects through the European development fund, even in the event of Brexit?

James Wharton: I am happy to confirm that all Departments are talking to each other and working seamlessly to deliver policy and the UK national interest. That includes, of course, the new Department for Exiting the European Union.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): Less money, less aid and less influence is the reality of Brexit internationally. Given the projected reductions

[*Martin Docherty-Hughes*]

in growth as a result of Brexit, does the Minister not recognise that it will have a profound impact on the UK Government's ability to meet their 0.7% commitment?

James Wharton: I think that Brexit presents the United Kingdom with an almost unique opportunity to be a world leader, to look outwards rather than inwards, to re-establish some of its historic ties, friendships and relationships, and to drive forward its agenda and values throughout the globe. The Department has a contribution to make to that, and the Government are getting on with the work. I welcome it, but, more importantly, the British people voted for it.

Kirsten Oswald (East Renfrewshire) (SNP): The Minister has referred to Brexit a number of times, but he said at the beginning that the reviews had fully taken account of what I think he called a change of circumstance, so he is surely able to clarify the position of finance for projects through the European development fund. Will he do that?

James Wharton: The question has come up many times, and I have responded to it as clearly as I can. The Government will always seek to deliver the best possible value for money for the British taxpayer and secure the outputs that we want to secure. If European Union institutions were able to deliver programmes through which we could work, we would not rule out working with them in the future—nor should we—but they would be assessed along with all the others. I do not think that I could be any clearer or more straightforward in my answer to that question. The review does not ascribe too much significance to the issue, because the truth is that we will always work with the most efficient partners to deliver the best results.

Callum McCaig (Aberdeen South) (SNP): The biggest threat to global development is surely climate change. What steps is the Department taking, and what discussions

is it having with the Department for Business, Energy and Industrial Strategy about the adoption of a co-ordinated approach to that global threat?

James Wharton: DFID works closely with the Department for Business, Energy and Industrial Strategy, and that includes work relating to climate change. We have many world-leading projects, such as Energy Africa, which delivers renewable energy to countless thousands of homes to help people in a number of countries on the African continent. DFID is a significant contributor to the Government's commitments on our green agenda, and we will continue to contribute through, for example, international climate finance, in which the Department plays a leading role. We are committed to that agenda, and we will continue to drive it a development context.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): What assistance will DFID give multilateral and bilateral organisations to support data collection and aggregation, and, particularly on age and gender grounds, to monitor impact and effectiveness?

James Wharton: The hon. Gentleman has asked an important question. If we are to understand how best to target the resources that we deploy, we need to have the data that underpin those decisions. If we are to identify the challenges that will arise in some of the poorest parts of the world before they are necessarily apparent and before it is too late to respond, we need those data and an understanding of how to analyse them. DFID is a significant investor in that context, and we will continue to be so, because we recognise the difference that our investment makes not only to the people who benefit from the results that it helps to drive and the decisions that it helps to make, but to the value for money that is secured by what we do.

Benefit Claimants Sanctions (Required Assessment) Bill

Proceedings resumed.

11.27 am

Conor Burns: May I say that I can think of no one I am happier to be interrupted by than my hon. Friend the Under-Secretary of State for International Development, on one of his rare visits to the United Kingdom?

Before the interruption, we were hearing from the Opposition a perception that the Government were not listening to what was being said about issues such as this. Let me point out that, in 2013, the Secretary of State for Work and Pensions commissioned Matthew Oakley

“to undertake an independent review of the operation of the provisions relating to the imposition of benefit sanctions that are imposed as a result of, or have been validated by, the Jobseekers (Back to Work Schemes) Act 2013.”

The review considered benefit sanctions for claimants of jobseeker’s allowance who were sanctioned after being referred to a mandatory back-to-work scheme in the year to 26 March 2014. It considered the process of benefit sanctions, and the understanding of sanctions by claimants. In 2014 the Oakley review was completed, and the Secretary of State received a report. The review team rigorously examined the DWP’s sanctions processes and communications, and Matthew Oakley

“commended the Department and officials for the manner in which they have approached and supported my review.”

He also stated that sanctions were

“a key element of the mutual obligation that underpins...the effectiveness and fairness of the social security system.”

The review concluded that the current system largely functioned well, but conceded that in an operation of this scale there were almost inevitably areas for improvement. It made 17 recommendations with three key themes: communications, jobcentre/provider responsibility, and safeguards. Her Majesty’s Government accepted all 17 recommendations from the Oakley review. Significant work with internal and external stakeholders has taken place to implement the recommendations and, crucially, is continuing to ensure that the system continues to function effectively and fairly.

In March 2015 the Work and Pensions Committee published the report “Benefit sanctions policy beyond the Oakley Review”, with recommendations. In October 2015 the Secretary of State responded to the Select Committee accepting recommendations in a number of areas, including on vulnerability and giving tailored support to claimants. The right hon. Member for Birkenhead (Frank Field), Chairman of the Committee, said

“We are pleased that the Government has accepted many of the Committee’s criticisms of its approach and, more importantly, the recommendations for change.”

From October 2015 onwards, the response to the Select Committee clearly outlined the work the Department had already undertaken to review the sanctions system and changes the Government intended to make and they are continuing to work on those alongside the ongoing work of the Oakley review.

Kevin Foster (Torbay) (Con): Does my hon. Friend agree that the National Audit Office report will be subject to debate and scrutiny in the Public Accounts Committee, which will also produce a report and recommendations, and that that may be a more effective way of achieving the desired aim than doing it through a Bill?

Conor Burns: I agree, and I have known the Minister for over 20 years and I know him to be one of the most moderate, reflective and compassionate people in our party. I know he will be open to ideas on how we can further improve the system to deliver the best support to those who legitimately need it most.

Alison Thewliss: In seeking to build a system that has compassion within it, does the hon. Gentleman agree that my constituent who was sanctioned for missing his signing day to be at his father’s deathbed is in need of compassion from a system that is clearly failing at the moment?

Conor Burns: The hon. Lady raises an individual case; we all have individual cases in our constituencies where the system has let people down. That is why it is absolutely appropriate that there is a full independent appeals process to correct it when it goes wrong. I would extend, through the hon. Lady, our sympathy to that gentleman; the system clearly did not work for him on that occasion. But that is why it is important that we have this continuous process of listening and improvement; that is how systems are improved.

Between October and December 2015, in terms of employment and support allowance sanctioning, the Government made significant improvements in communications between decision makers and work programme providers to ensure that claimants received relevant safeguarding activities and reduced the risk of inappropriate sanctions.

In November 2015 the Government re-introduced automated sanction notifications for jobseeker’s allowance and ESA. In December 2015 the Government issued supplementary vulnerability guidance to work coaches in Jobcentre Plus, which includes how conditionality can be tailored for vulnerable claimants to take account of individual circumstances.

Mims Davies (Eastleigh) (Con): I am appalled by some of the cases I have heard mentioned in the Chamber today. Many of the cases in which I have had to intervene have been where parents have not been involved in the processes, and where perhaps younger or vulnerable people have not had support. That is where we and the processes have intervened, and it has worked for them. I have found it very difficult to hear from Opposition Members of cases where people have been in such peril, in circumstances similar to those in which I have been able to intervene and make a difference to people’s lives by working with parents, those who care for people who are vulnerable and those who are helping the claimants.

Conor Burns: My hon. Friend makes a powerful point and highlights the fact that, as Members of Parliament, we can be powerful advocates for people who sometimes slip through the cracks. She also makes—if I may say so, in a spirit of cross-party consensus—the

[Conor Burns]

interesting point that compassion is not resident in only one part of this Chamber. All Members who come to this House to serve, come to do their very best for the constituents who elected them.

Kirsten Oswald: The hon. Gentleman has said that many of us have come across these experiences, and his hon. Friend the hon. Member for Eastleigh (Mims Davies) has said the same—we have heard examples during the debate. The system is therefore clearly not working; it should not come down to people having to go to their MP to get the support they should rightly have.

Conor Burns: It is incumbent upon all Governments of all colours to constantly work to try to improve the systems under which we operate. The answer, however, is not to remove a sanctions regime—[*Interruption.*] I am sorry, but the hon. Member for Paisley and Renfrewshire South set out the matter very clearly; this is a Trojan horse Bill.

Mhairi Black: If I wanted to use this Bill to get rid of sanctions, that is exactly what it would say on the cover. I have explained, and I cannot be more sincere in explaining, that this Bill is not about removing sanctions. It is a genuine attempt to bring some consistency to a system that is allowing far too many people to fall through the cracks. It is about ensuring that individuals are not left without. That is compassion.

Conor Burns: The hon. Lady was very clear in her speech to the House earlier that her view is that it would be much better to have a system with no sanctions in place. [*Interruption*] That is what the hon. Lady said. What I am trying to outline is the way in which the Government are working within the existing processes to improve the arrangements of the system so that we genuinely deliver benefits to those who need them, but root out those seeking to abuse the system and therefore break the social contract with the taxpayers who are working to pay those benefits.

One of the ways we have done that was when, in December 2015, we accelerated the process for considering hardship payment claims so that they are now paid within three days. The Government response to the Select Committee included the announcement that we would trial a sanctions warning system and that we would give a further opportunity for claimants to provide evidence before a sanction is applied. That would strike the right balance between enforcing conditionality and fairness. The trial started in Scotland in March 2016 and ended at the end of September. Evaluation is currently being undertaken to enable ministerial decisions on any future national roll-out.

Sanctions are not jumped to before any other considerations; they are used as a last resort. The Government have put in place a comprehensive monitoring regime to ensure that sanctions are always, and only ever, applied appropriately. Not only is the decision to impose a sanction taken by an independent decision maker, but everyone is made aware of their right to appeal, and claimants are given every opportunity to present additional evidence. It is not a form of arbitrary and cruel punishment for those who, of innocent circumstance, were forced to be late for, or miss entirely, a meeting.

Paula Sherriff: The hon. Gentleman is doing his best to suggest he can empathise with people, but I wonder if he has ever experienced not knowing where his next meal is coming from or whether he can feed or clothe his children. I also wonder what effect this sanctioning regime is having on our already embattled mental health services, which are struggling to cope as it is.

Conor Burns: I have in fact been in those circumstances. I was unemployed and had to sign on after I graduated in 1994 in the worst graduate recession since the second world war. I experienced that again after I tried to get elected to this House in 2005 and had not got the money; I had to decide whether to pay the mortgage or the council tax on overdraft. So, yes I have been in those circumstances, and I have to say, do not ever sit there and suggest to people that we do not have the ability to empathise in this House of Commons simply because we sit on the Conservative Benches. That is the worst type of class war stereotypical nonsense, which frankly we should have moved way beyond in this House a long time ago.

Let us return to the point in question. The fact is that 94% of JSA claimants stick to their commitments and are not sanctioned, and even smaller is the percentage of ESA claimants—the main in-work sickness benefit—who are sanctioned, which stands at less than 1%. However, something being uncommon does not justify ignoring it, if it is a justified issue, which brings me on to my other point.

Department for Work and Pensions research shows that 70% of people receiving JSA and 60% of those receiving ESA said that the regime made them more likely to follow the rules. This is a sensible policy, which takes account of, and goes to great lengths to never disadvantage, those genuinely in need of benefits, but which seeks to cut down any dependency culture, ensure that those claiming benefits—

Mhairi Black: I am very grateful to the hon. Gentleman for allowing me to intervene. Has he read the NAO report published this week which shows that a quarter of all people between 2010 and 2015-16 have experienced a sanction? That is the reality; that is the real fact.

Conor Burns: I am very comfortable with the figures that I have given the House, and I see the Minister nodding his affirmation that those figures are indeed correct.

Michael Tomlinson: I am happy to confirm that my hon. Friend is correct. I have the House of Commons Library briefing paper here and it confirms exactly what he has said about JSA claimants falling to around 2% in each of the first six months of 2016 and ESA claimants falling to around 1% between May 2011 and May 2016. He is absolutely right to say that Conservative Members do not lack compassion and empathy. The hon. Member for Paisley and Renfrewshire South (Mhairi Black) was right to say that we are dealing with individual human beings, not statistics, but the statistics are nevertheless important.

Conor Burns: I thoroughly agree with my hon. Friend. I could not have put that more eloquently myself.

Sanctions regimes are not uncommon. In fact, most developed economies attach conditions to the receipt of benefits. Recent European studies in Switzerland in 2005, in the Netherlands in 2013, in Denmark in 2011 and in Germany in 2014 found that benefit cuts substantially increased employment take-up among sanctioned persons. In 2013, the Government commissioned an independent review into sanctions and implemented all its recommendations. We should put aside the misconception sometimes portrayed by Members that sanctions are the automatic default that the system rushes towards. In fact, a claimant has to go through an incredibly long journey before they reach the point of sanction.

Anne McLaughlin (Glasgow North East) (SNP): Would the hon. Gentleman care to tell me how that fits in with what DWP staff have told me about the aspirations that they have? They do not call them targets; they call them aspirations, and they have an aspiration to sanction a certain number of people every week.

Conor Burns: If the hon. Lady has an example of a named official who has told her that, she should feed that information to the Minister, because I am sure that the Department would like to investigate it. That is not the policy of Her Majesty's Government. The Department has laid down a very clear process that staff have to follow.

I shall take the House through that process. The first stage involves a claim interview at which expectations are explained and set by the work coach. The claimant's commitment is discussed and agreed, taking into account individual circumstances. It includes the claimant's job goals and the days and hours they are available for work—including any agreed restrictions for caring responsibilities or health reasons—and the job steps that offer them the best prospects of employment. The work coach notifies the claimant of any specific requirements, such as the details of where and when they need to attend the jobcentre. As part of the above, the work coach explains the consequence of non-compliance and gives sources of further information, such as the Government's website.

Alison Thewliss: I appreciate what the hon. Gentleman is saying about the process for claimants getting into work, but does he agree that there is no logic to the case of one of my constituents who found a job and was informed by the DWP that he was at risk of sanction for failing to apply for more jobs while he was waiting to take up that job? Is that not absolutely illogical?

Conor Burns: I agree that that seems absolutely illogical, and I am pretty certain, on the basis of what the hon. Lady says, that that individual would be successful in appealing. It is a logical absurdity to suggest that a claimant would be fined while waiting to take up a job, unless the commencement of that job was, say, two years down the line.

I shall describe the second step to the House. If, when reviewing the claimant's activity, the work coach identifies that an activity has not been completed, they will: tell the claimant why the doubt has arisen; ask the claimant to provide the reasons for their failure and any supporting evidence to help the decision maker reach their decision; tell the claimant what will happen next, how they will be

notified of the outcome and how to challenge the decision if they disagree with it; and provide the claimant with information about hardship and how to claim it.

In the third stage, details of the failure and any available supporting information or evidence are referred by the work coach to a decision maker. The work coach will include any details they have of factors that may affect the claimant's capacity, such as caring responsibilities, health and wellbeing issues, accommodation problems or anything else that is relevant. In step four, the decision maker reviews the case. If required, the claimant and/or relevant third party are contacted to provide any clarification or additional information, either by telephone, email or letter. For provider referrals, including those relating to the Work programme, the decision maker tells the claimant that a doubt has arisen, gives the reasons and asks the claimant to provide the reasons for their failure and any supporting evidence.

In the fifth step, the decision maker considers all the available information and decides whether the claimant had a good reason for their failure and whether a sanction is therefore appropriate.

The sixth stage involves the details of the decision being sent to the appropriate benefits centre for processing.

In the seventh step, the claimant is issued with a notification letter to inform them of the decision. When a sanction has been applied, that notification includes details of the reason for, and the period of, the sanction, how to claim hardship and what the claimant should do if they want more information about the decision and/or want to challenge it.

Chris Stephens: Does the hon. Gentleman agree that the next step involves someone in that position having to phone an 0345 number, for which a mobile phone provider will charge 45p a minute? Can he explain why the Government have rejected the advice of the Social Security Advisory Committee that all phone calls to the DWP should be on 0800 numbers and therefore free?

Conor Burns: I have heard that point be made a number of times. The hon. Gentleman might wish to intervene on the Minister later, because he will be in a better position to explain the Government's position than I, a humble Back-Bench bag carrier, am.

Patrick Grady: If the hon. Gentleman cannot speak for the Government, does he at least agree in principle with my hon. Friend the Member for Glasgow South West (Chris Stephens) that the phone calls should be free?

Conor Burns: The Minister is hearing these points being made, and he will give both hon. Members a clear answer on the Government's policy in due course.

I shall now move on to the eighth stage of the process that needs to be gone through before a sanction is applied. If a claimant requests more information about the decision, an explanation will be given by the jobcentre or contact centre. When a claimant makes such a request, they are contacted by a decision maker and a full, detailed explanation is provided.

In the ninth stage, if the claimant disputes or challenges the decision, a decision maker will have the case, and any additional information provided by the claimant,

[Conor Burns]

reviewed. If the decision is overturned, notification is issued to the claimant and arrears of benefit paid. If the decision is not overturned, the case is referred to the dispute resolution team for a full mandatory reconsideration.

In the tenth step, following a request for a mandatory reconsideration, the original decision will be looked at again, taking into account any additional information provided by the claimant. A mandatory reconsideration notice will be sent to the claimant to notify them of the outcome. The letter also includes information on how to appeal against the decision. One of the points the hon. Member for Paisley and Renfrewshire South makes is that sanctions are causing people to become impoverished and that they ostensibly disregard their situation and position, yet claimants who are sanctioned can apply for hardship payments equivalent to 60% of their normal benefit payment. JSA claimants who are seriously ill or pregnant can receive 80% if they qualify for hardship payments.

Mims Davies: If I read this correctly, the hon. Member for Paisley and Renfrewshire South is talking about assessing and then reassessing after sanctions, to ensure that no one falls through the gaps and to formalise the process and create consistency. Does my hon. Friend agree that the biggest difficulty is in striking a balance between achieving consistency in a fair and structured system and being able to assess each claimant individually based on their needs?

Conor Burns: My hon. Friend is absolutely correct. Indeed, the Government are constantly listening and adapting the system to improve it. We heard a lot from Opposition Members about people on JSA being categorised as vulnerable, but, as the Secretary of State announced recently, the Government are extending the list of vulnerable groups to include those with mental health conditions and those who are homeless. This will mean that they can receive hardship payments from day one of their sanction. The Government have also accelerated the process of considering hardship payments so that they are now paid within three days.

Mhairi Black: I want to respond to the hon. Member for Eastleigh (Mims Davies). As the hon. Member for Bournemouth West (Conor Burns) is sincerely saying, the job of Government is to listen, and they should do so constantly. If they do listen, they will find that there is huge disparity throughout the UK. While it is fine to say in theory that the system should be consistent, the Government should listen to the facts, and the reality of the stories that we are hearing today is that that is not happening. Let us listen and introduce something that will formalise that consistency. That is all that this Bill is about.

Conor Burns: I am happy to be a useful conduit for the hon. Lady to make that point to my hon. Friend the Member for Eastleigh (Mims Davies), but it may stretch the generosity of the Chair were I to invite my hon. Friend to reply through me to the hon. Member for Paisley and Renfrewshire South.

Much has been said about people who work in jobcentres, including that some of them might be callous or cold-hearted people who, on a whim or when in a bad mood or if they got out of bed on the wrong side, would somehow deliberately impose hardship. I do not recognise that characterisation from the meetings that I have had with them in my constituency. They are often berated and vilified simply for doing their job. They are honest people.

