

**Wednesday  
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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Wednesday 29 March 2017**

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# House of Commons

Wednesday 29 March 2017

*The House met at half-past Eleven o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Speaker's Statement

**Mr Speaker:** I have a short statement to make about the follow-up to last Wednesday's events. As would be normal after such events, we are seeking to make sure that any lessons are learned through two reviews. The Lord Speaker and I are commissioning an external independent review of how the perimeter of the parliamentary estate, including outbuildings, is secured and protected to produce a preliminary report by the end of April. The two Clerks are commissioning an externally led lessons learned review of the operation last week of Parliament's incident management framework to report by the end of June. You will all shortly receive a letter inviting you and your staff to contribute your views and experiences to these reviews, and identifying a dedicated email inbox for your comments.

Members will also be aware that 2.40 pm today marks a week on from the shocking events of last week, and our thoughts will be, in particular, with the Metropolitan police as they mourn their colleague, PC Keith Palmer.

## BUSINESS BEFORE QUESTIONS

### STANDING ORDERS (PRIVATE BUSINESS)

*Ordered,*

That the Amendments to Standing Orders relating to Private Business set out in the Schedule be made.—(*The Chairman of Ways and Means.*)

## Oral Answers to Questions

### INTERNATIONAL DEVELOPMENT

*The Secretary of State was asked—*

#### Developing Countries (Extreme Poverty)

1. **Nigel Huddleston** (Mid Worcestershire) (Con): What steps her Department is taking to use research, innovation and technology to tackle extreme poverty in developing countries. [909541]

**The Secretary of State for International Development (Priti Patel):** The UK's investment in cutting-edge research on new technology to tackle extreme poverty is more important than ever before. DFID spends 3% of its budget on supporting research and development, and we are demonstrating leadership on this issue.

**Mr Speaker:** I have just been advised of an important matter: I wish to offer a happy birthday to the Secretary of State.

**Nigel Huddleston:** Evenproducts is a small and innovative company based in my constituency that makes water tanks and sanitation equipment used throughout the developing world. It is also part of DFID's rapid response group. What is the Department doing to encourage even more small businesses and charities to engage with this work?

**Priti Patel:** Thank you for your very kind birthday wishes, Mr Speaker.

My hon. Friend is absolutely right about small businesses in his constituency and, indeed, in all our constituencies. I congratulate the company he mentioned on the outstanding work that it does in development. I am leading a review of our suppliers in DFID right now. We are changing the way in which we procure. We will ensure that more UK firms, in particular, have the opportunity to support UK aid around the world and deliver on our development objectives.

**Mr Gregory Campbell** (East Londonderry) (DUP): I pay tribute to the work that the Secretary of State is doing in this area. Does she agree that in much of sub-Saharan Africa, in particular, many charities are doing a lot of work on clean water to try to tackle drought, as well as work on economic development? We can do much more to support these much-needed charities in those countries.

**Priti Patel:** The hon. Gentleman is absolutely right. The challenge that we have across sub-Saharan Africa is drought and the provision of water, and all the essentials that many of us take for granted. He is right that small charities play a crucial role in delivering that. That was why last week I announced the new small charities challenge fund, which will give small charities across the United Kingdom more of an opportunity to access DFID funds and support to go out there and deliver life-saving aid around the world.

**Tom Pursglove** (Corby) (Con): As we leave the European Union, does my right hon. Friend agree that we have a unique opportunity to help to eradicate extreme poverty through free trade opportunities?

**Priti Patel:** My hon. Friend is absolutely right. Today being a very significant day, he is right to raise this issue. We know through all our work that to move countries from aid dependency we have to give them economic empowerment and prosperity. Free trade is one aspect of that, along with the other work that we do on bringing commerce and new trading opportunities, but education as well, to countries around the world.

**Kate Osamor** (Edmonton) (Lab/Co-op): What role will the Ross Fund, co-managed by DFID and the Department of Health, play in the priorities around new investment and co-ordination of projects across Government?

**Priti Patel:** The hon. Lady is right to raise the £357 million that is associated with the Ross Fund, and I thank her for doing so. We spend that on top of the 3% commitment

of DFID's money and budget that we already give through the research review that I launched last year. This speaks to our leadership in the world in tackling health epidemics through the work that we led on Ebola and on Zika, and also on TB. Last Friday was World TB Day. Our investment in universities across the United Kingdom in terms of scientific research and development has shown UK leadership in how we can tackle some of these awful diseases and epidemics and get better prevention of them.

### Somalia (Food Security)

2. **Neil Parish** (Tiverton and Honiton) (Con): What steps her Department is taking to tackle famine and food insecurity in Somalia. [909542]

**The Secretary of State for International Development (Priti Patel):** The UK is at the forefront of international efforts to avert a famine in Somalia. Our additional £110 million of aid will provide food, water and emergency services for more than 1 million people. I think all Members of this House will recognise that we are witnessing Somalia experience an absolutely devastating famine right now, but UK aid is making an enormous difference.

**Neil Parish:** I thank the Secretary of State very much for her comments. Up to 3 million people are at risk of starvation in Somalia. It is important not only to get the food in, but to make sure it goes to the people who really need it. I would just like to press her a little bit more on how we can physically get the food to those who most need it.

**Priti Patel:** My hon. Friend is absolutely right to raise this issue. First and foremost, I would like to commend all the partners and agencies working in Somalia in quite terrible, difficult and harrowing conditions. We work with a range of trusted and experienced partners in a country that is very difficult; there is no doubt about that. I have met many of them, as have my DFID teams and officials in country. Our priority, as I have said, is to get emergency food and water to the people who need it, and we are working with a range of agencies to do exactly that.

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): The scale of the humanitarian crisis in Somalia, the rest of east Africa and Yemen is truly appalling. I welcome what the Secretary of State has said about the UK donation, but what are we doing to ensure that other wealthy countries rise to the challenge as well?

**Priti Patel:** I thank the hon. Gentleman for making that remark. He will know that thanks to the generosity of UK taxpayers, the east Africa Disasters Emergency Committee appeal has reached £40 million. UK aid has contributed to that, and rightly so, through our match funding. Others need to do more; I have been unequivocal about the fact that I think that other countries need to pull their finger out. We have led the way in terms of lobbying and making calls. All Ministers across DFID and across Government, including Foreign and Commonwealth Office Ministers, have been doing exactly that—pressing the wealthier countries to contribute more to tackling these famines and to step up their own responses.

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): May I ask the Secretary of State what work her Department is doing with the international community to help to ensure that it is better able to provide a more urgent early response to food crises, to avoid mass loss of life?

**Priti Patel:** The hon. Lady is absolutely right to raise that point. What we are seeing is totally unprecedented. To witness the prospect of four famines in 2017 is simply horrific for all of us. There is more that can be done, and the UK is working with others to try to build greater capacity and resilience in those countries so that we do not reach crisis points, as we have done this year, where international appeals have to come together and plead with people to give money. The long-term strategy has to be to build greater resilience. That has worked in countries such as Ethiopia and Kenya in the past.

**Kate Osamor** (Edmonton) (Lab/Co-op): On 21 March, the United Nations agricultural agency further scaled up its activities in drought-ridden regions in Somalia. I thank the agency for the \$22 million that was loaned, but I have had concerned constituents asking who will be paying back that loan. Will it be the United Nations or will it be the Somalians?

**Priti Patel:** The hon. Lady raises an important point about funding and resourcing for such crisis appeals. As I have said, the UK has stepped up and led the way. On my visit to Somalia six weeks ago, we managed to convene more funds—yes, from the UK, but we are getting others to do likewise. We cannot continue to put the debt burden on countries that are struggling, or on a Government who are so new that we have to continue to support them. Of course, we have the Somalia conference coming up very soon.

### East Africa (Food Security)

3. **Paul Scully** (Sutton and Cheam) (Con): What steps her Department is taking to tackle famine, hunger and food insecurity in east Africa. [909543]

**The Secretary of State for International Development (Priti Patel):** The humanitarian crises facing the world in 2017 are unprecedented. The UK is leading the response and stepping up life-saving support across east Africa.

**Paul Scully:** On a recent visit to Kenya and Uganda with the Select Committee on International Development, I met children who had walked up to 10 km just to get to school and 10 km to get back, many of whom were lucky if they had one meal a day. While we were at the school, we discussed associated educational and developmental issues. What consideration has my right hon. Friend given to supporting food programmes aimed at school-age children?

**Priti Patel:** My hon. Friend is right to highlight that, and I am glad that the Select Committee saw the strong work DFID is doing, in partnership, on education in both Kenya and Uganda. We of course provide a range of support, and in our education support and our

programme work we look at all aspects of water, food and provision of healthcare, and at how we can support vulnerable households.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): I pay tribute to the many people across Cardiff, including local football teams, who have been raising funds for drought-affected areas, in Somaliland in particular. I have heard worrying concerns from the Government of Somaliland and others that some of the aid pledged to the region is not getting through. Will the Secretary of State investigate this and do what she can to provide support?

**Priti Patel:** I thank the hon. Gentleman for raising that point. We must always challenge the system, but also challenge Governments and authorities. As he will know, there are issues in Somaliland specifically, because it is very challenging and difficult terrain. I will always press, be vocal about and call out those who are preventing aid access, so I will absolutely look into the point he has made.

**James Duddridge** (Rochford and Southend East) (Con): Yesterday, I met the Ethiopian ambassador, who made the point that money is needed desperately, but at the same time let us not stereotype east Africa. It is a place of prosperity, where Louis Vuitton handbags and some of the finest gloves are made, as well as a place that requires help in the north.

**Priti Patel:** My hon. Friend is absolutely right. I saw that for myself when I went to Ethiopia; I went to one of the industrial parks. I think—this comes back to the point about economic development—that Ethiopia is now a great success story in moving from famine and poverty to prosperity and the development agenda. In effect, we want to see more of that.

10. [909550] **Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Is the Secretary of State aware of reports that the South Sudanese Government are planning to raise the cost of work permits for foreign nationals from \$100 to \$10,000? What steps can the Department take to ensure access for aid workers, and what success is it having in achieving that?

**Priti Patel:** The hon. Gentleman is right to raise this issue. He will not be surprised to hear me say that we have been calling the South Sudanese Government out on that. Their behaviour and conduct in putting up their fees and blocking aid access have been absolutely appalling. We will continue to apply all pressure we can to make sure we tackle these issues directly.

**Mr David Lammy** (Tottenham) (Lab): I am sure the Secretary of State will commend Comic Relief for raising £73 million this year, but is she as concerned as I am that it showed a baby dying at 8.30 pm, before the watershed, and another baby dying at 9.10 pm, meaning that the overall portrayal of Africa is very narrow? It needs to review the formula, because this is affecting primary school children's understanding of a very complicated continent with 52 countries.

**Priti Patel:** I agree with the right hon. Gentleman about the great work of Comic Relief and how it raises so much money for all the domestic and international causes. I did not see the footage to which he refers, but

as we have touched on already in these exchanges, Africa has a bright future—there is no doubt about that—in terms of its population, economic development and prosperity, and we must focus on those things.

**Patrick Grady** (Glasgow North) (SNP): We join in passing on birthday wishes to the Secretary of State. Will she explain how DFID is helping local partners to deliver humanitarian aid in response to the east African crisis, and how is that helping the Department to make progress towards the target, agreed at last year's world humanitarian summit, that 25% of humanitarian aid should be delivered through local partners by 2020?

**Priti Patel:** The hon. Gentleman asks a very important question. Following the world humanitarian summit, we have been leading the charge—working with others in the system, including the head of the Office for the Co-ordination of Humanitarian Affairs, Stephen O'Brien—on how to get better efficiencies and improve ways of working, which are crucial. The east African crisis has shown how we can deliver aid more effectively through our partnership working, but also how we can reform our ways of working, which we need to improve continually.

## Afghanistan

4. **James Morris** (Halesowen and Rowley Regis) (Con): What steps her Department is taking to support stability and prosperity in Afghanistan. [909544]

**The Secretary of State for International Development** (**Priti Patel**): Britain has a proven track record of supporting Afghanistan and a long-term commitment to the country's future. As my right hon. Friend the Prime Minister said on Monday, we will continue to support Afghanistan's security and development because that is in Afghanistan's interests, but also in our national interest.

**James Morris:** Although huge progress has been made in Afghanistan on the education of women and girls, does the Secretary of State agree that long-term stability and prosperity in Afghanistan depend on women and girls being able to make a full contribution to business, political and civic life?

**Priti Patel:** My hon. Friend is absolutely right. I saw that myself when I visited Afghanistan recently. Women and girls are key to delivering real and long-lasting peace and stability in Afghanistan. Its Government are fully committed to that and we will continue to work with and support them to achieve it.

**Graham Jones** (Hyndburn) (Lab): Given the reported fall of Helmand province to the Taliban, what discussions has the Department had with other Departments on trying to eradicate the poppy crop in Afghanistan?

**Priti Patel:** The hon. Gentleman raises a really important point, particularly in light of the many sacrifices that were made in Helmand province. We work across Government on the issue, including with the Foreign Office and the Ministry of Defence. We are working at every level to strengthen capacity and resilience in the country.



**Dame Caroline Spelman** (Meriden) (Con): DFID funding has enabled significant progress in maternal healthcare, as well as in educating girls, in the federally administered tribal areas between Afghanistan and Pakistan. Would the Secretary of State be willing to meet representatives of the local charity, the Community Motivation and Development Organisation, which is a recipient, on their next visit to London?

**Priti Patel:** My right hon. Friend is absolutely right about the vital and significant work that is being done. I would be delighted to meet those people when they visit London soon.

#### United Nations (Aid Programmes)

5. **Richard Arkless** (Dumfries and Galloway) (SNP): What discussions her Department has had with UN institutions on the future funding of aid programmes. [909545]

**The Minister of State, Department for International Development (Rory Stewart):** Discussions with the United Nations are central to the Department's work. The Secretary of State speaks regularly to the Secretary-General, and I am lucky enough to be able to speak regularly to the heads of UN agencies such as UNICEF and the World Food Programme, and the International Committee of the Red Cross. Our focus is not just on funding, but on reform, in particular making sure that we have better co-ordination in humanitarian crises.

**Richard Arkless:** UN aid programmes are an investment on behalf of all citizens, so, given their importance, I was surprised to read some of the sweeping statements in the multilateral review. Does the Secretary of State accept that if institutions are to be reformed, perhaps that should be done with the co-operation of all member states, not at the unilateral discretion of her Department?

**Rory Stewart:** We believe very strongly that reform should be done with other member states and as part of a coalition. As the hon. Gentleman has pointed out, the multilateral development review has pointed to issues where we think further reform is needed, but the United Nations is central to Britain's response around the world. In fact, we are contributing £1.6 billion this year in our work with the United Nations, addressing some of the most vulnerable people on the planet.

**Sir Desmond Swayne** (New Forest West) (Con): What success has been had in recruiting Gulf states to work through the UN system and in encouraging them to support our UN reform agenda?

**Rory Stewart:** Clearly, Gulf states, which are increasingly large parts of the economy of the world, are central to humanitarian response. There have been significant contributions from the Gulf—from Saudi, UAE and Qatar—and the Secretary of State continues to encourage those contributions, particularly those that address the famines in the horn of Africa.

**Imran Hussain** (Bradford East) (Lab): As President Trump slashes aid spending, it is more important than ever that global, outward-looking nations live up to their responsibilities, not shirk them, to fill the aid

funding gaps. Will the Minister commit to working with our partners on increasing their aid spending, to show that despite Brexit the UK can still be a global leader embracing its global responsibilities?

**Rory Stewart:** We agree absolutely with that. It is central that other countries meet their targets. We are very proud to be able to stand tall in the world, particularly at a time when children are starving to death. That is why the Secretary of State is leading international coalitions to increase the international commitment to these desperate issues.

#### Topical Questions

T1. [909533] **Alan Brown** (Kilmarnock and Loudoun) (SNP): If she will make a statement on her departmental responsibilities.

**The Secretary of State for International Development (Priti Patel):** Britain's small charities do amazing and often highly innovative work in some of the poorest places in the world. Small charities are being given a boost by the financial fund that I have mentioned. I urge all colleagues on both sides of the House to encourage small charities in their constituencies to come forward when the funds are opened this summer.

**Alan Brown:** The Secretary of State has already acknowledged that last Friday was World TB Day. I hope that she is aware that there is an emerging threat of the disease becoming drug-resistant, so what steps are the Government taking to eradicate the TB epidemic and provide treatment for drug-resistant strains?

**Priti Patel:** The hon. Gentleman raises a very important point. TB is a deadly disease that affects so much of the world. We are demonstrating great leadership in this country on how we can tackle and invest in addressing TB as well as antimicrobial resistance, which is a big agenda that the UK has led on. We are funding more work, not only through the Ross Fund, as I said earlier, but through our research reviews.

T3. [909535] **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): My right hon. Friend will be aware of the stigma that exists for people with mental ill health and the poor provision of mental health care services in many low and middle-income countries. What steps is her Department taking to combat that problem? [Interruption.]

**Mr Speaker:** Order. We should be listening to the doctor. He had an important message, and I am not sure it was fully heard.

**Priti Patel:** My hon. Friend is absolutely right to raise the important issue of mental health in relation to the global goals and the international disability framework. DFID works across the world, through agencies as well as in countries such as Ghana, to integrate our research to see how we can do more with their health systems to deliver the right kind of support.

T2. [909534] **Andy Slaughter** (Hammersmith) (Lab): This year both the Secretary of State and the Foreign Secretary have visited Ethiopia, the second-largest recipient of

UK bilateral aid. Meanwhile, British citizen Andy Tsege has been on death row for over 1,000 days following a show trial and illegal kidnap. What is the Secretary of State doing to return Mr Tsege to his family in London?

**Priti Patel:** I am working with my right hon. Friend the Foreign Secretary on this issue. That is how we demonstrate joined-up government and leadership on difficult consular cases.

T8. [909540] **Mike Freer** (Finchley and Golders Green) (Con): What steps is my right hon. Friend's Department taking to support women and girls, given the Trump Administration's reintroduction of the Mexico City policy?

**Priti Patel:** My hon. Friend has raised this issue with me previously. On support for family planning around the world in light of America's policies, I am delighted to confirm that we are hosting a conference in July this year, working alongside Bill Gates, the private sector and others, to continue to demonstrate UK leadership on this issue while challenging others to step up.

T4. [909536] **Paul Blomfield** (Sheffield Central) (Lab): I recently met Youth Stop AIDS campaigners from my constituency who are optimistic about the Government's international family planning summit in July, but they are concerned to ensure that HIV is an integral part of the conference. Will the Secretary of State assure me that an HIV organisation will be included in the civil society steering group that is being set up to advise on planning for the summit?

**Priti Patel:** The hon. Gentleman raises a really important point about the summit, HIV/AIDS and representation from civil society. I can give him a complete assurance that we are not only engaging but working with civil society organisations. Their voices will be at the heart of our further policy work and development.

**Michael Tomlinson** (Mid Dorset and North Poole) (Con): My constituents want value for money and transparency in the international aid system. What more can the Secretary of State do to ensure that that happens?

**Priti Patel:** My hon. Friend is right to raise the important issue of delivering value for money in how we deliver UK aid. I can give him and the whole House a complete assurance that, through the reforms we are undertaking, every pound of UK aid—taxpayers' money—will be spent on delivering for the world's poorest.

T5. [909537] **Jeff Smith** (Manchester, Withington) (Lab): Even before the famine South Sudan had one of the highest maternal mortality rates in the world, but now the UN estimates that 33,000 pregnant women are on the brink of extreme hunger. Does the Secretary of State agree that there is a need for specific aid focused on maternal health, sanitary products and the education of girls and women?

**Priti Patel:** The hon. Gentleman will know that the UK leads on maternal health support and advocacy for women and girls around the world, and that will continue. The areas he highlights are crucial to our leadership and to how UK aid is spent.

**Chris Green** (Bolton West) (Con): Some people have concerns about the idea of linking trade with aid, but does my right hon. Friend agree that the rule of law, which goes with trade, fosters the wider development of healthy legal practice?

**Priti Patel:** As I said earlier, the UK leads on prosperity and economic development. My hon. Friend is right to highlight the fact that we do not tie in aid and trade, but there is a role for governance and building the prosperity agenda. That is effectively what we are doing through DFID's economic development strategy.

**Richard Arkless** (Dumfries and Galloway) (SNP): There seems to be wide agreement across the House that foreign aid is a good thing and an investment, yet the public debate, driven by populism, is incredibly toxic. What are the Government doing to detoxify the public debate surrounding foreign aid?

**Priti Patel:** At a time when there is great need in the world, we have seen enormous generosity from UK taxpayers for the Disasters Emergency Committee east Africa appeal. We have seen the country, as well as the international community, come together to give support and aid to the people who need it the most. We are proud of that, and we stand tall in the world when we stand up for our obligations to the poorest in the world. That is, in effect, what we are doing.

## PRIME MINISTER

*The Prime Minister was asked—*

### Engagements

Q1. [909556] **Danny Kinahan** (South Antrim) (UUP): If she will list her official engagements for Wednesday 29 March.

**The Prime Minister (Mrs Theresa May):** I would like to update the House on last week's terrorist attack. Since my statement on Thursday, the names of those who died have been released. They were Aysha Frade, Kurt Cochran, Leslie Rhodes and, of course, PC Keith Palmer. I am sure that Members of all parties will join me in offering our deepest condolences to their friends and families. The police and security services' investigation continues; two people have been arrested and remain in custody.

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

**Danny Kinahan:** I echo those sentiments and congratulate the Prime Minister on all the good work done last week and since that time.

I also congratulate the Prime Minister and the Government on triggering article 50 today. I know that this is a momentous action for the whole United Kingdom. Although I, in common with the right hon. Lady, campaigned to stay in, we recognise that the people have spoken, and we offer the Ulster Unionist party's full support in ensuring that the negotiations deliver the best for the whole of the United Kingdom, and particularly for Northern Ireland.

I ask the Prime Minister to confirm that, in the extremely improbable event that a border poll should take place regarding the future of Northern Ireland within the United Kingdom during her premiership, her Government would fully support any official remain campaign, just as the Government have done in regard of the EU and indeed Scotland.

**The Prime Minister:** The hon. Gentleman is absolutely right that today we give effect to the democratic decision of the people of the United Kingdom, who voted for us to leave the European Union. It was a call to make the United Kingdom a country that works for everyone, not just the privileged few. We are, of course, fully committed within that to ensuring that the unique interests of Northern Ireland are protected and advanced as we establish our negotiating position. Our position has always been clear—that we strongly support the Belfast agreement, including the principle of consent that Northern Ireland’s constitutional position is a matter for the people of Northern Ireland to determine. As our manifesto made clear, we have a preference for Northern Ireland to remain part of the United Kingdom, and we will never be neutral in expressing our support for that, because I believe fundamentally in the strength of our Union.

Q7. [909562] **Mr Ranil Jayawardena** (North East Hampshire) (Con): Pupils and parents deserve good schools and real choice in education, including schools that are focused unashamedly on academic rigour. Will my right hon. Friend tell us when the Government will open applications for the new wave of free schools, and will she confirm that they will be genuinely free to be run as they wish, serving the local community and creating schools that work for everyone?

**The Prime Minister:** My hon. Friend is absolutely right. I believe that schools should be free to be run as best suits them. We are putting autonomy and freedom in the hands of strong leaders and outstanding teachers so that they can deliver an excellent education. We want to get out of the way of outstanding education providers so that they can set up the types of schools that parents want. That is why we have set out our new plans to remove the ban on new grammar schools and restrictions on new faith schools. It is a complex area, but we expect to announce the detail of the next wave of free school applications following the publication of our schools White Paper.

**Jeremy Corbyn** (Islington North) (Lab): I want to begin by paying tribute, as the Prime Minister did, to the emergency services across the country, and especially to all those who responded to the Westminster attack last Wednesday and those who turned out to help the victims of the New Ferry explosion last Saturday. Our thoughts remain with the injured and those who have lost loved ones, and we especially thank the police for their ongoing investigations. Will the Prime Minister assure us that the police will be given all the necessary support and resources to take them through this very difficult period of investigating what happened last Wednesday?

**The Prime Minister:** I join the right hon. Gentleman in praising the work of our emergency services, who, as he has pointed out, have to deal with a wide range of

incidents. Our focus in the House has most recently been on the attack that took place last Wednesday, but we should never forget that, day in and day out, our emergency services are working on our behalf and often putting themselves in danger as a result of the work that they do.

I can assure the right hon. Gentleman that I have, of course, been keeping in touch with both the security services and the Metropolitan police—as has my right hon. Friend the Home Secretary—about the current investigation of the attack last week, and about future security arrangements. I can also assure him that they have the resources that they need in order to carry out their vital work.