Deidre Brock (Edinburgh North and Leith) (SNP): I appreciate what the hon. Gentleman is saying about DWP staff, but I wonder whether the fact that total DWP staff numbers are down 34% since 2010 has some bearing on the issues he is raising.

Conor Burns: It might be that we have a more efficient Department or that we are focusing more resource directly at the frontline rather than in back-office administration. I note that the Minister is nodding, and he may want to say something about that in his remarks.

This is about getting people into work. Government Members and many beyond our Benches believe that with work comes dignity—individuals being able to look after themselves and their families. I return to what that the hon. Member for Paisley and Renfrewshire South wrote in *The National*, in which she said:

“If we must have benefit sanctions”.

We should have benefit sanctions, because they are there to ensure that people do not abuse the system. Those who abuse the system are in a sense committing a fraud against their fellow citizens and against hard-working taxpayers who are trying to do their best. We believe in a society in which responsibility should be taught and instilled from the first step. We believe in offering a handout or opportunity for people to do better. I am delighted that those who commit benefit fraud are in such a tiny minority. I am also delighted to be a member of a Government who have created the economic conditions for more jobs than ever before and therefore more opportunities for people.

Angela Crawley: I thank the hon. Gentleman for giving way during his extended speech. He might as well be reading from a cookery book, because you are adding nothing new to this debate. Sixty-five per cent. of claims have to be overturned as a result of this failed system, so does the hon. Gentleman accept that what he refers to as the fractional percentage of people who commit fraud is far outweighed by the vast number of people who need support? A social security system should protect those people when they need protection most.

Conor Burns: I thank the hon. Lady for her insult at the beginning of her intervention. I note yet again, Madam Deputy Speaker, the use of the word “you” by SNP Members. You would have thought that, 18 months into this Parliament, they might have learned the basics of parliamentary procedure.

This is a Trojan horse Bill. The hon. Member for Paisley and Renfrewshire South betrayed her true feelings early on in her remarks when she said that there should be no sanctions for benefit fraud—[*Interruption.*] The hon. Lady will have the opportunity tomorrow to look at *Hansard* online and read her own remarks.

I will conclude here because I agree with the hon. Member for Lanark and Hamilton East (Angela Crawley) that I have been going on for quite some time. I am proud that we have a Government, a Minister and a Secretary of State who are determined to get support to those who need it most. They are determined to improve the system to eliminate fraud and get maximum benefit for the taxpayer. I am proud to serve on these Benches, where we are committed to a growing economy, work for everyone who wants it and a society that works for all.

11.55 am

Debbie Abrahams (Oldham East and Saddleworth) (Lab): After the previous speech, which I will come on to, I welcome the opportunity to use a slightly different tone in this debate—certainly when it comes to the evidence. I start by offering warm congratulations to the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on bringing the Bill forward. She rightly deserves credit for her work, and her conciliatory tone is to be commended. She is absolutely right that, as the hon. Member for Bournemouth West (Conor Burns) was saying, this debate is about continuing the listening process and trying to improve a flawed system. The Bill does just that.

The hon. Member for Paisley and Renfrewshire South outlined her personal views, but she put them to one side and, like so many Members, spoke about the car crashes that are happening in the sanctions system. I want to provide two examples that I received just last night and this morning—that is how frequently such things are happening. Nearly a million people were sanctioned last year. It is not an insignificant number. The two cases are exactly the same. Both people were due to go in for surgery just days before a work capability assessment and were signed off for eight weeks. When they asked whether they had to go to the assessment, they were told that they did or else they would be sanctioned. It is absolute nonsense. This sort of thing is going on up and down the country, and I will come on to some other examples.

The hon. Lady was right to highlight the unfortunate narrative that was indicative of the Government until fairly recently. The shirker/scrounger language set a tone and tried to shift the public's perception.

John Nicolson (East Dunbartonshire) (SNP): Does the hon. Lady share my enormous concern—it sounds as though she does—with that scrounger tone? My father was the manager of the largest social security office in Scotland, and he always said that the problem was not people claiming what they were not entitled to; it was all the people who did not claim what they were entitled to because of the sense of shame and the narrative propagated by Government Members.

Debbie Abrahams: The hon. Gentleman is absolutely right. Reflecting his father's experience, many jobcentre advisers have been saying similar things and that they are absolutely horrified by what they are experiencing.

Helen Whately: The hon. Lady made an important point about tone. Members from all parts of the House should conduct this debate with a compassionate tone, but she seems to be putting words into the mouths of

Government Members—words that have simply not been said. Is there a Government source that she can refer us to that uses the language that she was using a moment ago?

Debbie Abrahams: The hon. Lady is absolutely right. We all need to be responsible for the language and the tone that we use. Unfortunately, we have seen some of that in today's debate. I refer Members to the earlier National Audit Office report that was published this week. A headline in a paper suggested that the one in four claimants who had been sanctioned were somehow fraudulent. That was the disgraceful tone of the headline in a major newspaper, which distorted the evidence.

Helen Whately *rose*—

Debbie Abrahams: I am sorry, but I am going to carry on.

We must ensure that all of us, as leaders, use the appropriate language. I can point to speeches that have been made in the past in which that has not been the case.

The hon. Member for Paisley and Renfrewshire South has outlined the provisions of her Bill, which requires an assessment of social security claimants' circumstances before a sanction is applied. Measures in the Bill include a code of conduct for those responsible for imposing sanctions and the important principle of just cause, which is applied in defined circumstances. It will be applied, for example, where undertaking a job is in clear conflict with the claimant's caring responsibility, and where there is just cause for not undertaking particular employment or job-search activity. In such cases, it is proposed that sanctions should not be applied.

The hon. Lady also mentioned the need for assessment for hardship payments after a sanction has been applied. Again, that is absolutely right. It was in fact one recommendation from the Work and Pensions Committee inquiry on this issue last year.

I have been heartened by the slightly different tone taken by the new Secretary of State, particularly in what has been said about work capability assessment and sanctions for homeless people and other vulnerable groups. I see this Bill as an important step forward, as it builds on what we have said should be happening. It would also make the process much fairer. I support this Bill in abolishing the punitive sanctions regime that the Tories and the Liberal Democrats introduced in the Welfare Reform Act 2012.

Let me provide a bit of background to what has been going on over the past four years. We have heard about the exponential rise in sanctions that have been applied to people on JSA, incapacity benefit and employment and support allowance, but we did not really touch on the new application to people on universal credit who are in work. I am referring to the taxpayers who the hon. Member for Bournemouth West was talking about—the taxpayers who are already contributing to the Exchequer and who are, through the universal credit regulations, likely to be subjected to a sanction. That would be the case if, for example, they are not working full time, or if they have not got a permanent contract and want a few days off. They can be sanctioned and that is happening now.

[Debbie Abrahams]

I have been campaigning on this issue for more than four years. A constituent came to me after he had been sanctioned. He was in the middle of a work capability assessment when he suffered a heart attack. He was told by the nurse undertaking the assessment that he needed to go to hospital. He did that, and two weeks later he had a letter in the post saying that he had been sanctioned.

I mentioned another case to the Minister when we were in an interview recently. John Ruane from my constituency has a brain tumour, which means that he has three to four epileptic fits a week. His clinical team contacted me because he was refusing to have a life-saving operation on the grounds that he feared he would be sanctioned. He had already had his ESA stopped after a work capability assessment—that is another story, which I cannot go into today, but which certainly needs to be looked at again. He was frightened of being sanctioned. Fortunately, I have been able to intervene and his ESA has been re-established, but that fear of being sanctioned is what people are experiencing.

Yet another constituent of mine, who was a Jobcentre Plus adviser for more than 25 years, came to me four years ago, saying how troubled he was about the targets that he was being set—or aspirations as a Member said earlier—to sanction claimants. Targets were being set for sanctions even when people had done nothing wrong. He explained how the system works—that appointments would be made when people were meant to come in for a work-related interview, and the people would then not be told. That was investigated by the Department for Work and Pensions and, shamefully, it did nothing.

Michael Tomlinson: Will the hon. Lady give way?

Debbie Abrahams: On that point alone.

Michael Tomlinson: The hon. Lady mentions sanctions. Does she approve of the sanctions regime overall, or would she also advocate getting rid of it in its totality?

Debbie Abrahams: I said, “On that point alone,” and the hon. Gentleman has not asked specifically about the investigation of the fraudulent activity that was going on in the DWP, so I am afraid I am not going to respond to his intervention. [Interruption.] I will come on to putting our position very clearly to the Minister.

This Jobcentre Plus adviser said people were being set up to fail to get them off flow. If claimants are off flow, they are not signing in. Not only do they not count in the JSA claimant statistics, but they are not drawing social security support. Wednesday’s National Audit Office report estimated that, last year alone, £132 million was not paid in social security support, but a significant amount—not quite as much as that—was spent on administering the sanctions process.

What many people are surprised to hear is that sanctions apply immediately and last for a minimum of a month. They are referred to a DWP decision maker, as we have heard, to decide whether they should be upheld, but that in itself can take a month. On top of that, although housing benefit payments are not meant to be stopped, they have been, and that was confirmed during the Select Committee inquiry last year. As has also been

said, the ensuing debt builds up, and Sheffield Hallam University has shown the implications for sanctions-related homelessness.

Then I started to hear about the deaths of claimants following a sanction—first Mark Wood, and then David Clapson, and there have been many more. Of the 49 claimants who died between 2012 and 2014, and whose deaths were investigated by the DWP, 10 followed a sanction. By the way, I am still waiting for the Department to get back to me on the peer review details of nine subsequent claimant deaths.

It was after David’s death, and when I had met his sister, Gill Thompson, who is absolutely devastated—I pay tribute to her for the campaign she has launched to try to raise awareness of what is happening—that I managed to persuade the Select Committee to undertake an inquiry into sanctions that would explore the impacts of the Government’s 2012 sanctions regime. We found that, between 2012 and 2014, 3.2 million sanctions were applied. At a peak, in one month in 2014, 90,000 JSA claimants were sanctioned. The sanctions for sick and disabled people increased fivefold. One in five JSA claimants were sanctioned at that time; as we have heard, that has increased to one in four. Single parents and people with mental health conditions were particularly affected. Again, the variation across the country was quite staggering.

We found that 43% of claimants who are sanctioned leave JSA—they move off flow, distorting the JSA claimant count. Over 80%—this is a really important point—of those leaving JSA after a sanction do so for reasons other than work. One would think that the Government would want to know what was happening to those people and where they were going. If they are not going into work, what exactly is happening to them? One recommendation from the all-party Select Committee inquiry was that we should follow up these cases. As the NAO has shown, that has not happened. We do not know what happens to the nearly half of the JSA claimants who leave and the 80% who do so for reasons other than going into work.

The rise in food bank usage was also linked to the increase in sanctions, and both the physical and the mental health issues of claimants were found to be exacerbated by the punitive sanctions regime. The Select Committee made more than 20 recommendations, including for the pre-sanction process that the Bill also calls for. It also said that all financial sanctions on vulnerable JSA and ESA claimants, as well as those on people who are on universal credit and in work but not full-time work, should be stopped.

Fundamentally, the Select Committee called for an independent inquiry into sanctions as a whole, and the NAO made the same recommendation in its report on Wednesday. Unfortunately, the Government did not accept the majority of the recommendations. They made some moves on hardship payments. We have heard about that already and I look forward to hearing the Minister’s response.

Wednesday’s NAO report was the third in a month reaffirming and adding to the Select Committee inquiry’s findings. There is no evidence that sanctioning someone motivates them or modifies their behaviour in such a way that they move into work. Even the Government’s own behavioural insights team found exactly that in its review. We have discussed the fact that one in four JSA

claimants were sanctioned between 2010 and 2015, and I have mentioned the appalling headline that said that they were abusing the system. As I have said, the Jobcentre Plus whistleblower said that claimants are being set up to fail.

We also know that 42% of UC decisions about sanctions took longer than 28 days, and that £132 million was withheld last year. Last month, the University of Oxford and the London School of Economics quantified the association between the increase in sanctioning and food bank usage: for every 10 sanctions, five more adults were referred to food banks.

Kirsten Oswald: I echo the hon. Lady's sentiments and her comments on the correlation between sanctions and food banks. Does she agree that it is a sad situation that Scotland now has not only food banks, but school uniform banks, and that that is directly linked to the inability of families, through no fault of their own, to support their children in going to school?

Debbie Abrahams: Absolutely. Last week, the food bank in my own area launched a fuel bank, because people are choosing between heating and eating. That is what is going to happen up and down the country this Christmas.

Where do we go from here? I hope that, given the evidence and the new tone being used by this Government—I was disappointed with the autumn statement, but I am an eternal optimist and hope that the Minister is listening—they will support the Bill and implement it at the earliest opportunity.

I turn to the question asked by the hon. Member for Mid Dorset and North Poole (Michael Tomlinson) about our position. I made it very clear in my conference speech in September.

Michael Tomlinson: I wasn't there, but the hon. Lady can invite me next time!

Debbie Abrahams: I will certainly do that. The hon. Gentleman is very welcome to cross the Floor.

I said—and this was widely reported at the time—that we want to scrap the system. We must be driven by evidence, and the evidence shows that it does not work. It does not motivate people or change behaviour. All it does is have a very harmful effect on the most vulnerable in society. It also has some very difficult spin-off effects.

Michael Tomlinson *rose*—

Debbie Abrahams: I am coming to a conclusion. As part of my party's sanctions review, I want to explore approaches that better reflect the change that I want to see in the culture of our social security system. I want it to be based on support and positive reinforcement, not harassment and punishment. Again, if we look at the evidence from the Netherlands, we see that such an approach is much more effective at moving people into sustainable employment.

Our social security system is, like our NHS, there for all of us in our time of need. It is based on the principles of inclusion, support and security for all, and it should assure all of us of our dignity at all times. I do not think that we can say that about the present system,

and we certainly cannot say that about the sanctions system. I hope that the Government are listening, because this is so important. I implore them to implement the Bill.

12.15 pm

Lucy Frazer (South East Cambridgeshire) (Con): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on securing the debate, on the tone that she adopted and on the powerful way in which she spoke.

In my speech, I will identify three things: the general principle that working is important—the value of work—the existing sanctions regime and the importance of limiting sanctions wherever possible. Before I do so, I would like to make a general point. I think that the hon. Lady accepted that the system worked in some places, that there are hardship payments and that there is guidance. Implicit in her speech and in the Bill was the recognition that she seeks to change the implementation of the system, not the system itself, but I am not clear that legislation is necessarily the right way to do that.

First, I want to identify the principle of work. We need to encourage, empower and inform everybody about the opportunities of work, because work has a number of benefits. It gives people self-fulfilment and financial responsibility for themselves, and it enables them to be a role model for their children. Work also helps the country as a whole. If we have high employment and high productivity, we remain competitive as a nation and we ensure that those who might suffer, physically or mentally, from being out of work can help themselves. It is our job, as a Government, to ensure that those opportunities remain available and that people have the skills and the confidence to go to work.

Secondly, I said that I would identify the sanctions regime. The idea that people should go to work—that it pays to work, that people should get off benefits to go into work and that we should encourage them to do so—is neither new nor controversial. Likewise, the benefit system and the sanctions system are not new. The sanctions system has been around for four decades, and there is some evidence that sanctioning works; 70% of claimants say that they are more likely to follow the rules if they know that they are at risk of having their benefits stopped if they do not.

According to the National Audit Office report, international evidence suggests that sanctioning increases the number of people who go from benefits into employment. We have sanctions because we have conditions, and conditions are useful. Through the conditions system, people can get the training and the skills that they need, and conditions force people to get the skills that they need. As has been said during the debate, the evidence suggests that 90% of people do not have any sanctions at all.

Chris Law: To go back to the evidence from the National Audit Office, we must be reading two different reports. I have also looked at the report, and according to the official analysis of the benefit sanction system, there is absolutely no evidence that the sanctions regime imposed by the DWP has a positive effect on job outcomes. I would just like to get that on the record, because it is in complete contradiction to what the hon. Lady has just said.

Lucy Frazer: I have read the report, and it states, as I have said, that the international evidence suggests that sanctions increase the number of people who go from benefits into employment. It is incredibly important that we get people into work.

Having set out the system, I would like to identify, thirdly, the things we need to ward against. We absolutely need to protect the vulnerable in our society. Those who cannot work must not be penalised, and we need to ensure that those who suffer sanctions are still able to maintain a proper standard of living.

As I said at the outset, the hon. Member for Paisley and Renfrewshire South rightly spoke about the importance of mental health, so the following principles are important. Sanctioning must be a last resort, and the sanctions must be monitored. It is right that there is a right of appeal, and that there is a further appeal to an independent decision maker. It is right that there is a hardship fund, and that that fund protects the most vulnerable.

Michael Tomlinson: Does my hon. and learned Friend, like me, welcome the Government's broadening of the hardship fund to cover those points, including the homeless and those who suffer from mental ill health?

Lucy Frazer: Yes, I welcome that. I am also delighted that 90% of JSA claimants who apply to the hardship fund are successful.

Mhairi Black: I welcome the comments made by the hon. and learned Lady and by the hon. Member for Mid Dorset and North Poole (Michael Tomlinson) on the importance of the hardship fund and the good it can do. Will she therefore support the principle of the Bill? Instead of waiting and making the individual responsible for applying to the hardship fund, the Bill would mean that the individual's entitlement to a hardship payment is immediately assessed. Is that something she can support?

Lucy Frazer: My hon. Friend the Member for Bournemouth West (Conor Burns) rightly identified that hardship payments are one of the steps set out in the process. We do not necessarily need legislation to identify the fact that people should be told that a hardship system is in place—that should happen. The hon. Member for Paisley and Renfrewshire South rightly identified that the practice works in some places. If it works in some places, it is not legislation that is needed. We need to ensure that good practice is happening throughout the country.

The hon. Lady also rightly spoke about the work of jobcentre staff, and the Oakley review said:

"All of the conversations that the Review team held with Jobcentre Plus staff highlighted their dedication to trying to help claimants back into work and ensuring that the social security system was administered fairly and effectively."

That is what we need to keep doing.

The Bill rightly recognises that the position could be improved, because things can always be improved. There is a continuous assessment of what is right and what is wrong. We have had the independent Oakley review of sanctions, which recognised that work still needs to be done.

Debbie Abrahams: Is the hon. and learned Lady aware that Matthew Oakley gave evidence to the Work and Pensions Committee inquiry last year? He said that he was disappointed that the Government had not followed his initial review, which focused only on JSA claimants, and not on the very vulnerable incapacity benefit, ESA and UC claimants. He said that he was surprised and disappointed that the Government had not taken another approach to review those areas, too.

Lucy Frazer: I thank the hon. Lady for her intervention, but the Government have accepted a significant number of the Oakley review's recommendations. Of course we need guidance, but there is already some guidance from the DWP. The guidance lists a number of examples, including:

"The claimant provides a statement that he could not attend the jobcentre because he had to attend a job interview thirty miles...from his home. The DM writes to the claimant asking for details of the interview time... The claimant provides details which clearly show that he could not have attended the jobcentre at the time and day specified in the written notice. The details are provided after the five days, but they merely verify the claimant's original statement. The claimant has shown good reason within the five days."

Peter Grant: Will the hon. and learned Lady give way?

Lucy Frazer: May I finish the point? Guidance is already set out in the DWP documentation. Obviously not every scenario is set out, but it is the job of those working at jobcentres to help those who come before them.

Kevin Foster: My hon. and learned Friend may remember that certain cases from unemployment benefits case law used to be in the jobseeker's allowance regulations. One reason why they were removed in 2012 was to prevent them from being interpreted as a definitive list of cases. There are numerous scenarios and individual circumstances that just cannot be put into a list.

Lucy Frazer: My hon. Friend makes a very important point. It is always hard—this is a challenge in all legislation—to set out the rules to be followed when not every scenario is identified in the legislation itself.

Peter Dowd: The Chair of the Work and Pensions Committee, the right hon. Member for Birkenhead (Frank Field), has said:

"Sanctions are being applied at a scale unknown since the Second World War and the operation of sanctions on this scale has made for the most significant change in the post-war social security system. Yet the Government"

do not know for sure how much money has been withdrawn. Does the hon. and learned Lady not agree that more of the same process is completely useless?

Lucy Frazer: All the evidence suggests that over 90% of people do not go through the sanctions system at all, so the system works for a large number of people.

Peter Grant: Will the hon. and learned Lady give way?

Lucy Frazer: I will make a little progress.

I want to comment on three points that were made by the hon. Member for Paisley and Renfrewshire South in her speech. First, she identified that she was concerned about the facelessness of the decision maker, but there are many systems in other areas in which the decision maker does not know the individual. Many immigration decisions are made by someone who does not know the individual. Our judicial system rests on the basis that the judge is not familiar with the individual case and assesses those cases on the evidence.

Patrick Grady *rose*—

Mike Weir *rose*—

Lucy Frazer: I will make some progress.

Secondly, the hon. Lady questioned how people can provide evidence that a bus or a train was late. I can think of a number of ways of doing so, such as taking a photograph of the dashboard or asking a member of staff to provide evidence. Thirdly, she said that staff may be affected, but I have already covered that point.

In conclusion, the hon. Lady's Bill is important because we need to assess what works and what does not work. I welcome the call for consistency, because it is absolutely vital that we have a system that works fairly throughout the country.

Mhairi Black: Will the hon. and learned Lady give way?

Lucy Frazer: I am about to finish.

I welcome the fact that we have had a review—the Oakley review—and the fact that the Government have taken on board some of the recommendations. We must consistently and constantly strive to ensure that work pays, that we encourage people to find work and, at the same time, we must protect the most vulnerable.

12.27 pm

Mike Weir (Angus) (SNP): I normally say that I am very pleased to take part in a debate, but, unfortunately, I am not very pleased to do so today because we are having to discuss a terrible subject. I congratulate my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) on the way she introduced this very important Bill. I cannot match her passion and, Madam Deputy Speaker, you will be glad to hear that I will not match her length, but I want to make a few points.

I listened very carefully to what the hon. and learned Member for South East Cambridgeshire (Lucy Frazer) said. Nobody on the SNP Benches disputes the fact that working is important—we all want everybody who is able to work to be in work, and that should be fundamental for everybody in every political party—but when she was talking about decision makers, she mentioned that we have a judicial system in which the judge does not know anything about the case. The fundamental difference is that such a person can go to court and present their case to the judge, but that is not possible in relation to decision makers in this process.

I want to comment on some of the remarks made by the hon. Member for Bournemouth West (Conor Burns). I have always found him to be a reasonable chap, but I

was disappointed by what he said. He made a point—it is often made by Conservative Members—that taxpayers and benefit claimants are somehow different and neither the twain shall meet. He must realise that many of benefit claimants were taxpayers and probably will be taxpayers again in the future. He quoted Beveridge, but these people have paid into the system for many years, and they often find themselves having to claim benefits because they have had an accident, they are ill or have a mental illness, or for many other reasons. It is totally wrong to look at the two as different: benefit claimants have been and will be taxpayers, and they are trying to get from the system what they are entitled to, but the hon. Gentleman does not seem to accept that.

Michael Tomlinson: I, too, heard the speech of my hon. Friend the Member for Bournemouth West (Conor Burns). I understood that he was making a broader point about taxpayers. Will the hon. Member for Angus (Mike Weir) answer this question please: what is his view on the principle of sanctions? Should there be sanctions at all, yes or no?

Mike Weir: We are not discussing the principle of sanctions today. We are discussing a Bill that sensibly seeks to mitigate the current system. Whether there should be sanctions at all is another debate for another day, but it is not what we are debating today. Many Government Members have spoken about mitigations in the system. It is true that people can get hardship payments, but it can take many weeks. Not only that, but the hardship payments are a percentage of what people would get from benefits. Despite what many people seem to think, benefits are hardly over-generous in the first instance. People who get by on benefits find that they cannot get by on hardship payments.

Parts of my constituency are relatively prosperous. Many people work in the North sea oil industry, for example. In the downturn in that industry, people lost well-paid jobs. Many of them came to me absolutely flabbergasted at the amount of money they got by signing on because they had believed for so many years the rubbish pushed by some of our media that all people on benefits live the life of Riley, which is absolute nonsense.

The point has been made that there is nothing new in the sanctions system, which is correct—sanctions have been part of the system since at least 1996—but what is new is the number of sanctions and how they are imposed. The system is deeply flawed, and SNP Members have long called for a full independent review of it. Even the National Audit Office found in its recent report that a shocking 24% of jobseeker's allowance claimants received a sanction between 2010 and 2015 and that the rate of sanctions varies dramatically. That is not right and the Government must listen to the concerns about the damage that the application of benefit sanctions has on individuals and their families.

The report also states starkly:

“sanctions are not rare. A quarter of Jobseeker's Allowance claimants receive them at some point”,

which blows apart the Government's assertion that only a small minority receive them. Worse still, there is absolutely no consistency in the figures. The report finds that some Work programme providers made more than twice as many sanctions referrals as other providers

[Mike Weir]

within the same geographical area, even though claimants are randomly allocated, so that case load characteristics are identical for each provider. That would not happen in a fair system.

There should be no more than a minor variation if the system is used uniformly. Clearly it is not, which the Bill would address by adding a clear code of conduct. The point is that, wherever someone is subject to the system up and down the United Kingdom, the same principles would be applied, and it would not be left to individual variance from place to place. The NAO believes that the DWP does not use sanctions consistently, noting that sanctions referral rates

“have risen and fallen over time in ways that cannot be explained by changes in claimant compliance.”

The Bill that my hon. Friend the Member for Paisley and Renfrewshire South has introduced would make a start on the process. Hon. Members accept that it does not do away with the sanctions regime. She is very intelligent and knows perfectly well that such a Bill would never get through the House in its current form. However, the Bill would go a long way to ensure that there is a coherent, unified process for all jobcentres and that advisers take a claimant’s personal circumstances into account before issuing a sanctions. Advisers would be compelled to take into account whether a person is at risk of homelessness and whether they have caring responsibilities or a mental health condition that could be exacerbated if their benefits were sanctioned.

It is interesting to note that in March 2015 the Work and Pensions Committee published a report, “Benefit sanctions policy beyond the Oakley Review”, which recommended, among other things, that the Government take urgent steps to implement fully the outstanding recommendations of that report. To be scrupulously fair, the Government have taken some measures. They have trialled the yellow card system and we still wait to see what the outcome of that trial will be.

Mhairi Black: I thank my hon. Friend for giving way. I hope that the Minister will address that point at the end of the debate, because in a written answer to my question asking when the details of the yellow card system would be published, the answer was the end of November. We are now into December.

Mike Weir: When my hon. Friend has been here as long as I have, she will realise that a political month can go on for a very, very long time.

The point is that many of the people who are subject to sanctions are vulnerable or, frankly, leading chaotic lifestyles because of mental illness. In its comments on the Bill, SAMH, which has a scheme in my constituency, said:

“People with mental health problems are among the most vulnerable of benefit recipients, are disproportionately targeted to be sanctioned and are among the least likely to understand or be able to comply with the conditions attached to their benefit.”

SAMH also makes the point that

“Sanctioning this group...serves no purpose other than to make their illness worse and their personal circumstances even harder to cope with—making employment a less, not more, likely outcome.”

In response to a Scottish Government consultation last October, it added that

“The number of sanctions applied in Scotland doubled in the last year, and individuals with mental health problems are disproportionately affected.”

According to Mind, figures obtained by a freedom of information request in November 2015 showed that 19,259 people with mental health problems had their benefits stopped under sanction in 2014-15, compared with just 2,507 in 2011-12. That is a 668% rise in just three years, which cannot be just or right.

These people are already vulnerable. The reason that they are perhaps not fully compliant with the rules is not that they are wilful but that they are unable to do so. A sanction will make matters worse and will not make them more likely to get a job; in other words, it is a completely counterproductive process. In fact, it could be even worse than that, because these people are also the least likely to look into how they can then get a hardship payment or how they can appeal. We get people coming into my office after they have been sanctioned completely unaware of the system and how they go about appealing a sanction or how they go about getting a hardship payment, and that happens despite the work that we do and despite the excellent work that Angus Council’s welfare benefits team do to point people in the right direction.

There are people, particularly those with mental health problems, who simply fall through the cracks, and the danger of not having a unified system is that more and more people will fall through those cracks. Many other Members will have stories of people in similar circumstances. Crucially, however, the Government also did not accept the WPC’s recommendation that they should

“establish a broad independent review of benefit conditionality and sanctions, to investigate whether sanctions are being applied appropriately, fairly and proportionately, in accordance with the relevant Regulations and guidance”

that already exist.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Does my hon. Friend agree that it is not appropriate for somebody to be sanctioned in circumstances such as those of a constituent of mine, who was sanctioned when he did not turn up for a meeting because the letter about it was sent to the No. 5 in a different street to his?

Mike Weir: It is absolutely incredible that such a thing could happen, which just goes to show the difficulties there are in the system as it works at the moment.

Many Government Members have claimed that international evidence clearly shows that benefit regimes supported by conditionality reduce unemployment and that the regime in the UK is clear and effective in promoting positive behaviours to help claimants back into work. However, a recent study funded by the Economic and Social Research Council found that most claimants’ experience of welfare conditionality and sanctions was a wholly negative one, creating widespread anxiety and feelings of disempowerment. That is hardly a shock to those of us who have had to deal with the issue when they have turned to us for help.

More telling, however, is that a Government-backed employment project run by Oxford City Council and the DWP found in June that cutting benefit entitlements makes it less likely that unemployed people will find a job. It said:

“Conventional wisdom suggests that taking money off benefit claimants (eg by sanctions or cutting benefit rates) acts as a financial incentive to get a job. Our analysis says that the opposite is in fact true”.

Peter Grant: I have to disagree with my hon. Friend’s initial comment that he would not be able to match previous speakers’ passion, because I think he is doing that very well. In my constituency, when a major employer closed down, the DWP joined a taskforce to help the redundant workers back into work. The taskforce organised a half-day recruitment fair. Claimants who should have been signing on the day of the fair were told that they would be sanctioned if they met employers to get a job on the day they were supposed to sign on. Does he agree that changing legislation to prevent such things would improve the credibility and acceptability of any remaining sanctions?

Mike Weir: My hon. Friend makes an excellent point that again illustrates the complete illogicality of the system.

Research has linked sanctioning to food insecurity, demand for food banks and destitution. According to the Trussell Trust’s figures, benefit sanctions are a major contributor to its delivering more emergency food parcels in 2016 than at any other time in its history. The NAO has also thrown into doubt the cost-effectiveness of sanctioning. If we passed the Bill, we could start to reduce the number of needless, senseless and counterproductive sanctions by introducing into the system a clear code of conduct and a fairer means by which to look at the personal conditions of the person being considered for sanctions. The Bill builds on the good practice in some jobcentres, as my hon. Friend the Member for Paisley and Renfrewshire South fairly pointed out in her introduction. It would protect the most vulnerable from falling into poverty and prevent what are often already chaotic personal lives from getting even worse.

The Scottish Parliament is getting new powers to establish employment schemes to assist those at risk of becoming long-term unemployed and to support disabled people back into work, although benefit conditionality and sanctions remain a reserved matter. The Employability and Training Minister, Jamie Hepburn, has confirmed that the Work First Scotland programme, which will provide employment support for more than 3,300 disabled people from next year, will be voluntary and will not use the threat of sanctions. In a rare moment of agreement, I am pleased that the DWP has agreed that the programme can be voluntary and that no sanctions will be applied. I hope that this is a sign that the Government are now beginning to see the merit in looking at the matter afresh. From this small step, I urge the Minister to go further and to support the Bill, which would put the regime on a proper and consistent footing and in the process make a real difference to many people’s lives across the whole United Kingdom.

12.42 pm

Helen Whately (Faversham and Mid Kent) (Con): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on introducing the Bill, on the

enormous amount of work and research she has clearly done in preparing it and on the great sincerity with which she put her case to the House.

I am sure the hon. Lady will not be surprised to hear that I disagree with her Bill, but it is a good thing for us to talk about those in the greatest difficulty and about which parts of the welfare system do not always work. All Members, in their day-to-day work and casework, will have come across the examples we have heard today of parts of the system that do not work as intended and are not helping people as well as they should, and we all do our bit to make sure those mistakes and oversights—letters going to the wrong address, for instance—are corrected. In my experience, they are very often corrected. I am sure we have all had mistakes corrected for our constituents. The fact that there are mistakes—even though they might be awful mistakes—is not necessarily a reason to rip the system up and start again.

Chris Law: We all in the Chamber agree on the need to do our bit, but according to Trussell Trust figures more than 1 million food parcels a year—the highest number since the war—are going out across every constituency in the country. Is that not clear evidence that the system is not working. After the second world war came the post-war social contract, and this shows the worst parts of the breakdown of that consensus, which was once shared in the House.

Helen Whately: From visiting food banks in my constituency and looking into the issue, I know that there are many reasons why people are using them. I am sure we would all prefer it if people did not have to go to food banks, but there are many reasons why they do, so we should not point the finger entirely at the sanctions regime.

Chris Law: In that case, let us look at the Trussell Trust’s own statistics, showing that 44% of all food bank use is due to the two key areas of benefit delays and benefit sanctions. I believe it is our responsibility to resolve that matter. Does the hon. Lady not agree that when we are talking about nearly 50% of people using food banks because of a failure of the benefit system, it means that there is a fundamental and direct link between the two and that the Bill amounts, frankly, only to a modest gesture to help improve those circumstances?

Helen Whately: As I said a few moments ago, I do not agree with the proposed Bill. I do, however, think it right to work, as the Government rightly are, on ways to improve the system. Substantial steps have been taken already.

Chris Law *rose*—

Helen Whately: Let me make a little progress, because I am coming on to the steps that have already been taken to make sure that the system works better. The hon. Member for Dundee West (Chris Law) knows, and we all know, that the Government have been working very hard and are listening. They responded, for example, to the Oakley review and acted on its recommendations to make the whole system work better.

Kevin Foster: My hon. Friend is generous in giving way. Does she agree that we have already seen the number of JSA sanctions halved since March last year

[Kevin Foster]

and that the Government are dealing with ongoing reviews? Most of the arguments advanced so far in favour of the Bill have been about issues of human judgment, which will be exactly the same with the codes of practice and just cause listed in the Bill?

Helen Whately: My hon. Friend makes an extremely good point.

Mhairi Black *rose*—

Helen Whately: I understand that the hon. Lady wants to intervene, but will she let me make a bit of progress because I have hardly been through two sentences of what I was planning to say. I will, of course, allow her to intervene later, not least because she is so passionate about this subject.

I want to take a step back and talk about the overall system that is in place. We rightly have a safety-net benefits system so that nobody should have to live in abject poverty. This system is taxpayer funded and, as my hon. Friend the Member for Bournemouth West (Conor Burns) argued earlier, we should not forget that the money that funds the system comes from people's pockets—not just from the wealthiest, but from people who are not well off and those described as “just about managing”. We always need to ensure that the welfare system gets the balance right between supporting those who need help with their income and not taking too much money away from those who do not have a huge amount of money to spend in the first place.

Mhairi Black: The statistics show that the price of this sanctions regime as it currently stands and the subsequently overturned decisions is £50 million to the taxpayer. The Bill would change how benefit sanctions are administered. It is not about ripping the system apart, but about trying to make it more efficient precisely because we want to save taxpayers' money as well as a lot of the hassle that some people have to go through.

Helen Whately: The hon. Lady makes the important point that we should look for value for money from Government spending. That is absolutely right, but there seems to be some kind of error that the imposition of sanctions in its own right is all about trying to reduce the amount of money spent on benefits. My understanding of the benefits system is that it is part of a larger welfare system that is attempting to help people get into work. Work is an important aspect of the system and some money is spent to achieve that. It is the whole aim of the system around jobseeker's allowance, the Work programme and so forth.

Several hon. Members *rose*—

Helen Whately: Let me make a bit of progress to get on to my second page, and I shall take more interventions later.

My main point is that we should all agree that it is perfectly reasonable to expect that in return for receiving a share of somebody else's income as a benefit payment, the recipient should, if capable, make an effort to work. None of us wants a “something for nothing” culture—that

is not good for anyone—and, rightly, conditions are attached to benefits. As long as those conditions are reasonable, it is also reasonable to attach a penalty for not complying, which is what the sanctions system does. Underpinning that is the social contract, which was mentioned earlier by my hon. Friend the Member for Bournemouth West. The simple moral case is that people who hope to benefit from a society that gives them certain rights and supports them when they are in need must also take responsibility themselves.

Ms Ahmed-Sheikh: I am interested in the point that the hon. Lady is making about the social contract. Should not the same apply to all those women who paid into a contractual pension scheme—the WASPI women? Are they not also entitled to have that money paid back to them by the state?

Helen Whately: I think the hon. Lady is attempting to take us into a completely different debate. However—I am now looking at you, Madam Deputy Speaker—I will continue my remarks about the Bill. I think you are in agreement with me, Madam Deputy Speaker, because you are nodding.

Madam Deputy Speaker (Mrs Eleanor Laing): For the avoidance of doubt, when we are discussing a Bill the debate must be about what is in the Bill, or what might be in the Bill, not what could be interesting but is at a tangent to the Bill. The hon. Lady is wise to stick to speaking about the Bill.

Helen Whately: Thank you, Madam Deputy Speaker. Accordingly, I shall now deal with the practical case for sanctions.

The purpose and the effect of sanctions is to encourage people to take steps to find work. According to the Department for Work and Pensions, 70% of claimants say that they are more likely to stick to the rules, and to participate in the activity that will help them to get closer to work, if they know that their benefits could be withdrawn.

Anne McLaughlin: Will the hon. Lady give way?

Helen Whately: I must make a little bit of progress. Otherwise I shall be speaking until 2.30 pm, and I know that other Members wish to speak.

Claimants in that position are more likely to turn up for appointments with their work coaches, more likely to search for jobs online, and more likely to engage in Work programme activities that will help them to make their way towards finding a job. I recently visited Faversham creek, where Work programme activities include building boats. That is a fantastic activity, and I could see—and heard stories about—the enormous difference that it can make to participants. They gain real skills and meaningful involvement, which can take them closer to the workplace. The structure of turning up and doing the work is very good for their self-esteem, and the benefits are clear.