**Jeremy Corbyn:** Of course we all pay tribute to the police for the work that they do, but there are some problems. Between 2015 and 2018 there will be a real-terms cut of £330 million in central Government funding for police forces. Can the Prime Minister assure the House that police forces all over the country have the necessary resources with which to do the job?

**The Prime Minister:** I remind the right hon. Gentleman that we have protected the police budget in the comprehensive spending review. I also remind him that the former shadow Home Secretary, his colleague the right hon. Member for Leigh (Andy Burnham), said during the 2015 Labour party conference that

“savings can be found. The Police say 5% to 10% over the Parliament is just about do-able.”

We did not accept that. We have actually protected the police budget. I have been speaking to police forces, as has my right hon. Friend the Home Secretary, and they are very clear about the fact that they have the resources that they need for the work that they are doing.

**Jeremy Corbyn:** A survey undertaken recently by the Police Federation reveals that 55% of serving police officers say that their morale is low because of how their funding has been treated. Frontline policing is vital to tackling crime and terrorism, but there are 20,000 fewer police officers and 12,000 fewer officers on the frontline than there were in 2010. I ask the Prime Minister again: will she think again about the cuts in policing, and will she guarantee that policing on the frontline will be protected so that every community can be assured that it has the police officers it needs?

**The Prime Minister:** As I said to the right hon. Gentleman, we have protected police budgets, including the precept that the police are able to raise locally. But let us just think about what has happened since 2010. Since then, crimes that are traditionally measured by the independent crime survey have fallen by a third, to a record low. That is due to the work of hard-working police officers up and down the country, and they have been backed by this Government. Yes, we have made them more accountable through directly elected police and crime commissioners, and yes, there has been reform of policing—including reform of the Police Federation, which was very necessary—but we have ensured that they have the resources to do their job, and we now see crime at a record low.

Q8. [909563] **Victoria Atkins** (Louth and Horncastle) (Con): The Royal Air Force is preparing to fly Typhoons from RAF Coningsby in my constituency to Romania to



support our NATO allies on the border with Russia. That is happening as President Putin is locking up his political opponents and crushing calls for democracy. Will my right hon. Friend confirm that, as we leave the European Union, the United Kingdom will continue to lead NATO in defending that vital border, and will she pay tribute to the members of the armed forces who safeguard our democracy at home and abroad?

**The Prime Minister:** I am very happy to join my hon. Friend in paying tribute to the men and women of our armed forces. They are the best in the world. They work tirelessly to keep us safe, and we owe them every gratitude for doing so. I can also assure her that our commitment to collective defence and security through NATO is as strong as ever. We will meet our NATO pledge to spend 2% of GDP on defence in every year of this decade, and we plan to spend £178 billion on the equipment plan to 2025.

My hon. Friend referred to the work being done by the Royal Air Force in relation to Romania. With NATO, we are deploying a battalion to Estonia and a reconnaissance squadron to Poland, and I think that shows our very clear commitment to our collective security and defence.

**Angus Robertson (Moray) (SNP):** We associate ourselves with the condolences given by the Prime Minister and the leader of the Labour party and their praise for the emergency and security services during and in the wake of the appalling terrorist atrocity last week.

Last year, the Prime Minister promised that before she triggered article 50 on leaving the European Union she would secure a UK-wide approach—an agreement—with the Governments of—*[Interruption.]* Last year, the Prime Minister did make that promise: she promised that there would be an agreement with the Governments of Scotland, Wales and Northern Ireland before she triggered article 50. The Prime Minister has now triggered article 50, and she has done so without an agreement; there is no agreement. Why has she broken her promise and broken her word?

**The Prime Minister:** I have been very clear throughout, since the first visit that I made as Prime Minister to Edinburgh last July, that we were going to work with the devolved Administrations and that we would develop a UK-wide approach, but that it would be a UK approach that was taken into the negotiations and that it would be the United Kingdom Government who took forward that position—and I would simply remind the right hon. Gentleman that Scotland is part of the United Kingdom.

**Angus Robertson:** People viewing will note that the Prime Minister did not deny that she said she would seek a UK-wide approach and agreement with the Governments of Scotland, Wales and Northern Ireland, and there is no agreement.

The Scottish Government were elected with a higher percentage of the vote—a bigger electoral mandate—than the UK Government. Yesterday the Scottish Parliament voted by 69 to 59 that people in Scotland should have a choice about their future. After the negotiations on the European Union are concluded, there will be a period for democratic approval of the outcome. That choice

will be exercised in this Parliament, in the European Parliament and in 27 member states of the European Union. Given that everybody else will have a choice at that time, will the people of Scotland have a choice about their future?

**The Prime Minister:** I say to the right hon. Gentleman that we are taking forward the views of the United Kingdom into the negotiations with the European Union on the United Kingdom exiting the European Union. The Scottish nationalist party consistently talks—*[HON. MEMBERS: “National.”]*

**Mr Speaker:** Order. Ms Cherry, this is very unseemly heckling. You are a distinguished QC; you would not behave like that in the Scottish courts—you would be chucked out.

**The Prime Minister:** The SNP consistently talks about independence as the only subject it wishes to talk about. What I say to the right hon. Gentleman and his colleagues is this: now is not the time to be talking about a second independence referendum. On today of all days we should be coming together as a United Kingdom to get the best deal for Britain.

**Q9. [909564] Julian Sturdy (York Outer) (Con):** Improving vocational and technical education is vital in closing our productivity gap, so can the Prime Minister assure me that vocational education will enjoy equal status with academic education, so that as we leave the EU our young people can be equipped to build the high-skilled economy of the future?

**The Prime Minister:** My hon. Friend raises a very important issue. It is essential for young people that we give vocational and technical education the right esteem and focus, because that is essential in addressing our productivity gap. We want to deliver a world-leading technical education system and create two genuine options for young people that are equal in esteem. At the Budget my right hon. Friend the Chancellor announced a significant package of investment to implement the most ambitious post-16 reforms since the introduction of A-levels 70 years ago. We are going to be investing an extra half a billion pounds a year in England’s technical education system and introducing maintenance loans to support those studying high-level technical qualifications at prestigious institutes of technology and national colleges.

**Q2. [909557] Bill Esterson (Sefton Central) (Lab):** The Treasury Committee says that for many small companies, having to fill in a tax return every three months will mean facing disaster, and the Federation of Small Businesses says that the extra annual cost is likely to be at least £2,700 a year—yet another burden on business from this Government. The Prime Minister got it wrong on national insurance; is she going to backtrack on tax returns as well?

**The Prime Minister:** Perhaps the hon. Gentleman should have listened to the announcement that my right hon. Friend the Chancellor made in the Budget, when he indicated that he would delay the introduction of the change for a year for the smallest businesses below the VAT threshold. It is right that Her Majesty’s Revenue

and Customs tries to move to a greater digitisation of how it operates, enabling it to provide a better service to those who are completing their forms. We should always remember that aspect of what is being proposed.

**Q10.** [909565] **David Mackintosh** (Northampton South) (Con): I welcome the additional money that the Government have given for adult social care, but it is important that we also look at long-term solutions. As part of the long-term review, will the Prime Minister look at some of the cases in my constituency, and at the issues with how the system works for Northamptonshire County Council and Northampton general hospital?

**The Prime Minister:** I am grateful for my hon. Friend's welcome for the extra money—the £2 billion that was announced by my right hon. Friend the Chancellor in the Budget—that is going into social care. That shows that we have recognised the pressures and demands on social care, but it is also important that we ensure that best practice is delivered across the whole country. It is not just about money, so we are also trying to find a long-term, sustainable solution that will help local authorities to learn from each other to raise standards across the whole system. We will bring forward proposals in a Green Paper later this year to put the state-funded system on a more secure and sustainable footing.

**Jeremy Corbyn:** As Home Secretary, the Prime Minister clearly did not protect police budgets. Last week, she told me four times:

“We have protected the schools budget.”—[*Official Report*, 22 March 2017; Vol. 623, c. 854-855.]

Does she still stand by that statement?

**The Prime Minister:** We have protected schools' budgets, and we are putting record funding into schools.

**Jeremy Corbyn:** Today, the Public Accounts Committee says of the Department for Education:

“The Department does not seem to understand the pressures that schools are already under.”

It goes on to say that

“Funding per pupil is reducing in real terms”, and that school budgets will be cut by £3 billion—equivalent to 8%—by 2020. Is the Public Accounts Committee wrong?

**The Prime Minister:** What we will see over the course of this Parliament is £230 billion going into our schools, but what matters is the quality of education in schools. An additional 1.8 million children are in good or outstanding schools, and this Government's policy is to ensure that every child gets a good school place.

**Jeremy Corbyn:** The daily experience of many parents who have children in school is that they receive letters asking for money. One parent, Elizabeth, wrote to me to say that she has received a letter from her daughter's school asking for a monthly donation to top up the reduced funds that it is receiving. This Government's cuts to schools are betraying a generation of our children. If the Prime Minister is right, the parents are wrong, the teachers are wrong, the Institute for Fiscal Studies is wrong, the National Audit Office is wrong, and the Education Policy Institute is wrong. Now the Public

Accounts Committee, which includes eight Conservative Members, is also wrong. Which organisation does back the Prime Minister's view on education spending in our schools?

**The Prime Minister:** As I have just said to the right hon. Gentleman, we said that we would protect school funding, and we have; there is a real-terms protection for the schools budget. We said that we would protect the money following children into schools, and we have; the schools budget reaches £42 billion, as pupil numbers rise, in 2019-20. But I also have to say to him that it is about the quality of education that children are receiving, with 1.8 million more children in good or outstanding schools than there were under the Labour Government.

Time and again, the right hon. Gentleman stands up at Prime Minister's questions and asks questions that would lead to more spending. Let us look at what he has said recently: on 11 January, more spending; on 8 February, more spending; on 22 February, more spending; on 1 and 8 March, more spending; and on 15 and 22 March, more spending. Barely a PMQs goes by that he does not call for more public spending. When it comes to spending money that it does not have, Labour simply cannot help itself. It is the same old Labour: spend today and give somebody else the bill tomorrow. Well, we will not do that to the next generation.

#### Munitions Workers (Award)

**Q11.** [909566] **Bill Wiggin** (North Herefordshire) (Con): If she will introduce an award in recognition of the contribution made by munitions workers in the first and second world wars.

**The Prime Minister:** I am sure everyone in the House will want to join me in paying tribute to the thousands who worked in munitions factories in both world wars, often in very dangerous conditions. They produced vital equipment for the armed forces that helped us to victory. I am sure my hon. Friend will recognise that, for practical reasons, it is not possible to pursue individual awards, but the Department for Business, Energy and Industrial Strategy would be happy to work with him to look at further ways of recognising the collective effort of former munitions workers.

**Bill Wiggin:** I thank my right hon. Friend for that answer. These ladies found that the chemicals in the shells turned their skin yellow, and they were nicknamed canary girls. I know my right hon. Friend is exceptionally busy at the moment, but could she find just a few moments in her diary to meet me and some of these canary girls to recognise their service?

**The Prime Minister:** I would be very happy to meet some canary girls. As I said, their work was vital to the war effort. Their work was, in one sense, absolutely routine, but in another sense, it was extremely dangerous, and we should recognise their efforts.

#### Engagements

**Q3.** [909558] **Carolyn Harris** (Swansea East) (Lab): The Prime Minister will be aware that the Welsh Labour Government have established a children's funeral fund. Many independent and leading funeral providers, such

as The Co-operative and Dignity, have also indicated that there will be no charges for children's and young people's funerals. I know that she is a compassionate woman, and I know that she understands the importance of a children's funeral fund, so will she agree to work with me to further establish this fund, to bring some comfort to bereaved parents in their darkest hour?

**The Prime Minister:** I pay tribute to the hon. Lady, who has campaigned tirelessly on this issue. Obviously, she is not just a passionate campaigner, but has on many occasions spoken movingly in this House about her own experience, which she is bringing to bear on this issue. I welcome the decision that has been taken by the Co-op to waive funeral fees, and I recognise the actions of the Welsh Government. Of course there is some financial support available, but we are looking at the issue and the problems faced by parents. We are looking at what more can be done through cross-Government work, and I will ask the Minister for the Cabinet Office, who is leading on that work, to meet her to talk about the idea.

Q12. [909567] **David T. C. Davies** (Monmouth) (Con): As the Prime Minister will know, the Budget gave an extra £200 million to the Welsh Labour Government in order to provide business rates relief. Does she agree with me and the leader of Monmouthshire County Council, Peter Fox OBE, that Welsh Labour must now commit to spending that money on supporting Welsh businesses and giving them the same support that is being provided in England by this Conservative Government?

**The Prime Minister:** My hon. Friend is absolutely right. As he says, at the Budget, my right hon. Friend the Chancellor announced a £200 million boost for the Welsh Government's budget. They will be able to use that money to support their own priorities, but the people of Wales will be able to send a very clear signal about those priorities by voting for Conservative councillors, like Peter Fox, on 4 May. It is the UK Government's actions to support ordinary working families throughout the country that will ensure that Wales benefits from an economy that works for everyone.

Q4. [909559] **Tulip Siddiq** (Hampstead and Kilburn) (Lab): During the EU referendum campaign, the now Foreign Secretary urged people to

“take back control of huge sums of money”—

£350 million a week—

“and spend it on our priorities”,

such as the NHS. The Prime Minister will trigger article 50 today. Can she confirm precisely when she wants to fulfil the promise made by her Cabinet colleague, who is sitting on the Front Bench and smirking at the British public?

**The Prime Minister:** I am very happy—*[Interruption.]*

**Mr Speaker:** Order. Boris is sitting perfectly comfortably, and there is an air of repose about the fellow, to which we are accustomed. Let us hear from the Prime Minister.

**The Prime Minister:** I am very happy to tell the hon. Lady that, of course, when this country leaves the European Union, we will have control of our budgets and we will decide how that money is spent.

Q13. [909568] **William Wragg** (Hazel Grove) (Con): With modification, schools in my constituency welcome the national funding formula. Given the Leader of the Opposition's contribution, I hope that the next part of my question does not land me on the naughty step. Given that Stockport schools and other f40 schools have been at the bottom of the funding pile for years and therefore have less scope for efficiencies, will my right hon. Friend consider providing more immediate support to them?

**The Prime Minister:** As my hon. Friend is saying, we are aiming to end the postcode lottery of schools funding, and as I said, schools funding is now at a record high. On the minimum funding level, as I have said before, the Department for Education has heard representations on the issue on this national funding formula and will, of course, be considering those. This was a consultation, and there have been a lot of responses to it, but it is an historic and complex reform. There has been general agreement for many years that reform is needed. We want to get this right, which is why we are carefully considering the representations.

Q5. [909560] **Alex Salmond** (Gordon) (SNP): After nine months of this Prime Minister's approach to Brexit, Northern Ireland is deadlocked, the Welsh are alienated, Scotland is going for a referendum, the English are split down the middle, and Brexit MPs are walking out of Commons Committees because they do not like home truths. Has the Prime Minister considered, in terms of invoking article 50, that

“now is not the time”?

**The Prime Minister:** What the UK Government are doing in invoking article 50 is putting into practice the democratic vote of the British people on 23 June last year in a referendum. There was a referendum in 2014 in Scotland, when the Scottish people voted to remain part of the United Kingdom. I suggest the right hon. Gentleman and his colleagues put that into practice.

**Matt Warman** (Boston and Skegness) (Con): Three quarters of my constituents voted to leave the European Union. Does the Prime Minister agree that triggering article 50 marks a watershed moment, not only in this country's control of immigration and our sovereignty, but in listening to the views of people who were forgotten for far too long?

**The Prime Minister:** I absolutely agree with my hon. Friend; in invoking article 50, we are not just putting into practice the views of the British people as set out in that referendum on 23 June last year. Crucially, that was not just a vote about leaving the EU; it was a vote about changing this country for the future. This Government have a clear plan for Britain that will change this country, and that will see us with a more global outlook, a stronger economy, a fairer society and a more united nation.

Q6. [909561] **Marion Fellows** (Motherwell and Wishaw) (SNP): The people expect the Prime Minister to follow her party's manifesto, and to abide by a majority vote of this Parliament, so why does she say that the First Minister of Scotland should do the opposite?



**The Prime Minister:** What I say is that as we face this historic moment of invoking article 50 and setting in process the negotiations for the future of this country and its relationship with the European Union, now is the time to pull together and not try to hang apart.

**Derek Thomas (St Ives) (Con):** On Friday, thousands of people up and down this country will be raising funds for and awareness of brain tumour research. Many of them will know someone, or have had a family member, who has had a brain tumour or is suffering from one, yet brain tumour research receives only about 1% of all cancer research funding, despite this being the biggest cancer killer of children and adults under 40. Will the Prime Minister join me in commending all these people raising awareness and funds, and see what more we can do to increase funding for brain tumour research?

**The Prime Minister:** This is a very important area, and the UK has a good record of research on brain tumours. My hon. Friend is absolutely right that the people who are raising funds for this important cause should be commended. As he said, many of them will have had personal experience of brain tumours, in one way or another. It is important that we recognise that there are many killers out there that often do not receive the publicity and support that other causes get. We should recognise their importance and commend those who are raising funds.

Q14. [909569] **Mr John Spellar (Warley) (Lab):** As we enter the world of article 50, will the Prime Minister say what she is doing to ensure that national and local government prioritise the buying of British goods and services? I have to say that her record on police vehicles when she was Home Secretary does not give us much cause for optimism.

**The Prime Minister:** We have, as a Government, been encouraging the procurement of British goods and services. The right hon. Gentleman asks what we can do for local authorities; if people around the country want local authorities that take their best interests to heart, they should vote Conservative.

**Paul Scully (Sutton and Cheam) (Con):** I congratulate my right hon. Friend the Prime Minister on invoking article 50 today. Does she agree that this needs to be the end of the phoney war—the end of the posturing we have heard from Members on the Opposition Benches—and that we must now focus on the detail for every industry, sector and community, so that we get a bespoke deal that we can all get behind?

**The Prime Minister:** I absolutely agree with my hon. Friend. Now is the time for us to come together, and to be united across the House and across the country to ensure that we work for the best possible deal for the United Kingdom, and the best possible future for us all.

**Mr Nigel Dodds (Belfast North) (DUP):** The Prime Minister has rightly emphasised her determination to deliver for all the constituent parts of the United Kingdom on this historic day. While others are content to moan and whine, we want to see that delivery, and we are confident that she will make it happen. In Northern Ireland, some have walked away from their responsibilities

with regard to devolution, but we want to see devolution up and running, and to have a functioning Northern Ireland Government, and we have set no preconditions in the way of that. If others continue to stay away from devolution and walk away, will the Prime Minister pledge to work ever more closely with those of us in this House to defend and protect the interests of Northern Ireland?

**The Prime Minister:** We all want to work together to ensure that we protect the best interests of Northern Ireland. As the right hon. Gentleman just said, ensuring that we have strong devolved government in Northern Ireland is important for the future. It is important, so that we can build on the significant progress that has been made in recent years for the people of Northern Ireland. I urge all parties to come to the talks with a view to finding a way through, so that Northern Ireland can once again be restored to devolved government.

**James Berry (Kingston and Surbiton) (Con):** Does the Prime Minister agree that social media companies need to take action now to remove extremist and hate materials from their platforms proactively, and to foot the bill for the police, who are currently doing those companies' dirty work at the taxpayer's expense?

**The Prime Minister:** The whole question of working with the companies to ensure that extremist material is removed as quickly as possible is not new; that work has been going on for a number of years. Through the counter terrorism internet referral unit, we have a process that enables the police to take material down. Some 250,000 pieces of material have been taken down from the internet since February 2010, and there has been a significant increase in that activity in the past couple of years or so. My right hon. Friend the Home Secretary will meet the companies later this week to talk to them about this important issue. We do not want to see extremist material on the internet, and we want to see companies taking action to remove material that encourages hate and division.

**Alison McGovern (Wirral South) (Lab):** Late on Saturday night, a massive explosion devastated New Ferry in my constituency. We are thinking of all those who are hurt. It is a miracle that more people were not injured. The community now faces significant dereliction. Will the Prime Minister join me in thanking all those who looked after my community over the weekend and in recent days? Will she arrange for me a meeting with the Secretary of State for Communities and Local Government, so that we can discuss how the Government can help us to rebuild New Ferry?

**The Prime Minister:** I am very happy to do both of those things. First, I commend and thank all those in the emergency services and others who worked so hard to support the hon. Lady's local community when the devastating explosion took place. That work will continue; it did not happen just over the weekend. Support will be given to the community into the future. I am very happy to ask the Secretary of State for Communities and Local Government to meet her and discuss how that community can be rebuilt and can overcome the impact of this explosion.



## Article 50

12.35 pm

**The Prime Minister (Mrs Theresa May):** Today, the Government act on the democratic will of the British people, and they act, too, on the clear and convincing position of this House. A few minutes ago in Brussels, the United Kingdom's permanent representative to the EU handed a letter to the President of the European Council on my behalf confirming the Government's decision to invoke article 50 of the treaty on European Union. The article 50 process is now under way and, in accordance with the wishes of the British people, the United Kingdom is leaving the European Union. This is an historic moment from which there can be no turning back. Britain is leaving the European Union. We will make our own decisions and our own laws, take control of the things that matter most to us, and take the opportunity to build a stronger, fairer Britain—a country that our children and grandchildren are proud to call home. That is our ambition and our opportunity, and it is what this Government are determined to do.

At moments such as these—great turning points in our national story—the choices that we make define the character of our nation. We can choose to say that the task ahead is too great. We can choose to turn our face to the past and believe that it cannot be done. Or we can look forward with optimism and hope, and believe in the enduring power of the British spirit. I choose to believe in Britain and that our best days lie ahead. I do so because I am confident that we have the vision and the plan to use this moment to build a better Britain.

Leaving the European Union presents us with a unique opportunity. It is this generation's chance to shape a brighter future for our country—a chance to step back and ask ourselves what kind of country we want to be. My answer is clear: I want the United Kingdom to emerge from this period of change stronger, fairer, more united and more outward-looking than ever before. I want us to be a secure, prosperous, tolerant country, a magnet for international talent and a home to the pioneers and innovators who will shape the world ahead. I want us to be a truly global Britain: the best friend and neighbour to our European partners, but a country that reaches beyond the borders of Europe, too—[*Interruption.*]

**Mr Speaker:** Order. I apologise for having to interrupt the Prime Minister. Mr Boswell, calm yourself. You must try to learn to behave in a statesmanlike fashion. That is your long-term goal—it may be very long-term, but it should be a goal. I say this to the House: you can study the record; I will want all colleagues to have the chance to question the Prime Minister. This is a very important statement, but it is reasonable to expect that she gets a courteous hearing, and that every other colleague then gets a courteous hearing.

**The Prime Minister:** I want us to be a truly global Britain: the best friend and neighbour to our European partners, but a country that reaches beyond the borders of Europe, too—a country that goes out into the world to build relationships with old friends and new allies alike. That is why I have set out a clear and ambitious plan for the negotiations ahead. It is a plan for a new deep and special partnership between Britain and the

European Union—a partnership of values; a partnership of interests; a partnership based on co-operation in areas such as security and economic affairs; and a partnership that works in the best interests of the United Kingdom, the European Union and the wider world. Perhaps now, more than ever, the world needs the liberal, democratic values of Europe—[*Laughter.*]

**Mr Speaker:** Order.

**The Prime Minister:** Perhaps now, more than ever, the world needs the liberal, democratic values of Europe—values that the United Kingdom shares. That is why, although we are leaving the institutions of the European Union, we are not leaving Europe. We will remain a close friend and ally. We will be a committed partner. We will play our part to ensure that Europe is able to project its values and defend itself from security threats, and we will do all that we can to help the European Union to prosper and succeed.

In the letter that has been delivered to President Tusk today, copies of which I have placed in the Library of the House, I have been clear that the deep and special partnership that we seek is in the best interests of the United Kingdom and of the European Union, too. I have been clear that we will work constructively in a spirit of sincere co-operation to bring this partnership into being, and I have been clear that we should seek to agree the terms of this future partnership, alongside those of our withdrawal, within the next two years.

I am ambitious for Britain, and the objectives I have set out for these negotiations remain. We will deliver certainty wherever possible so that business, the public sector and everybody else has as much clarity as we can provide as we move through the process. That is why tomorrow we will publish a White Paper confirming our plans to convert the *acquis* into British law so that everyone will know where they stand, and it is why I have been clear that the Government will put the final deal agreed between the UK and the EU to a vote in both Houses of Parliament before it comes into force.

We will take control of our own laws and bring an end to the jurisdiction of the European Court of Justice in Britain. Leaving the European Union will mean that our laws will be made in Westminster, Edinburgh, Cardiff and Belfast, and those laws will be interpreted not by judges in Luxembourg, but in courts across this country.

We will strengthen the Union of the four nations that comprise our United Kingdom. We will negotiate as one United Kingdom, taking account of the specific interests of every nation and region of the UK. When it comes to the powers that we will take back from Europe, we will consult fully on which should reside in Westminster and which should be passed on to the devolved Administrations. But no decisions currently taken by the devolved Administrations will be removed from them. It is the expectation of the Government that the devolved Administrations in Scotland, Wales and Northern Ireland will see a significant increase in their decision-making power as a result of this process.

We want to maintain the common travel area with the Republic of Ireland. There should be no return to the borders of the past. We will control immigration so that we continue to attract the brightest and the best to work or study in Britain, but manage the process properly so that our immigration system serves the national

[*The Prime Minister*]

interest. We will seek to guarantee the rights of EU citizens who are already living in Britain, and the rights of British nationals in other member states, as early as we can. This is set out very clearly in the letter as an early priority for the talks ahead.

We will ensure that workers' rights are fully protected and maintained. Indeed, under my leadership, the Government will not only protect the rights of workers but build on them. We will pursue a bold and ambitious free trade agreement with the European Union that allows for the freest possible trade in goods and services between Britain and the EU's member states, that gives British companies the maximum freedom to trade with and operate within European markets, and that lets European businesses do the same in Britain. European leaders have said many times that we cannot cherry-pick and remain members of the single market without accepting the four freedoms that are indivisible. We respect that position and, as accepting those freedoms is incompatible with the democratically expressed will of the British people, we will no longer be members of the single market.

We are going to make sure that we can strike trade agreements with countries from outside the European Union, too, because important though our trade with the EU is and will remain, it is clear that the UK needs to increase significantly its trade with the fastest growing export markets in the world. We hope to continue to collaborate with our European partners in the areas of science, education, research and technology so that the UK is one of the best places for science and innovation. We seek continued co-operation with our European partners in important areas such as crime, terrorism and foreign affairs. And it is our aim to deliver a smooth and orderly Brexit, reaching an agreement about our future partnership by the time the two-year article 50 process has concluded, and then moving into a phased process of implementation in which Britain, the EU institutions and member states prepare for the new arrangements that will exist between us.

We understand that there will be consequences for the UK of leaving the EU. We know that we will lose influence over the rules that affect the European economy. We know that UK companies that trade with the EU will have to align with rules agreed by institutions of which we are no longer a part, just as we do in other overseas markets—we accept that. However, we approach these talks constructively, respectfully and in a spirit of sincere co-operation, for it is in the interests of both the United Kingdom and the European Union that we should use this process to deliver our objectives in a fair and orderly manner. It is in the interests of both the United Kingdom and the European Union that there should be as little disruption as possible. And it is in the interests of both the United Kingdom and the European Union that Europe should remain strong, prosperous and capable of projecting its values in the world.

At a time when the growth of global trade is slowing and there are signs that protectionist instincts are on the rise in many parts of the world, Europe has a responsibility to stand up for free trade in the interests of all our citizens. With Europe's security more fragile today than at any time since the end of the cold war, weakening our co-operation and failing to stand up for European

values would be a costly mistake. Our vote to leave the EU was no rejection of the values that we share as fellow Europeans. As a European country, we will continue to play our part in promoting and supporting those values during the negotiations and once they are done.

We will continue to be reliable partners, willing allies and close friends. We want to continue to buy goods and services from the EU, and sell it ours. We want to trade with the EU as freely as possible, and work with one another to make sure we are all safer, more secure and more prosperous through continued friendship. Indeed, in an increasingly unstable world, we must continue to forge the closest possible security co-operation to keep our people safe. We face the same global threats from terrorism and extremism. That message was only reinforced by the abhorrent attack on Westminster bridge and this place last week, so there should be no reason why we should not agree a new deep and special partnership between the UK and the EU that works for us all.

I know that this is a day of celebration for some and disappointment for others. The referendum last June was divisive at times. Not everyone shared the same point of view or voted the same way. The arguments on both sides were passionate. But when I sit around the negotiating table in the months ahead, I will represent every person in the United Kingdom: young and old; rich and poor; city, town, country, and all the villages and hamlets in between; and, yes, those EU nationals who have made this country their home. It is my fierce determination to get the right deal for every single person in this country for, as we face the opportunities ahead of us on this momentous journey, our shared values, interests and ambitions can—and must—bring us together.

We all want to see a Britain that is stronger than it is today. We all want a country that is fairer so that everyone has the chance to succeed. We all want a nation that is safe and secure for our children and grandchildren. We all want to live in a truly global Britain that gets out and builds relationships with old friends and new allies around the world. These are the ambitions of this Government's plan for Britain—ambitions that unite us, so that we are no longer defined by the vote we cast, but by our determination to make a success of the result.

We are one great Union of people and nations with a proud history and a bright future. Now that the decision to leave has been made and the process is under way, it is time to come together, for this great national moment needs a great national effort—an effort to shape a stronger future for Britain. So let us do so together. Let us come together and work together. Let us together choose to believe in Britain with optimism and hope, for if we do, we can make the most of the opportunities ahead. We can together make a success of this moment, and we can together build a stronger, fairer, better Britain—a Britain our children and grandchildren are proud to call home. I commend this statement to the House.

12.50 pm

**Jeremy Corbyn** (Islington North) (Lab): I would like to thank the Prime Minister for an advance copy of her statement.

Today, we embark on the country's most important negotiations in modern times. The British people made the decision to leave the European Union and Labour respects that decision. The next steps along this journey are the most crucial. If the Prime Minister is to unite the country, as she says she aims to do, the Government need to listen, consult and represent the whole country, not just the hard-line Tory ideologues on her own Benches.

Britain is going to change as a result of leaving the European Union; the question is how. There are Conservatives who want to use Brexit to turn this country into a low-wage tax haven. Labour is determined to invest in a high-skill, high-tech, high-wage future, and to rebuild and transform Britain so that no one and no community is left behind. The direction the Prime Minister is threatening to take this country in is both reckless and damaging, and Labour will not give this Government a free hand to use Brexit to attack rights and protections and to cut services, or to create a tax dodger's paradise.

Let me be clear: the Prime Minister says that no deal is better than a bad deal, but the reality is that no deal is a bad deal. Less than a year ago, the Treasury estimated that leaving the European Union on World Trade Organisation terms would lead to a 7.5% fall in our GDP and a £45 billion loss in tax receipts. Has the Treasury updated those figures or do they still stand? If they have been updated, can they be published? If not, what deal could be worse than those consequences of no deal? It would be a national failure of historic proportions if the Prime Minister came back from Brussels without having secured protection for jobs and living standards, so we will use every parliamentary opportunity to ensure the Government are held to account at every stage of the negotiations.

We all have an interest in ensuring the Prime Minister gets the best deal for this country. To safeguard jobs and living standards, we do need full access to the single market. The Secretary of State for Exiting the European Union seems to agree on this. He stated in this House on 24 January that the Government's plan is:

"a comprehensive free trade agreement and a comprehensive customs agreement that will deliver the exact same benefits as we have".—[*Official Report*, 24 January 2017; Vol. 620, c. 169.]

That was what was pledged, so will the Prime Minister confirm today that she intends to deliver a trade and customs agreement with "the exact same benefits"? The same goes for protecting workers' rights and environmental standards, protecting Britain's nations and regions, protecting Britain's financial sector and services, and making sure there is no return to a hard border in Northern Ireland.

When does the Prime Minister expect to be able to guarantee the rights of all those EU nationals who live and work in this country, and make such a massive and welcome contribution to it, and of those British nationals who live in all parts of the European Union, including by guaranteeing that their UK pensions will not be frozen post-Brexit?

Brexit would be a huge task for any Government, yet so far this Government seem utterly complacent about the scale of the task ahead. Government Ministers cannot make up their minds about the real objective. The Foreign Secretary—he is in the Chamber today—said in October:

"Our policy is having our cake and eating it."

How apposite from the Foreign Secretary. Today, on BBC Radio 4, the Chancellor said:

"we can't have our cake and eat it".

Maybe they should get together and talk about that.

At one level, those might seem like flippant exchanges from Ministers, but they do reflect serious differences about Britain's negotiating aims. The Government must speak with a united voice. However, the Foreign Secretary is the same man who promised our national health service £350 million a week once we left the EU. Now he believes that leaving the EU without a deal would be "perfectly okay". It would not be perfectly okay—it would damage our economy and people's living standards. Will the Prime Minister confirm that she rejects such complacency?

Labour has set out our tests for the Government's Brexit negotiations, and we will use all means possible to make sure we hold them to their word on full access to the single market, on protecting Britain from being dragged into a race to the bottom, and on ensuring that our future relationship with the European Union is strong and co-operative—a relationship in which we can work together to bring prosperity and peace to our continent. If the Prime Minister can deliver a deal that meets our tests, that will be fine—we will back her. More than ever, Britain needs a Government that will deliver for the whole country, not just the few, and that is the ultimate test of the Brexit deal that the Prime Minister must now secure.

**The Prime Minister:** I am grateful to the right hon. Gentleman for saying that the Labour party respects the outcome of the referendum and the process that is now under way. He said that the next steps are the most crucial—the most important—and, of course, we now enter that formal process of negotiation.

It does seem, however, that the message that the right hon. Gentleman has sent today has not got through to all his Front Benches. I understand that as the Cabinet met this morning to approve our course, his shadow International Trade Secretary tweeted a photo of me signing the A50 letter, claiming I was "signing away" our country's future. I am afraid that that is what we see all too often from Labour: talking down Britain; desperate for the negotiations to fail; and out of touch with ordinary working people.

The right hon. Gentleman referred to the tests—I will come on to those—and asked me specifically about EU nationals. I expressly referred to that in the letter to President Tusk and made it clear that I would hope that we could deal with this issue of EU nationals here and UK nationals in other member states at as early a stage as possible in the negotiations. As I have said in this House before, I believe that there is good will on both sides to do that.

The right hon. Gentleman mentioned the tests that the Labour party has set out for the negotiations. I have been looking at those tests because, actually, there are principles that the Government have, time and time again, said we are determined to meet. He asks if the final deal will ensure a strong and collaborative future relationship with the EU. Yes, and in my letter to President Tusk, that is exactly what I set out our intentions to be. Will the deal deliver the same benefits we currently



[The Prime Minister]

have as a member of the single market and the customs union? We have been clear that we want to get the best possible deal, and free and frictionless trade. Will the deal protect national security and our capacity to tackle cross-border crime? Yes. Will the deal deliver for all regions and nations of the UK? We have been very clear that we are taking all nations and regions into account, as I say in the letter to President Tusk. As I said during Prime Minister's questions, we expect that, as powers are repatriated, the devolved Administrations will see a significant increase in their decision making.

The right hon. Gentleman's fifth test is: will the deal defend rights and protections and prevent a race to the bottom? We have been very clear that workers' rights will be protected—they are not up for negotiation under this Government. Perhaps he should listen to his own Mayor of London, who has said:

"to give credit to the government, I don't think they want to weaken workers' rights...there's been some anxiety...I've seen no evidence from the conversations I've had with senior members of the government that that's their aspiration or their intention or something they want to do."

But the Labour party has set out a sixth test that I do not think the right hon. Gentleman mentioned specifically, and perhaps that is because of the confusion in the Labour party. The sixth test is, "Will the deal ensure fair management of migration?" What we see on that is a confused picture from the Labour party. The shadow Home Secretary says that freedom of movement is a worker's right, and the right hon. Gentleman himself said:

"Labour is not wedded to freedom of movement for EU citizens as a point of principle, but I don't want that to be misinterpreted, nor do we rule it out."

Little wonder that nobody has any idea of the Labour party's position on that issue.

As I said earlier, on today of all days we should be coming together. We should be accepting the ambition for our country for the future. We should not be talking down the negotiations as the right hon. Gentleman does. We should set our ambition, our optimism and our determination to get the best possible deal for everybody in the United Kingdom.

**Sir William Cash** (Stone) (Con): The Leader of the Opposition's remarks were breathtaking. For decades, from Maastricht onwards, he voted with us over and over and over again.

Today is an historic day indeed. Can my right hon. Friend reaffirm that at the very heart of this letter lies the democratic decision of the referendum of UK voters, given to them by a sovereign Act of Parliament by six to one in this House, enabling the British people to regain their birthright to govern themselves for which people fought and died over generations? The referendum was followed by a massive majority of 372 in this House of Commons on the Third Reading of the withdrawal Bill itself. Trade and co-operation, yes; European government, no.

**The Prime Minister:** I think I can give my hon. Friend the reassurance that he seeks if I quote from the opening paragraph of my letter to President Tusk. The very first line reaffirms:

"On 23 June last year, the people of the United Kingdom voted to leave the European Union."

But I go on to say that we want

"the European Union to succeed and prosper."

The vote was not a

"rejection of the values we share as fellow Europeans...Instead, the referendum was a vote to restore, as we see it, our national self-determination."

**Angus Robertson** (Moray) (SNP): It is important for everybody to remember on this day that in the referendum on the European Union, the people of Scotland voted by 62% to remain in the European Union. Every single local government area in the country voted to remain in the European Union. This happened two years after Scottish voters were told that they had to vote no to Scottish independence to remain in the EU. Yet ironically, this is exactly what will happen now because of the will of the majority elsewhere in the United Kingdom being imposed on the people of Scotland.

Last year, as I have raised repeatedly in this Chamber, the Prime Minister made a commitment to a UK-wide approach—an agreement with the Governments of Scotland, of Wales, and of Northern Ireland. Since then, the Scottish Government have published a compromise suggestion, at its heart a differentiated plan that could satisfy people in Scotland and the rest of the UK. The Prime Minister could have said that she would try to seek an agreement with European partners on the plan which could have protected Scotland's place in the single European market—but she did not. The Prime Minister could have taken the views of the Scottish, the Welsh and the Northern Irish Governments seriously and reached an agreement before triggering article 50, as she promised. She did not, and she does not have—*[Interruption.]*

**Mr Speaker:** Order. I apologise for interrupting the right hon. Gentleman, but we cannot have side exchanges taking place while he should have the Floor. *[Interruption.]* Yes, I am perfectly capable of seeing from whence the disruption hailed, and I hope it will not persist. The hon. Gentleman concerned has important responsibilities in the Government Whips Office and is normally the embodiment of courtesy, to which I know he will now return.

**Angus Robertson:** Thank you, Mr Speaker.

We on the SNP Benches have become accustomed to Conservative Members being incapable of understanding that the people of Scotland voted to remain in the European Union. The Prime Minister promised—*[Interruption.]* Do hon. Gentlemen and hon. Ladies on the Conservative Benches understand that we have televisions in Scotland and that viewers in Scotland can see the discourtesy from hon. Members on those Benches? They do not like to hear it but listen they must.

The Prime Minister promised an agreement. There is no agreement. She has broken her word. As Scotland's Members of Parliament, we have been sent here with a mandate to stand up for the people of Scotland. It is a mandate that the Prime Minister does not enjoy. Fifty-eight out of 59 MPs from Scotland voted against triggering article 50. The Scottish Parliament voted against the triggering of article 50. The Scottish Government were against the triggering of article 50 before an agreement. Yet what have this Government done? They have carried on blithely ignoring the views of people in Scotland and



their democratically elected representatives. Europe is watching the way that this Government treat parts of the United Kingdom that voted to remain with Europe.

The UK Government had a mandate to hold a Brexit referendum. We accept that, and we accept the leave result in the rest of the United Kingdom. In that context—[*Interruption.*] Again, Conservative Members do not seem to understand that the United Kingdom is a multinational state with four nations, two of which voted to stay and two of which voted to leave. All the rhetoric from the Government Benches does not paper over the gaping chasm showing that there is not unity in this so-called United Kingdom on this issue.

As democrats, we should all accept that the Scottish Government have a mandate, given by the people of Scotland in an election, whereby we should have a choice after the negotiations have concluded, and this should not be kicked into the long grass with that democratic choice denied. Yesterday the Scottish Parliament voted by 69 to 59 that people in Scotland should have that choice. Will the Prime Minister confirm that she will recognise the democratic right of the people to make their own choice after negotiations have concluded?

The Prime Minister says that she thinks that Brexit will bring unity to the United Kingdom. It will not. On this issue, it is not a United Kingdom, and the Prime Minister needs to respect—respect—the differences across the nations of the United Kingdom. If she does not—if she remains intransigent and if she denies Scotland a choice on our future—she will make Scottish independence inevitable. [*Interruption.*]

**Mr Speaker:** Order. Calm yourselves. Mr Docherty-Hughes, you are an exceptionally over-excitable individual brandishing your Order Paper in a distinctly eccentric manner. Go and entertain yourself somewhere else if you cannot calm yourself. The Prime Minister.

**The Prime Minister:** Thank you, Mr Speaker.

The right hon. Gentleman has said this afternoon on a number of occasions, as he has on many occasions in this House before, that Scotland voted to remain in the European Union and should therefore be treated differently. My constituency voted to remain in the European Union. [*Interruption.*] The point is that we are one United Kingdom, and it was a vote of the whole of the United Kingdom. What I hear from people outside this Chamber—by the way, the right hon. Gentleman seems to forget the something like 400,000 SNP supporters who voted to leave the European Union—from individuals and businesses alike, whether they voted to remain or to leave, is that the vote having been taken, the decision having been given to people of the United Kingdom, we should now respect that vote and get on with the job of delivering for everybody across the whole of the United Kingdom.

The right hon. Gentleman refers to the issue of Scottish independence and its impact on membership of the European Union. It is the case, and the European Union has reinforced the Barroso doctrine, that if Scotland were to—[*Interruption.*] SNP Members seem to find it amusing but, just to remind everybody, the Barroso doctrine is that if Scotland were to become independent from the United Kingdom—if it had voted for independence in 2014—it would cease to be a member

of the European Union. We will be ensuring that the substance of the deal that we achieve—I am interested in the outcomes of this deal—will be the best possible for the people of the whole United Kingdom.

The right hon. Gentleman talks about democratic representation and democratic responsibility. Perhaps the Scottish Government might like to consider why they have not passed a single piece of legislation in Holyrood for the past year.

**John Redwood (Wokingham) (Con):** I welcome warmly the Prime Minister's words in her letter and her statement, and I especially welcome the suggestion that we want a special relationship with the EU based on friendship, trade and many other collaborations once we are an independent country again. Would my right hon. Friend confirm that the UK Government are offering tariff-free trade, with no new barriers, to all our partners in Europe, which must make enormous sense for them?

**The Prime Minister:** My right hon. Friend is absolutely right. We want to see that tariff-free trade, on a reciprocal basis, with the other countries in the European Union. I think that that makes sense. We already operate on the same basis because we operate under the same rules and regulations, and I think we should look to have the maximum free trade between the two of us.

**Tim Farron (Westmorland and Lonsdale) (LD):** I thank the Prime Minister for her statement and for advance sight of it. Today the Prime Minister is not enacting the will of the people; she is at best interpreting that will, and choosing a hard Brexit outside the single market that was never on the ballot paper. This day of all days, the Liberal Democrats will not roll over, as the official Opposition have done.

Our children and grandchildren will judge all of us for our actions during these times. I am determined to be able to look my children in the eye and say that I did everything to prevent this calamity that the Prime Minister has today chosen. We now face an unknown deal that will shape our country for generations. The deal will be signed off by someone, and the only question is: who? Will it be the politicians, or should it be the people? Surely the Prime Minister will agree with me that the people should have the final say.

**The Prime Minister:** The hon. Gentleman talks about us enacting the decision of the referendum. Of course we are enacting the decision that was taken by the people of the United Kingdom in the referendum, but I might remind him that it was not that long ago that the Liberal Democrat party wanted a referendum on the European Union. We gave it to them, and we are abiding by it.

**Anna Soubry (Broxtowe) (Con):** The Prime Minister has made it very clear that immigration is her No. 1 priority, and that as a result we cannot accept the free movement of people and therefore we cannot remain a member of the single market. But that may change in the next two years. Who knows what might happen? The EU may move away from that principle of the free movement of people. In view of that, could the Prime Minister give an assurance that she has not turned her back on membership of the single market? It is what

[Anna Soubry]

British business wants, it would see off Nicola Sturgeon and the SNP's outrageous demands for a second referendum—[*Interruption.*] Wheesh! awhile! These are serious matters that this United Kingdom faces, and that would provide the solution to Northern Ireland as we now leave the European Union.

**The Prime Minister:** My right hon. Friend started her question by saying that immigration was the No. 1 priority. What we have done is to say that we want a comprehensive package that, yes, does enable us to control immigration and set our own rules on immigration, but also has exactly the sort of free access to the single market that I think she is talking about and that businesses want to see. I believe that we can achieve that agreement. I believe we should be optimistic and ambitious in achieving that agreement.

There are other freedoms that the European leaders will cite in relation to full membership of the single market, such as the jurisdiction of the European Court of Justice, and I think that people here voted to stop the jurisdiction of the European Court of Justice last year. But what matters to me is the outcome—not the structure by which we achieve that outcome, but whether we have that free, frictionless, tariff-free access to the single market. That is what we want to achieve and what we will be working for.

**Mr Nigel Dodds** (Belfast North) (DUP): May I thank the Prime Minister for her statement, congratulate her and her Government on actually delivering on the will of the people of the United Kingdom as a whole instead of seeking to undermine it, and wish her and her Government well in the negotiations that lie ahead? We on this Bench are convinced that she is the right leader of our country for these challenging times. Is not the fundamental point that this United Kingdom—this Union—is far more important for the political and economic prosperity of all our people than the European Union? May I also commend her for No. 5 of the principles set out in her letter, Northern Ireland and the relationship with the Irish Republic? I commend her for the way in which that has been put forward, and she will have our support in the coming months and years in this House to make that a reality.

**The Prime Minister:** I thank the right hon. Gentleman for his comments. We have, as he said, recognised the particular circumstances of Northern Ireland—and its relationship, because of the land border, with the Republic of Ireland—in the letter to President Tusk. I also agree with the right hon. Gentleman when he says that the most important Union for the United Kingdom, economically and in other ways, is the United Kingdom. For its individual constituent parts, trading within the single market of the United Kingdom is far more important than trading with the European Union.

**Crispin Blunt** (Reigate) (Con): I commend my right hon. Friend for the constructive, positive and realistic tone she has set today with her statement and the letter to Donald Tusk. I also congratulate her and her Government on the use of the last nine months to prepare us for this point, making up for the lack of preparation for this moment by the last Administration. May I urge on her the preparation that is implicit in this

letter, to ensure that if it is impossible to get a deal home—although that will be coped with by the United Kingdom and the European Union, as it must be—we are in a position to cope with that?

**The Prime Minister:** I thank my hon. Friend. We are trying to approach this in a realistic and pragmatic way, as he says. Of course, the Government will be working across all Departments to ensure that we have preparations in place, whatever the outcome will be. As I made clear in my letter to President Tusk, while both the European Union and the UK could cope if there was no agreement, that would not be the ideal situation. It is not what we will be working for, and we should be actively working to get the right and proper deal for both sides.

**Edward Miliband** (Doncaster North) (Lab): The Prime Minister is right to say in her statement that the eventual deal must work for the 48% as well as the 52%, because whether we were remainers or leavers, we will live in the same country together after Brexit. May I emphasise to her that national unity must be earned and not just asserted, and it must be shown in deeds and not just in words? We are a long, long way away from it, as I think she will agree. As she reflects on the last eight months, can she say what she thinks she needs to do differently in the next 24 months to achieve that national unity, which, frankly, eludes us at the moment?

**The Prime Minister:** There are two things that we will be doing over the next 24 months, as a Government. One is putting in place our plan for Britain, which is about ensuring that we see a United Kingdom where the economy works for everyone, where we have a much fairer society and where success is based on merit, not privilege. That is what is driving this Government, and that is what we will be putting into place domestically. For the unity of the UK, the most important element in the negotiations with Europe is to get the best possible deal in terms of co-operation on security, but also on the free trade arrangements that will bring prosperity to our economy.

**Mr Owen Paterson** (North Shropshire) (Con): May I thank my right hon. Friend for and congratulate her on resolutely sticking to her promise to the British people to trigger article 50 before the end of March? There will be celebrations all around the country, nowhere more so than in our remote coastal communities, where the health and wealth of our fishing grounds has been trashed by the common fisheries policy. To re-establish fully our national control of the full exclusive economic zone, we will have to abrogate our membership of the 1964 London convention on fisheries, which requires two years' notice. Does my right hon. Friend intend to trigger that soon?