Chris Law: I thank the hon. Lady for letting me intervene again. She has spoken about how positive work is, and how it gives us all self-esteem and great

benefit. No one disagrees with that point, which has been made many times in the House, but let us be clear about the suggestion that sanctions somehow encourage or motivate claimants. The hon. and learned Member for South East Cambridgeshire (Lucy Frazer) said earlier that, according to the National Audit Office, analysis showed that sanctions work internationally, and I do not dispute that. My point is that, in the United Kingdom, analysis of the benefit sanctions system suggests that there is no evidence that sanctions imposed by the Department for Work and Pensions have a positive effect on job outcomes. Does the hon. Lady accept that?

Helen Whately: I shall come to the point about the evidence in a moment, but before I do so I want to say something about conditionality. I know that Opposition Members think there should be no sanctions at all. *[Interruption.]* The hon. Member for Paisley and Renfrewshire South has said that she opposes sanctions in their entirety, although I appreciate that the Bill is not intended to achieve that.

The problem is that if there are no sanctions, that brings conditionality into question. As other Members have said, conditionality has been a long-standing feature of welfare benefit entitlements since they were introduced at the beginning of the last century, and in the United Kingdom access to employment benefit specifically has always been conditional on recipients' being involuntarily unemployed and available for work. Sanctions have been a feature of the JSA since it was introduced in 1996 and they were continued under Labour as well as the coalition Government.

Nor is the UK alone in imposing sanctions; it is the norm in most countries to have conditions placed on receiving benefits. France, for instance, imposes sanctions if a jobseeker refuses two reasonable offers of work. Germany also imposes sanctions, as do the Netherlands, Switzerland, Denmark and Norway. A recent study covering international evidence from Germany showed sanctions increase the probability of leaving the welfare system for employment by over 50%. Another study in the Netherlands showed they increased the probability of going into employment by between 36% and 98%.

Anne McLaughlin: The hon. Lady said France imposes sanctions if somebody refuses two reasonable offers of jobs. There is a world of difference between that and imposing sanctions on somebody because they are five minutes late for an interview or for any number of other trivial reasons why people have had their money taken off them.

Helen Whately: I will come later on to the question about good reasons for sanctioning somebody. We do have to be careful. Examples have been given in this House, and we will have seen this in our own casework, where the reasons do not appear to be good reasons and sometimes they are indeed errors, but we should not base policy on those specific individual examples, although what we should do, as we all do, is follow up on those individual cases and make sure that where errors have been made they are addressed. That is exactly what the appeals system does.

Angela Crawley: I have a copy of the Bill, and the hon. Lady may wish to have one to hand. It states:

"Before sanctions or reductions...may be imposed...an assessment of the relevant circumstances"

or

"conditions...found to be satisfied"

are required. That is what the Bill asks for. Will the hon. Lady speak to the Bill itself?

Helen Whately: I also have a copy of the Bill to hand and the explanatory notes, and that is indeed what I am speaking about.

I wanted to make sure, however, that I had laid the groundwork on the important role sanctions play in a fair benefits system that is supporting everyone who can work to get into work. That not only reduces the number of people relying on other people's earnings for income, and not only helps give businesses and public services a much needed supply of workers, but it is generally a good thing for the individuals involved, because we know that work is generally good for us.

A recent paper by the Royal College of Psychiatrists called "Work and mental health" observed that although work can be a stressor for some people in some circumstances, a comprehensive review of the research shows that work is beneficial to health and wellbeing. It says that when people without work are re-employed they have an improvement in health and wellbeing, while further unemployment leads to deterioration. A lack of work is detrimental to health and wellbeing, and the health status of people of all ages who move off welfare benefits improves.

We also know children in working households have better outcomes in academic attainment, training and future employment. Work provides a route out of poverty for families and improves children's wellbeing and life chances as fewer will grow up in workless households. One of the great successes since 2010 has been the fall in the number of children living in workless households, so there are fewer children living in a household where there is often no routine, no rhythm of work, and no role model showing work is something we can, and should, do.

The hon. Member for Paisley and Renfrewshire South mentioned her visit to a job centre in South Thanet as part of her work as a member of the Select Committee on Work and Pensions. I have also visited job centres in Maidstone and Sittingbourne that serve my constituents and have observed the hard work the staff do to help the people who come to them get into work. I have been very impressed by my conversations with the work coaches and the active and sincere interest they take in helping their clients get into work—and their celebrations when people succeed, particularly those facing a real challenge to get into work.

Mhairi Black: I appreciate what the hon. Lady is saying, and ask her to join me in trying to get that same experience in those jobcentres to become the norm throughout the UK? This Bill seeks to spread that consistency and good quality of staff throughout the UK.

Helen Whately: I agree with the hon. Lady that it would be good to have a consistently high standard of support in jobcentres across the country. I do not agree, however, that a Bill is the right way to achieve that. There are other ways of achieving improvement across all the sectors of our public services. I have done an enormous amount of healthcare work, as she might

[*Helen Whately*]

know, and I do not believe that legislating from the top is necessarily the right way to reduce variation and bring everyone up to the level of the best. There are many ways of doing that that do not involve legislation.

Peter Dowd: I want to ask a specific question about the Bill. Clause 1 states:

“Before sanctions or reductions (“sanctions”) may be imposed on a person in receipt of social security benefits which will have the effect of reducing or restricting those benefits—

(a) an assessment of the relevant circumstances of the person must be carried out, and

(b) conditions in this Act found to be satisfied.”

What is the problem with that principle?

Helen Whately: I am going to deal with that point later in my remarks. As I was saying a moment ago to the hon. Member for Paisley and Renfrewshire South, legislation is not always the right way to achieve improvement. Personally, I believe that, where possible, it is better to give those who work in the public sector greater autonomy to do a really good job. That gives people an enormous amount of motivation, because they usually go into those jobs because they want to make a difference.

Kevin Foster: Does my hon. Friend agree that the example cited by the hon. Member for Paisley and Renfrewshire South of a jobcentre in South Thanet that was doing really well shows that this is not an issue that requires legislation? This is about ensuring that there is consistent management throughout the system, which does not require a new Bill.

Helen Whately: I completely agree with my hon. Friend. He mentioned the jobcentre in South Thanet, and I want to correct the hon. Member for Paisley and Renfrewshire South on that point. I do not want to do South Thanet down, but I represent an area of Kent that is not far from there, and I know that South Thanet has enormous challenges as a result of deprivation. It is not only the most challenged area of Kent but the 35th most deprived area in England and Wales. There are lovely parts of South Thanet, but it is not normal to describe it as leafy and affluent, as she appeared to do.

I have seen how the very good jobcentres around my constituency provide personalised, tailored support. For example, they might help an individual to find the right childcare to enable them to get into work. They might also help people living in rural areas to overcome transport challenges. That personalised service is possible in the current system because of the level of autonomy and responsibility given to work coaches, and I would be wary of any legislation that might reduce their ability to tailor their support to individuals.

I have already acknowledged that the system is not perfect. No one would suggest that a system providing support to thousands of people could be perfect. One strength of the system is that it has been designed specifically to keep decision making local and to take account of an individual’s circumstances. It offers flexibility, and where there is flexibility, there will be some variation. There is work to be done to ensure that the variations are not too great and to bring all jobcentres up to the

level of the best, but that is not a reason to legislate nationally. As we know, when mistakes are made, there is a right of appeal.

Mims Davies: I support my hon. Friend’s point. Investigations by my team sometimes lead to grave concerns. Caseworkers around the House are constantly doing work on the inconsistencies in the system and the opportunities to improve it. In a long process, the failure to provide information and the necessary documentation and attend assessments is often part of the issue. Where they exist, local relationships are important when trying to unpick why people have got into such situations.

Helen Whately: My hon. Friend makes an important point about the value of the relationship that the individual has with their work coach, who can support them when going through some processes. MPs also play an important role. I am currently supporting two constituents in their appeals. One was sanctioned after missing an appointment because they could not read their appointment card and another was sanctioned on the grounds that they did not use the right website to look for a job. We know that there are times when the system does not work as it should and we can support constituents who are going through the appeal process.

Anne McLaughlin: I thank the hon. Lady for taking another intervention from me. Does she agree that the vast majority of people will not go to their MP to ask for support? We see a tiny percentage of the people who, like in her example, could not read their appointment cards—there is any of a number of reasons. The others are not getting the support that they need. It is good that the hon. Lady supports those who do come to her, but she is not seeing the majority.

Helen Whately: It is impossible to know how many people do not go to their MP, but I make my best efforts to be as accessible as possible to my constituents so that people know that they can come to me for help. What I find when following up on individual cases with the DWP, whether relating to sanctions or other problems with the benefit system, is that it is extraordinarily responsive and willing to review cases and reverse decisions that turn out to be flawed. I am reasonably confident that the DWP steps up and corrects mistakes when they are made.

Hannah Bardell: I cannot help but notice a deep irony in the hon. Lady’s comments. She cites examples of where the system has failed and of when her constituents have not been served well, and my hon. Friend the Member for Paisley and Renfrewshire South is bringing forward a Bill that will help all our constituents and help the system to be fairer. How can she not see that irony and not support the Bill?

Helen Whately: I wonder whether the hon. Lady has been listening to what I have been saying. I think I have recognised that the system has problems. Mistakes will be made in any system of such a scale, but that does not mean that the answer is to impose some more top-down legislation. It is better to try to improve how the system

works and to support jobcentres that might not be doing so well to come up to the level of those that are doing best.

Kevin Foster *rose*—

Mhairi Black *rose*—

Helen Whately: I will happily give way to my hon. Friend.

Kevin Foster: My hon. Friend is being generous with her time to both Government and Opposition Members. The key point is that the NAO report will be considered by the Public Accounts Committee, which will then produce recommendations. We keep returning to the fact that what is in the Bill would still be subject to discretion. We are talking about management issues and ensuring consistency and they do not require a new law.

Helen Whately: My hon. Friend is absolutely right. I will now happily take a short intervention from the hon. Lady.

Mhairi Black: I am genuinely grateful to the hon. Lady for allowing me to intervene. First, I am more than happy for this Bill to be looked at and to have different inputs, so the Government should support it in principle and we can then thrash out in Committee the technicalities of how it can be implemented. Secondly, if the Government are genuinely interested in listening, it might be an idea for the hon. Lady to speak to the Secretary of State for Work and Pensions. I have been trying for weeks to get a meeting with him to discuss the Bill, but I am yet to have even a reply.

Helen Whately: My experience is that the Government are genuinely listening and, as we have heard in many examples today, have repeatedly responded to recommendations about improving the system. There is a continual process of listening and improving. But, no, I do not agree with the principle of the Bill, which is to legislate to address what are essentially problems with the management and implementation of the current system.

Victoria Atkins: I am extremely grateful to my hon. Friend for giving way. I commend her for thanking the members of staff in her own jobcentres. If I may, I will join her and thank the staff in my own constituency of Louth and Horncastle. May I just ask this question? Clause 1 (1)(a) says that

“an assessment of the relevant circumstances of the person must be carried out”.

Does that not happen already?

Helen Whately: My hon. Friend is right that those circumstances are considered already, so much of what is in the Bill duplicates what is already done, and is included in extensive guidance to work coaches.

Peter Dowd: Will the hon. Lady give way?

Helen Whately: I wish to move on now to speak about mental health.

Peter Dowd: Just briefly, please.

Helen Whately: I will give way briefly.

Peter Dowd: The hon. Lady says that legislation should not be introduced when it is not necessary, but the Government are poking their noses in all sorts of places where they should not be, so why not here? *[Interruption.]* She does not like legislation, but what about a code of conduct setting out the procedures, tests and standards to be followed and applied in carrying out assessments? What is wrong with a code of conduct laid down via regulation?

Helen Whately: As I literally just mentioned, there are already extensive guidelines, so why add to them with another code of conduct? It is simply duplication.

I wish to move on now to mental health. I am chair of the all-party group for mental health, and I recognise that there have been particular problems with sanctions being imposed on people with poor mental health. We know that people with mental health problems have been disproportionately affected by sanctions, partly because of the complex and fluctuating nature of those conditions, and that sanctions have caused them a great deal of stress and anxiety.

Mind, the mental health charity, has made the point about the great number of people with mental health conditions who have been receiving sanctions. In its evidence to the Work and Pensions Committee in 2014, it talked about the problems with the way that people with mental health problems were being supported in the benefits system, and those problems persist. We know that an individual’s mental health problems are not always well understood by the people in the jobcentres, and that some of the activities required of them as conditions for receiving benefits can be inappropriate and are sometimes thought to move them further away from work. That can be the case despite the fact that people with mental health conditions frequently very badly want to work.

Efforts are already being made to support people with mental health problems into work. Work coaches already receive guidance specifically on how they can best support people with mental health conditions. For instance, the definition of people regarded as “at risk” now includes those with mental health conditions, so hardship payments can be expedited. In recognising the challenge for people with mental health problems getting into work, the Government have recently published a Green Paper, “Improving Lives”, which is a joint effort between the Department of Health and the Department for Work and Pensions. I very much welcome it, as it recognises that there is a large employment gap between those in good health and those with long-term illnesses—physical and mental—and it sets out a series of proposals to try to improve that situation. One proposal seeks to improve the support for people with mental health conditions, including developing the employment offer alongside talking therapies, enhanced training for work coaches to support people with mental health conditions, more disability employment advisers, and personal support packages offering better tailored employment support for people with health conditions. That set of proposals must be a reminder to everyone here how committed the Government are to helping people with health conditions

[*Helen Whately*]

into work, particularly those with mental health conditions. The Government are doing an enormous amount to help people in these situations. The Green Paper is very much part of a common theme of the Government listening, responding to the situation and trying to make the system better.

On the other actions the Government are taking, we have heard that they accepted the recommendations of the Oakley review. The Work and Pensions Committee, in its recent follow-up review, said:

“We welcome DWP’s acceptance of the Oakley Review’s findings, and the steps that it has taken towards implementation of the Review’s recommendations.”

The Government have accepted many of the recommendations in the Select Committee’s follow-up report, including trialling the yellow card system, so claimants will have 14 days’ warning before they are sanctioned, and we will soon hear how that has gone. The Government have been issuing comprehensive guidance to staff to improve awareness of how JSA conditions can be varied to take account of the claimant’s physical or mental health condition and caring responsibilities. The Government have also provided for claimants to agree with their work coach any restrictions in their pattern of availability and/or in the type and hours of work they are capable of doing, as long as the restrictions are reasonable in light of their condition. Therefore, all JSA claimants should have conditionality requirements that are tailored to their specific circumstances. As more people move on to universal credit, more will benefit from its even more tailored approach.

To conclude, given all that is being done to improve the system we have—a system that is rightly designed with a level of flexibility to allow for improvement—the Bill is unnecessary and unhelpful. It is unnecessary because it seeks to legislate for things the Government are already doing. For instance, there is guidance that requires an assessment to be carried out of whether hardship payments are appropriate. There is also a whole set of guidance about things that would count as good reasons for a claimant not to attend an appointment or make their Work programme commitments. Those good reasons include things such as homelessness, travel time, domestic violence, bullying, harassment, mental health conditions and learning difficulties.

I could go on, but as has been said, that list is not intended to be exhaustive, and it gives scope for judgment on the part of the decision maker. Critically, the system we have is intended to support and enable work coaches to give flexible support to the individuals they are helping into work. It is intended to give some autonomy and responsibility to jobcentres in supporting people into work.

What we should not try to do where a system does not work perfectly is always to centralise and always to legislate. It is better to persist with an approach that is about improving the way the service works on the ground. My experience of work coaches is that they are thoughtful and doing their absolute best for the individuals they are trying to help into work, and I absolutely support them. What they have told me they need more than anything is time to spend with the individuals they are supporting. What they do not need is more complexity, more legislation and more rules that might get them

into legal knots. Let us give them the support and the time to do the best possible job by the individuals they are helping into work.

1.18 pm

Anne McLaughlin (Glasgow North East) (SNP): Today started so well. My hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) took us on an incredible journey through the sanctions system, explaining why we need the Bill to pass, and many of my colleagues and many Labour Members made really powerful interventions—but then things just started to go wrong. I am standing here feeling like I am banging my head on a brick wall. I feel powerless. As an MP, I feel that I can do nothing to get the message through and to make people understand. If I feel powerless, depressed and, to be honest, close to tears at times, how on earth must somebody who actually has no power and who is at the mercy of this Government when they are using the benefits system be feeling. I do not even want to make this speech, but I will anyway.

As MPs, we often have to manage the expectations of our constituents. I would say that I am pretty good at fighting for them, sometimes tooth and nail—as no doubt are many others who have talked about supporting people in difficult situations—but we have to let them know that we do not have a magic wand. If I did have a magic wand and could make it do something today, I would get rid of the pernicious sanctions in the benefit system, because they are cruel and unnecessary.

I always say that the Conservative party knows the cost of everything and the value of absolutely nothing, but the sanctions do not even tick the Conservative box of being cost-effective. The irony is that, despite all their clamouring to reposition themselves as the party of working people—that is even more laughable—the Tories are simply showing their true colours by allowing the system to persist.

My hon. Friend’s Bill is based, quite rightly, on the premise that having a decent job is in an individual’s interest, as we have heard from the hon. Member for Faversham and Mid Kent (Helen Whately). I agree with that, and the vast majority of people will try their level best to get one where one is available. The Government, with their usual deeply cynical view of humankind, have developed this policy based not on their view of the value of work, but entirely on their disdain for those who happen to be without it.

Michael Tomlinson: Will the hon. Lady give way?

Anne McLaughlin: Not yet. I am going to talk about my mother, who is slightly more important to me than the hon. Gentleman. My mother regularly told me—I was a not-too-confident child—that I was as good as anyone else. She said that I was no worse and, being Scottish, no better, but as good. Let me tell those on the Government Benches today—not all of them need to hear this, but most of them do—that the same goes for us all. My constituents, whether they are in work or not, and whatever their reason for being out of work—whether illness, lack of jobs or a lack of self-confidence—are every bit as good as every one of them. Government Members are not better than my constituents. They

may have been treated better in life and had better opportunities, but that does not mean that they deserve better, because they do not.

Michael Tomlinson: Truly, I am very grateful to the hon. Lady for giving way. She and I have had many discussions and exchanges about this subject, the first almost exactly a year ago. She speaks with great passion, but Government Members have no less compassion than Opposition Members. She has mentioned her constituents, but all our constituencies have examples such as those that she has cited. She spoke a few moments ago about the principle of sanctions. Will she be crystal clear: would she get rid of the sanctions system altogether?

Anne McLaughlin: That is not what we are talking about, but as a special treat for the hon. Gentleman, I will come on to that and be very clear about what I think about the sanctions regime.

Chris Stephens: I remind everyone in the Chamber that the Public and Commercial Services Union, which represents DWP staff, supports the Bill, because too often its

“members in DWP are forced to implement the policy against what they know is in the best interests of claimants.”

Anne McLaughlin: That is absolutely right and I completely agree. I am glad that my hon. Friend has brought that up again.