**The Prime Minister:** I know that my right hon. Friend has always had a particular interest in the impact of the common fisheries policy, and he has looked at that issue very carefully. We are looking very carefully at the London fisheries convention and at what action needs to be taken. He is right that this would require two years, but we of course expect to conclude the deal with the European Union within two years and there will then, as I have indicated, be an implementation period beyond that particular time. We hope to be able to say something about the London fisheries convention soon.

**Margaret Beckett** (Derby South) (Lab): There are many across this House who will be very aware of the sheer scale and complexity of the negotiations that will face our team, and very conscious of the importance of getting those right. It has never been more true that the devil will be in the detail. As the detail emerges, will the Prime Minister ensure that everyone in her team stops the practice that has been so prevalent of claiming that every awkward question is evidence of a desire to overturn the will of the British people, because nothing will more surely destroy the unity of purpose that she seeks?

**The Prime Minister:** The right hon. Lady is absolutely right that these will be very complex negotiations. It was right to wait the nine months we did before invoking article 50, so we have been able to do a considerable amount of preparation. As we move forward, some very technical discussions will of course need to take place, as well as the higher level discussions that will be required. I assure the right hon. Lady that we consistently ask ourselves difficult questions to ensure that we are testing every approach that we put forward, so that we can get the best possible deal.

**Michael Fabricant** (Lichfield) (Con): First, may I reassure my right hon. Friend that Donald Tusk has indeed received the letter? He tweeted about it one minute early—at 12.29 pm our time—which shows the keenness of our team. May I also tell the Prime Minister that Donald Tusk has said he is missing us already, but that he recognises it is in the European Union’s interest, as well as that of the United Kingdom, that we achieve an agreement that will benefit both sides in this negotiation?

**The Prime Minister:** This is absolutely right, and I am pleased to hear that President Tusk has taken that view. This is not just about the United Kingdom for the future, but about the European Union for the future and the relationship we will have with it. As I have said in the letter, we want a “deep and special partnership” to continue in the future. We are still part of Europe, although we will be leaving the EU institutions.

**Mr Douglas Carswell** (Clacton) (UKIP): The Prime Minister has the good will of the country as she seeks a new relationship with our European allies. Will she confirm that in transposing EU directives and regulations into UK law, we do not transpose all the rulings of the ECJ? Will she ensure that, for example, the EU charter of fundamental rights is not imposed, given that we have long-standing assurances that it will not have legal force in this country?

**The Prime Minister:** I say to the hon. Gentleman that we will be publishing a White Paper on the great repeal Bill tomorrow, which will make it clearer how we are going to transpose not just the *acquis*, but relevant judgments of the European Court of Justice. I am very well aware of this and this Government have taken the very clear position that we do not think the European charter of fundamental human rights is applicable.

**Nicky Morgan** (Loughborough) (Con): In her letter to President Tusk, the Prime Minister, as she did in January, said:

“We are leaving the European Union, but we are not leaving Europe”.

She will know that 16.1 million people voted to do neither last June, but the result is as it is and needs to be honoured. Will my right hon. Friend say how she will keep this Parliament fully engaged throughout the process, and will she do her utmost to secure a trade deal that we can all support rather than listening to the siren voices that seem to think no deal is a good option?

**The Prime Minister:** I am very happy to give my right hon. Friend that assurance. I want to secure a really good trade deal with the European Union for the United Kingdom. I also want us to be able to secure trade deals with countries around the rest of the world, but we want to ensure—we start off from a good position, because we are of course operating under the same rules and regulations as the European Union—that we get a really good trade deal with the EU.

There will be significant opportunities for this House and this Parliament to consider the issues as we go through the next two years. Of course, the great repeal Bill itself will be a matter for debate and consideration in this House. There will also be some subsequent pieces of legislation that are required as a result of the decision to leave the European Union which will come before this House. We will make every effort to keep this House informed as we go through that. I have always said that we will be clear and will provide clarity where we are able to do so.

**Hilary Benn** (Leeds Central) (Lab): The Prime Minister will no doubt recall the referendum speech she made last April, in which she said that

“the big question is whether, in the event of Brexit, we would be able to negotiate a new free trade agreement with the EU and on what terms.”

Given that the European Union appears to want to start the negotiations by talking only about money and that there are about 18 months to go, how will the Prime Minister ensure there is sufficient time to reach the agreement to provide tariff and barrier-free trade and access to the European market for our services that she has promised Britain’s businesses she will bring back from the negotiations?

**The Prime Minister:** As the right hon. Gentleman will be aware, we do not yet know how the European Council will choose to frame the negotiations; it will meet on 29 April to determine that. There will be two parts, if you like, to the work going forward: one is the process of withdrawal and the terms of withdrawal; and the other is what the future relationship will be. It is clear in article 50 that the former should be done in the context of the latter, so it is not just reasonable but entirely right and proper that we look at those two issues alongside each other.

As I have said in answer to other questions, the point about a comprehensive free trade agreement is that we will not be operating as a third party, such as Canada, for example, when it started its negotiations with the European Union. We are already operating on the same basis—we already have free trade between the European Union and the United Kingdom—and I believe that sets us on a better basis on which to start the negotiations, and that it will be possible to get a comprehensive free trade agreement.



**Mr John Baron** (Basildon and Billericay) (Con): I commend the Prime Minister for her handling of triggering article 50, and indeed for respecting the wishes of the British electorate in the referendum. May I suggest that there is another reason to make sure that guaranteeing the rights of EU nationals—both those living here and those on the continent—should be a very high priority? Not only is it the right thing to do and will establish good intent, but should there be no agreement, it would be clear to the world that that was not actually our fault and that we were not using EU nationals as bargaining chips.

**The Prime Minister:** I am very clear in the letter that I have sent to President Tusk that we intend the work on the rights of EU nationals and UK nationals living in the EU to be undertaken as part of the negotiations at an early stage. As I have said before, I genuinely believe there is good will to do that, and I hope we will be able to achieve that at an early stage of the negotiations and give EU citizens living here and UK citizens living in the European Union reassurance about their future.

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): The last Prime Minister did not want this day to come, although it followed from many of the decisions he took over many years, and he will be remembered as the Prime Minister who unintentionally led Britain out of Europe. I know this Prime Minister does not want to see the break-up of the United Kingdom, but she will also know that holding us together requires more than just the rhetoric of unity. Will she therefore say what she will do in both the content and the style of her negotiations not to fuel further division and not to play into the hands of others, but to ensure voices from all over the country are genuinely heard in this debate so that she does not become the Prime Minister who unintentionally leads the break-up of Britain?

**The Prime Minister:** First, I say to the right hon. Lady that she referred to the decision on the referendum as one of leaving Europe, but it is about leaving the European Union, not leaving Europe. We want a deep and special partnership with the European Union. We will obviously continue to be part of Europe, and we will want to continue to work with our friends and allies in Europe.

As we go ahead, we will continue to undertake discussions not just with the devolved Administrations in the United Kingdom, but with businesses and other organisations across the United Kingdom—Government Departments are speaking with their interlocutors in a whole range of sectors—to ensure that all views and all considerations are taken into account as we go forward in the negotiations. We want to make sure that we fully understand the concerns and interests that people have, and that is why we have already started talking widely with not just the devolved Administrations, but others across the United Kingdom to ensure that we collect those views and take them into account.

**Mrs Cheryl Gillan** (Chesham and Amersham) (Con): May I congratulate my right hon. Friend on her resolve in carrying forward the democratic outcome of the referendum? No matter what the differences are across this House, I can assure her that every single Member of this House wishes her well for the negotiations ahead. Can she confirm that, no matter how those negotiations

progress over the coming months and years, the United Kingdom will continue to prioritise co-operation and the exchange of information with the other European countries, to ensure that our internal and external security is not compromised in any way whatsoever?

**The Prime Minister:** I am happy to give my right hon. Friend that assurance. Our co-operation on security and justice and home affairs matters is very important to us and to the member states of the European Union. Obviously, it is something that I worked closely on when I was Home Secretary. I assure her that we will be looking to ensure that that co-operation can continue. As we look at the challenges that we face across the globe, now is not the time for less co-operation; now is the time to ensure that we continue to co-operate and, indeed, build on that.

**Dr Alasdair McDonnell** (Belfast South) (SDLP): May I remind the Prime Minister that Northern Ireland voted 56% remain? Indeed, my own constituency voted almost 70% to remain. With respect, may I warn her about the Trojan horse being pushed out to her in the form of honey words from Members on the Bench behind me? The Prime Minister says that the interests of all nations and regions of the UK will be taken into account in the negotiations. What measures has she been able to, or does she intend to, put in place to ensure that Northern Ireland's views, needs and special circumstances are taken into account in the negotiations?

**The Prime Minister:** I thank the hon. Gentleman for his question. The point he made about the vote in Northern Ireland is one that I attempted to show earlier, which is that different parts of the United Kingdom voted in different ways: some voted to leave, some voted to remain. The overall result of the referendum of the United Kingdom was that we should leave the European Union, and that is what we will be doing. Obviously, we maintained contact with the Northern Ireland Executive up to the point at which they ceased to exist when the election was taking place. We have continued, however, to talk about the issue to political parties in Northern Ireland. The best result to ensure that the voice of the devolved Administration in Northern Ireland can be heard in these negotiations is for the parties to come together and for us to see that strong and devolved Government, who will provide us with that interlocutor.

**Mr Steve Baker** (Wycombe) (Con): Since the vote, the economic news has confounded expectations. Economists for Free Trade have told us how WTO rules with the right policies can cut consumer prices and raise GDP, and the Legatum Institute special trade commissioners have given us every reason to believe that we will not only secure the right trade deal for us, but liberate trade right around the world. Does the Prime Minister agree that the time for “Project Fear” is over?

**The Prime Minister:** My hon. Friend is right. Obviously, there were predictions about what would happen to the economy if the United Kingdom voted to leave. Those predictions have not proved to be correct and we see a strong economy. Of course, as we go forward we want to build on that. We want to ensure that we get those comprehensive trade agreements. I believe that a comprehensive free trade agreement with the European



Union should be our aim. That is what we will be working for, but we will also be looking to promote trade around the rest of the world. As my hon. Friend has said, it is in the interests of everybody—not just the UK or the EU, but countries around the world—that we stand up for the benefits of free trade and promote free trade around the world.

**Dame Rosie Winterton** (Doncaster Central) (Lab): As has been said, the Prime Minister referred in her statement to “taking account of the specific interests of every nation and region of the UK”, but leading councils in Yorkshire have had no contact whatsoever from the Government. Will she please now work with local government and local enterprise boards in all English regions to analyse the effect of Brexit on jobs, trade and investment, so that negotiations can achieve, as was promised by the Secretary of State for Brexit, not just an aspiration, but the “exact same benefits” as we have from membership of the single market and the customs union? The Prime Minister sidestepped the question from the Leader of the Opposition, so may I ask it again? Does she believe that the English regions can get the exact same benefits as before?

**The Prime Minister:** The right hon. Lady has asked a number of questions. I am very clear that we want to ensure that we get that comprehensive free trade agreement that gives our businesses the benefits that they have had as members of the European Union. My right hon. Friend the Secretary of State for Exiting the European Union is talking to local mayors and local authorities. The right hon. Lady mentioned local enterprise partnerships. As it happens, I had a roundtable with representative chairmen of LEPs on Tuesday in Birmingham and talked to them about the future, so we are listening to those voices from across the regions.

**Alistair Burt** (North East Bedfordshire) (Con): Like millions of others in the United Kingdom, I am proud of the European Union and the contribution that the UK has made to it during my political lifetime, and I am a little sad about today. However, I stand unequivocally with the Prime Minister as she calls for a united approach to a new future. Does my right hon. Friend therefore agree that in order to make that national endeavour meaningful, her door and those of her Ministers should always be open to all parties in the House, from all sides of the discussion, because a new script for the relationship between the European Union and the United Kingdom should be written as much by those who value the EU as by those who campaigned to leave it?

**The Prime Minister:** I thank my right hon. Friend for his question. As I said in my statement, there will be those in this House who are celebrating and those who are sad and disappointed at the decision that has been taken. I reassure him that as we move forward and ensure that we get the best possible arrangements for the future, I want to listen, and Ministers want to listen, to all voices in this House, including those who were ardent on both sides of the campaign. As I have just indicated, we are also, of course, listening to all parts of the United Kingdom.

**Alex Salmond** (Gordon) (SNP): Today is the day that the right hon. Member for Maidenhead has become the first Prime Minister in recent history to have to be reminded that Scotland is a country, not a constituency of England. She refused to reply to the question of whether there had been an economic assessment of the impact of leaving the EU with no deal. Has there been such an assessment? Will she publish it? And if there has not been an assessment, how does the Foreign Secretary know that it is “perfectly okay”?

**The Prime Minister:** I say to the right hon. Gentleman that I am well aware that Scotland is a constituent nation of the United Kingdom. The point is a very simple one and it was made from the Bench behind him earlier: different parts of the United Kingdom voted in different ways. Different constituencies voted in different ways. Scotland, Wales and Northern Ireland voted in different ways—Wales voted to leave; Scotland and Northern Ireland voted to remain—but the overall response of the United Kingdom was a vote to leave the European Union, and that is what we are putting into place. I say to the right hon. Gentleman that we are looking at the arrangements that need to be put in place, whatever the impact—whatever the decision that is taken at the end. But crucially, what I am very clear about—I was clear in my letter to President Tusk—is that we should work to get that comprehensive free trade agreement, so that we are not in the position of having no deal but we have a deal that is to the benefit of everybody in the UK, including the people of Scotland.

**George Freeman** (Mid Norfolk) (Con): May I congratulate the Prime Minister on the cool, constructive clarity and conviction that she has brought to this momentous period in British politics, and on her commitment today to negotiate on behalf of everyone in this country—the 48% as well as the 52%? Does she agree that we must also redouble our commitment to domestic reform—that compassionate Conservative programme—which is so key to industry and to skills and infrastructure, both for our post-Brexit economic prosperity and for the unity we will need to succeed? She wrote in her excellent letter to Mr Tusk:

“The task before us is momentous but it should not be beyond us.”

Does she agree that that applies to Members of this House as well, and that we should reject the shrill voices of Scottish and English nationalism so that we pull together, not pull apart?

**The Prime Minister:** My hon. Friend is absolutely right. The question people responded to in the referendum was about leaving the European Union, but I believe the vote to leave was also a vote for wider change in this country. That is why it is so important that we put forward and deliver our plan for Britain, for a stronger, fairer society for all—a country that really does work for everyone. It is important that right now we pull together and recognise that the task ahead is to ensure we get the right result for the whole of the United Kingdom.

**Caroline Flint** (Don Valley) (Lab): Regardless of how people voted in the referendum, I suspect there is an even bigger majority today for all of us to get on with trying to get the best deal we possibly can. Many

[Caroline Flint]

businesses are worried. With the triggering of article 50, they feel the clock is ticking and that everything might need to be resolved within two years. Can the Prime Minister reassure businesses? At the end of the two years, what we have will be pretty much the headlines. There will have to be transitional arrangements to ensure that we explore the devil in the detail. This House must be able to discuss it, but more importantly we must get it right for businesses and the rest of Britain.

**The Prime Minister:** The right hon. Lady is right. Businesses want the certainty of knowing where they will stand so that they can plan for the future. Two things are important. It is important that we bring the *acquis* into UK law through the great repeal Bill, so that on the day we leave everybody knows those rules still apply and everybody knows where they stand. It is also right that it is a tight timetable to get agreement on our future relationship. There will need to be an implementation period to ensure that that is put into practice in a way that makes practical sense for businesses and Governments.

**Dr Julian Lewis** (New Forest East) (Con): Will the Prime Minister reaffirm that the defence of Europe depends not on the EU but on the deterrent effect of article 5 of the NATO treaty, which means that an attack on any European NATO member will involve the United States in its defence from the first hour of the first day? In the spirit of unity, will she join me in congratulating two statesmen on opposite sides of the Brexit debate, Sir John Major and Lord Tebbit of Chingford? They may not share the same views on Europe, but they do share the same birthday today.

**The Prime Minister:** I am very happy to wish a happy birthday to members of the Conservative party.

My right hon. Friend raises the important issue of NATO. As I indicated earlier to my hon. Friend the Member for Louth and Horncastle (Victoria Atkins), NATO is the bedrock of our security and our defence. Article 5 lies at the heart of that security and defence. We will continue to contribute to NATO in the way we have in the past, and we will continue to encourage others to ensure that NATO is able to provide that security in the future, as it has in the past.

**Mr Pat McFadden** (Wolverhampton South East) (Lab): I remind the Prime Minister that defence is about more than weapons; it is about values and collective solidarity.

There are two kinds of future stemming from the process triggered today. The first is that we spend two years desperately trying to secure, in the Secretary of State's words,

"the exact same benefits as we have"—[*Official Report*, 24 January 2017; Vol. 620, c. 169.]—

while gaining control of immigration, which, as Ministers have suggested, may make little difference to the numbers. In which case, people will ask, "What is the point?" Or there is another future where we crash without an agreement, defaulting to WTO rules with all that that would mean for industry, agriculture and services. In which case, people will ask, "What is the price?" So which future does she think is the more likely: "what is the point" or "what is the price"?

**The Prime Minister:** I have to say that I think the right hon. Gentleman is framing the question in the wrong way. People voted to leave the European Union, but I believe that we as a country still want to have a good trading relationship with it. People overwhelmingly voted to know that the UK Government are in control of key decisions previously taken by the EU institutions: immigration rules, spending our budget and the relationship of the UK courts to decisions taken here in this Parliament. Underlying the vote was our ability to set our own laws and for those laws to be determined by our courts. This was not just a question of money. It was about values. It was about the value of that self-determination.

**Claire Perry** (Devizes) (Con): May I join others in commending the Prime Minister for a clear, concise and very generous approach to the negotiations, both in her statement today and in her letter to President Tusk?

The Prime Minister will know that the reason we currently have a strong economy is partly due to the decisions taken by the previous Government and partly because nothing has actually changed economically, other than the sharp depreciation in our currency. As we go into a period of enhanced risk and uncertainty for our country and businesses, a process I think she will lead us through admirably, does she not agree that it is time to start talking facts and sense to the British people, rather than rhetoric and ideology, and in particular reject the idea that no deal and a reliance on WTO rules would somehow be okay? I am sure she will have seen recent research from the National Institute Of Economic and Social Research, which suggests that a WTO deal, despite all the trade deals we want to sign with China, Brazil, India and America, would represent a loss of trade of a quarter—a quarter—to the British economy. We cannot do that to this country. I hope she will tell us that we are not going to do that to our country. Can we start talking in facts and perhaps trust experts a little bit more?

**The Prime Minister:** My hon. Friend is absolutely right. The Conservative-led Government's long-term economic plan, on which we all stood at the last election, has enabled our economy to have the necessary strength. We are pleased that we are able to maintain and build on that strength in our economy. She talks about the WTO arrangements. What I say in the letter to President Tusk is very clear:

"If...we leave the European Union without an agreement the default position is that we would have to trade on World Trade Organisation terms."

In that kind of scenario, both the UK and the EU would of course cope with the change, but it is not the outcome that either side should seek. We must therefore work hard to avoid that outcome. I am clear that we want a comprehensive free trade agreement with the European Union, and that is what we will be working for.

**Kate Hoey** (Vauxhall) (Lab): On what is a genuinely historic day for our country, may I pay tribute to the Prime Minister and to the Brexit Ministers for their determination and dedication in getting to this stage today to implement the will of the British people? Does she agree that one area on which we should be able to move forward very quickly in negotiations is getting back control of our fishing grounds?

**The Prime Minister:** My right hon. Friend the Member for North Shropshire (Mr Paterson), the former Secretary of State for Environment, Food and Rural Affairs, mentioned the London fisheries convention. The Department for Environment, Food and Rural Affairs is looking at this issue and we hope to be able to say something soon. As we look at the whole raft of negotiations, we will be looking at policies that affect not just trade in goods and services, but agriculture and fisheries here in the United Kingdom, and security and crime. We will be looking particularly at the London fisheries convention in due course.

**Neil Carmichael (Stroud) (Con):** The Prime Minister's letter to President Tusk is not one I ever hoped to read, but having done so I welcome the eight principles. Does the Prime Minister agree that to bring them to fruition it would be very helpful to include all of us in this process, because even the most ardent pro-European is also incredibly ambitious for this country?

**The Prime Minister:** I am very happy to give my hon. Friend that reassurance. What I hope we will see, and what I think he has indicated we will see, is people on both sides of the argument coming together with that ambition for the future. It is important that we take all views into account as we develop that.

**Mr Ben Bradshaw (Exeter) (Lab):** In her letter and again in her statement today, the Prime Minister has made it clear that she believes it will be necessary to agree the terms of the divorce alongside the details of our future relationship with the European Union. If the other 27 come back in their reply and say that they want to agree the terms of the divorce first, including the issues of citizenship rights, our liabilities and borders, particularly with Northern Ireland, how will she respond?

**The Prime Minister:** We will go into a negotiation with the European Union about the best way to take these issues forward. I have been putting forward the case, as have other Ministers, that it makes sense from a pragmatic point of view to ensure that at the end of the two years, we have both of these decisions concluded, namely the withdrawal process and the future relationship. That is because I do not think it is in anybody's interest for the UK to agree withdrawal, withdraw and go on to one set of arrangements, subsequently having to negotiate another set of arrangements that come into place at a later date. It makes much better sense—for individuals, for businesses and indeed for Governments—to conclude those two parts of the negotiation at the same time.

**Mr Peter Bone (Wellingborough) (Con):** Some Government Members and some Opposition Members have worked throughout their political career to extract the United Kingdom from the European superstate. Sometimes we were isolated, sometimes we were ignored, and sometimes we were insulted, but thanks to the British people, today we are leaving the European Union. In the past, when there has been a major change in our relationship with Europe, it has happened through conflict, bloodshed and turmoil. Does the Prime Minister agree that the whole country can celebrate the fact that this change is happening peacefully and democratically?

**The Prime Minister:** I am happy to endorse that, because it is a tribute to the way in which we in the UK have approached the issue and indeed to the way in which our European partners have been willing to approach it. I think we will be willing to approach it in that way in the future. The eyes of the world will be on us as we go through this negotiation to see precisely how we conduct it. I want it to be conducted positively, constructively and respectfully.

**Joanna Cherry (Edinburgh South West) (SNP):** After the Brexit deal has been negotiated, the European Parliament and every other member state in the European Union will have a say on whether to accept that deal. Can the Prime Minister not see that to deny the people of Scotland a say at the same time would show utter contempt for democracy in Scotland?

**The Prime Minister:** We have been very clear that there will be a vote in this Parliament when we come back with a deal from the European Union. It will take place in both Houses and it will happen before the deal comes into force. We expect that to be undertaken before the European Parliament has had an opportunity to debate and vote on this issue. Within this House, of course, there are representatives from all parts of the United Kingdom.

**Mr Jacob Rees-Mogg (North East Somerset) (Con):** Does my right hon. Friend recall the words of Francis Drake:

“There must be a begynnyng of any great matter, but the conteneuing unto the end untill it be thoroughly ffynnyshed yeldes the trew glory”?

I wish my right hon. Friend good luck and good fortune in her negotiations until she comes to true glory and is welcomed back to this House as a 21st century Gloriana.

**The Prime Minister:** I think my answer to that is that I thank my hon. Friend!

**Liz Kendall (Leicester West) (Lab):** Will the Prime Minister clear up some confusion on her own side about immigration policy? *The Times* reports that the International Trade Secretary is now arguing for more immigration from countries that are outside the EU in return for striking new trade deals. Does the Prime Minister agree?

**The Prime Minister:** The Government have a clear position on our work to reduce net migration into this country. Leaving the European Union will enable us to introduce rules in respect of those who are moving from the EU member states into the United Kingdom, but we continue to ensure that we are bearing down on abuse in our immigration system and that we have the rules that we believe are right so that we can continue to bring the brightest and the best here to the UK.

**Dr Tania Mathias (Twickenham) (Con):** I thank the Prime Minister for her statement and for being very clear that we are not leaving Europe and that we seek to guarantee the rights of EU citizens in our country. When she says “as early as we can”, does she agree with me as a fellow European that “as early as we can” means today?



**The Prime Minister:** In the negotiations, I want reciprocal rights for EU citizens and UK citizens. It is not just about what time we say should be allotted for that discussion; it will be for the remaining 27 member states of the EU to negotiate with us on that. We need reciprocity, but I believe that there is good will, so I am hopeful that we will be able to start this discussion at an early stage of negotiations.

**Mr David Winnick (Walsall North) (Lab):** Given the reference of some Members to the British people, is it not important to recognise that a large majority of this country's people are not fanatically for or against the UK being in the European Union? If we want to bring the people together, as the Prime Minister says she does, that should very much be borne in mind. If, during the negotiations undertaken by her predecessor, we had seen some flexibility from the European Union over the free movement of labour, is it not quite likely that we would not be debating this issue now?

**The Prime Minister:** David Cameron put an enormous effort, as did others across Government, into the negotiations leading to the deal that he brought to the British people. The hon. Gentleman's assumption is that the only issue on which people voted was free movement, but I do not think that is right. I think that wanting control over our borders was one key issue, but it was also about more than that, including control of our laws, control of our money and self-determination. That was what was driving the decision.

**Seema Kennedy (South Ribble) (Con):** Many vegetable growers in South Ribble rely on migrant labour and easy access to European markets for their exports. Can my right hon. Friend reassure my constituents that British farming will be a priority in her and her team's negotiations?

**The Prime Minister:** I can assure my hon. Friend that the Secretary of State for Environment, Food and Rural Affairs is working very closely with farming communities across the whole United Kingdom in looking at their interests for the future and the arrangements that will be put in place once we leave the common agricultural policy.

**Kelvin Hopkins (Luton North) (Lab):** I welcome the triggering of article 50, because it will make possible the democratic socialist future that I and many others have struggled for all their lives. The Prime Minister will be aware that we have a trade deficit with the EU of over £60 billion a year and another deficit of about £20 billion a year on investments, income and remittances, and that we are paying more than £10 billion a year in our contribution to the EU budget. That is total of £90 billion—a huge sum that amounts roughly to about £6,000 a year for a family of four. Does that not put Britain in a very strong position in the negotiations, specifically about trade?

**The Prime Minister:** I think we are in a good position on the trade negotiations, because companies in other EU member states can see the benefits of trade with the United Kingdom. I believe that there will be real benefit to both sides as we negotiate a good trade deal for both of us.

**Rebecca Pow (Taunton Deane) (Con):** I wholeheartedly welcome the Prime Minister's message of looking forward with optimism and hope. Without that sort of viewpoint, I for one would never have made it to this place. Today, my heart is tinged with a little sadness, but we must always aim for better, which is why I wholeheartedly welcome the tone and spirit of the Prime Minister's words. With that in mind, does she agree that it is crucial for all sectors to be treated fairly in the future negotiations and that in the south-west, our biggest sector of food, farming and agriculture must not be sold or traded at the expense of other sectors?

**The Prime Minister:** As I have said, we are working hard in all Departments to ensure that the interests of different parts of the United Kingdom are taken into account. We recognise that the value of certain sectors and jobs varies, and that there are parts of the United Kingdom—for instance, as my hon. Friend says, the south-west—where food and farming are a particularly important element. I can assure my hon. Friend that we will be seeking a comprehensive package that will provide a good deal for everyone in the United Kingdom.

**Stephen Kinnock (Aberavon) (Lab):** In her letter to Donald Tusk, the Prime Minister says:

“If...we leave the European Union without an agreement...we would have to trade on World Trade Organisation terms. In security terms a failure to reach agreement would mean our cooperation in the fight against crime and terrorism would be weakened.”

Is she really saying that the security of our country will be traded like a bargaining chip in these negotiations?

**The Prime Minister:** We will not be trading the security of our country, but we have a relationship with the European Union. There are certain elements of the European Union, in justice and home affairs, of which we are currently members and of which, on leaving the European Union, we would not be members. We need to negotiate what our future relationship will be. It is very simple and very pragmatic: the aim will be to ensure co-operation on these matters.

**Robert Neill (Bromley and Chislehurst) (Con):** I welcome the Prime Minister's repeated use of the word “pragmatic” in her responses. Many of us believe that this country is at its very best when we are pragmatic, rather than ideological. The Prime Minister mentioned the importance of co-operation on justice and home affairs. Does she accept that co-operation on other aspects of judicial and legal services will also be crucial in underpinning her prioritisation of our financial services sector, which is so critical to any negotiation?

**The Prime Minister:** My hon. Friend is absolutely right. The strength of our legal services, and the co-operation that we have on justice and legal matters, are also an important part of the relationship that we have. My right hon. Friend the Lord Chancellor has been working with the judiciary to examine exactly those issues and consider how we can proceed with them to ensure the right level of co-operation in the future.

**Hywel Williams (Arfon) (PC):** I thank the Prime Minister for giving me advance sight of her statement. She referred to “the British spirit” and to a “fairer”, “united” Britain, but fairness is a proper respect for all

views from all parts of the islands, not just, as she put it, “taking account of the specific interests” of nations and regions beforehand, and not just consulting about which repatriated powers should stay in Westminster and which should be dribbled down while she drives through her extreme version of Brexit. As we leave the European Union, there must be a better way than just her way.

**The Prime Minister:** The hon. Gentleman referred to my vision for Brexit. As I have made very clear, in the House this afternoon and elsewhere, we want that comprehensive free trade agreement, we want good security co-operation, and we want good security on justice and home affairs matters. That is what is in the letter to President Tusk. I do not consider it to be an extreme view of Brexit; I consider it to be a good deal for the United Kingdom.

**Craig Mackinlay** (South Thanet) (Con): I congratulate my right hon. Friend on the very reasonable underlying tone of her letter to President Tusk. As she will know, this is a day for which I have campaigned for some 26 years. Does she agree that the dividends of the restoration of democracy to our institutions, the ending of huge fiscal transfers to the European Union and the potential for international new trade deals are prizes from which everyone in our country will benefit in years to come?

**The Prime Minister:** As I said earlier, I know that there are Members on both sides of the House who have campaigned for this for a very long time. My hon. Friend is absolutely right. I think that what underlay the vote for people was that sense of the need for the United Kingdom to be able to have control of its budget, control of its laws and control of its immigration rules, and not simply be subject to decisions made in Brussels.

**Ann Clwyd** (Cynon Valley) (Lab): I am proud to have been a Member of the European Parliament—I was one of the first to be elected, in 1979, along with Boris’s father, who I do not think shares Boris’s views any longer. The Prime Minister has reflected today on the role of the European Parliament. I am sure she will agree that while it is one of three important institutions with which negotiations will take place, at the end of the day it has the power of veto, and that is a very important power. If the European Parliament were to invite her—as it does invite Heads of State and Prime Ministers—to appear before it, give her views and answer some questions, would she agree to do so?

**The Prime Minister:** The right hon. Lady is right to say that the European Parliament will play an important role in the process. Obviously, the structure of the negotiations that has been established means that the key negotiator will be the European Commission, operating under the mandate of the European Council, but arrangements are made for interaction with the European Parliament as part of that as well. I know that Heads of Government are, from time to time, invited to address the European Parliament, and were I to receive such an invitation, I would of course consider it very seriously.

**Jason McCartney** (Colne Valley) (Con): This is indeed a momentous day. On behalf of the whole House, may I pass on our congratulations to our hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) on the birth of a baby boy this morning, Clifford George?

The Prime Minister has spoken of more decision-making powers for the devolved Assemblies. With that in mind, does she agree that now is the time to turbo-charge devolved powers to Yorkshire and the north, and to give real backing to the northern powerhouse?

**The Prime Minister** *rose*—

**Mr Speaker:** Order. In congratulating the hon. Member for Morley and Outwood (Andrea Jenkyns) on the excellent news to which the hon. Member for Colne Valley (Jason McCartney) has just referred, I think it right also to congratulate the hon. Member for Filton and Bradley Stoke (Jack Lopresti), who I think had some hand in the matter as well. [*Laughter.*] Well, he had a role, anyway.

**The Prime Minister:** Thank you, Mr Speaker. I am glad that I did not have to give clarification of your statement. I congratulate both my hon. Friends on the birth of Clifford George this morning, and I am sure that the whole House will send its best wishes to mother and father, and to their baby son.

As others have said in the House, it is important for us to take into account the views of the various parts and regions of the United Kingdom. We have some very important deals, including a number of city deals, around the country, and the devolution deals. The directly elected Mayors will be in place on 4 May. We will also, of course, look into how we can further boost the economies throughout the United Kingdom, including the northern powerhouse and the midlands engine. I was in Birmingham yesterday to discuss exactly that issue.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I heard the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell) earlier from his seat, and I think that it is now time to hear him from his feet.

**Philip Boswell** (Coatbridge, Chryston and Bellshill) (SNP): Having recently come from a Public Accounts Committee sitting on care for people with learning disabilities, may I ask whether the Prime Minister can tell us when the national health service will start receiving its extra £350 million a week?

**The Prime Minister:** I am pleased to say that we are putting record levels of funding into the national health service, and—as my right hon. Friend the Chancellor announced in his Budget statement—putting extra funding into social care. Decisions on how we spend our budget in the future, once we have completed the negotiations and left the European Union, will be decisions to be made here in the United Kingdom.

**Alberto Costa** (South Leicestershire) (Con): In less than half an hour, the Italian Foreign Secretary will visit Parliament to sign the book of condolence and lay some flowers on behalf of the Republic of Italy. May I warmly commend some words in the Prime Minister’s statement? It was the first time that she had said this to the House: “I will represent every person in the United Kingdom...and, yes, those EU nationals who have made this country their home.” That includes my parents, my sister, some of my constituents, and 3 million other European Union nationals. I thank the Prime Minister

[*Alberto Costa*]

for using those warm words. Today marks a coming of age for her: she is showing the House and the country that she is the right leader at this momentous time for the country.

**The Prime Minister:** I thank my hon. Friend for his remarks. He has, of course, taken a particular interest in the position of EU citizens living here in the United Kingdom. I am pleased to confirm that, as I negotiate, I will be negotiating for everyone in the United Kingdom, including those EU citizens. As I have repeated in the letter to President Tusk, I hope and expect that we shall be able to look at the issue of the rights of EU citizens living here—and UK citizens living in the EU—at an early stage of the negotiations.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): May I remind the Prime Minister that, at one stage, both she and I were remainers? I remain very much a remainer; I am a passionate European, and I believe that she should take careful note of the fact that a large number of people in this country value European citizenship because it has delivered over many years peace, prosperity and security. Will she assure this House that those priorities will be maintained in all the negotiations going forward?

**The Prime Minister:** I simply say to the hon. Gentleman that it is, of course, possible to be a passionate European without believing that the UK should be a member of the European Union. This is a difference in terms of the values that we share. Working together co-operatively, across Europe, on the issues that he raises is important. Of course, I do believe, as those on the Conservative Benches do, that the key determinant of security and defence across Europe has been NATO. We continue to play our part in NATO, but I recognise that there are those on the continent of Europe who very much feel that for them the EU has been part of that process of delivering security and peace into the future. I want to ensure that we can continue to work together, so that we continue to see peace and security across our European continent.

Several hon. Members *rose*—

**Mr Speaker:** I call the fellow wearing the Elgar tie: Sir Gerald Howarth.

**Sir Gerald Howarth** (Aldershot) (Con): Although the Prime Minister did indeed support the remain side during the referendum campaign last year, she has demonstrated outstanding leadership of our country in implementing the will of the British people. So on this historic day, and recalling, of course, Sir Edward Elgar, and having campaigned myself in 1975 to leave the Common Market, may I salute the Prime Minister for her determination to unite the country in securing the very best deal not only for the United Kingdom, but for our European partners as well?

**The Prime Minister:** I thank my hon. Friend for his remarks. I know that he has been campaigning long and hard on this issue over the years, and it is right that we should come together now and get that best possible deal for the UK.

**Seema Malhotra** (Feltham and Heston) (Lab/Co-op): I also want to put on record how proud I am of what we have achieved as members of the EU, not just for our security and the economy, but also as regards peace between our nations, which twice in the last century have been at war. We know that there is more than one way to Brexit, and over the next two years there will clearly be a big debate about the trade-offs we will need to make. We also know that the Prime Minister wishes to ensure the future prosperity of Britain. So far, however, there has been no economic assessment of the Government's plans. Will the Prime Minister confirm that an economic assessment will be published with the final deal, and that it will compare the expected outcome both to what we have now, and to the prospect if there is no deal?

**The Prime Minister:** The hon. Lady asked me to make a comparison with what we have now. Of course, we have decided to leave the EU and therefore to change our relationship with it, but we will make sure that Members have the necessary information when we come to the vote in Parliament on the deal we are putting forward.

**Ben Howlett** (Bath) (Con): This is a day that neither I nor the vast majority of my constituents wanted to see. However, may I commend the Prime Minister on her statement and her tone in the letter to President Tusk? I fully support the Prime Minister's objective of delivering a comprehensive free trade deal with the EU on goods and services—and let us be clear that no deal would be a bad deal—but what more can this House do to help her to deliver her aims, in the interests of both Britain and the EU?

**The Prime Minister:** The task that this House will have of putting through the great repeal Bill and other necessary legislation will, of course, be an important part of the process of delivering on the deal that we need at the end of this negotiation that we are entering into. I have every confidence that Members on both sides of the House, of all views and from all sides of the argument in the past, will come together and ensure that we work together to get the best possible deal.

**Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): With us having a maximum of 72 weeks in which to negotiate a UK-EU trade deal, the future for Scotland is very clear: independence in Europe, or go it alone with Westminster. Have the Government thought of rejoining the European Free Trade Association, or will the Prime Minister totally go it alone and be in absolutely no regional trade agreement at all—a situation shared only by East Timor, Somalia, South Sudan, Mauritania and São Tomé and Príncipe in the gulf of Guinea—because that is where she is taking the United Kingdom?

**The Prime Minister:** I have said right from the beginning that, given the position of the United Kingdom, we want to negotiate a deal that is right for the United Kingdom. That means not taking off the shelf an arrangement that other countries have, but asking what works for the UK and the EU, given the relationship we have had, given that we have been members of the EU, given the size of our economy, and given the benefits to us and the EU of getting such a comprehensive free trade deal.



**Antoinette Sandbach** (Eddisbury) (Con): I warmly welcome the tone of the Prime Minister's letter to President Tusk, and wish her every success in achieving free and frictionless trade, but when it comes to returning sovereignty to this Parliament, will she undertake that she will limit any Henry VIII powers and allow MPs to vote on legislation that will affect the future of their constituents?

**The Prime Minister:** We will try to ensure that we have the best possible way of putting legislation through this House to enable necessary debate and discussion to take place. Obviously, as we come to the debates on the great repeal Bill, that will be part of the discussions, but I also ask hon. Members to recognise the very many changes that will need to take place that are very technical, and that are not about policy but are necessary, because of the intertwining of our legislation over the years, if we are to ensure that when we reach the point of leaving, we can have that clean break and have dealt with all the legislative consequences.

**Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): I am sure that when the Prime Minister went to the polling station on 23 June last year and cast her vote for remain, at the forefront of her mind was stability for British industry, and in the recent by-election in my constituency, the Prime Minister wrote to thousands of my constituents highlighting the plan she said her party would have for the ceramic industry. The ceramic manufacturers of Stoke-on-Trent make the best pottery in the world, but what they now need is stability and confidence, so that they can reach their growth targets and create jobs. Can the Prime Minister confirm, here and now, that our future relationship with the single market and the customs union will deliver exactly the same benefits as it currently does, so that when I return to Stoke-on-Trent this weekend I can give my major employers the confidence they need?

**The Prime Minister:** I have to say to the hon. Gentleman that the answer I give him will be the answer I have given throughout this statement, and indeed have given in the past: we will be working for that comprehensive free trade agreement that will enable businesses to trade freely with the European Union single market, and to trade in both goods and services with the European single market. That is what we want to achieve. I recognise the need for business to have as much certainty as possible as soon as possible. One of the things in the letter that I know business has been asking for is the concept of the implementation period, so that there is not a cliff edge when we leave, and so that they are able to put any new arrangements in place and have notification of that. That is exactly what I have suggested to President Tusk we should, at an early stage, agree will be a principle that we will abide by.

**Several hon. Members** *rose*—

**Mr Speaker:** I call a Canterbury knight: Sir Julian Brazier.

**Sir Julian Brazier** (Canterbury) (Con): Thank you, Mr Speaker. In strongly welcoming my right hon. Friend's statement, may I particularly welcome what she said about remaining good Europeans, and does she agree that the fact that we are committed to NATO and its

2% undertaking, have troops deploying to eastern European neighbours who are embattled, and have troops fighting Daesh, which has brought horror to European cities, shows just what a good European country we are?

**The Prime Minister:** My hon. Friend makes a very important point: it is not just about what we stand up and say; it is about what we actually do. As he says, what we are doing in NATO, the commitments we have given to our eastern European allies, and the work we are doing to counter Daesh—not just the military work we are doing, but also the co-operation between our intelligence services across Europe—are all important symbols of our commitment to ensuring that we play our part in maintaining security in Europe.

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): The Prime Minister has stated that she will not provide a running commentary on negotiations. Earlier this week in the *Financial Times*, Michel Barnier stated:

“The unity of the 27 will be stronger when based on full transparency and public debate.”

I ask the Prime Minister: what exactly does it say about this so-called team approach if Members of this Parliament, and indeed devolved Governments across these islands, are set to hear more about the outcome of these vital talks from those on the other side of the negotiating table than from this Tory Government?

**The Prime Minister:** No, I have said clearly that when we are able to provide clarity, as we have done up until now and look to do in the future, we will do so. However, it is absolutely the case that if we are to get the best deal for the United Kingdom, we should not reveal every detail of our hand at every stage in the negotiations. We will be looking to ensure that clarity and information are available where that is appropriate.

**Oliver Dowden** (Hertsmere) (Con): While seeking to protect and enhance workers' rights, will the Prime Minister also seize the opportunity afforded by leaving the European Union for greater sectoral deregulation so that businesses are able to create wealth and prosperity, which we all need and upon which our public services ultimately rely?

**The Prime Minister:** At the point at which we leave the European Union, the *acquis* will be brought into UK law, which will provide businesses with certainty. It will then be up to the UK Government and the UK Parliament to determine what regulations remain in place in the future and what deregulation should take place.

**Heidi Alexander** (Lewisham East) (Lab): In her letter to Donald Tusk, the Prime Minister refers to the treaty on European Union and the treaty establishing the European Atomic Energy Community. She makes no reference, however, to the European economic area agreement, which underpins our membership of the single market. When and how does the Prime Minister intend to withdraw us from the EEA?

**The Prime Minister:** Membership of the EEA is linked to our membership of the European Union, and our notification in relation to leaving the European Union also covers the EEA.

**Mr David Nuttall** (Bury North) (Con): I warmly thank my right hon. Friend for, and congratulate her on, carrying out the wishes of the majority of my constituents in Bury, Ramsbottom and Tottington by triggering article 50 today. After 40 years of membership, the negotiations ahead could be long and difficult, but does she agree that what matters is the big picture? We are taking back control for this Parliament. We are taking back control of our borders. We are taking back control of our contributions.

**The Prime Minister:** My hon. Friend is absolutely right. The negotiations will be detailed, but we must always keep in our vision the big picture, as he describes it, that this is about control of our laws, control of our borders and control of our budgets. That was what people voted for when they voted to leave.

**Ms Margaret Ritchie** (South Down) (SDLP): Michel Barnier, who will be directly involved in the negotiations, has put Northern Ireland at the top of his agenda because he was directly involved in the negotiations to establish the Special EU Programmes Body. Will the Prime Minister outline how she will ensure the protection of our fragile economy in Northern Ireland, and ensure tariff-free and continued access to the single European market, which is vital to the growing economy of the island of Ireland?

**The Prime Minister:** In overall terms, negotiating a comprehensive free trade agreement with what we want to achieve, which is tariff-free trade with the European single market, will cover the whole of the United Kingdom, including Northern Ireland. However, due to the land border between Northern Ireland and the Republic, we are conscious of the need for us to look carefully at the customs arrangements that will be put in place. We want to be able to have trade agreements with other countries around the world, and that has implications for the current rules in relation to membership of the customs union, but we are working actively with the Government of the Republic of Ireland to ensure that arrangements can be put in place that maintain the economy in Northern Ireland. As we have consistently said, and as the Taoiseach and others have said, we do not see a return to the borders of the past.

**Mr Shailesh Vara** (North West Cambridgeshire) (Con): I commend my right hon. Friend's comments about the need for us all to work together to secure the best possible deal for our country at this momentous time in our history. She will be aware of the Supreme Court's unanimous decision that matters relating to relations with the European Union are to be dealt with exclusively by the UK Government and the UK Parliament, and are not for the devolved institutions. Given that this country regularly speaks to the rest of the world about the need to respect the rule of law, does she agree that it is important that politicians from all four nations of our country respect the rule of law themselves?

**The Prime Minister:** I am grateful to my hon. Friend. As he says, it is the case that the Supreme Court found that there will be no veto for the devolved Administrations, but it is interesting that the SNP argues that a decision to remain in the European Union by Scottish voters should somehow be dealt with differently from the overall result of the referendum. When we had the

referendum in Scotland in 2014 on membership of the United Kingdom, I note that the SNP argued the exact opposite. It argued that the result as a whole was the only one that counted and that if parts of Scotland such as Orkney and Shetland voted differently, that should not be taken into account.

**Peter Kyle** (Hove) (Lab): The Prime Minister has rightly spoken of unity. How will she respect and give a voice to the people and businesses who are extremely anxious about the journey on which the country has now embarked?

**The Prime Minister:** Of course we want to give certainty to businesses and others as soon as possible about the arrangements that will be put in place, but this will be a negotiation and there will be a degree of uncertainty. We cannot completely take away that uncertainty, but we can give clarity when we are able to do so, as we have been doing in the past few months.

**David Rutley** (Macclesfield) (Con): I welcome the approach that my right hon. Friend is taking to secure a positive outcome in the negotiations ahead. Does she agree that Brexit is now a spur to action to tackle the long-standing economic challenges of productivity, skills and export performance? Will the Government's modern industrial strategy help in achieving those important objectives?

**The Prime Minister:** My hon. Friend is absolutely right. As I have said before, the vote was not just about leaving the EU; it was about changing how the country works—and changing that forever—and about getting a stronger economy that works for everyone in which everybody plays by the same rules. We want growth and prosperity in every part of the United Kingdom, which is an important part of the future and of our plan for Britain. Our industrial strategy is absolutely right at the heart of delivering that.

**George Kerevan** (East Lothian) (SNP): Will the Prime Minister explain why, in her long and detailed letter to President Tusk, which clearly took weeks to prepare, she somehow forgot to mention Gibraltar? Is it a case of out of sight, out of mind?

**The Prime Minister:** We are absolutely steadfast in our support of Gibraltar, its people and its economy. Our position has not changed. We have been firm in our commitment never to enter arrangements under which the people of Gibraltar would pass under the sovereignty of another state against their wishes, nor to enter into a process of sovereignty negotiations with which Gibraltar is not content. The letter is a notification in relation to our withdrawing from the European Union. Gibraltar is not a separate member of the EU, nor is it a part of the UK for the purposes of EU law, but we are clear that it is covered by our exit negotiations. We have committed to involving Gibraltar fully in the work that we are doing. We have been having regular discussions with the Government of Gibraltar, and we will continue to work with them in the future.

**Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): As the representative of a constituency that voted overwhelmingly to leave, as I did, I congratulate the Prime Minister on her leadership on this historic day. Much of my beautiful constituency is rural farmland,

and local farmers would like reassurance that their livelihoods will be protected as we leave the EU. Will my right hon. Friend confirm that she will do all that she can to support British farming during the negotiations?

**The Prime Minister:** Yes. We have already been able to give some reassurance to farmers with our commitment on funding through to 2020 but, of course, we will then need to look at the arrangements that are put in place after the UK leaves the European Union. I assure my hon. Friend that my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs is working with farmers in all parts of the United Kingdom to look at what are the best arrangements for the way ahead.

**Stephen Timms (East Ham) (Lab):** There is a very big economic challenge ahead. Does the Prime Minister recognise that securing anything like the barrier-free access to the single market that she has rightly set as her goal will require some compromise—some middle ground—to be found on the question of free movement of people?

**The Prime Minister:** The decision that was taken on 23 June in relation to free movement was that it should be the UK Government who determine the immigration rules for people coming to the United Kingdom from the European Union. We will be putting forward proposals to the House in due course on what those future arrangements should be. We will not be stopping immigration from the European Union—we will not stop people coming into the United Kingdom—and we recognise that people will still move from the EU into the United Kingdom, but the important point is that the rules governing that movement will be determined by the UK Government.

**Henry Smith (Crawley) (Con):** The Prime Minister is right that the UK is leaving the institutions of the European Union, not Europe itself. She is also right to talk of this country as “global Britain”. This nation is one of the world’s leading aviation powers and is an island trading nation. May I seek an assurance that, as we increasingly become a conduit between the rest of the world and Europe, the importance of aviation will be paramount?

**The Prime Minister:** Obviously a key element of the negotiations will be ensuring that we see no disruption to aviation arrangements so that people are able to continue flying between the UK and other parts of the European Union and elsewhere in the world. We recognise the importance of our aviation industry in terms of not just the work of the airlines themselves and our airports, but aviation manufacturing, which is also important to us.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. There must be some relief from the toil of being a Whip. I call Mr Mike Weir.