The hon. Member for Mid Dorset and North Poole (Michael Tomlinson) has said that Government Members have as much compassion as Opposition Members. I suppose that depends on his definition of compassion. Was the hon. Member for Bury North (Mr Nuttall) compassionate when he said that people were terrified of getting a job? In other words, he was saying that they are lazy and workshy. Then, when we attacked him for saying that, he sniggered.

Mr Nuttall *rose*—

Anne McLaughlin: Let me think: do I want to give way to somebody who speaks about my constituents in that way? No, I do not. My constituents who are out of work are every bit as deserving of a decent life as any Government Member. If they agree with that, they need to ask themselves how valued and respected would they feel if someone stood over them, pointing the finger, tutting away, treating them like naughty schoolchildren and taking away their entire income by way of punishment for minor misdemeanours. Except they cannot imagine that, because most of them—I take the point made by the hon. Member for Bournemouth West (Conor Burns) about being unemployed—have been nowhere near that kind of life. Well, lucky them.

Several hon. Members *rose*—

Anne McLaughlin: Who wants to come in?

Hannah Bardell: I thank my hon. Friend for deeming me worthy to be given way to. On contrasting lifestyles, does she share my disappointment and alarm about the fact that we can have legislation that targets some of the poorest people in society, but we cannot find the legislative

means to tackle people such as Philip Green who have stolen workers' pensions but who are happy to keep their own yachts and who are taking away from people at the bottom of our society?

Anne McLaughlin: Absolutely. Without wanting to put words in my hon. Friend's mouth, I wonder whether she is suggesting that there is a bit of political ideology behind all this.

The Bill does the best that we can do, working within the system. The Government cannot really argue with what is proposed, because they claim that they do it anyway. They claim that they already take people's circumstances into account. If that is the case, they should just agree to the Bill. The hon. Member for Bournemouth West said that he would not support the Bill because my hon. Friend the Member for Paisley and Renfrewshire South had said that she was opposed to sanctions, full stop. I want to know how supporting the Bill is going to end the sanctions regime. It is not; it is going to make the regime a little bit more humane, but there is, sadly, nothing in the Bill that will end the sanctions regime.

Conor Burns *rose*—

Anne McLaughlin: I will let the hon. Gentleman come in if he will answer my question. Why is he not supporting the Bill? He said that he would not do so because the Bill will end the sanctions regime. Nothing in the Bill says that it will, so why will he not support it?

Conor Burns: There are very good reasons not to support the Bill that do not relate to the comments that the hon. Member for Paisley and Renfrewshire South (Mhairi Black) made about her approach to sanctions in general. Much of the Bill duplicates what already happens, and it would increase bureaucracy. I have also made the point that the Government have listened consistently, and they have improved and changed things. It might be a timely moment for the hon. Member for Glasgow North East (Anne McLaughlin) to fulfil her promise to answer my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) about her approach to sanctions in principle.

Anne McLaughlin: I am going to repeat what was said by my hon. Friend the Member for Glasgow South West (Chris Stephens). The staff at the DWP are supporting the Bill. They want clarity, and they think that they do not have it. They are on the frontline doing the job, so if they think that they do not have that clarity, we should listen to them.

Mhairi Black: Is my hon. Friend frustrated, as I am, about the fact that Government Members seem to be applauding themselves for being so good at listening, but they have not listened for the last three hours, while we have told them how the system is not working and why we need the Bill to formalise what should be happening?

Anne McLaughlin: Absolutely. As I said at the start, I feel as though I am banging my head off a brick wall. In fact, I think that that might be a better use of my time.

[Anne McLaughlin]

If we are already doing this, the requirement in the Bill for someone's caring responsibilities to be taken into account when considering a sanction happens already, does it? Tell that to my constituent Claire, a single parent who was summoned to an interview with the jobcentre on a day the following week at 3 pm, the exact time that her six-year-old gets out of school. She asked whether the meeting could be changed to 3.30. No. Could it be changed to earlier in the day? No. Could it be changed to another day? No, it had to be on that day at 3 o'clock, the time that she needed to pick up her child from school. She said, "Should I leave my child there, or should I take my child out early?" She was told, "We don't care, as long as you get here, and if you do not get here at 3 o'clock on that day, we are sanctioning you." Were her caring responsibilities taken into account? No. I do not want to hear that that was an incorrect decision or an isolated case. I am sick of hearing that. It was not an isolated case, because we hear about this all the time. I could talk about it until midnight and I would not get through, such is the number of times I have heard about it.

Hannah Bardell: I thank my hon. Friend for being so generous in giving way. When it comes to the system not working, does she agree that we have heard about very many cases and it is quite clear that Conservative Members are not listening? A constituent of mine, who had Parkinson's and who fell twice coming to my office, had been sanctioned—against the DWP's own recommendations that people with degenerative diseases should be treated through a paper process and not be subjected to interviews. Twice I wrote to the DWP, but only when I brought his case to this Chamber was it properly dealt with. That is not how the system should work, and the Bill would address that.

Anne McLaughlin: Absolutely. I congratulate my hon. Friend the Member for Paisley and Renfrewshire South on proposing this Bill, and I thank her on behalf of many of my constituents. If the Bill is successful, it will provide some protection. If not, it will at least have raised the issue again, and people out there will know that somebody in here cares about what happens to them.

I will start—I say "start," but I have been going on for quite a while—by offering the treat that the hon. Member for Bournemouth West is looking for by arguing against the entire sanctions regime. I challenge him to respond to my arguments. I saw Government Members being given a sheet of paper with a list of suggested interventions, but I have experience, and lots of it, on my side, so challenge away.

I will argue on three levels. First, there is the financial argument. I will use only factual arguments, and the sanctions regime costs us more to run than it saves—that is before we look at the long-term hidden costs. Secondly, there are the academic arguments. Conditionality in the welfare system does not work. It is not me making that argument; it is academics. I will share their findings, and let us see whether Government Members have actual evidence to the contrary—not opinions, but evidence. Thirdly, I will make the moral argument, and here Government Members can make a counter-argument

because we all have a different moral compass—morality can be subjective, a matter of opinion. My opinion, for what it is worth, is that anybody who thinks it is right that we sanction the benefits of people who are already in poverty needs their compass reprogrammed pronto.

Patrick Grady: I thank my hon. Friend, who is my MP, for giving way. Is it not ironic that we interrupted today's debate to talk about the UK's response to global poverty and the sustainable development goals? Does she recognise, as I hope the Minister does, that the Government have a duty to meet those sustainable development goals and eradicate poverty here at home, too? In fact, as we have heard in all the testimony today, the sanctions regime makes that poverty worse.

Anne McLaughlin: I agree with everything my constituent says. On the financial argument, let us look at the hidden costs. We do not know how much those hidden costs amount to, but it does not take a genius.

Mr Nuttall: The hon. Lady has just said that we do not know the costs. Earlier in this debate, the hon. Member for Paisley and Renfrewshire South (Mhairi Black) suggested that the explanatory notes contain figures on the cost of the Bill. I have looked again at those explanatory notes, just in case I had missed it, but it turns out that I had not missed anything. All the notes say is that, in relation to clause 9 on financial provision,

"The Bill will require a money resolution to cover increased expenditure under the Bill."

There would clearly be increased expenditure. When the hon. Member for Glasgow North East (Anne McLaughlin) talks about the costs, will she explain how much the increased expenditure will be?

Anne McLaughlin: If it is in order for me to say so, that is the last time I will let the hon. Gentleman intervene. When there is expenditure, it is about political choices. I choose to support people who are at their lowest, and I choose not to pay £400 million to redecorate Buckingham Palace. As he knows, I was talking about the long-term hidden costs.

Victoria Atkins: I am grateful to the hon. Lady for giving way. She is contrasting supporting the most vulnerable with paying for Buckingham Palace. I speak on behalf of my constituents, and their median salary is £480 a week. I am not talking about Buckingham Palace; I am talking about being fair to people in my constituency who earn £480 a week. I am sure she agrees that that is not a great deal of money, and those people require fairness, just like the vulnerable people who Members on both sides of the House have mentioned.

Anne McLaughlin: That reminds me of a constituent who wrote to me about his benefits being sanctioned for 13 weeks and about how he is now back in work and how he hates benefits scroungers because they caused the sanctioning to happen.

Victoria Atkins *rose*—

Anne McLaughlin: Will the hon. Lady let me develop my argument? That is just about turning people with very little against people with nothing. My point is that the Member for Louth and Horncastle—

Victoria Atkins: The hon. Member for Louth and Horncastle.

Anne McLaughlin: The hon. Member for Louth and Horncastle, because the most important thing in this debate is that I say “hon. Member”, is it not? She said that she is not talking about Buckingham Palace, but her Government are, and she is supporting the Government to redecorate Buckingham Palace, while saying that we cannot support people.

The other thing is that the people on £480 a week may well be unemployed at some point and may well face benefit sanctions.

Victoria Atkins: Will the hon. Lady give way?

Anne McLaughlin: No, I will not let the hon. Lady in again.

It does not take a genius to work out that it will cost more if we put people out on the street. My hon. Friend the Member for Paisley and Renfrewshire South cited the figure from Crisis, which has done some studies. It found that 21% of the people it spoke to said that they became homeless as the result of a sanction. How much is it going to cost to rehouse people and to deal with the health and mental health problems that result from their having nothing, losing their home and being on the street? All sorts of figures are being batted around, but according to a story in Scotland’s *Daily Record*, the National Audit Office has said that, when the figures are added up, it costs £135 million more per year to implement benefits sanctions than we save by them. I think that that proves the financial argument.

On the academic argument, I have a report on welfare conditionality from the Universities of Glasgow and York. I am happy to send it to people if they want to read it. The report shows that conditionality in the welfare system does not work, if by “working” we mean that it helps people to move into employment. It does not help people into employment. The first wave of findings found that, in all the research on the impact of the current sanctioning regime, only one individual thought that sanctioning made them more active, which is less than 2% of those interviewed. Later, I will read out what somebody said.

Patrick Grady: The hon. Member for Bury North (Mr Nuttall) mentioned the need for a money resolution if this Bill is to progress further, but the Government have not tabled a money resolution for the last private Member’s Bill that was approved by the House. Even if we have a vote and the House gives this Bill a Second Reading, there is no guarantee that the Government will let it progress any further.

Anne McLaughlin: That is absolutely correct, and what does that say about the democracy of this place?

The fact is that most of the respondents in the research were already keen to find work—most people are—and even the practitioners who are imposing the sanctions regime are sceptical about its benefits. As we have already heard, DWP staff are under incredible pressure. When I spoke about the aspirations they have to reach, the hon. Member for Bournemouth West challenged me to provide the name of the whistleblower who told me all about this, and then just hope that they

stay in employment. I will not do that, but I will point him to an article on a journalist’s website called “Common Space”, in which Fraser Stewart talks about how he gave up his job and became unemployed because he could not bear to keep up with the targets or aspirations that were set for him. The hon. Gentleman can have a look at that, although I am surprised he does not know about it already.

I was glad to read the research to back up what I have always known, which is that conditionality does not work. I do not think people have to be that bright to see why it does not work to have somebody standing over them telling them, “You must do it”. I wonder how many of the Conservative Members who have spoken today require a stick to be wielded over them for them to go out to find work. *[Interruption.]* They have the Whips—that is a very good point—but how many of them went out into the world of work and said, “I’m not going to bother doing this”. What makes them so special, because they will all say, “No, no, I always wanted to work”? I was always keen to work, but so are most people. Most people have aspirations.

Hannah Bardell: I promise my hon. Friend that I am intervening on her for one last time. Is she aware of this year’s “Welfare Conditionality: Sanctions, support and behaviour change” project report? It states that “the impacts of benefit sanctions are universally reported by welfare service users as profoundly negative.”

It also found that sanctions have pushed some people into committing survival crime. Is not the fact that people in our society are pushed into committing crimes just so that they can survive a shame and a stain on our society?

Anne McLaughlin: That is an absolute shame on our society, and it costs more money, because when people commit crimes, we have to detect them and punish criminals.

I want to talk about a friend—*[Interruption.]* Wheesht! If an hon. Member wants to intervene, they can do so.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I will just make it clear that the hon. Lady is quite right in saying “wheesht”. We cannot have sedentary interventions.

Anne McLaughlin: Thank you, Madam Deputy Speaker.

I want to speak about a friend who has been through the system and tell Members what was done to her. She asked to change her signing on day because she could not find work and wanted to set up her own business. She was given a fantastic opportunity to present to 60 people in the industry that she wanted to go into. She could not have had a better opportunity, so she asked to change her signing on day. They said no. She said, “But I’ll lose this opportunity.” They said, “Tough.” She said, “But I have to go.” They said, “That’s fine, but we will be cutting your benefits if you do.” The Minister is looking perplexed, which is how he looked at my Friend the Member for Glenrothes (Peter Grant).

Peter Grant: Honourable Friend.

Anne McLaughlin: May I just say that I think everybody is honourable in case I forget to say it again?

[Anne McLaughlin]

These are not isolated cases. My friend could not do that presentation and had to sign on because she could not afford to lose unlimited amounts of that meagre income. She had to refuse that business opportunity. The damage it did to her reputation and self-confidence was incredible. She could not say to the person inviting her to the conference, “I’m awfully sorry but I have to go and sign on that day,” because she was positioning herself as a serious business person. She lied, but did so unconvincingly and was offered no more opportunities. The impact on her self-confidence and ability to apply for further jobs or develop her business was dramatic. I know that because the person I am talking about is me.

That was only three years ago. The decision did not make me any more likely to find work; it made me far less likely to find work. I felt powerless and my confidence went. I continued to apply for jobs, but how many jobs will someone be offered when the words they write make it quite clear that they are not feeling it and do not have the confidence to do the job? If I have time, I will tell a story of being unemployed that shows why conditionality does not work, and what does work.

I have no notes on the moral argument because it should go without saying. Let us take one single person—this is not about parents who are struggling to feed their kids—who is living on £73 a week. Does any hon. Member imagine that that is easy or manageable?

Victoria Atkins: Will the hon. Lady give way?

Anne McLaughlin: No. I want to talk about the people who need to be talked about.

It is a struggle. If that person’s washing machine breaks down, they cannot get it fixed on £73 a week. They have holes in the bottom of their shoes and it is raining non-stop—perhaps that is just a Glasgow thing—and cannot afford to buy new shoes. They cannot afford to be part of what their friends and family are part of. The Member for Louth and Horncastle (Victoria Atkins) said that they can apply for 60% of their benefits, which means they can get £40 a week if they know about it and if they are successful. They cannot live on £73 a week, never mind £40 a week. That is immoral. The only reason for sanctioning is to say to people, “You are too lazy and you are workshy.” It is punishment and that is all it is.

I had bad and good experiences. My good experience was that I had an adviser who had faith in me. He built my confidence. I had already been a Member of the Scottish Parliament. It was not as if I was lacking in confidence, but it goes instantly when people are treated as if they are children, or as if they are workshy and do not want to go out and earn their own living. Nobody wants not to work. There are reasons why people do not apply for work, and we need to investigate them. They might be lacking in confidence. I have met so many people who say, “Who would employ me?” So they are not applying for jobs because they think, “Who would employ me?” Nobody is helping the and people are taking their money away from them, so that they lose even more confidence. It is unacceptable and it just does not work.

I have not seen the film, “I, Daniel Blake”; I just need to go to a constituency surgery; I do not need to see the film. However, I will see it and we should all thank Ken

Loach for making it—I want everyone to see it. I am not saying that members of the Conservative party do not know anything about real life—I would not say that—but for those who have not experienced anything like this situation, please go and watch it. Government Members said it was fiction but it is based on fact.

Michael Tomlinson: You have not seen it.

Anne McLaughlin: I have not seen it—I do not have to see it.

Michael Tomlinson: Will the hon. Lady give way?

Anne McLaughlin: No, I will not, but I will respond to that point. The hon. Gentleman is saying, “She’s not seen it”—incredulously. I do not need to see it; I have lived it. I do not have to see it, but I will go and see it.

My hon. Friend the Member for Paisley and Renfrewshire South mentioned our top-notch researcher, Tanya. Tanya told me that she went to see “I, Daniel Blake”, and came away thinking, “What is the point of any of this that we’re doing?” Are Government Members proud that they have made her feel that way, that they have made her feel as if she is powerless to help anybody? She was in tears. I guess that is what the sanctions are all about. They are about grinding people down, so that they know who the bosses are, making them know exactly how powerless they are—

Michael Tomlinson: Will the hon. Lady give way?

Anne McLaughlin: I will not give way to somebody with lots of power; I want to talk about people with no power. The reality is that the true motivation behind these sanctions is political ideology that says, “We are better than you”.

Now, if this Bill is not passed today—I am guessing that we will not get it through today—[*Interruption.*] There they go again, Madam Deputy Speaker, telling me that I do not have the right to speak. I am sick of hearing that in this House. It is important that what we are saying to people here is—

Victoria Atkins: On a point of order, Madam Deputy Speaker. I know that passions are running high in the Chamber but I do please ask the hon. Lady to reflect what Members across the Chamber are saying—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. If the hon. Lady is making a point of order, she must make it to the Chair, not to the hon. Member for Glasgow North East (Anne McLaughlin). If she wishes to make a point of order, she has the opportunity to do so.

Victoria Atkins: I am extremely grateful and this is the first point of order I have ever made, Madam Deputy Speaker, so forgive me if I do not know the procedure. The hon. Lady has made assertions about what has been said by Government Members, but the things she is asserting simply have not been said. The claims that we have been accusing people on benefits of being scroungers and what she has just said are simply not true.

Madam Deputy Speaker (Mrs Eleanor Laing): I appreciate that it is the hon. Lady’s first point of order, but it is not properly a point of order. It is not for the

Chair to decide what any particular Member can say, but I am quite sure that the hon. Lady for Glasgow North East will temper her speech so as to reflect what has been said, not what might be said, but the hon. Lady has the right to say whatever she likes, within reason, and she is speaking within perfect reason in this House.

Chris Stephens: On a point of order, Madam Deputy Speaker. Would it be in order to remind Members of the House, including the hon. Member for Louth and Horncastle (Victoria Atkins), that they should not shout across the Chamber at each other when an hon. Member is speaking?

Madam Deputy Speaker (Mrs Eleanor Laing): Again, the hon. Gentleman has made his point. It is not a point of order as such, but I am well aware, and I have already said a few times in this debate, that we must not have sedentary interventions, that people must not shout when they are not taking part in the debate, and I will make sure that they do not do so. At the same time, this is a heated debate on an important subject and I cannot reasonably expect everyone to sit in silence—that would be uncharacteristic.

Also, I have every confidence in the hon. Lady for Glasgow North East being able to conduct this part of the debate with perfect precision and indeed rhetoric.

Anne McLaughlin: If I must, Madam Deputy Speaker.

Somebody does not have to use the words “benefits scrounger” to imply that somebody is a benefits scrounger; they just have to apply vicious sanctions to them because they were five minutes late for an appointment, or because they attended hospital with their wife when she was giving birth.

I will end by sharing the story of two of my constituents, who I met during the election campaign a year and a half ago. I bumped into them and their beautiful two-year-old daughter on the street, and they told me that the day she was born, he went with his wife as she gave birth. Does anybody here think there is anything wrong with that? Does anyone think that the right decision was to say, “Sorry, I’m going to sign on”? He forgot all about it in the euphoria—well, euphoric for him, if not for her—and was at his wife’s side as she gave birth. The following day he went in, euphoric—“I’ve had a baby”—but apologising, and they sanctioned that young couple, and that tiny little baby. Her first ever birthday gift was a six-week sanction—not a single milk token, not a single pound to support that family.