**Mike Weir (Angus) (SNP):** The Prime Minister talks grandly about self-determination, so why is she so determined not to allow the Scottish people to exercise that very right when the details of the deal are known but before we are taken out of the EU?

**The Prime Minister:** As I have said before, now is not the time to talk about a second independence referendum. I simply remind the hon. Gentleman that, of course, in 2014 the SNP was clear that it was a once in a generation—indeed, a once in a lifetime—vote.

**Mr Nigel Evans (Ribble Valley) (Con):** This is truly a red, white and blue letter day—*[Interruption.]* Shut up. The letter represents all the constituent parts of the United Kingdom, including Scotland, and sending it ambassador class was a nice touch.

In her letter, the Prime Minister talked about the Brexpaths—EU citizens living in the UK, and British citizens, including Scots, who live and work in other parts of the European Union. I know that she has said that she will not give a running commentary on the negotiations, but will she give us an assurance that, once a deal is reached on the Brexpaths, she will inform them in order to ease the anxiety that they are currently feeling?

**The Prime Minister:** I can give that assurance. The point of trying to achieve a deal at an early stage is precisely so that we can tell people the nature of that deal, so that they can be reassured and do not have to worry about their future.

**Andy Slaughter (Hammersmith) (Lab):** On days such as this, the Prime Minister should speak for the whole country, but she has chosen to speak for little more than half. Beyond empty rhetoric, what reassurances can she give to the 70% of my constituents who voted to remain, and to the one in six who are citizens of other EU countries and have real fears for their livelihoods, businesses and security?

**The Prime Minister:** As I indicated in response to my hon. Friend the Member for Ribble Valley (Mr Evans), the question of the status of EU citizens living here, and of UK citizens living in EU member states, is one that we hope to be able to address at an early stage of the negotiations so that we can give people security and an assurance for the future. Of course I recognise that there will be a degree of uncertainty for businesses until the future arrangements have been concluded and they know what they will be. I hope that we will be able to give businesses the certainty of implementation periods so that there will not be a cliff edge for them, but they can be assured that we will try to ensure that we get the most comprehensive free trade deal that is possible.

**Lucy Frazer (South East Cambridgeshire) (Con):** Many people voted to leave the EU because they felt disengaged with politics and that the institutions did not work for them. Over the next 18 months, will the Prime Minister therefore not only work to ensure that we retain a place in the world, but deliver on our domestic agenda to ensure that people feel our Government are working for them?

**The Prime Minister:** My hon. and learned Friend makes the important point that although there will be complex negotiations in relation to Brexit, it is important that the Government continue to put in place our plan for Britain and our domestic agenda for a stronger economy, a fairer society and a global outlook for the United Kingdom. Our work on trade with other nations around the world will be an important part of that.



**Owen Thompson** (Midlothian) (SNP): The Prime Minister told us that Brexit meant Brexit. Now that the Scottish Parliament has voted for a second Scottish independence referendum, will she realise and acknowledge that Scotref means Scotref, and agree to any section 30 application?

**The Prime Minister:** If we are to make a success of Brexit, we will all need to pull together at this time to ensure that we get the best possible deal for the United Kingdom. Of course, Scotland voted in September 2014 to remain a member of the United Kingdom.

**Julian Sturdy** (York Outer) (Con): I draw attention to my entry in the Register of Members' Financial Interests.

I welcome the Prime Minister's statement, her tone in embracing the whole United Kingdom and her emphasis on pursuing a Brexit that works for everyone. Will she reassure me that agriculture and the environment, which are closely linked, will not become a sacrificial lamb in any future trade negotiations?

**The Prime Minister:** In our trade negotiations with the European Union and others around the world, we will be very conscious of the need to ensure that we respect the requirements for our environment, and for our agriculture, food and farming industry here in the United Kingdom. I assure my hon. Friend that we will continue to maintain our commitment to both those issues.

**Keith Vaz** (Leicester East) (Lab): I congratulate the Prime Minister on her stamina, as she has been at the Dispatch Box for two and a half hours and we are only halfway through. At the Home Affairs Committee, we at least gave her a chair to sit on throughout our sessions.

I congratulate the Prime Minister on her appointment of Mark Sedwill as the new national security adviser. He will be a loss to the Home Office, but an asset to her. May I press her on policing and security? We have seen the headlines in the letter to Donald Tusk, but will we remain a full member of Europol throughout the negotiations? Will we have full access to the criminal databases of the EU, and is one of her ambitions that we retain that access when we leave the EU?

**The Prime Minister:** While we remain a member of the European Union, we will continue to have the access and membership arrangements on those various issues that we currently have. It is certainly my expectation that we will look to negotiate continued access to the various ways in which we share information with EU member states today. That is in not just our interest, but the interest of the EU.

**Mr Mark Francois** (Rayleigh and Wickford) (Con): This is a great day for our country as we take back full control of our national destiny. Historically, we have been a free trading nation that has been outward looking with a global perspective. Does the Prime Minister agree that that which is historically in our national DNA will stand us in good stead as we go through these critical negotiations?

**The Prime Minister:** I absolutely agree with my right hon. Friend, which is why I am optimistic and ambitious for the United Kingdom. That spirit of trading around

the world—that outward-looking spirit we have always had in the UK—will indeed stand us in good stead in the future.

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): Will the Prime Minister confirm her understanding of what will need to happen on the European side to ratify the new deal with the UK, which we all want to see? Will this be a decision, as part of the exit negotiations, by the Council of Ministers and by the Commission, or will this require ratification by every remaining EU member state national Parliament and, in some cases, regional Parliament? Clearly, it could cause a lot of uncertainty if just one member state opposes the terms we have negotiated for our exit.

**The Prime Minister:** The extent to which any part of the deal requires full ratification by every individual member state and every constituent part of the European Union will vary according to the nature of the aspect of the deal, but overall it will be necessary for the European Parliament and for the nation states to ratify.

**Martin Vickers** (Cleethorpes) (Con): For those of us who campaigned and voted for Brexit not just last year, but in 1975, this is a great day and one for celebration. Some 70% of my Cleethorpes constituents and of those in neighbouring Grimsby voted for Brexit last June, partly as a result of continuing anger and resentment at the sell-out of the fishing industry in the original negotiations. The Prime Minister has already reassured me that the fishing industry will be looked after, but the associated seafood industry is very much dependent on the fishing industry. I have already met industry leaders in my constituency who see both opportunities and concerns, so will she reassure me that the seafood processing industry will be a key part of the negotiations?

**The Prime Minister:** I can give my hon. Friend the assurance that we want to ensure not only that we get a good future for our fishing industry, but that those parts of industry that rely on fishing will also have a good future here in the UK. We will be taking that into account.

**Dr Eilidh Whiteford** (Banff and Buchan) (SNP): Thousands of EU nationals who are doing essential and useful jobs in our agriculture and fisheries sector, and in our public sector, still do not know what their status is going to be two years from now. Is the UK Government's position so weak that they need to use these people as bargaining fodder in their negotiations? Why will the Prime Minister not make a good-will gesture and guarantee their rights?

**The Prime Minister:** As the Prime Minister of the United Kingdom and as the Parliament of the United Kingdom, I think we should all have care not just for EU citizens living here, but for United Kingdom citizens living in the European Union. We want to ensure reciprocal arrangements guaranteeing the rights on both sides.

**Dr Sarah Wollaston** (Totnes) (Con): I welcome the Prime Minister's clear commitment to a positive, constructive and respectful approach to the negotiations that lie ahead. May I press her further on behalf of the fishing community in my constituency and around the United Kingdom? She will know that in the past these people have been badly let down during negotiations, so

will she give an equally clear commitment that the fishing community will receive a sufficiently high priority during the negotiations ahead?

**The Prime Minister:** I can confirm to my hon. Friend that we are very conscious of the needs of the fishing industry. The Department for Environment, Food and Rural Affairs has been talking to the fishing industry. The Secretary of State and others have been looking carefully at the arrangements that will need to be put in place in the interests of the fishing industry, and that will be an important part of our considerations in future.

**Kate Green** (Stretford and Urmston) (Lab): Young people are very distressed and sad that we are leaving the European Union. Many of them did not vote for it and many did not even get a say in this decision, but they are the generation most greatly affected by it. What will the Prime Minister do to ensure that she listens to and engages with the next generation?

**The Prime Minister:** The hon. Lady makes an important point, because decisions we take now about how we leave the European Union, what our arrangements are in future and what we do here in the United Kingdom in things such as technical education and our industrial strategy are about the next generation. I want to ensure that we are ambitious for the whole of this country and ambitious to ensure a bright future for the next generation, and that is what this Government will be working for.

**Richard Drax** (South Dorset) (Con): May I thank my right hon. Friend for the resolute way in which she has pushed through the will of the British people? Does she agree that the logical conclusion to invoking article 50 will be regaining control of our destiny? That means that all the rules and regulations that govern our lives will be made in this place or in these islands, and not by unelected bureaucrats in Brussels?

**The Prime Minister:** My hon. Friend has put his finger on the issue that I believe led to many people voting to leave the European Union: they wanted to feel that decisions about their future were being taken here in the United Kingdom and not in Brussels.

**Several hon. Members** *rose*—

**Mr Speaker:** From among the ranks of the boisterous bunch of the Scottish National party, I think we should hear a voice of serenity and good conduct. I call Michelle Thomson.

**Michelle Thomson** (Edinburgh West) (Ind): Thank you, Mr Speaker. The Chair of the European Parliament's Committee on Constitutional Affairs has spoken clearly in saying:

“We have also taken note of the fact that UK citizens voted differently in Scotland and Northern Ireland, and also in Gibraltar, making it clear that the majority of them would wish to remain in the Union. It is difficult to imagine that those differences could be ignored and discarded in the process of Brexit.”

How is it that our friends and partners in Europe are so clear about making our voices heard, yet the right hon. Lady completely ignores and discards them?

**The Prime Minister:** The Government are not completely ignoring and discarding voices. What we are doing is focusing on the best possible outcome for the whole of the United Kingdom. I look at that best possible outcome very simply in terms of: what ends do we want to achieve? We want that free trade agreement—we want that free trade arrangement. I understood that a comprehensive free trade agreement was actually what the Scottish Government wanted to see, and we will be working for it.

**John Stevenson** (Carlisle) (Con): The food and drinks manufacturing sector is the largest manufacturing sector in the UK; it is innovative, it is a significant exporter and it employs a lot of people up and down the country. It is also an area significantly affected by EU law, so during the forthcoming negotiations will the Prime Minister be sensitive to the needs of this important sector and ensure that it is able to compete on a level playing field?

**The Prime Minister:** I assure my hon. Friend that we are listening to the voices of various industrial and other sectors around the country to ensure that we take account of the particular concerns they have as we look ahead to leaving the European Union, because we want to ensure that we are able to build on the success we already have. He talks about innovation and success, and we want to be able to build on that for the future, so we will be taking those interests very firmly into account.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): The Prime Minister's letter to President Tusk states:

“In security terms a failure to reach agreement would mean our cooperation in the fight against crime and terrorism would be weakened.”

Given that, will she clarify whether she is still threatening to walk away with no deal if she does not get the economic deal she wants?

**The Prime Minister:** I go on to make it very clear in the letter that not having arrangements—not having agreements on these issues—would not be in the interests of the UK and the European Union, and we should work to ensure that we secure a deal.

**Kevin Foster** (Torbay) (Con): I thank the Prime Minister for her statement. Will she confirm that during the Brexit negotiations she will pay close attention to the concerns of people in Gibraltar, that we will maintain the effective working of the border with Spain and their market access to the UK, and that these negotiations will not be used as a back door to questions about their sovereignty, given that Gibraltarians, unlike some separatist movements, want to respect the result of once-in-a-generation referendums?

**The Prime Minister:** I can give reassurance to my hon. Friend; we have set up a Joint Ministerial Council with the Government of Gibraltar to discuss the particular issues they have and to make sure that their concerns are taken into account as we enter these negotiations. We are committed to continuing to engage with Gibraltar as we leave the EU.

**Several hon. Members** *rose*—

**Mr Speaker:** The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) is a jovial jackanapes, so I think we should put him out of his misery and hear from the feller.

**Mr MacNeil:** You already have—

**Mr Speaker:** We have already heard from the feller—I had forgotten. I do apologise. [HON. MEMBERS: “More!”] No, once is enough. I call Dr Rupa Huq.

**Dr Rupa Huq** (Ealing Central and Acton) (Lab): Even an ardent remainder like me recognises that we now have a golden opportunity to reshape immigration policy. The Prime Minister spoke in her statement of “a truly global Britain”, so will she apply that principle and, at the earliest opportunity in the next two years, remove international students from net migration targets? That would send out the message that we are a welcoming nation and stem the plummeting tide of EU applications to our universities.

**The Prime Minister:** Whether or not international students are included in the net migration target is not a message about our country and how we welcome people. We welcome students coming to this country—we are very clear about that—but in the statistics we abide by the international definition used by countries around the world. We want to ensure that the brightest and the best are indeed able to come to the United Kingdom and get the value of a UK education.

**Jeremy Lefroy** (Stafford) (Con): I welcome the seven principles in the Prime Minister’s letter, particularly the first, on constructive and respectful engagement, and the fifth, about the importance of the

“UK’s unique relationship with the Republic of Ireland”,

the Belfast agreement and the peace process. Does she agree that to achieve the best possible outcome for all our constituents, there should on both sides be the minimum of red lines and the maximum flexibility?

**The Prime Minister:** I absolutely agree with my hon. Friend. It is important that we are able to be flexible in the negotiations. The key thing is that in everything we do we put the British national interest first.

**Patrick Grady** (Glasgow North) (SNP): I do not know whether the Prime Minister is yet aware of reports about the draft European Parliament resolution that will be discussed this afternoon, but it includes the recognition that

“a large number of United Kingdom citizens, including a majority in Northern Ireland and Scotland, voted to remain in the EU”.

It does not mention Maidenhead, perhaps because the people of Maidenhead, unlike the people of Scotland, did not have an independence referendum in which they were told that voting to remain in the United Kingdom also meant voting to remain in the European Union.

**The Prime Minister:** The Scottish National party cannot have it all ways; it wanted to leave the United Kingdom, which would have meant leaving the European Union.

**Rehman Chishti** (Gillingham and Rainham) (Con): I very much welcome the way the Prime Minister has taken forward the will of the British people, including the majority of my constituents. On security and on fighting terrorism and extremism, in 2014 there were 20 Daesh-inspired or enabled terrorist acts around the world, and in 2015 there were 60 such events. The United Kingdom has always had intelligence-sharing arrangements with our partners around the world, wherever they might be. Does the Prime Minister agree that there is a moral obligation on every international partner, whenever they have information that could prevent a terrorist act, to provide it to their international partners? We are all in it together to fight the evil of terrorism.

**The Prime Minister:** My hon. Friend is absolutely right that we are working together to fight terrorism. Of course, many of the exchanges that take place on intelligence matters are not part of European Union structures.

**Susan Elan Jones** (Clwyd South) (Lab): Agriculture is devolved to the Welsh Government. Will the Prime Minister confirm whether any repatriated powers relating to agriculture will transfer to the Welsh Government?

**The Prime Minister:** There are powers that are devolved to the devolved Administrations on the basis that they are subject to decisions taken at European Union level. Once we leave the European Union, those decisions will of course come to the United Kingdom. We want an open discussion with all the devolved Administrations about what is right to ensure that we keep a single market operating in the United Kingdom. As I said in my letter to President Tusk and repeated in my statement, it is our expectation that we will see significantly increased decision-making powers moving to the devolved Administrations when we leave.

**James Cartlidge** (South Suffolk) (Con): Today, we are embarking on a journey that is undoubtedly motivated in part by a desire to control immigration, but is not the reality that as we sit here, the public services and economy in entire swathes of our country are dependent on very hard-working EU migrants just to function? Does the Prime Minister agree that in seeking to control immigration, many people in this country want to see it at significantly lower levels? Does she also agree that in practice that will not be possible until such time as we reform our welfare state and education system so that we can replace our reliance on foreign labour with more use of local talent?

**The Prime Minister:** My hon. Friend makes an important point. We do need to ensure that people here in the United Kingdom have the skills and incentives to be able to take up the jobs that are available so that businesses here do not find it so necessary to rely on bringing in labour from abroad. Of course we recognise the valuable contribution that EU citizens are making to our economy and our society, and we will want to ensure that we take the interests of businesses and others into account as we shape our future immigration rules.

**Mark Durkan** (Foyle) (SDLP): The Prime Minister’s letter refers to doing nothing to jeopardise the peace process, and to the need to uphold the Belfast agreement.



Does she recognise that the Belfast agreement exists in several strands, including strand two, which provides a framework for all-island co-operation and north-south joint implementation in key areas? It was presumed that all that was going to happen in the context of common membership of the EU, and using EU programmes. If that strand is not to be diminished and the agreement is not to be damaged, how are the Government going to do all that while at the same time saying that there can be no differential treatment for Northern Ireland, either inside the UK or by the EU? They cannot uphold strand two of the agreement and also put down that red line in respect of Northern Ireland's prospects.

**The Prime Minister:** We are very conscious of the arrangements in the Belfast agreement and of the practical issues that will arise as a result of the UK leaving the European Union because of the land border with the Republic of Ireland. We are also very conscious of the work taking place across the border, between Northern Ireland and the Republic of Ireland, on a whole variety of areas. That is why we are working very closely with the Republic of Ireland Government to ensure that we are able to preserve the developments that have taken place and the progress that has been made in Northern Ireland. We recognise the importance of the Belfast agreement in the peace process and the future of Northern Ireland.

**Tom Tugendhat** (Tonbridge and Malling) (Con): It is a great honour indeed not to be the last Member on the Government Benches to be called, Mr Speaker.

Will my right hon. Friend the Prime Minister join me in thanking all those who have done so much to increase the prosperity and liberty of the European continent over the past 40 years? On this day, of all days, we should remember that the change we have seen on the continent is so great that the President of the European Union is a man born under tyranny who now leads an impressive Union, which we have chosen to leave. Like the great democrat he is, he has taken the sovereign will of the British people quietly and sensibly, and he is working with our Government to ensure that the Prime Minister can deliver exactly what the people voted for. Will my right hon. Friend join me in hoping that the tone of friendship she has demonstrated today in her statement and in her letter, and that President Tusk has demonstrated in his reception of it, will continue through both negotiating teams and all Ministers?

**The Prime Minister:** I absolutely agree. As we look at the negotiation, it is important that at every level and in every part of those negotiations we maintain a constructive and positive approach. That is the best way of getting the best possible agreement at the end.

**Rachael Maskell** (York Central) (Lab/Co-op): On 23 June, my constituents were not asked whether they wanted to leave the single market or the customs unions. If we do not reach a tariff-free trade agreement with the EU, does the Prime Minister agree that membership of the single market and the customs union is better than no deal or a bad deal?

**The Prime Minister:** Constituents were asked on 23 June whether they wanted us to remain a member of the European Union, with everything that membership entailed.

The majority of people throughout the United Kingdom decided to vote to leave the European Union. That has a number of consequences. I have been clear that we want to negotiate a comprehensive free trade agreement that will provide for continuing free trade between the UK and the European Union, but it will be a different relationship in future.

**Mark Pawsey** (Rugby) (Con): I am sure there is no dishonour in being the last Member on the Government Benches to be called.

Last week, a new car factory opened in my constituency, with £300 million of investment to build a new hybrid London taxi. Will the Prime Minister ensure that her article 50 negotiations will enable the UK to continue to secure that kind of valuable and important inward investment?

**The Prime Minister:** My hon. Friend makes an important point. I am pleased to say that we have seen significant commitments to inward investment into the UK, not only in the automotive industry in recent months, but in things such as the SoftBank takeover of ARM Holdings. At the UK-Qatar business and investment conference yesterday, the Qataris committed to setting up a £5 billion fund for investment in infrastructure here in the UK. That is a real vote of confidence in the UK.

**Ian Blackford** (Ross, Skye and Lochaber) (SNP): When the Prime Minister talks about self-determination, may I say respectfully to her that what is good for the goose is good for the gander? Will she please respect that the people of Scotland voted to remain within Europe, and that our democratically elected Parliament has now also voted on that and is seeking a section 30 agreement from this Government so that the people of Scotland, on the basis that we are being dragged out of the European Union against our will, have our right to a say? To quote back to us the 2014 referendum is disrespectful, because we were told at that point that our place in Europe was secure. Prime Minister, do the right thing: allow the people of Scotland to have their say.

**The Prime Minister:** I assume that the hon. Gentleman voted to leave the United Kingdom in that referendum, and that would have been a vote to leave the European Union.

**Louise Haigh** (Sheffield, Heeley) (Lab): As well as benefiting from the free trade in goods and services, we also benefit from the free flow of data across borders. In the nightmare scenario that we Brexit without a data adequacy agreement in place, British businesses will be forced to renegotiate millions of contracts with the European Union. Is it the Prime Minister's understanding, as it is mine, that we cannot begin those negotiations until we Brexit? Will she make sure that preparing for those negotiations is a key priority for the future of the British economy?

**The Prime Minister:** We absolutely recognise that the issue of data—the exchange of data and the security of data—needs to be addressed, because it underpins so much of what else happens. As the hon. Lady will probably know, new arrangements in the form of a data protection directive are being put in place inside the European Union. We will need to ensure that, when we

[*The Prime Minister*]

leave, the arrangements are in place to continue to enable the necessary flow of data, and I would expect them to be part of the negotiations as we go forward.

**Natalie McGarry** (Glasgow East) (Ind): The European Commission has today confirmed that the negotiations will be complete by autumn 2018. As we have heard, the European Parliament Brexit resolution includes recognition that a majority of people in Scotland voted to remain in the EU. Yesterday, the democratic will of the Scottish people was expressed by a democratic vote in the democratically elected Scottish Parliament for the transfer of powers to hold a democratic and legal referendum, which is wholly compatible with the publicly expressed timetables of the Prime Minister, the European Union and the First Minister. Today, and in the past few months, we have seen major EU figures and institutions respect Scotland's democratic voice. Will the Prime Minister tell us when she will do so, too?

**The Prime Minister:** I have been very clear on this, and I can only repeat what I have said before: now is not the time for a second independence referendum. It is important that we work together to ensure that we get the best possible deal for everybody across the United Kingdom, including the people of Scotland.

**Daniel Zeichner** (Cambridge) (Lab): The Prime Minister expresses confidence that a free trade agreement with the European Union will be secured, but she will know that any trade agreement requires a mechanism to resolve disputes. She does not like the European Court of Justice, so what does she want to put in its place, how much will it cost and who will pay for it?

**The Prime Minister:** The hon. Gentleman is right: if a country has a trade agreement it is necessary to have a dispute resolution in place. There are various models for trade agreements around the world, and, obviously, this will be part of the negotiations.

**Peter Grant** (Glenrothes) (SNP): In her letter to President Tusk, the Prime Minister has promised that negotiations will take

“due account of the specific interests of every nation and region of the UK”.

Will she tell us whose advice she will listen to to make sure that she is fully apprised of the specific interests of the region of which my constituency forms a part?

**The Prime Minister:** We will work with the devolved Administrations, but we will also listen to businesses and others from across the United Kingdom as they make clear to us their interests as the negotiations go forward.

**Christian Matheson** (City of Chester) (Lab): Like the Prime Minister, I supported the remain campaign in the referendum. Unlike the Prime Minister, I have been consistent in my view about how damaging Brexit will be, while she careers towards the hardest of Brexits, presumably a prisoner of the right-wing ideological Brexiteers on her own Benches. May I ask her about the executive agencies that will need to be established to replace, for example, the European Aviation Safety

Agency, Euratom, or Medicines Control? Has she identified how many of those agencies we will need to have up and running in the next 18 months, how much they will cost and whether we have the capacity to staff them?

**The Prime Minister:** The hon. Gentleman is wrong in the premise of his question. He says that the Government are going for the hardest of hard Brexits; we are not. I have been very clear in my letter to President Tusk, in my statement today and in everything else that I have said in this Chamber that we are looking for a comprehensive free trade agreement with the European Union. We can achieve that and that is what we will be working for.

**Steven Paterson** (Stirling) (SNP): When will Scotland receive the enhanced powers, including over immigration, that were promised during the EU referendum by the then Secretary of State for Justice?

**The Prime Minister:** On the powers that are being repatriated from Brussels to the United Kingdom, we have been very clear that we will be entering discussions with the devolved Administrations about how those powers should best be dealt with—whether they should remain within the UK framework or be further devolved. I am clear that significant decision-making powers will be coming down to the devolved Administrations.

**Sammy Wilson** (East Antrim) (DUP): I wish the Prime Minister well in these negotiations. She carries a heavy burden on her shoulders, because, of course, she carries the hopes of millions of people across the United Kingdom who look forward to the bright future outside the EU, free from the dictation of how our laws come and how our money is spent. May I also welcome the fact that her Ministers have spent so much time on dealing with the issue of the border between Northern Ireland and the Irish Republic? Sadly, we may not have a working Northern Ireland Assembly in place during those negotiations. Will she specifically tell us how the interests of Northern Ireland will be represented during the ongoing negotiations?

**The Prime Minister:** First, I hope that we can work to ensure that we do have a Northern Ireland Assembly and a Northern Ireland Executive in place, so that we are able to have that interlocutor in Northern Ireland as we go forward and as we take the views of Northern Ireland forward in the negotiations. It is in all our interests to work for that devolved Government not just for that reason, but because it is the right outcome and the right decision for Northern Ireland. In the absence of such a Government, we will continue to talk to the political parties within Northern Ireland and to take wider views, as we are doing, across the whole of the United Kingdom from businesses and others about their concerns for their interests within Northern Ireland and other parts of the United Kingdom.

**Brendan O'Hara** (Argyll and Bute) (SNP): For weeks, the Prime Minister made it abundantly clear that she did not want the Scottish Parliament to vote in favour of having a referendum on independence. No one could have been left in any doubt as to what her position was on that matter, but given that the Scottish Parliament last night voted by a clear and unambiguous majority in

favour of having a referendum on independence, my question is this: regardless of her personal preference, and recognising her commitment for constructive and respectful dialogue, will she now respect that democratic decision?

**The Prime Minister:** The hon. Gentleman is absolutely right: the Scottish Parliament was very clear when it came to consider that issue. As I understand it, there was a majority in favour of section 30, but I was very clear that now is not the time for a second independence referendum, or to be talking about that. Now is the time for the United Kingdom to come together and to focus on the historic decision that we have taken and the negotiations that we now have to ensure the right deal for the whole of the United Kingdom, including the people of Scotland.

**Neil Gray** (Airdrie and Shotts) (SNP): The Prime Minister said in July, at the same time as promising a UK-wide agreement, that she wanted to make this country work for everyone. This week we see cuts to disability support in the form of personal independence payments and employment and support allowance. Will she explain how Brexit Britain will be any different in delivering the socially just society that she keeps on promising?

**The Prime Minister:** In my plan for Britain, I have set out our plans for a fairer society. I have also looked ahead to the various things that we will put in place to ensure that we have a society in this country where people are able to succeed on merit and not on privilege, where we have a stronger economy, and where people play by the same rules. The hon. Gentleman mentioned issues relating to welfare, but powers relating to welfare have been given to the Scottish Government in certain areas, and I understand that they are yet to use them.

**Carol Monaghan** (Glasgow North West) (SNP): This morning I witnessed a construction worker telling some eastern European workers, “You lot can go home now.” Without guarantees for our EU national friends, colleagues and family, this xenophobic behaviour and rhetoric will only increase. Does the Prime Minister agree that now is the time to show leadership in granting unilaterally the rights of our EU national friends?

**The Prime Minister:** None of us wants to see xenophobic behaviour from people here in the United Kingdom. We have welcomed EU citizens, they have worked alongside us and lived alongside us, and they contribute to our economy and our society. Looking ahead, I want to ensure that we get a reciprocal agreement for EU citizens living here and for UK citizens—[*Interruption.*] The hon. Lady shakes her head. This is the Parliament of the United Kingdom. We have a duty to have a care for UK citizens.

**Calum Kerr** (Berwickshire, Roxburgh and Selkirk) (SNP): The Prime Minister’s commitment to get the best possible deal for the UK offers little reassurance to those in rural Scotland, because their experience, from the allocation of convergence farm payments to Scottish fishing being expendable, shows where they are in the Conservative Government’s priority list. We understand the need for UK frameworks, but will she offer those in rural Scotland reassurance today by confirming that

powers over Scottish agriculture and Scottish fishing will go to the Scottish Parliament and that Scottish officials will represent Scottish interests in negotiations?

**The Prime Minister:** I have been very clear about the process that we will be undertaking for the repatriation of powers. We want to ensure that we have a continuing single market within the United Kingdom. The hon. Gentleman speaks up for Scottish fishing and, of course, a number of my hon. Friends have spoken up for the fishing industry in other parts of the United Kingdom. I can assure the hon. Gentleman that agriculture and fishing will be taken into account, as we recognise their importance for the whole of the United Kingdom.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Given that the Prime Minister earlier compared the nation of Scotland to the constituency of Maidenhead, I am not clear that she fully understands that the UK is composed of four nations and not one. Will she outline exactly what practical concessions the UK Government have made to the devolved Governments’ concerns as part of the UK-wide approach to article 50? Or is it a case of “Lemmings Unite” as we leap off the Brexit cliff together?

**The Prime Minister:** There is a very simple point, which is that across the United Kingdom people voted in the referendum in different ways. But the majority of the UK electorate voted to leave the European Union, and the Government are respecting that vote. We will continue to work with the devolved Administrations and have taken them into account. There are many areas in which we have common ground with the Scottish Government, such as in wanting comprehensive access to the European single market, wanting to protect workers’ rights and wanting to recognise the importance of science and innovation. We have common ground with the Scottish Government on all those points; it is just unfortunate that they do not seem to recognise where we have common ground with them and that they are not willing to acknowledge that.

**Ronnie Cowan** (Inverclyde) (SNP): Today’s statement was full of clichés, platitudes and jingoism, but no answers. When will the Government of Scotland, democratically elected to represent the nation of Scotland—a nation that voted to remain in the EU—be given the opportunity to contribute by supplying the facts and the figures that are so lacking? We have had one vacuous vow; we do not need another one.

**The Prime Minister:** The hon. Gentleman talks about representation from Scotland. Of course, he and his colleagues represent Scottish constituencies in the United Kingdom Parliament; he is a constituent part of that Parliament and will be part of the discussions as we go forward.

**Callum McCaig** (Aberdeen South) (SNP): In an act of self-determination, the Scottish Parliament voted yesterday to hold an independence referendum. The Prime Minister has repeatedly said that now is not the time, which is interesting as nobody is planning to hold a referendum now, only at the conclusion of the negotiations that commence today. To paraphrase Ruth Davidson, what part of “now” does the Prime Minister not understand?



**The Prime Minister:** I have answered questions on this throughout this afternoon, and my position has not changed.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): While the Prime Minister was delivering her Battenberg address earlier, she indicated that she would continue to ignore Scotland. Is she aware of the comments of Tory MSP Annie Wells, who says that she does not respect the sovereignty of the Scottish Parliament, and will the Prime Minister distance herself from those remarks?

**The Prime Minister:** I did not say that I was going to ignore the views of Scotland. In fact, we make it very clear in the letter that was sent to President Tusk that the views of all the constituent parts of the United Kingdom will be taken into account in our negotiations.

**Chris Stephens** (Glasgow South West) (SNP): As the Prime Minister has had difficulty with constitutional issues, let me ask about another issue dear to conservatism: workers' rights. Will the Prime Minister pledge that employment rights for women that derive from EU legislation and ECJ rulings on equal pay, pregnancy and maternity and protection against discrimination will be retained and, if so, will she outline the processes to maintain those protections?

**The Prime Minister:** I set out the objectives of our negotiations in the speech I gave at Lancaster House in January, and the protection of workers' rights was one element in that speech. In the further statements that I have made, today and at other times, I have been very clear that this Government want to protect workers' rights and to enhance them.

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): Ploughing on regardless, does the Prime Minister feel that she can simply ride roughshod over the will of the Scottish people on the EU and now the mandate of the Scottish Government? Is the Prime Minister in denial, or is this a deliberate policy of disrespect?

**The Prime Minister:** There is no question of riding roughshod over the votes of anybody in the United Kingdom. The United Kingdom held a referendum. This Parliament agreed that the decision to leave the European Union or not should be given to the British people across the whole of the United Kingdom, and they chose to vote to leave the European Union. The Government are now respecting the result of that referendum.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Despite her having a majority in this House, there are a few facts that the Prime Minister needs to remember about the 2015 general election. First, the Tories only got 36% of the vote in the UK. They got less than 15% of the vote in Scotland and only one MP—their worst performance since 1865. In last year's Scottish Parliament election, the Ruth Davidson party was still only third in the constituency votes. By contrast, the SNP Government were re-elected with the biggest vote share of any Government in western Europe, and in their manifesto was a pledge to hold a referendum if Scotland was dragged out of Europe against its will. The Prime

Minister says that she has answered this question but why, then, with absolutely no mandate in Scotland whatsoever, does she think that she can continue to stand at the Dispatch Box and try to take control of the timing of the referendum?

**The Prime Minister:** This is the United Kingdom Parliament and as Prime Minister of the United Kingdom I have said, and I continue to say, that I think that now is not the time for a second independence referendum. Indeed, now is not the time to be focusing on a second independence referendum. At this time, we should be focusing on working to ensure that we get the best deal for the whole of the United Kingdom as we leave the EU.

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): In both her statement and her letter to President Tusk, the Prime Minister speaks of the expectation that the devolved Governments' powers will be increased. I am sure that she will want to honour the promises made to win the referendum, so will she confirm that the powers devolved to Scotland will include immigration, as promised by the then Justice Secretary during the campaign? Or is now not the time?

**The Prime Minister:** The hon. Gentleman will be aware that the issue of immigration was considered by the Smith commission but was not determined by the commission as one of the issues that should be delegated. I repeat what I said in the letter and what I have said again today: I think that as a result of the repatriation powers we will see significant decision-making powers being given to the devolved Administrations, over and above what they have today.

**Marion Fellows** (Motherwell and Wishaw) (SNP): The stated position of the UK Government was that "the UK is a family of nations, a partnership of equals".

Why then, are the UK Prime Minister and her Secretary of State for Scotland so disrespectful of the people and Parliament of Scotland, and why are they running so scared of a Scottish referendum 18 months to two years down the line?

**The Prime Minister:** There is no disrespect for anybody. What there is is respect for putting into place the vote that was taken by the people of the United Kingdom on 23 June last year.

**Tommy Sheppard** (Edinburgh East) (SNP): Last year, the Prime Minister gave her word that she would seek an agreed United Kingdom approach to Brexit with the devolved Administrations. In order to assist us in making a judgment about what her word is worth, can she give the House a single example of a suggestion or request made by the Scottish Government that she has taken on board—a single one; any one?

**The Prime Minister:** I have already set out that there are many areas of issues that the Scottish Government have raised in their paper on which we agree, as will become clear when we respond to that paper.

**Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP) *rose*—

**Mr Speaker:** Patience rewarded—Stuart C. McDonald.

**Stuart C. McDonald:** Thank you, Mr Speaker. I wonder, how would the Prime Minister have responded if Donald Tusk had simply said, “Now is not the time”?

**The Prime Minister:** The hon. Gentleman, with his background, will know that the treaty on European Union enables the member state to trigger article 50 in the way in which we have done. It is then for the European Union to respond to that by setting out the basis of two years of negotiations.

**Mr Speaker:** May I thank all 113 Back-Bench Members who questioned the Prime Minister? May I also thank the Prime Minister, who has been with us for the past three hours and 21 minutes, and attending to this statement for the past two hours and 46 minutes? In the name of courtesy, we ought to say a big thank you to her.

## Points of Order

3.21 pm

**Tom Brake** (Carshalton and Wallington) (LD): On a point of order, Mr Speaker. The Liberal Democrats believe that Brexit will cause untold damage to the UK’s economy and influence in the world, but the Government have triggered article 50, so we will do all in our power to ensure that it is a success. But Mr Speaker, if it is not a success, what guidance can you give me on how those responsible for any such damage—the Prime Minister, and the Secretaries of State for Foreign and Commonwealth Affairs, for International Trade, for International Development and for Exiting the European Union—will truly be held to account in this House for their actions and their failure? The blame should not simply be shifted to the remainers, the European Union or anyone else they choose to blame.

**Mr Speaker:** I do not wish to be unkind to the right hon. Gentleman, who has served as Deputy Leader of the House, no less, but I simply say two things. First, I am, on the whole, wary of entertaining hypotheticals and, at the moment, the right hon. Gentleman, perfectly legitimately, is using the ruse of a point of order to raise a hypothetical. The second point is that, as the right hon. Gentleman knows, all Members of this House have not only a right but, frankly, a responsibility, on whichever side of the House they sit, to hold the Executive to account. That is a primary function of a Member of Parliament. All I can say is that however the situation evolves, the right hon. Gentleman can rest content that those who seek to hold the Executive to account will always have a friend in the Chair.

**Mrs Cheryl Gillan** (Chesham and Amersham) (Con): On a point of order, Mr Speaker. You and I, and several other Members of this House, have taken more than a passing interest in one of the largest infrastructure projects in Europe: HS2. It has been brought to my attention on the wires this afternoon—*[Interruption.]* The Press Association is, I believe, known as “the wires”, for those who have been around as long as I have. It has been brought to my attention that the engineering firm that was handed a £170 million deal last month to develop phase 2b of HS2 has announced that it is pulling out of that section of the project amid alleged conflicts of interest. CH2M is also the firm that has been awarded a £350 million deal to develop phase 1 of the line from London to Birmingham.

The comments that came from the CH2M spokesman—allegedly, on the wires—say:

“The protracted delays and ongoing speculation risk further delays to this critical national infrastructure, thereby increasing costs to UK taxpayers, as well as to the firm.”

The spokesman goes on to say that the company is “fully committed to...delivering phase 1 on time and within budget”,

but this is a pretty amazing announcement from one of the main contractors on HS2.

Mr Speaker, I wondered if you had had any indication at all from the Department for Transport that a Minister intends to come to the House to explain this extraordinary state of affairs. After all, this now raises questions over the large amounts of taxpayers’ money that are being

[Mrs Cheryl Gillan]

sunk into the project. This House needs to be the first to know, and not by reading it on the Press Association wires.

**Mr Speaker:** I am very grateful to the right hon. Lady for her point of order, to which I respond as follows. First, and very much in the margins of what she had to say, there seemed to be some furrowed brows and moderately noisy reactions to her reference to what she heard “on the wires.” It seemed to be a fairly unexceptionable observation made by the right hon. Lady. She will recall that the Father of the House in the last Parliament, the great Sir Peter Tapsell, was wont to recount to the House what he had heard on, as he put it, “the wireless” that morning, by comparison with which the right hon. Lady’s statement is positively modern.

Secondly, the matter was news to me of only a few moments ago when the right hon. Lady mentioned it to me at the Chair. It is certainly a significant development involving a large-scale contractor and very significant sums of public money. No, I have received no indication from a Minister of any intention to make a statement on the matter. That may be because there is no such intention, or it may be the courtesy of Ministers not wanting to approach me when I am attending to my duties in the Chair. I fear that that is probably the triumph of optimism over reality, but it is possible that it might explain the situation. All I would say is that, if memory serves me correctly, we have questions to the Secretary of State for Transport tomorrow. If the record is anything by which to judge—and I suspect it is—the right hon. Lady will be in her place, and there will almost certainly be an opportunity to raise this matter with the Secretary of State. I look forward to that exchange with eager anticipation as, I am sure, does the House.

## Employment and Support Allowance

*Application for emergency debate (Standing Order No. 24)*

**Mr Speaker:** I now call Neil Gray to make an application for leave to propose a debate on a specific and important matter that should have urgent consideration under the terms of Standing Order No. 24. The hon. Gentleman has up to three minutes in which to make such an application.

3.28 pm

**Neil Gray** (Airdrie and Shotts) (SNP): I seek leave to propose that the House should debate a specific and important matter that should have urgent consideration, namely mitigating support for the employment and support allowance work-related activity group. There is an urgent need for the House to discuss the cuts to be applied to the ESA WRAG.

We have known about this cut for some time; indeed, I have raised the issue in collaboration with others on a cross-party basis on a number of occasions. The cut is unanimously opposed by disability charities and disabled people’s organisations, but it comes into force next week, and the House has not been given the information we were promised about what the Government will do to ensure that ESA recipients—new and existing—are not financially penalised.

I will use the couple of minutes I have to appeal to the House for a fuller debate, but also to appeal to the Government. Next week, a cut of one third to the income of ESA WRAG participants will begin, taking their income from £100 a week down to £73 a week. That means that many sick and disabled people found unfit for work will be £30 a week worse off—money desperately needed to pay bills, stay healthy and undertake work-related activity, such as volunteering or attending courses.

A large proportion of those currently in the ESA WRAG are struggling to make ends meet on what they receive now, with that “extra” £30 a week. We have no idea what the impact on them will be when ESA for the WRAG is cut back. These are people with disabilities or mental health conditions. They want to work, but are currently unable to. Pushing them further towards, or deeper into, poverty will hinder, not help, any move towards employment. They face the double indignity of wanting to work but being unable to find a job, and then being told that the level of financial support they are struggling to live on is a disincentive to work. That should shame us.

In November, MPs from eight political parties, plus independents, helped to unanimously carry a motion I brought to the House calling for the UK Government to pause these cuts. We were promised by the Minister that mitigations would be in place before next week, but there has been no oral statement, no written statement and no announcement—just vague commitments to social tariffs and hardship funds. That is no way to treat people desperate for this support. I have been asking questions—I did so on Monday—and I do not take the lack of a proper response personally, as the expert charities have been seeking the same information, only to receive the same vague responses.



I know that time is tight this week of all weeks. I understand that, but time is not on the side of people who desperately need this support. That is why I make this request of you, Mr Speaker, and why I am grateful to have had some time to appeal to the Government. It is not too late for them to publish details of the support they have secured, which they promised will make up for the cut of £30 per week. This is the last chance we have to discuss this issue, which has united Members across political divides, before it is too late and before nothing can be done. I hope Ministers hear this and act.

**Mr Speaker:** The hon. Gentleman asks leave to propose a debate on a specific and important matter that should have urgent consideration, namely mitigating support for the employment and support allowance work-related activity group.

I have listened carefully to the application from the hon. Gentleman, but I am afraid I am not persuaded that this matter is proper to be discussed under Standing Order No. 24. As the hon. Gentleman, and doubtless colleagues, will be aware, the Standing Order does not permit me to give my reasons to the House. That said, and although, certainly, today was the last opportunity for the hon. Gentleman to seek such a debate before we depart for the recess, there may well be an opportunity for this matter to be debated in another way upon our return, and I am sure that the hon. Gentleman will eagerly seize any such opportunity.

## Public Authority (Accountability)

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

3.32 pm

**Andy Burnham** (Leigh) (Lab): I beg to move,

That leave be given to bring in a Bill to set a requirement on public institutions, public servants and officials and on those carrying out functions on their behalf to act in the public interest and with candour and frankness; to define the public law duty on them to assist courts, official inquiries and investigations; to enable victims to enforce such duties; to create offences for the breach of certain duties; to provide funding for victims and their relatives in certain proceedings before the courts and at official inquiries and investigations; and for connected purposes.

Next month marks the 28th anniversary of the Hillsborough disaster and the first anniversary of the historic verdict of the second inquest. Whatever the sense of relief felt a year ago, it will never wipe away the pain of the 27 wilderness years between those two events and the incalculable toll on thousands of lives. We await accountability for that.

All those years, the evidence sat in official files, but our political, legal and coronial systems did not uncover it. Nor did the media. Worse, they actively colluded in a cover-up advanced in the Committee Rooms of this House. I said it then, and I say it again today: Hillsborough must be a watershed moment in this country—a point in history when the scales of justice are tipped firmly in favour of ordinary families fighting for loved ones.

That is what the Public Authority (Accountability) Bill, or Hillsborough law, seeks to achieve. It is a powerful Bill proposed and supported by all the Hillsborough families, and by the Hillsborough Family Support Group and the Hillsborough Justice Campaign. It has been developed with the help of their lawyers, and I pay particular tribute to Pete Weatherby, QC. As an aside, it happens to be the last Bill that will be prepared by Mr Glenn McKee from the Public Bill Office, who, after 34 years here, retires tomorrow. I am sure that colleagues on both sides of the House will join me in paying tribute to an exceptional servant to this House and to our democracy.

The Bill has formidable backing from other justice campaigns, including Inquest, from many in the legal profession, and from hon. Members on both sides of the House. Its aim is simple: to protect other families from going through what the Hillsborough families went through and from a similar miscarriage of justice. It empowers victims to secure disclosure of crucial information and prevent public authorities from lying to them or hiding the truth by making that an imprisonable offence. It empowers decent police officers and public servants to stand up to seniors trying to make them stick to a misleading corporate line, and it makes it an offence for such a line to be peddled to the media. Crucially, it creates a level legal playing field at inquests for bereaved families so that finally inquests become what they should always be—a vehicle to get to the truth.

After last year's verdict the chair of the Hillsborough Family Support Group, Margaret Aspinall, came here to speak of her experience in the early 1990s. I do not think that anyone who was at that meeting will ever forget her talking of her pain when she was sent an

[Andy Burnham]

official letter with a cheque for £1,226.35, which was supposed to represent compensation for James's life. She spoke of how she was forced to cash it against her will because she could not find the money to pay her £3,000 share of the families' legal costs. She said:

"Making a mother, like myself, accept a pittance in order to fight a cause. The guilt of this has lived with me for the past 28 years."

It would at least be something if we could say that would not happen today, but sadly we cannot. Since the Hillsborough verdict, the families of those who died in the 1974 Birmingham pub bombings have, quite wrongly and unbelievably, been made to beg for legal aid. There are thousands of other hidden individual cases in which bereaved families are denied legal representation while the public bodies they are up against in court spend public money like water, hiring the best QCs in the land. As cuts to legal aid bite, the problem just gets worse.

Zane Gbangbola was a boy of seven who died following a flood in his home in Surrey that occurred as part of the national floods in 2014. His parents, Kye and Nicole, strongly believe that the problem was caused by contaminated landfill. Scientists from Porton Down were called on site. The case was even discussed at Cobra. Despite that, the family were denied legal aid. They arrived at Zane's inquest to find themselves up against a phalanx of top QCs and left feeling as though they had been put on trial. They are still fighting for answers today as to what happened to their child.

Then consider the experience of Des James, who courageously fought for years for a new inquest into the death of his daughter Cheryl at the Deepcut barracks in Surrey. When the case was finally re-heard, Mr James found himself accused by the QC acting for Surrey police of distracting the force from the Milly Dowler investigation—an accusation with no foundation.

"My wife and I were made to feel as though we were on trial and we felt as though our family was undermined at every opportunity",

Mr James said after the verdict.

The brutal and uncomfortable truth is this: bereaved families are not just denied legal funding; they have their character questioned and denigrated by lawyers for public bodies. They are thrown into courtrooms, raw with grief, pitched into an adversarial battle and effectively put on trial. How much longer are we in this place going to let vast sums of public money be used to torment families in this way? If the state can cover up 96 deaths at a football match, should not we be concerned at what it might do to individuals?

The Hillsborough Family Support Group has asked me to say this to the House today: for the good of the nation, there should be a level playing field at inquests. The grief, pain and heartache is enough for families to deal with; they should not have to deal with money worries, nor beg for public funds to get to the truth. Its powerful call for equality of arms has authoritative support, including from the former chief coroner, Peter Thornton, QC.

I disagree with those who say that the Bill would add costs. The practical effect of clause 4 would be to create a new incentive on public bodies to limit their own legal

expenditure. By making them come clean at the outset, the Bill would cut the length of inquests and inquiries and thereby make considerable savings. It would promote good public administration and public confidence in the police. Most importantly, it would rebalance our legal system in favour of ordinary people. Until that happens, the true lesson of Hillsborough will not have been learned. What has disappointed me most in the last year is to see how things have reverted to business as usual. For the establishment, it seems as though Hillsborough was the one that got away, rather than the catalyst for change that it should have been. I say that with sadness, because I truly hoped that it would be the latter, but developments over the last year suggest otherwise.

Alongside the shoddy treatment of the Birmingham families, we had the refusal of an inquiry into Orgreave on the basis that nobody died. If that is now the Home Secretary's benchmark for whether wrongdoing can be investigated, God help us all. Nobody died at Orgreave, it is true, but innocent people were wrongly and maliciously prosecuted, and the country should know how that came to be. Nobody died during the building workers' dispute of the early '70s, either, but it does not mean we should not be told the truth about the politically motivated Shrewsbury show trial, which I believe was a serious miscarriage of justice.