I feel that my language has been as tempered as I can get on this subject. When I hear such stories—it is not an isolated case; I have heard so many like it, as I have said before—I find it difficult to retain a calm demeanour. My priority is to support my constituents. The hon. Member for Louth and Horncastle is looking at me as if to say, “I would never have done that to them”, but she supports a regime that allows it to happen. That is the important point.

1.51 pm

Mims Davies (Eastleigh) (Con): It is a pleasure to follow the lively, considered and very honest speech from the hon. Member for Glasgow North East (Anne

McLaughlin), who shared her personal journey. The House is at its best when we share our personal experiences, as we have heard from across the House today.

I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on producing the Bill; it was no easy feat. I am sure that many hours and much hard work went into it. It has given Members on both sides of the House a chance to look at the issues, to challenge their views and to question whether there is some lack of understanding. I recognise that for many this is an emotional, difficult and distressing subject. It is important, especially with the introduction of universal credit, that we continue to make sure that the benefits system is not only fair but humane.

I have sat through today’s interventions and passionate speeches, and I have sought to listen and to understand, and I now wish to bring to bear my own experiences, as an MP and a mum, and as somebody who has conducted surgeries and is doing related casework locally. When I meet constituents in peril, I speak to them about benefits assessments and mental health support. As we have heard today, it does not end just at the MP’s office. My staff and I take this support extremely seriously, as do all those who work to provide support, be they those in the local community and charities sector or those working in the local departments. I would like to put on the record my huge thanks to all the staff who work in these various departments and to my team and all the casework teams getting to the bottom of these matters. We will learn nothing in the House if we do not bring that to bear here.

I have spoken to my casework team this week and reflected on past meetings with constituents, and very often we are talking about constituents who have not attended assessment or interview. We have heard today the many and multifarious reasons why people have not turned up to interview or provided the necessary documentation in time.

It can be heart-breaking to hear that sanctions have been applied in some cases because people were unable to read and write and therefore be a part of the system. If people cannot understand the system and it does not work for them, it can be frightening.

Martin Docherty-Hughes: I mentioned earlier that in my constituency there is great partnership working between the DWP and what is called in Scotland “the community planning process”, through which all partners within a local authority come together. Does the hon. Lady agree that, on reflection, the DWP needs to improve that aspect of its working, not only in my constituency but across the United Kingdom? If the system is to benefit those most in need, does she agree that that needs to happen, rather than, as in my constituency, withdrawing officers from food banks?

Mims Davies: I absolutely agree about the importance of an integrated approach. Last night, I gave out an award at one of my local colleges for one of the most improved maths and English students. Some people who came to the local college were unable to engage with education, let alone a benefits system. We need to understand that people must feel able to participate in the process.

In some cases, my constituents were aware of what they needed to do, but they somehow failed to gain a sense of ownership or an understanding of the process,

[*Mims Davies*]

which led to complications and, in some cases, very regrettable sanctions. I have been involved with parents and others who are concerned about vulnerable individuals. I found from my surgery work that in some cases the reason for non-attendance—illness, for example—had not been taken into account.

We met some great success with sanctions decisions being reversed when there was an unavoidable reason for failure to comply. Inevitably, however, there were some instances where sanctions were imposed and no good reason existed. My team and I have been able to work alongside the individuals and families in cases where the process has got on top of them—and my biggest concern about the Bill is that it amounts to more process in a difficult and complex area.

In addition to dealing with DWP benefit sanctions, I have worked with a small number of HMRC tax credit suspension inquiries due to investigations regarding the eligibility of single living claims. HMRC has recognised problems and implemented solutions that have helped to sort out the bottlenecks surrounding evidence by claimants. This has reduced the number of delayed decisions locally. I thank HMRC for its work in this respect.

For some constituents who approached me for help with making progress on getting a decision to reinstate their claim, the problem has been the consistency of their evidence. There can be a discrepancy between what people say to their MPs or their work coaches and what they actually do. I am sure that other hon. Members will have had their own experiences. Indeed, we have heard in today's debate the wealth of knowledge that Members have brought into play.

I congratulate the hon. Member for Paisley and Renfrewshire South once again on her Bill. I am yet to be successful in the private Member's Bill process, and I am sure that it is an absolute minefield. The hon. Lady therefore deserves our congratulations.

Before I come on to the specifics of the Bill, I believe it is necessary to examine its main principles. Clearly, the Bill is not designed specifically to reverse the conditionality of the system, as the hon. Member for Paisley and Renfrewshire South was at pains to point out. It is going to be quite difficult to ensure that any benefits system is going to work where any condition is likely to arise. We have heard about the importance of assessing and assessing again after sanctions.

To some extent the debate has been about showing our colours—whether we as Members agree or disagree with conditionality in the sanctions. I do believe in it, as long as it sits alongside, as it must, positive transitional work and local support for increasing employment. There is absolutely no point, as we have heard, of having the stick without the carrot. It is all about getting the right balance.

The National Audit Office report on how people have been affected by sanctions and how likely they are to get into work has rightly been acknowledged. The review states:

“The existence of benefit conditionality and a system of sanctions is...supported almost uniformly across the political spectrum in Great Britain.”

It also notes that similar systems can be found throughout the developed world, and Members have mentioned many different countries today. As we have heard, and as I have been at pains to point out, 70% of claimants are more likely to follow the rules if they know that they could be sanctioned—but only if they understand the system.

A system of sanctions is a necessary and well-supported part of our benefits structure. We know that the conditions need to be checked, and that they should be used fairly. I do not think that any Member in any part of the House believes in unfairness, and it should be rooted out.

Victoria Atkins: My hon. Friend is making a fine and reasoned speech. Does she agree that Conservative Members acknowledge that any system run by human beings is liable to mistakes? I have experience of that myself, because in the early stages of my previous career I used to prosecute cases for the Department for Work and Pensions, and on several occasions I refused to prosecute because I considered that the Department had taken the wrong view. Does my hon. Friend, like me, find it unhelpful and, indeed, a little hurtful when Opposition Members accuse us of not being compassionate? That is not our reason for disagreeing with the Bill; we believe that the current regime should be reviewed, and the Department is doing that.

Mims Davies: I thank my hon. Friend for her considered intervention.

Today we have heard about a “postcode sanctions lottery”, about formalising and consistency, and about efforts to ensure that no one falls into the gap. The people who make the decisions will not always be in possession of the full facts, which is why we need a process to examine the sanctions system. The four principles of the Gregg review offer a useful set of tools for assessment of the strength of the policy, and were endorsed in the Oakley review. The additional pillar described in the Oakley review has also provided a clearer recourse in terms of appeal, and that must be welcomed.

We are talking—and have been all day—not about statistics, but about people, livelihoods, aspirations, children, families, homes and security, and that is absolutely right. I strongly believe that this is a listening Government. My hon. Friend the Member for Faversham and Mid Kent (Helen Whately) said what worried her about the Bill was the risk of duplication and pure bureaucracy in a system that would continue to be tweaked and would continue to evolve. That system will have to change to meet new challenges, and there are people in the middle of the process. I know that, in this area as in many others, the Government are listening and proceeding with reform based on constructive criticism and research, and that they are taking a pragmatic stance. I like to think that the Minister, who is a Hampshire neighbour, is always listening, although I see that he is talking to a colleague at the moment.

A new sanctions regime was introduced in 2012 with the important aim of increasing the effectiveness of categorisation. Again, this was about people, not just statistics. The categories were higher, intermediate and lower, depending on whether a transgression had been repeated and on the nature of the fault. I think that that

was a good reform. Proportional responses mean a system where one size does not fit all, and we have an opportunity to approach people and their personal circumstances differently.

Michael Tomlinson: We have heard many examples of hard cases in which things have gone wrong, but the current legislation contains a safety net—a “catch system”. It used to be called good cause, and is now called good reason. The examples that have been cited—such as people who are five minutes late because they missed the bus, or because they were having a baby—are already covered by good cause, or good reason.

Mims Davies: My hon. Friend makes an important point. The entire legal system based on common law is about applying the law in a consistent way historically and geographically, so we must make sure that the application of sanctions is consistent.

Kevin Foster: I am listening with interest to my hon. Friend’s speech. Does she agree that consistency is key? The NAO talks in its report about bringing in consistency, and that is what a Public Accounts Committee inquiry will do. There will then be report that can be taken forward.

Mims Davies: My hon. Friend makes an important point about consistency, which I absolutely believe the hon. Member for Paisley and Renfrewshire South is looking for in this process, but we have heard about cases today, from hon. Members across this House, in which there were completely different views and completely different ways of going about things, and that reflects the way our constituents live and work. We can bring in a consistent system in, but the reality is we are dealing with different people.

Peter Grant: We have heard many comparisons between the sanctions system and the criminal justice system. Consistency in the criminal justice system is helped by the fact that there are strict laws about admissibility of evidence and what the police can do to collect evidence and so forth. Would it not be better to have legislation that enshrines in law some of the steps that can be taken to have consistency in the sanctions system, so that some of the failures the hon. Lady has had to deal with in her constituency office are stopped before they happen and before people get hurt?

Mims Davies: I hear the hon. Gentleman, and I genuinely came into this debate with the view that the Bill has some real benefits. However, I believe that better and more up-to-date guidance, rather than legislation via the Department, is the right way to proceed. But I still do believe that through the Bill and this debate we can learn a lot about how sanctions can be operated humanely.

I realise that for those, few in number, who are given sanctions, that makes a big difference to their lives. Those people will be suffering huge hardship because of their sanctions and because certain criteria mean they do not receive safety-net payments. I recognise that 60% of a very small amount of money for those in a very difficult situation is an unpleasant place to be, but this does give us a layer of protection. I have great sympathy with the measures in the Bill limiting the use of higher level sanctions in certain circumstances.

There might be mental health issues, homelessness and caring responsibilities. Just yesterday, I heard from one of my caseworkers that we had managed to deal with a slightly different issue in terms of homelessness: someone was moving from north London, who was without family and who was in a difficult position because of disability. We have managed to get him on to the right level of support in the local area where his friends and family are located. That had been affecting his mental health, and we were all crying when we were speaking and listening to this constituent.

Every single time I meet my constituents, I am moved by the plight people find themselves in, and mental health issues and homelessness issues play a huge part in them. In fact, there were very few sanctions cases in our casework, but where we had intervened and got to the bottom of it we had made progress. I am very pleased the system is working in that way.

As co-chair of the all-party group on carers, I recently led a debate on carers in this House. I am a former carer, supporting my mum and dad, and we know the enormous sacrifice the 6.5 million carers undertake daily for their loved ones. Two million more people a year will come into caring responsibilities in some way or other. We need to be able to reflect that in the way we support our constituents.

There is a quiet carers army on which all of us depend, which is why I always speak to my constituents about making sure they are aware of the benefits system and are making sure they get all the support they need. The benefit sanctions system should consistently recognise that people have caring responsibilities, and if it does not we need to ensure that the Government pour support into this area, just as they are in the area of mental health. The pledge to provide an additional £1 billion for mental health provision by 2020-21 is welcome. Mental health issues reach every part of the way in which the state operates, including the sanctions regime. I have had a constituency case in which the parents of a young lad with mental health issues had a problem with sanctions. We managed to deal with it because the way through to him was via his parents. They were able to come to me to ask for help.

Every one of us in this House who is a former councillor will be aware of the link between mental health and homelessness, and of the urgent decisions that have to be made in order to get people into a place of safety urgently.

Michael Tomlinson: My hon. Friend has mentioned homelessness and mental health. She might have heard in a previous intervention that the Government are already moving to extend hardship payments to at-risk individuals. Does she welcome that development, given that it will help the groups she is describing in her powerful speech?

Mims Davies: That is absolutely the spirit in which I am approaching the Bill. I do not want to pick holes in it, because it has clearly been introduced with fortitude and passion based on casework. Bringing these matters to our attention today has given us an opportunity to have a really welcome debate and for all Members to consider how these things are working in their constituencies and bring any issues to the Minister. However, I am not sure that another layer of bureaucracy and legislation is the way to deal with these matters.

[Mims Davies]

For me, this is an instance—[*Interruption.*] I shall turn my phone off. I think it was a constituent calling. This is an instance that highlights the need for a greater understanding of mental health issues. We have heard about caring responsibilities. I am here today juggling family commitments. They include the need to be here as well as in my constituency, and finding a way to look after the dog. The dog is always the hard bit. No one can ever get an appointment at a time that suits, and we need to ensure that people who work with benefit claimants understand that what might seem a small challenge to us can be a very big challenge indeed to someone who is in peril.

I have great sympathy for people whose caring responsibilities, mental health issues or homelessness create a situation that attracts a sanction. It would be uncaring of us to penalise carers through the system, because this country relies heavily on them. It would be out of sync with the rest of Government policy for us not to give due consideration to people with mental health needs, and I welcome the recent announcement that homeless claimants with mental health problems will be able to access hardship payments within 14 days.

As we can see, a new policy is being trialled without the need for a Bill, and I am sure that all Members will be keen to read the outcomes of the sanctions warning system trial. I hope that the evaluations will be available for us to study soon. Giving claimants notice and an opportunity to explain the reasons behind a breach is a fair way of approaching the sanctions system. I understand that we can expect the final report around April next year, and I look forward to seeing how the trial is going and how these measures could be taken up nationally.

We must not lose sight of the overall objectives of the programmes. They are designed to ensure that people have the stability of a job and a pay packet, and that we never again see children being brought up in homes where getting a job is discouraged. We must always remember not only the claimants but those who pay in to the system. There are 800,000 fewer workless households today than there were in 2010, and unemployment in Eastleigh has fallen by 63% in that time. I welcome the continued support and focus that the Government are providing for our society so that people can have the security of a pay packet and so that it always pays to work.

Wherever I find injustice in the benefits and sanctions system, I vow to bring it to the attention of Ministers. I have spoken for 20 minutes on this important Bill and, on balance, the most important thing is to make things fair for those who claim and those who work. We must be sure that the Bill does not add to the bureaucracy and make things more difficult for those facing challenges to go on to better things after receiving support.

I congratulate the hon. Member for Paisley and Renfrewshire South once again, and I thank you, Madam Deputy Speaker, for the opportunity to contribute to this debate.

2.15 pm

Chris Law (Dundee West) (SNP): I thank my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) for bringing this important Bill to Parliament. It is detailed and compelling and it is

crystal clear about the need for a code of conduct and consistency of application. Let me be clear from the outset, because I have heard this questioned too often in the Chamber today, that while the SNP would like a complete review of the UK Government's sanctions system, this small Bill is about making the system fairer with cross-party support. It seeks to build on the good practice that is already happening in some jobcentres, where advisers look at the circumstances of an individual when imposing a sanction. The Bill will ensure that that happens across the board, protecting the most vulnerable in society from being pushed into absolute poverty.

Make no mistake: the UK Government's current benefit sanctions regime is brutally draconian and undignified. An individual can be sanctioned so heavily that they have nothing left to feed themselves or their family, in effect becoming destitute through state-sponsored starvation. At a St Andrew's Day dinner last night, I was reminded that, less than 200 years ago, Dickens was a journalist up in the Press Gallery. He got sick and fed up of debates in here about whether or not they needed to legislate for the poor, and I am shocked today to hear that we again do not need legislation for the most vulnerable in our society. Dickens quit his job and went on to write some of the most seminal works of the terrible and draconian Victorian period. For those who have not seen Ken Loach's "I, Daniel Blake", it is deeply compelling and reminds me of the spirit of Dickens. While some think it to be a work of fiction, it will go on to teach future students and others who look back at history about this appalling time in this country.

Michael Tomlinson: Will the hon. Gentleman give way?

Chris Law: No, I will not, owing to the short amount of time left. I do apologise.

Only a couple of years ago, my constituency of Dundee was named sanctions city. Today, we might as well call it bloody marvellous sanctions city, because I have been hearing so much appeasement about sanctions and about how great they are—until someone is on the receiving end. Common outcomes include eviction threats, increased debt, anxiety and ill health, resulting in some constituents having to turn to petty theft. There is clear evidence of a link between the use of food banks and benefit sanctions, and I am saddened to say that Dundee also has Scotland's busiest food bank. The Trussell Trust estimates that benefits issues account for 44% of all referrals—nearly half. Everyone in the House should hang their head in shame and do something about that. We should protect the Bill and ensure that it progresses.

There is a story behind every statistic. In Dundee, a woman with learning difficulties ended up with two concurrent 13-week sanctions after DWP staff declared she that she was not filling in her "work commitment booklet" properly. I recently chaired a Trussell Trust event at which I met a single mother whose benefits would be cut if she failed to send her husband's death certificate to DWP every six weeks. Imagine the grief that that woman was feeling and how it must feel to be hounded for that kind of documentation on a regular basis.

It is not exaggeration to say that the UK Government are treating people like criminals, but if they were criminals, they would be treated more fairly. When a

court imposes a fine on an individual for a driving offence, for example, their basic rights are protected by court proceedings. There is no expectation that the fine will lead to them being unable to heat their home or feed their children. We do not hear about people committing suicide as a result of a conviction for a driving offence. There is a direct correlation between driving too fast or using a mobile phone when driving and fatal road accidents, but those who commit such offences are penalised less than someone who misses an appointment at the jobcentre because their child was ill. The sanctions system is severe and cruel and so clearly needs to change, and today's Bill represents positive steps towards that.

As I said earlier, the National Audit Office analysis showed that there was absolutely no evidence that the sanction regime imposed by the DWP has a positive effect on job outcomes, but judging by some of the information coming out today, we are experiencing post-truth politics. It is abundantly clear from the NAO evidence that vulnerable people are more likely to be sanctioned—I am talking about homeless people, those with mental health problems and immigrants with a limited understanding of English. Those are the people who need most help to find jobs, but, rather than being helped, they receive a sanction, and their already fragile living situation is sent into crisis. They need to concentrate on how to live from one day to the next; they need to go to a food bank; their confidence is eroded, and they worry. Rather than stepping up their job-search activities, the main effect of imposing sanctions is to distance such claimants from the world of work, contrary to the whole purpose of sanctions in the first place.

The Bill is made up of 11 clauses, which are small administrative changes to the current legislation, and they seek to establish a long overdue code of conduct and official procedures for the current sanctions system. The aim is to end the postcode lottery of sanction regimes operated at different centres, therefore ensuring a fairer system of sanctions for everyone who uses the social security system, no matter what area of the country they live in.

The Bill will mean that a person in receipt of benefits cannot have them reduced unless two requirements have been met. Let me make this crystal clear in plain simple English for those who have not yet read the Bill. First, the claimant's circumstances have to be assessed. Secondly, a number of conditions set out in the Bill have to be met. These focus on the individual's situation, in particular the claimant's caring commitments, whether they are at risk of homelessness, and whether they suffer from a mental or physical health condition. Such difficulties can be intensified—and are intensified—by these cruel sanctions. What this means in practice is that an individual's circumstances would be taken into account before—and I underline the word “before”—cutting off their financial support.

In essence, this Bill proposes minor administrative changes, which do no more than humanise a fundamentally unjust and inappropriate system, and formally establish adequate protections for the most vulnerable. Although my SNP colleagues and I would like to see an entire review of the system, this Bill goes some small way towards putting dignity and respect into people's lives. It is for that reason that I wholeheartedly support every aspect of this Bill.

2.22 pm

The Minister for Employment (Damian Hinds): This is an important debate today. I am very grateful to the hon. Member for Paisley and Renfrewshire South (Mhairi Black) for bringing these matters to the Floor of the House for further discussion. I do have very comprehensive responses to the individual line items of the Bill, and it is important that they get an airing, but, because of the way that the debate has gone, there will not be time today to go through them all. I thank my hon. Friends who pulled off the Speaker's List in order to allow a small amount of time for a Government contribution to this debate. I look forward to speaking to those points when the hon. Lady brings her Bill back to the Floor of the House in due course.

The hon. Lady set the pace today with a very comprehensive and passionate one-hour-and-15 minute speech in which she covered a great deal of the aspect of this debate. As I have said, these are important matters, and it was important that they were brought here today.

We also heard from the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) who speaks for the Opposition. I was not entirely clear, at the end of her speech, where we stood on Labour party policy as regards sanctions, but doubtless we will hear more on that in due course.

We heard from the hon. Member for Angus (Mike Weir), who I believe is a member of the SNP Whips Office, but nevertheless spoke for 15 minutes on a day when his colleague had a private Member's Bill to introduce. We also heard from the hon. Member for Glasgow North East (Anne McLaughlin) at some length.

I thank my hon. Friends on the Government Benches for their contributions to the debate, including my hon. Friends the Members for Mid Dorset and North Poole (Michael Tomlinson), for Louth and Horncastle (Victoria Atkins) and for Torbay (Kevin Foster). We also had speeches from my hon. Friend the Member for Bournemouth West (Conor Burns), who reminded us of the centrality of the taxpayer in this equation. My hon. and learned Friend the Member for South East Cambridgeshire (Lucy Frazer) talked about the benefits of work, and reminded us that sanctions should be used as a last resort. My hon. Friend the Member for Faversham and Mid Kent (Helen Whately) talked about the importance not only of getting people into work, but of getting people closer to the labour market. She thanked the jobcentre staff in Maidstone and Sittingbourne. My hon. Friend the Member for Eastleigh (Mims Davies) not only thanked her local jobcentre staff, but reminded us of the important work done by all our caseworkers and, in fact, of the importance of casework itself in informing these debates. That is a particular strength of our parliamentary system.

There is much in the Bill that has logic to it and that would, all else being equal, be attractive from a public policy perspective, but I hope to reassure her today that much of what she is calling for is, in practice, already done, while other aspects are achieved in different ways.

Mhairi Black *rose*—

Damian Hinds: The hon. Lady will have to forgive me. She spoke for one hour and 15 minutes, and I have very little time. I am obviously not going to be able to get through all the contents of her Bill in the time available, but I hope she will allow me to begin.

[Damian Hinds]

Successive Governments have recognised the key role that sanctions have in the benefits system to encourage people to comply with conditions that will help them move into or closer to work. Much work has been undertaken to ensure all those claiming are clear about their responsibilities when claiming benefits and about the potential impact on their benefits if they fail without good reason to complete a requirement they have agreed to undertake.

Imposing a sanction is not something that is done lightly. We invite those facing a sanction to explain exactly why they failed to meet the requirement, and we take all the circumstances into account to determine whether the requirement was reasonable for that individual and whether they had good reason for not meeting it. We do this in each case, and the proposals in the Bill present nothing new in that regard. Indeed, we have removed references in legislation to what constitutes good cause or good reason precisely to ensure that those making decisions can consider every aspect of an individual's circumstances, not just those prescribed in a list. It would be a step back to return to having that in legislation.

We are confident that the training and guidance available to decision makers give them the tools to make fair and robust decisions. We have a well-established system of hardship provision for claimants—provision that can be accessed by those who are sanctioned. Where a claimant demonstrates they cannot meet their immediate and most essential needs, they can apply for a hardship payment. We tell claimants regularly about the availability of hardship payments, and we have worked hard to ensure that payments are paid within three days. Work coaches identify claimants they feel would be considered vulnerable for hardship purposes and, where a sanction is imposed, they contact them to instigate the hardship process straightaway.

Not only is our approach to sanctioning claimants considered and fair, but it is a key factor in improving the employment rate and curtailing unemployment. The Department invests significant resource to help people move quickly into employment. As a result, employment, as the hon. Member for Paisley and Renfrewshire South will know, is up by 2.75 million since 2010, with the number of workless households at a record low.

Evidence shows that sanctions can have a positive effect on behaviour. In “The Jobcentre Plus Offer: Final evaluation report”, published in November 2013, it was noted that 70% of JSA, and over 60% of ESA, claimants say that sanctions make it more likely they will follow the rules. The recent “Universal Credit at Work” evaluation, from December last year, found that 76% of claimants felt that the potential for universal credit to be stopped or reduced encouraged them to meet their conditions. The same report demonstrates that 72% of claimants agreed that the potential for sanctions meant they were more likely to look for, or take steps to prepare for, work.

In addition, qualitative research found that people perceived the claimant commitment as critical to the upkeep of their claim. They were generally very clear about the time they were required to spend on job-search

activity and the need for them to evidence this, and about the fact not fulfilling their requirements could result in a sanction.

If I may, I will start to go through the elements of the Bill. The Bill seeks to amend sections of the Welfare Reform Act 2012 concerning the claimant commitment and sanctions, to introduce measures to check a claimant's circumstances prior to a sanction being considered. A significant proportion of the measures proposed in the Bill are measures the Department already undertakes through guidance. For example, the Department ensures that health issues, caring responsibilities and homelessness are noted and taken into account when dealing with claimants. We ensure work-related requirements are fully explained when they are set, as well as the action the claimant should take if they fail to complete the requirement, and the potential impact on their benefit if they do not. The fact that the claimant's circumstances and any information provided by them are considered before a sanction is imposed should also be acknowledged.

A huge amount of work has been undertaken following recommendations from the Work and Pensions Committee and, as has been referenced by a number of my hon. Friends, from Matthew Oakley's review of benefit sanctions, to ensure that our staff, when setting requirements for benefit claimants, do so reasonably. That is especially true, of course, of claimants who are identified as having complex needs or who require additional support to enable them to access DWP benefits and to use DWP services.

In addition, we ensure that claimants are advised about their conditionality requirements and about the associated consequences if they fail to meet them. At the point of the claim, staff clearly explain to claimants what they have to do and what will happen if they fail to do it. This is followed up in writing with the claimant commitment documentation. We ensure all appointment notifications and notifications to participate in mandatory programmes also include these requirements clearly in writing.

Turning to the contents of the Bill, clause 1—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Friday 24 February 2017.

Business without Debate

VEHICLE NOISE LIMITS (ENFORCEMENT) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 13 January.

KEW GARDENS (LEASES) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 16 December.

Civil Service Compensation Scheme

Motion made, and Question proposed, That this House do now adjourn.—(Chris Heaton-Harris.)

2.30 pm

Chris Stephens (Glasgow South West) (SNP): Welcome, Madam Deputy Speaker, to part 2 of the SNP Partick Thistle supporters' day. Part 1 was led superbly by my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black), who gave a tour de force.

I want to discuss the civil service compensation scheme. May I take this opportunity to refer to my entry in the Register of Members' Financial Interests and to my position as chair of the Public and Commercial Services Union parliamentary group? I also thank the House staff for their excellent briefing on the issue, which I recommend to all Members.

We are finally getting to discuss this issue in the Chamber. After at least three business questions, a point of order, early-day motion 310, which, as of yesterday, has been signed by 109 Members, including representatives from seven political parties and two independent Members, and many requests for a debate, it is a pleasure finally to represent the voice of those who contribute to our public services and who find themselves, through no fault of their own, losing out financially.

On 22 September, the Government set out their formal response to the consultation on the civil service compensation scheme, including proposals that radically reduce that compensation. The issue will affect thousands of loyal civil servants, whose jobs are now at risk as departmental budgets continue to be cut and hundreds of Government offices are earmarked for closure. Areas affected include Her Majesty's Revenue and Customs and the Equality and Human Rights Commission, which are experiencing cuts.

Peter Dowd (Bootle) (Lab): There are thousands of civil servants in my constituency, 750 of whom are residents. Is the hon. Gentleman aware of suggestions that civil service managers are encouraging staff to take redundancy on current compensation terms to help with the downsizing of the civil service, or lose out under the new proposals?

Chris Stephens: The hon. Gentleman is correct to highlight that issue, because that is exactly what is happening. It takes away from our efforts, because we are both opposed to HMRC office closures, but the Government are forcing people to go on older terms rather than the new, drastically reduced terms.

For the benefit of those watching these proceedings, let me provide some background. The civil service compensation scheme is a statutory scheme that provides compensation for loss of office for reasons including compulsory and voluntary redundancy. In July 2009, the then Labour Government set out proposals to reform the scheme in order to control costs and to address elements that may be age-discriminatory. In broad terms, the existing scheme provided severance for those under 50 and early retirement for those aged 50 to 60. The civil service unions opposed the proposed changes on the grounds that they represented a reduction in terms for

most members; that they did not adequately compensate those faced with compulsory redundancy; and that they compared unfavourably with other public sector schemes.

In February 2010, the Cabinet Office announced a modified set of proposals on which it had reached agreement with five of the six civil service unions. That agreement limited the maximum payment on compulsory redundancy to three years' pay, where that led to a payment of no more than £60,000, and to two years' pay for high earners. Additional protection was provided for those who were closest to retirement. The civil service compensation scheme was amended accordingly. The largest trade union, the Public and Commercial Services Union, opposed the changes and applied for a judicial review. On 11 May, the High Court ruled in favour of PCS and the amendments to the scheme were quashed, with the exception of certain changes designed to address elements that were considered to be age discriminatory.

On 6 July that year, the Conservative-Liberal Democrat coalition Government said that they would legislate to cap payments at 12 months for compulsory redundancy and 15 months for voluntary redundancy. They hoped to negotiate a permanent and sustainable agreement with the civil service unions, at which point the caps would be withdrawn. The trade unions objected to the proposed caps because they were less than those in other public sector schemes, where a limit of two years' pay was normal.

The current announcement about changes to the civil service compensation scheme comes just five and a half years after the then Minister Francis Maude imposed changes to the civil service compensation scheme in December 2010, promising that those changes were fair, affordable and right for the long term. It is hard to see what has changed so radically since then to justify this fresh attack on civil servants' terms and conditions.

The changes can be summarised as follows. There is currently one month's salary per year of service, but after the proposed changes there will be three weeks' salary per year of service. There is a cap of 21 months' salary for voluntary redundancy and voluntary exit, but there would be a cap of 18 months' salary for voluntary redundancy and 15 months' salary for voluntary exit if the trade unions were not to accept the offer that has been put to them. There is a cap of 12 months' salary for compulsory redundancy, but the Government propose to change that to nine months' salary. There is employer-funded access to the early pension option when individuals reached the minimum pension age of 50, but access to that option will now start at age 55.

The Government propose to cut the cash compensation payment, which means that they will reduce the rate at which compensation accrues for each year of service from one month's salary, as it is currently, to three weeks' salary. That will affect those with short and medium service, cutting redundancy payments by 25%. The Government also propose reducing the cap on payments, as I have said, which will have the effect of drastically reducing payments, for some by as much as 30%.

In addition to changes to compensation payments, the Government propose restricting employer-funded access to early pension. That option is currently given to staff in voluntary redundancy situations who have reached minimum retirement age, which is 50 in the

[Chris Stephens]

classic and premium schemes and 55 in the nuvos and alpha schemes. Staff are offered a compensation payment based on their salary and length of service, or they are offered the option to take their pension, with the employer buying out any actuarial reduction resulting from drawing the pension early. Cabinet Office statistics show that the average value of compensation for the 50 to 54 age group will fall dramatically, by more than 50%, under the new proposals. That demonstrates the profound impact that the reform could have.

Early access to pension has been a popular alternative to the cash lump sum compensation payment for those with long service who are nearing retirement, because it provides a level of security. That is important, because it has been shown that those aged over 50 often find it harder to get a new job, and that if they do, it may be for fewer hours and/or lower pay. We are all concerned, therefore, that restricting that option will create hardship and distress. In some cases, it will result in people relying on benefit payments.

Deidre Brock (Edinburgh North and Leith) (SNP): Does my hon. Friend agree that civil servants in admin and assistance jobs—the ones who are on the front line doing the UK Government's dirty work—are already paying a high price for Government austerity, having seen pressures rise while headcount has fallen by 37% since 2010?

Chris Stephens: My hon. Friend makes an excellent point. It is clear that the civil service is reducing. Her Majesty's Revenue and Customs, for example, is now half the size it was 10 years ago, which is important to note when it is dealing with tax avoidance and all those other issues.

Peter Dowd: In the light of what the hon. Gentleman has said, is this policy not just another kick in the teeth to loyal civil service staff? Over the past few years, they have had substantial pay restraint, huge job cuts and a tax on pensions, on top of the previous changes to the compensation scheme, which he mentioned a few moments ago.

Chris Stephens: I agree with the hon. Gentleman. He is being moderate when he says that the policy is a kick in the teeth. It certainly is, and we need to remember that these civil servants deliver precious public services every day, and they deserve to be treated better.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Does my hon. Friend share my concern about the recent numbers published by the Cabinet Office in answer to my written question? The numbers seem to suggest that a disproportionate number of the civil servants who have been made redundant describe themselves as persons with disabilities.

Chris Stephens: I agree with my hon. Friend, and I will address the equality impact assessment. It is worth noting that, in the Enterprise Act 2016, the Government changed the cap to £95,000 a year and, in doing so, referred to people as “public sector fat cats,” despite the evidence that civil servants with 30-odd years' service

who earn less than £27,000 a year will be caught by the cap. Low-paid civil servants are not public sector fat cats.

The combined effect of all the proposed changes will be to radically reduce compensation for loyal civil servants. With cuts to the civil service compensation scheme in 2010, the recent changes to pensions, massive staff reductions and years of pay restraint, staff are left wondering what will be next.

The Government produced an equality impact assessment only once the consultation had concluded and they had produced their final response. That runs counter to the public sector equality duty, which states that such impact assessments should start in the early stages of a review and should form part of the active decision-making process.

Once it materialised, the equality impact assessment highlighted that there is a particular impact on older workers, who face both direct and indirect discrimination in the proposals. Raising the minimum age for the early access to pension option will have a direct and significant impact on those in the 50 to 54 age bracket. Meanwhile, lowering the caps on maximum compensation payments will indirectly affect older workers because they are much more likely to have long service.

Throughout, the Government have frustrated negotiations with trade unions and undermined the consultation process. The Government have shown little regard for the impact of the reforms, as illustrated by the fact that the equality impact assessment was provided only once the consultation had concluded, despite repeated requests from trade unions and Members of Parliament. Affected groups were therefore unable to fully understand the impact that the proposals would have on them in time to feed it in to the consultation. The data provided for consultation purposes did not cost individual proposals; instead, comparisons were made between the current civil service compensation scheme and the proposed future civil service compensation scheme, which suggests that the final package of reforms was a *fait accompli*.

Without information on how different proposals would affect different groups of workers, it was extremely difficult to conduct meaningful consultation. The Government have taken a similar obstructive approach to negotiations. In June, months before the formal response to the consultation, the Government issued a letter to trade unions outlining a set of reforms and demanding that the unions sign up to them before negotiations could continue. Those outrageous preconditions made a sham out of the negotiations. With little of significance to address and an absence of any equality impact assessment or analysis of the consultation responses, and refusing to be bullied into accepting the preconditions, trade unions representing the majority of civil servants—PCS, Unite and the Prison Officers Association—were excluded from the talks.

After months of silence, on 22 September 2016, the Government issued a formal response to the consultation, which set out drastic cuts. Alongside this came the long overdue equality impact assessment. Despite over 3,000 responses to the consultation, 95% of which disagreed with the Government's fundamental premise about the need for reform, the Government set out a package of reforms that were little changed from their original position. The little movement made since the

initial proposals has been used as leverage to blackmail trade unions into accepting detrimental changes to their members' terms and conditions, as I outlined earlier.

The proposals will destroy civil service morale, which is already at breaking point, and as promises are broken that leaves no assurance that further attacks on terms and conditions are not soon to follow. The proposals will hinder future recruitment exercises as years of pay restraint, coupled with worse terms and conditions, make the civil service a less attractive employer.

I want to mention the process. On 20 October, I, as chair of the PCS parliamentary group, wrote to the Minister for the Cabinet Office and Paymaster General, but I have not had a response. I was told by him, behind the Speaker's Chair during a Division, that he would meet me and other Members belonging to the PCS parliamentary group—there are 83 Members from both sides of the House in that group—to discuss the issue. However, in a written ministerial statement on 8 November, the Government announced that they were going ahead with the proposals, without bringing these matters to the Floor of the House. Such is the severity of the proposals that I firmly believe the Government should have made a statement in the House, so that all Members could question them on their proposals.

I pay tribute to the thousands of civil servants who will be watching this debate for all the work they do to deliver public services. I look forward to the Minister's response, and I ask the Government to think again.

2.46 pm

The Deputy Leader of the House of Commons (Michael Ellis): I congratulate the hon. Member for Glasgow South West (Chris Stephens) on securing this debate, and I welcome the opportunity to respond to his concerns. I know that, in his role as chair of PCS parliamentary group, he takes a close interest, as do I, in matters relating to the civil service. I, too, greatly value and appreciate the work of the civil service. Now more than ever, the work of the civil service is vital to delivering the best service to the public and to allowing us to meet the challenges and opportunities that lie ahead.

To provide the best service for the public, the civil service needs to be ready to meet challenges and opportunities. The Government must therefore ensure that the civil service can recruit and retain the best people, but we must also ensure that there is an efficient and cost-effective compensation scheme in place to support civil servants when exits are needed.

As the hon. Gentleman set out, important steps towards this goal were taken during the last Parliament. My noble Friend Lord Maude, in his then role as Minister for the Cabinet Office, introduced important reforms to modernise redundancy arrangements in the civil service. A revised civil service compensation scheme was launched in December 2010, when my noble Friend Lord Maude set out his hope and intention that it would be a fair settlement for the long term.

In the years since 2010, however, it has become apparent to the Government that the reforms did not fully delivered on their aims. For example, we were concerned that the 2010 compensation scheme provisions for early access to pensions were no longer appropriate. These provisions allowed staff aged as young as 50 to

retire and draw all their civil service pension without any reduction for early payment. This was often very expensive for the employer, and it is increasingly out of line with the Government's wider aim of responding to very welcome increases in longevity by encouraging longer working lives.

More widely, the Government's view was that, even after the 2010 reforms, the civil service compensation scheme was simply too expensive, when considered against the background of the current economic situation. We of course recognise the need to provide good financial support to bridge the gap into alternative employment or retirement—we of course recognise that—but the Government also have a duty to balance that against the wider financial situation and the interests of the taxpayers who ultimately fund the scheme.

The 2010 compensation scheme terms were becoming increasingly out of line with those the Government believe should be available more broadly across the public sector. For example, we have made it clear that we do not believe it is appropriate to pay six-figure compensation payments within the public sector, and we are legislating to put a stop to that. We are also embarking on reforms to compensation schemes across the main public sector workforces, so it is right that the civil service scheme is consistent with those wider reforms. For all those reasons, it was clear that further reform of the civil service compensation scheme was needed.

Peter Dowd: With public services under absolute stress and strain—many are at breaking point—what is modern and efficient about cutting wages, numbers and training, and massive negative restructuring, in the light of the chaos in the civil service that is about to unfold with Brexit?

Michael Ellis: The hon. Gentleman should not underestimate the skills of the civil service. In fact, the challenges and opportunities that lie ahead can and will be adequately dealt with by our excellent civil service, which we value greatly.

Chris Stephens: Will the Minister confirm that the six-figure cap will affect employees with long service who earn less than £27,000 a year, which is not a high salary? Are the Government considering how to address that?

Michael Ellis: It is not unreasonable for the Government to take the view that it is not appropriate to pay six-figure—£100,000—compensation payments within the public sector. We are legislating to stop that. As I have said, we must take the economic challenges and climate into consideration.

The Government launched a consultation on our proposals for changes to the civil service scheme in February and set out five principles for reform. I will not rehearse them now—they are on the public record—but it was an open consultation and we invited responses from all those who would be affected by reforms, including trade unions, employers, civil servants and other interested parties. The consultation ran for 12 weeks, but as well as that, we held a series of meetings to discuss the proposed reforms with the civil service unions throughout the consultation period. Six such meetings were held during that period, attended by representatives from PCS, Prospect,

[Michael Ellis]

the FDA, Unite, GMB and the POA. After the consultation closed in May, we gave careful consideration to all the responses we received and to the views expressed by the unions.

After the closure of the consultation, the Government did not stop our efforts to achieve agreement on a set of reforms. We invited all unions that had responded to the consultation to a series of further meetings. In order to give the best chance of reaching agreement, the participation of unions in the further meetings was made conditional on their acceptance that a proposed basic structure would form the starting basis of a reformed negotiated set of arrangements that could lead to a final agreement.

I am pleased to say that five employee representative bodies—Prospect, the FDA, Unison, GMB and the Defence Police Federation—agreed to take part in further meetings at that time and on that basis. The Government held a total of 13 further meetings with those bodies between June and September to discuss the detail of the proposed reforms. Those highly constructive meetings played a big part in shaping our thinking and the final offer we made to unions. However, I should make it clear that we do not in any way accept that the PCS or any other union was barred from those discussions, as has been claimed. The decision not to participate was made solely by the unions concerned and not by the Government.

Following the conclusion of the discussions with the unions that chose to participate, the Government made a formal offer of revised compensation schemes. The offer reflected the constructive discussions between June and September. As such, we proposed a number of improvements on the package of reforms set out in the consultation, including taking more account of longer service, which is only right and fair; increased protection for the lower-paid, which is also appropriate; greater flexibility for those over the minimum pension age; and improvements to the terms for inefficiency compensation. The consultation and discussions therefore worked.

Chris Stephens: Will the Minister refresh the House's memory? I did not say that the trade unions were barred from those talks; I said that they had to sign up to preconditions before them. Does he agree?

Michael Ellis: The arrangements for the talks were satisfactory to eight trade union organisations; they were not satisfactory to the PCS, but that is a matter for it. However, the offer reflected the points that I have made and those improvements. Nevertheless, the offer was made on equal terms to all civil service unions—all of them—including those that had not taken part in the talks.

All unions were then also given the same amount of time to consider the Government's offer and to ballot their members. I am pleased to say that eight unions were able to make a formal response to the Government by the requested date of 31 October and I am also pleased to say that all eight of those unions responded to say that they accepted the Government's offer. As such, my right hon. Friend the Minister for the Cabinet Office considered that the Government's offer had been accepted by a sufficient number of trade union organisations to constitute an agreement.

A revised civil service compensation scheme, consistent with the terms of the Government's offer, was therefore laid before the House on 8 November and took effect from 9 November. However, I regret to say that, unlike other unions, the PCS and the POA did not feel able to ballot their members and respond to the Government within the requested timeframe.

I understand that it can take time for unions to make such arrangements. However, the PCS gave no indication that more time would be required at the time the offer was made. Indeed, the issue was not raised at all until more than half the time intended for union consideration had elapsed, and even then a formal request for an extension to the deadline was not received by the Government until some time after that. By that point, the Government did not consider any extension to the deadline to be either practical or fair on the other unions, which had made strenuous efforts to respond in time.

Since then, I understand that the PCS has balloted its members with a recommendation to reject the Government's proposals, and that they have done so. While the Government will of course take note of the result of that ballot, that does not change the fact that the Government's offer of revised compensation scheme terms was accepted by the large majority of unions consulted, or that the new scheme has now taken effect.

Chris Stephens *rose*—

Michael Ellis: I am very conscious of the time; if I may, I will just carry on a bit more and then give way.

To summarise all that I have said so far, the Government are very clear that the reforms to the civil service compensation scheme were carried out in an open and consultative fashion. The process benefited greatly, as such processes do, from the constructive approach of the unions that chose to participate fully, and the benefits can be seen in the improved terms I have referred to, which were able to be adopted as a result. So, while it is regrettable that not every union sought to participate in a constructive manner, that is a matter for them and it will not discourage the Government from our belief that it is right to seek to reach negotiated agreements in such matters, wherever that is possible.

Chris Stephens: I thank the Minister for giving way and I will be brief. He has mentioned individual trade unions, which is fine, but I would be curious to know what percentage of civil servants those unions represent? If he could write to me on that, I would be obliged.

Michael Ellis: I am always very happy to write to the hon. Gentleman.

Turning quickly to the reforms themselves, I fully accept, as I have said, that any change of this sort can be difficult for those affected and as a result will often be unwelcome. However, I am clear that the revised terms of the 2016 civil service compensation scheme represent a good deal for civil servants. The new scheme strikes the right balance in achieving the savings that are required while reflecting the nature of the civil service workforce and the benefits of reaching a negotiated

agreement. Also, the new scheme will continue to meet its main objective, which is to provide a good level of support to help to bridge the gap into new employment or until retirement, where that is necessary, when exits are unfortunately required.

Because of all of that, the Government believe that these are sustainable reforms and therefore I will close by echoing the words of my right hon. Friend the

Minister for the Cabinet Office in his written ministerial statement of 8 November, in which he described the reformed compensation scheme as providing

“a firm foundation for the management of the Civil Service and its people for a generation”.

Question put and agreed to.

2.59 pm

House adjourned.

Written Statements

Friday 2 December 2016

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Payment Practices and Policies

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Margot James): Successful businesses create jobs, and are essential to economic growth. Late payment harms business cash-flow, hampers investment and in extreme cases can risk businesses' solvency. This puts a strain on any organisation, but is especially difficult for small businesses. As of June 2015, the overall level of late payment owed to small and medium sized businesses was reported as £26.8 billion. This is why it is crucial for Government to take action to create a more responsible payment culture, which enables all businesses to thrive and develop.

Today, Government will publish its response to the Duty to Report on Payment Practices and Policies consultation, and draft regulations to implement section 3 of the Small Business, Enterprise and Employment Act 2015 for large companies and large limited liability partnerships to report on their payment practices and performance.

The duty to report on payment practices and performance

Following consideration of views received from stakeholders, large companies and large limited liability partnerships (LLPs) will be required to publish information about their payment practices and performance twice per financial year on a Government web service. They will be required to report on the following:

Narrative descriptions of:

- the organisation's payment terms. Including—standard contractual length of time for payment of invoices, maximum contractual payment period and any changes to standard payment terms and whether suppliers have been notified or consulted on these changes;

- the organisation's process for dispute resolution related to payment Statistics on;

- the average time taken to pay invoices from the date of receipt of invoice;

- the percentage of invoices paid within the reporting period which were paid in 30 days or fewer, between 31 and 60 days, and over 60 days;

- the proportion of invoices due within the reporting period which were not paid within agreed terms.

Statements (i.e. a tick box) about:

- whether an organisation offers e-invoicing;

- whether an organisation offers supply chain finance;

- whether the organisation's practices and policies cover deducting sums from payments as a charge for remaining on a supplier's list, and whether they have done this in the reporting period;

- whether the organisation is a member of a payment code, and the name of the code if a company fails to publish a report as required, or publishes false information this will be a criminal offence, punishable by a fine on summary conviction.

I would like to draw Parliament's attention to two matters:

Interest owed and paid

The regulations do not include a requirement to report on the amount of interest owed and paid, which the previous Government committed to include. Businesses have suggested that this metric could be difficult to understand and implement. The Government will keep this metric under review, taking into account any lessons that the introduction of similar metrics to public sector reporting can teach us.

Pay to Stay and Supplier Lists

During the passage of the Small Business, Enterprise and Employment Act through Parliament the previous Government committed that these regulations would tackle so-called 'pay to stay' practices. These practices include instances where businesses require payments either for joining or for remaining on a supplier list.

The Small Business, Enterprise and Employment Act allows the Government to require reporting on practices relating to payment of suppliers. As such, the draft regulations require businesses in scope to report on whether they deduct sums from payments to suppliers as a charge to remain on their list of suppliers. This does not cover all payments required from suppliers for joining or remaining on a supplier list. The Government will keep reporting on 'pay to stay' under review. The Small Business Commissioner, who will be in post from next year, will be able to tackle such unfair payment practices.

The benefits

This new reporting requirement for the UK's largest companies and limited liability partnerships (LLPs) will shine a light on payment practices. It will increase transparency and make payment behaviour a reputational boardroom issue. The large businesses already treating suppliers fairly and paying on time can use the data to highlight their track-record. Poor payment practices and performance will be exposed, alerting organisations to issues and encouraging them to improve.

[HCWS311]

CABINET OFFICE

Government Grant Standards

The Parliamentary Secretary, Cabinet Office (Chris Skidmore): Today I am publishing new standards which will ensure the effectiveness of grant management across Government. These standards will be adopted by all Departments to make sure that taxpayers' money, awarded through Government grants, is properly agreed and spent.

The grants improvement programme aims to improve the efficiency and effectiveness of grant making across Government. The programme includes incorporating recommendations from the Public Accounts Committee and Public Administration and Constitutional Affairs Committee inquiries into Kids Company as well as reviewing grant programmes already underway.

The standards are a transparent, robust, and proportionate solution to manage risks in the Government grants process.

We need to make sure the UK taxpayer is getting value for money and grants are awarded with sufficient scrutiny and more accountability. The detailed work we have undertaken since February with Government Departments, research organisations and the voluntary sector has enabled us to develop these standards through a constructive and collaborative process. They will protect taxpayers' money, while at the same time delivering key policy outcomes through our many partners.

The Government have engaged with a broad range of key partners, including those in the academic and research community, to understand the effect these standards will have on all sectors and to avoid any unintended consequences. Standards will also include a requirement for Departments to ensure that grant agreements provide a clear outline of what the funding is to be spent on and how this would be monitored. They would put an end to grant money being wasted on activities not specified in the grant agreement, such as political lobbying.

Government grants are an important part of the funding mix for many charities. These new grants standards will protect the role of charities to speak out on behalf of the communities and people they benefit, while ensuring public funds are used as intended. They will help create new opportunities for the sector to work in partnership with Government, increasing their social impact.

Copies of the associated documents will be placed in the Library of the House and published on the website: www.gov.uk, as well as any future updates to the guidance.

[HCWS308]

COMMUNITIES AND LOCAL GOVERNMENT

London Borough of Tower Hamlets

The Secretary of State for Communities and Local Government (Sajid Javid): On the 17 December 2014, my predecessor the then Secretary of State for Communities and Local Government confirmed that, having considered the report of the inspection by PriceWaterhouseCoopers LLP, the London Borough of Tower Hamlets was failing to comply with its best value duty. He therefore concluded that it was both necessary and expedient for him to exercise his intervention powers. A team of commissioners were appointed to exercise functions of the authority in relation to the making of grants, and the appointment of persons to and the removal of persons from the statutory offices of electoral registration officer and returning officer for local elections. The commissioners were also tasked with overseeing an improvement plan of the council covering steps to strengthen the council's core governance arrangements, publicity, contracting, property disposals to third parties and organisational cultural change.

Almost two years on, a number of challenges remain but there have been areas of significant progress. Following receipt of the council's 36-monthly update against its best value action plan on 20 September and a report from the commissioners on 11 October, I am today proposing, on the recommendation of the commissioner team, my intention to return certain functions to the London Borough of Tower Hamlets.

After careful consideration of the commissioners' report, I am satisfied that the council is now able to exercise some of functions identified by the commissioners in compliance with the best value duty, and that the local residents of Tower Hamlets can have confidence that this will be the case. I am therefore considering exercising my powers under section 15 of the Local Government Act 1999 to return to the council functions in relation to grant making, although I consider it necessary for the commissioners to retain an oversight role over how this function is exercised for the remainder of the direction period. Establishing new oversight arrangements in relation to grants will enable the commissioners to advise and scrutinise the council without clouding where ultimate responsibility lies. Finally, I am considering exercising my powers under section 15 of the 1999 Act to end the role the commissioners have held in overseeing the council's processes and practices for entering into contracts. Returning these functions represents a clear milestone on Tower Hamlets Council's road to recovery.

The commissioners will provide oversight of the returned functions to ensure that they are exercised in accordance with the best value duty. In addition they will continue to oversee the council's rigorous programme of improvement in relation to strengthening its core governance arrangements, publicity, property disposals to third parties, organisational cultural change and grants. I am inviting the council to make representations on the proposals, which will be considered as part of my final decision.

I am placing a copy of the documents associated with these announcements in the Library of the House and on my Department's website: <https://www.gov.uk/government/publications/tower-hamlets-intervention-proposed-return-of-grants-function>.

[HCWS310]

Local Newspapers

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): This Government remain committed to protecting the independent press from unfair competition. A healthy local democracy requires the accountability that comes from scrutiny of councils by the press and the public.

The Government have sought to take action against the practice, by a small number of local authorities, of publishing local authority newspapers, which given the frequency of their publication, can push out and undermine that independent press. A small number of councils continue to breach the recommendations of the code of recommended practice on local authority publicity about the frequency of publication for council newspapers.

Further to the written statement of 10 March 2015, *Official Report*, Column 8WS we have warned a small number of local authorities about their continued failure to comply with the provisions of the publicity code.

Today I am announcing the conclusions to date of the review into the actions of three of those authorities: the London Borough of Hackney, the London Borough of Newham and the London Borough of Waltham Forest.

In each case my right hon. Friend the Secretary of State is minded to exercise his powers under the Local Government Act 1986 to direct the local authorities to

comply by no later than 31 January 2017, with the provision in the March 2011 code of recommended practice on local authority publicity that:

“Where local authorities do commission or publish newsletters, news sheets or similar communications, they should not issue them more frequently than quarterly”.

Accordingly, the Secretary of State is today issuing to each of the three authorities a written notice of the direction he proposes to issue in each case.

In deciding to take this action, the Secretary of State has carefully considered the representations each of these local authorities has made in response to a notice given to it on 10 March 2015 of a proposed direction relating to frequency of publication of council newsletters, news sheets or similar publications. He has also considered other information available to him about each of the three council’s publicity, and had regard to an equality statement about enforcing the 2011 code of recommended practice on local authority publicity.

Each authority now has 14 days to make written representations to the Secretary of State about the proposed direction. Following this, the Secretary of State will take his final decision in each case about whether or not to issue the local authority with a direction. Each decision will be taken on its own merits.

I will be placing copies of the documents associated with these announcements in the Library of the House.

[HCWS309]

CULTURE, MEDIA AND SPORT

Telecommunications Council

The Secretary of State for Culture, Media and Sport (Karen Bradley): The Telecommunications Council will take place in Brussels on 2 December 2016. I will represent the UK at this Council. Below are the agenda items and the positions I intend to adopt.

The first item is a policy debate on the two legislative instruments and two communications that form the just published EU Commission’s Connectivity package—the European electronic communications code (First reading—EM 12252/16) and body of European regulators for electronic communications (First reading—EM 12257/16) and “5G for Europe: An action plan” (EM 12279/16) and “connectivity for a competitive digital single market—towards a European gigabit society” (EM 12364/16). My intervention will confirm that the UK supports the plan for a gigabit society and emphasise the importance of the connectivity package in stimulating investment by the private sector in fibre-based networks and 5G. I will also set out the UK’s other priorities for the electronic communications code, including respecting member states’ competence and retaining member states’ discretion over consumer protection and funding of the universal service obligation. The Council will then be invited to adopt a general approach on amending regulation (EU) No 531/2012 as regards rules for wholesale roaming markets (First reading—EM). We will agree to the adoption of this general approach. The Council will then be provided with an update from the Slovak presidency on the proposal for a regulation of the European Parliament and of the Council on cross-border parcel delivery services (First reading—EM 9706/16). We do not expect a debate on this item and I do not intend to intervene.

Finally, member states will be invited to adopt a partial general approach on the proposal for a regulation of the European Parliament and of the Council amending regulations as regards the promotion of internet connectivity in local communities (First reading—EM 12259/16). The UK intends to agree to the adoption of this partial approach. This will be followed by three items under AOB led by the Commission, the first being on fair use policy in the context of roaming services, followed by information on digital single market initiatives and finally under AOB, current internet governance issues. We do not currently intend to intervene on any of these items. Finally, the Maltese delegation will inform the Council of their priorities for their forthcoming presidency before Council adjourns until the next meeting in Q2 2017.

[HCWS312]

INTERNATIONAL DEVELOPMENT

Rail Update - Southern

The Secretary of State for Transport (Chris Grayling): My Department has previously announced that ‘Delay Repay 15’ will be introduced first on the Govia Thameslink Railway (GTR) franchise, and this will be available to customers from 11 December 2016. Passengers will be entitled to claim compensation if their train is delayed by 15 minutes or more, rather than 30 minutes as is now the case. This is recognised as one of the most generous compensation schemes in Europe, and this change means an even better deal for passengers. ‘Delay Repay 15’ will be included in the specification for all new franchises in future.

Southern passengers have suffered from unprecedented and sustained disruption to their journeys during 2016 through a combination of factors, including RMT industrial action, track and signal failures, and operator poor performance. In recognition of this unprecedented disruption, passengers will be able to claim one payment against their 2016 season tickets from early next year. This one-off compensation scheme recognises that passengers have suffered, and demonstrates that the Government are on their side. This will be administered by GTR.

Passengers with a Brighton to London annual season ticket, for example, will get £371 back. Quarterly, regular monthly and weekly season ticket holders will also qualify for a one-off compensation payment.

Annual, quarterly, monthly and weekly season ticket holders using any Southern routes will be able to claim through the following process:

In early January 2017 Southern will contact all customers on its database it believes qualify for a refund to confirm the amount due and the method of payment.

Pre-identified customers will need to login to a web portal to provide bank details, credit card details or web account details.

Customers do not need to contact Southern directly at this stage.

After customers who have been pre-identified have been contacted a web portal will be made available allowing:

Pre-identified customers to confirm the method of payment they wish to use, and;

customers who believe they qualify to provide details for Southern to check and, if appropriate, make payment

[HCWS307]

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