Then there is the treatment of victims of contaminated blood, which is arguably the gravest injustice of all. They have been led up to the top of the hill, only to be let down once again. As with Hillsborough, there is clear evidence of serious wrongdoing if only people care to look for it. I have seen evidence that people's medical records were altered without their consent and false entries included. That is potentially a criminal matter. Next month, Mr Speaker, I hope to persuade you to allow me to use the Adjournment to present a dossier of such evidence. Just as amended police statements reopened Hillsborough, so I believe evidence of amended medical records must reopen the contaminated blood scandal. The fact that the victims remain in the darkest of wildernesses tells me that Hillsborough has not changed our country—yet. But I remain hopeful that it will.

If the Bill became law, it would be the right way for the House to make reparation and create a permanent legislative legacy for the 96 people who died on 15 April 1989. Last year, the Prime Minister asked the right reverend Bishop James Jones to conduct a review of the experience of the Hillsborough families. On behalf of the whole House, I thank the bishop again for his incredible service to those families and everyone affected by the tragedy, and respectfully ask him to consider adopting this Bill as part of his recommendations.

We like to talk of this country as a paragon of democracy and the rule of law, but I ask every Member of this House to think of the constituents they have met at their surgeries who have spent years fighting for justice, picture the lines on their faces and the black shadows beneath their eyes, and ask, "Is this country fair to people who, through no fault of their own, find themselves fighting for loved ones?" We all know the answer: no. The fight is too hard, it takes too great a toll and it grinds people down. This is not a country of justice, as we like to claim.

There is a possibility that I may not be around in the House long enough to see this Bill become law, but I have enough faith in the decency and humanity of colleagues from all parts of the House to be confident that one day it will. I commend the Bill to the House.

*Question put and agreed to.*

*Ordered,*

That Andy Burnham, Steve Rotheram, Maria Eagle, Derek Twigg, Alison McGovern, Bill Esterson, Sir Peter Bottomley, Tim Farron, Jess Phillips, Mark Durkan, Chris Stephens and Caroline Lucas present the Bill.

Andy Burnham accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 12 May, and to be printed (Bill 163).*

## **Personal Independence Payment: Regulations**

*Emergency debate (Standing Order No. 24)*

3.44 pm

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I beg to move,

That this House has considered changes to Personal Independence Payment Regulations.

Thank you, Mr Speaker, for granting this vital debate on the new personal independence payment regulations. Although I welcome the opportunity to debate this issue, it is highly regrettable that the Government have had to be dragged to the House to be held to account for this nasty piece of secondary legislation.

As the House will know, the Government have ignored two urgent questions on this matter, an early-day motion signed by 179 Members calling for these punitive regulations to be annulled, and a 38 Degrees petition, signed by more than 185,000 people, asking them not to make the changes. When pushed at business questions on Thursday, the Leader of the House said there would be a debate, but could not say when. Only late last night did it become clear that the debate has now been hastily scheduled for 19 April. What particular kind of arrogance or disregard for democracy are the Government revealing? This does not bode well for their accountability to this place in the future negotiations.

For the record, we should note that today's debate does not allow for a substantive vote on the regulations. As the Government have failed to allow a debate before the EDM praying-against period comes to an end on 3 April, the regulations will not be automatically revoked, should the House vote against them on 19 April. I would be grateful to the Minister for Disabled People, Health and Work if she explained why, given that we have risen early twice this week, the Government have been incapable of finding time for such a debate before the Easter recess. The Government are hoping that because they have delayed the debate, the objection to the regulations will be kicked into the long grass, but it will not be.

**Toby Perkins** (Chesterfield) (Lab): On behalf of many of my constituents, I thank my hon. Friend for securing this debate. Does she agree that the very least we owe to people who find themselves, through no fault of their own, in the most difficult of circumstances is to tell them whether we have voted for decisions made in Parliament that are having an appalling impact on their incomes?

**Debbie Abrahams:** My hon. Friend makes an excellent point. That is what we have been trying to do since the emergency regulations were laid before Parliament.

Let us remind ourselves how the emergency regulations were introduced and what they have changed. The regulations, which were laid before the House on 23 February and came into force two weeks ago, amended the legislation under which disabled people or people with a chronic condition are assessed for eligibility for personal independence payments. The new regulations followed two upper tribunal rulings. The first judgment on 28 November 2016 held that needing support to take medication and monitor a health condition should be



[Debbie Abrahams]

scored in the same way as needing support to manage therapy, such as dialysis, undertaken at home. The second, also on 28 November, ruled that people who find it difficult to leave their house because of severe psychological distress should receive the enhanced rate of support under the mobility component of PIP.

In a letter to me last week, the Secretary of State for Work and Pensions said that he became aware of the rulings on 8 December. Two and a half months later, the Government laid their emergency legislation before Parliament. I am sure that the irony of something taking two and a half months in an “emergency” has not been lost on you, Mr Speaker. During those two and a half months, not only were the Government unable to bring the regulations before the House, but they also bypassed their own Social Security Advisory Committee. They have ignored SSAC’s recommendations on wider engagement, testing or piloting changes, and the analysis of impacts.

**Mr Ranil Jayawardena** (North East Hampshire) (Con): I note what the hon. Lady says about legal cases, but is not the point that those legal cases broadened the provisions, and that the regulations will simply restore the policy to what it has been and should be, which is one of targeting support at those who need it most?

**Debbie Abrahams:** I will come on to that in a moment, because I think Members have unfortunately been hoodwinked, and I will absolutely expose what the Government have said.

This move undermines and subverts not just our democracy, but independent tribunal judgments. It is unprecedented, and we should be concerned about future actions that the Government may take in relation to court cases that they lose. It is also highly unusual for such a fundamental change to be introduced by a statutory instrument under the negative procedure, bypassing debate and scrutiny in this House.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): It is clear to me, from the huge number of cases that I have dealt with, that the entire PIP system is fundamentally flawed. It results in the most appalling decisions and causes distress to thousands of disabled people and their families. Does my hon. Friend agree that there should be an independent review of how PIP assessments are carried out, given the obvious failings in the system?

**Debbie Abrahams:** My hon. Friend is absolutely right. There are long-term issues with the PIP assessment process as a whole. I will address that later. It is interesting that the Government let out yesterday that they will make an announcement, following a recent review, tomorrow, just as we rise for recess.

On Monday, the other place debated and passed a regret motion tabled by my noble Friend Baroness Sherlock, asking the Government to reconsider the regulations urgently, but the elected House of Commons has been denied that opportunity during the vital praying-against period. As I have said, that is very worrying behaviour by the Government.

The Minister for Disabled People, Health and Work claims that the changes restore PIP to its original policy intentions, but that does not hold water. During the PIP consultation in 2012, Ministers were quoted on numerous occasions saying that mental health conditions would be given parity with physical health conditions as part of the PIP assessment. For example, Esther McVey said that the PIP

“assessment is being designed to consider...physical, sensory, mental, intellectual and cognitive impairments.”—[*Official Report*, 26 November 2012; Vol. 554, c. 147W.]

**Mrs Madeleine Moon** (Bridgend) (Lab): The Samaritans produced a report earlier this year that points to a significant association between socioeconomic disadvantage and suicidal behaviour. The report cites Gunnell and Chang, who wrote:

“Those who are already vulnerable, such as individuals who are supported by social welfare or who have preexisting mental health problems are at greatest risk.” Is not it shocking that the Government have not looked at the risk of suicide among those who will be denied financial support for their mental health needs?

**Debbie Abrahams:** I totally agree with my hon. Friend. My hon. Friend the Member for Bishop Auckland (Helen Goodman) has given a very moving account of how one of her constituents was affected and, unfortunately, took their own life last week.

**Helen Goodman** (Bishop Auckland) (Lab): Does my hon. Friend agree that the Government seem to be in a place where the NHS is catching up with the need to treat mental health conditions properly, but other public services, whether they be the Department for Work and Pensions or the Prison Service, are simply stuck in the past, and that this must change?

**Debbie Abrahams:** My hon. Friend is absolutely right. The situation makes an absolute mockery of the claim that there is parity of esteem. She rightly mentions what the NHS is trying to do, but sadly there are still issues with treatment for mental health conditions.

**Mr Jayawardena** *rose*—

**Debbie Abrahams:** I will make some progress, and then I will come back to the hon. Gentleman.

The Government’s response to the PIP consultation reiterated that psychological distress would be included in the PIP assessment, as did the Government’s argument in the 2015 upper tribunal case of *HL v. the Secretary of State for Work and Pensions*. Ministers have also said that people with mental health disorders who suffer psychological distress would not lose out on PIP. However, the new guidelines for PIP assessors, issued on 16 March, state:

“Descriptors c, d and f under new mobility activity 1 are amended”,

and the

“effects of psychological distress are not relevant”.

The assessment cannot take into account the psychological distress that someone experiences. They cannot score the 12 points needed to get the enhanced PIP mobility rate, so instead of £57 a week, they will be able to get only £22 a week.

**Stephen Kinnock** (Aberavon) (Lab): In recent months, I have had 44 PIP cases in my constituency, with dozens going to appeal. Eight have already gone to appeal, and in every single one of those cases, the decision has been overturned. Does my hon. Friend agree that that is a massive and inexcusable waste of time, money and resources?

**Debbie Abrahams:** Absolutely. It is very important to note the association between ill health and disability in former industrial areas, and as my hon. Friend rightly says, the impact of assessments that cannot be done right first time. Why is that? Why have the Government not been able to get assessments right first time?

**Andrew Stephenson** (Pendle) (Con): Will the hon. Lady give way?

**Debbie Abrahams:** If the hon. Gentleman will give me just two minutes, I will make a little bit more progress and come back to him.

Someone who experiences psychological distress because of a mental health condition can score a maximum of 10 points under “planning and following a journey”, unless they also have a cognitive, sensory or physical impairment. That falls short of the 12 points needed to qualify for the higher rate of the mobility component. In the 2016 case of *MH v. the Secretary of State for Work and Pensions*, the upper tribunal ruled that psychological distress by itself cannot satisfy descriptors under activity two unless the psychological distress causes a change in someone’s physical condition. It is therefore the regulations, not the tribunal rulings, that undermine the intention of the primary legislation by restricting the number of people whose mobility is severely limited by their mental health condition who are able to qualify for the enhanced mobility rate of PIP.

**Andrew Stephenson:** I thank the hon. Lady for giving way. It is very important that we get the regulations right, but does the shadow Minister accept that more people with mental health conditions qualify for support under PIP than under the old disability living allowance regulations?

**Debbie Abrahams:** No, I certainly do not agree with that at all. I will come on to this in a moment, but the mental health charity Mind has produced data, based on the Government’s own statistics, that show that 55% of DLA claimants with a mental health condition will receive either nothing or a reduced amount when they transfer to PIP. I am afraid this is another fallacy from the Government.

**Mr Jayawardena:** The hon. Lady might have suggested that Government Members are being hoodwinked, but I am sure that she was not suggesting that the Minister plays with anything other than a straight bat. The fact is that over a quarter of those on PIP receive the highest level of support, which is much more than the 15% of DLA working-age claimants who did so. Are the regulations not doing exactly what was originally intended: targeting resources at those who need them most?

**Debbie Abrahams:** I am sorry, but I do not see the hon. Gentleman’s logic. [*Interruption.*] Well, it does not make sense. I will come on to that in a bit more detail, because we must dispel the fallacies that the Government have come out with in the past few weeks.

**Mr Kevan Jones** (North Durham) (Lab): Will my hon. Friend give way?

**Mr Speaker:** Order. Before the hon. Gentleman intervenes, I point out that there are 10 other Members who wish to make speeches in the debate, including the Minister who will wind up. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) is being very generous, not only with her own time, but with time that would otherwise be available to others. I know she will want to tailor her contribution accordingly.

**Mr Jones:** I advise my hon. Friend not to put much credence in planted Whips’ questions from Tory Back Benchers. Another element of concern relates to people whose mental health condition worsens when they have a failed assessment. In some cases, they end up going into hospital, which is another cost for the NHS.

**Debbie Abrahams:** I could not agree more with my hon. Friend. That is such a relevant point, which, again, has not been factored into the Government’s silo approach.

The third justification the Government have used for bringing in the new regulations is that PIP is much more generous to people with mental health conditions—we have just been talking about that. The mental health charity Mind completely refutes that. Its data, based on Department for Work and Pensions statistics, reveal that 55% of people with mental health conditions previously supported by DLA get either reduced or no awards when they transfer to PIP. Indeed, the Government’s own data, when appropriately weighted, show that only 12% of people with a mental health disorder and another condition are on the enhanced mobility award.

These new regulations are nothing more than a shameful cut. Once again, this Government are trying to balance the books on the backs of the sick and disabled. The Government’s own analysis estimates that the new regulations will affect more than 160,000 people by 2023, the majority of whom will have mental health conditions. Many of these will be newer applicants, but the regulations will also affect those who are being reassessed, who will not be eligible for the full support to which they would have been entitled under the rulings of tribunals—an effective cut of £3.7 billion.

PIP helps disabled people to fund their living costs and, in particular, the additional costs that they face because of their condition. The disability charity Scope has estimated that these additional costs amount to approximately £550 a month, and are the key reason why disabled people are twice as likely to live in poverty as non-disabled people. For someone who might not be able to leave their home on their own, PIP would help with extra heating costs, or might pay for someone to assist them when they have to travel to medical appointments, for example. PIP is a vital source of income to prevent real hardship, yet to the shame of this Government, people are being denied this support.

**Rachael Maskell** (York Central) (Lab/Co-op): Will my hon. Friend give way?

**Debbie Abrahams:** Yes, but for the last time.

**Rachael Maskell:** Does my hon. Friend agree that the ability to receive PIP funding can often be part of someone’s rehabilitation, helping them from their homes back into the workplace?

**Debbie Abrahams:** Absolutely, and I know that my hon. Friend has first-hand experience of that in a professional capacity.

I have been contacted by so many people telling me their stories of living with a severe mental health problem and how it affects them, including men and women from the armed and emergency services, so I would like to share Bob's story. Bob started off in the police service in Liverpool, and then went into the Prison Service. After 20 years or so, he said he started to experience the need to escape from the cells and inmates by locking himself in the rest room for a few minutes. Over the years, this graduated to cluster headaches and then full-blown anxiety and panic attacks.

After a period of sick leave, Bob left the service, but the attacks continued and he eventually sought psychiatric treatment; he was then declared disabled by virtue of his debilitating anxiety attacks. The degree of disability fluctuated, but it was so severe at times that he would literally run from a shopping centre into his car, just to feel safe. Bob said that he wanted to work, but when he went for a job interview, he had an attack in the car, and by the time he got home, he could barely function at all: he was hyperventilating and completely unable to move. It is people such as Bob who will be denied support through these new regulations.

These changes to PIP have come on top of significant cuts to our social security system, with support for disabled people being particularly targeted. Scope has estimated that the Welfare Reform Act 2012 alone will have meant nearly £30 billion in cuts to support for 3.7 million disabled people. Next week, as we have heard, another £30 a week will be cut from disabled people who are found not fit for work in the employment and support allowance work-related activity group, and for those on universal credit's limited capability for work component.

The disabled community are tired of this Government's rhetoric; they want and need to be treated with dignity, not plunged further into poverty, yet plenty of new evidence shows that that is exactly what has happened since 2010. Will the Minister publish a cumulative impact assessment of all tax and social security changes, showing the impacts that they have had, and will continue to have, on disabled people?

For some time now, there has been growing concern about the way in which PIP is working. Wider systemic issues with PIP mean that 65% of those who appeal to a tribunal succeed. Over a quarter of all PIP assessments are challenged and referred for mandatory reconsideration, with the majority of the decisions being changed. Why can we not get these assessments right first time? More than 750 people a week are losing their Motability cars because of changes to entitlement when they move on to PIP. This is so counterproductive, because it makes it nigh-on impossible for so many disabled people to work, let alone live independently.

We should never forget that nine out of 10 disabilities are acquired; this could happen to any one of us. That is what our social security system is for—to provide support to any one of us in our time of need. Labour will stand with disabled people, who have already borne the brunt of seven years of austerity, in fighting this injustice. I do not believe that, given the choice, the British public would choose cuts in corporation tax over preventing disabled people from being pushed into destitution or worse.

It is exactly a week since the horrendous attack in Westminster, when four people, including our colleague PC Keith Palmer, were murdered, and 50 were injured. The following day, the Prime Minister rightly said that she was looking

“at what further support can be made available for victims in a wider sense, because there will be people who were not physically injured in the attack...but...for whom there may be other scars. It is important to provide that support.”—[*Official Report*, 23 March 2017; Vol. 623, c. 942.]

However, because of the new regulations, support for people suffering psychological distress is being restricted. Warm words need to be backed up by action. Let there be no more cuts in support for disabled people. Enough is enough.

**Several hon. Members rose—**

**Mr Speaker:** Order. May I very politely suggest to the House that, although we will not at this stage have a formal time limit on Back-Bench speeches, if each Back-Bench contributor feels able to confine himself or herself to five or six minutes or thereabouts, everyone will get in? We will start with the sage from Swindon: Mr Justin Tomlinson.

4.6 pm

**Justin Tomlinson** (North Swindon) (Con): It is a pleasure to speak in this debate. Having spent 14 very happy months as the Minister responsible for these matters, I want to pass on some of the observations that I made during that time.

Let me make it absolutely clear that stakeholders and charities recognise that PIP is a better benefit than DLA. It is not perfect—much more work is still to be done to deliver further improvements—but the statistics show why it is better. Under DLA, only 16.5% of all claimants access the highest rate of benefit; under PIP, the figure is over 25%. PIP is better, in particular, at identifying those with hidden impairments, including mental health conditions. Under DLA, only 22% of claimants with mental health conditions access the higher rate of benefit, whereas the figure is about 66% under PIP. Improvements under this benefit mean that the Government have spent an additional £3 billion a year—about 6% of such spending—supporting those with long-term health conditions and disabilities.

In all the debates about this matter that I have attended, people have understandably said that a 65% success rate on appeal must mean that the quality of the assessments is not good enough. We must establish what is going wrong. Most successful appeals succeed because of additional evidence that has been submitted late, and that is one of the things that we need to improve.

**Catherine West** (Hornsey and Wood Green) (Lab): If the system is so good, why do people need to come and see us? In my office, we have almost a 100% success rate when it comes to securing what people are entitled to without any intervention from any of us.

**Justin Tomlinson:** When a claimant comes to speak to any of us, as their Member of Parliament, presumably we talk to them about the respects in which they feel the decision was not right. When claimants receive a letter that says that they will not receive the benefit for which they were hoping, that letter spells out why that is, which normally triggers an assumption by claimants



that their particular challenge has not been considered. A claimant will then submit additional late evidence, the claim will be looked at again and a different decision may be reached, but that does not mean that the original decision was wrong on the basis of the facts that were originally presented.

I am keen to find a way in which assessors can automatically access claimants' medical records, with their consent. Many people have to fill in a 50-page form in which they must specify their challenges, and they sometimes under-egg those challenges.

**Mr Kevan Jones:** I know that the hon. Gentleman has been a Work and Pensions Minister, but he is just wrong. In my experience of constituency cases, the assessors do not consider some of the evidence, even when people take it along with them. When I have intervened and asked why that is, the cases have been overturned. I am sorry, but the system is not working.

**Justin Tomlinson:** I am not wrong. I said that the vast majority of successful appeals were due to the late submission of additional evidence. That is a fact.

**Tracy Brabin** (Batley and Spen) (Lab) *rose*—

**Justin Tomlinson:** I will give way once more, but I am conscious of the time.

**Tracy Brabin:** People in my constituency are taking deckchairs to their citizens advice bureau at 5 or 6 in the morning in order to queue outside. Is not that yet another addition to their stress and the pressure they face, and should it not be made clearer that people can have the assessments that they need?

**Justin Tomlinson:** I am trying to explain what we can do to help to improve the situation, because there are cases in which there are mistakes—1.5 million people are going through the PIP process. However, we know that the PIP process is far better than that for DLA because we are spending £3 billion more, and because of the success rate in getting those with the biggest challenges on to the highest rate of benefit—the proof is in the pudding.

This debate has arisen because a legal judgment has suggested that there are certain areas in which additional money should be spent. As I argued when we considered this during proceedings on an urgent question, if we are to spend money to make further improvements, that needs to be done in a co-ordinated manner, not an ad-hoc way.

Let me set out how this would work. We have lots of impressive charities with great policy teams, and they lobby on the basis of the experiences of their users. Individual MPs also raise concerns and suggestions for improvement through debates in the Chamber and Westminster Hall, and by tabling parliamentary questions, and the policy teams then work through them. There have already been significant changes, such as the much-needed and very welcome changes for terminally ill claimants, and the fact that waiting times rightly improved after a very difficult start when PIP was first rolled out. Rightly, this transfer of 1.5 million people from DLA to PIP is now being done at a speed that will not compromise waiting times as people go through the process. If this takes longer, it takes longer, and that means that we do not make the mistakes of the initial roll-out. The quality

of the assessments is also improving month on month. There are still lots more areas in which issues will arise, but I spent a lot of time meeting charities, particularly smaller ones representing people with less common conditions. They would then spend time helping to train the assessors and rewriting the manual so that those conditions would be picked up in the assessment, so learning from such experiences forms part of the process.

The timings of when people should come back for reassessment have been looked at for the first time. Under the old DLA system, 70% of claimants were on a lifetime award. The problem with that was that one in three claimants' conditions would change significantly within 12 months, meaning that they should have been on a different benefit. The vast majority of those claimants' conditions were getting worse, not better, so they would have been entitled to a higher rate of benefit, but many people simply did not phone up and ask to present themselves for reassessment, so they missed out on the benefits they should have received.

Under the PIP assessment, if someone has entered on a lower rate of benefit and the assessor can see that their condition is likely to get worse, meaning that they will need to access a higher rate of benefit, an estimate is automatically made of when that might happen, which triggers a reassessment. That process means that those who are most in need will get money in the best possible time.

**Stephen McPartland** (Stevenage) (Con): I do not always agree with the Government on welfare, but I do believe that the assessments have been improving. My concern is that the situation surrounding the 50-page application form, with which people are struggling, is not improving. People's access to assessments—they can be put in taxis for up to an hour—is also a growing problem.

**Justin Tomlinson:** My hon. Friend was one of the greatest advocates of change, and I had many constructive and challenging meetings with him as he brought forward suggestions. The point is that we have to look at this in a co-ordinated manner. Further improvements can be made to the initial application form and the way in which some of the descriptors are applied. The Government are also considering allowing assessments to be recorded automatically so that they can then be used in an appeal. That would benefit both the assessors and the claimants, who have been asking for this.

**Heidi Allen** (South Cambridgeshire) (Con): I broadly agree with what I am hearing—PIP is a work in progress and the process needs to get better—and I could give 100 stories of my experience of sitting through the PIP process to show where it is going wrong.

I agree that gradual change is a great thing, but the courts have given us a loud and clear message that we have got it wrong on mental health. In this age where we are desperately trying to change society's views of mental health and parity of esteem, we have to listen to the courts—they have given us a judgment for a reason.

**Justin Tomlinson:** I understand that point, and there might well need to be further improvements in that particular area, but they have to be made in a co-ordinated manner, not an ad hoc way. PIP is not about a condition; it is about the challenges that individuals face in their everyday lives.

Several hon. Members rose—

**Justin Tomlinson:** I will not give way because other people wish to speak.

If additional money is to be spent, it should go into the court system to speed up the appeals process, which would be helpful. There is a particular problem for those who could lose their Motability car before their appeal is heard. As I said, there should also be automatic access to medical records, which should be shared between ESA and PIP assessments when possible. Those assessments are often similar, so that would make the claimant's life a lot easier.

We need to do more to signpost additional help. The Government are spending £11.4 billion more to support people with mental health conditions. The biggest challenge is often identifying people with such conditions so that they can be given support, but PIP is good at identifying them. We should be offering them additional support and saying, "If you would like them, these are the sorts of services that are available in this local area that you can take advantage of."

I urge the Minister to continue to improve the situation and to work with the policy teams. I spoke to people from Macmillan yesterday, and they are grateful that they are able to continue to access senior Ministers to discuss suggestions. We have some brilliant stakeholders and really knowledgeable charities and policy teams. Let them help to shape where these further improvements will happen.

4.15 pm

**Corri Wilson** (Ayr, Carrick and Cumnock) (SNP): It is a relief that we are having this debate on the Floor of the House, and I thank you for granting it, Mr Speaker, following the application of the hon. Member for Oldham East and Saddleworth (Debbie Abrahams). It is a shame that the House has had to drag a Minister to the Dispatch Box so that the Government can be held to account on this matter after weeks of their refusing to debate it. As we have heard, 179 Members from eight different parties signed an early-day motion to annul the statutory instrument that implements the changes. The truth is that the Government have been shying away from accountability for the regulations from the start. They initially refused to comply with the upper tribunal ruling by bringing forward these changes in the first place, and then they did not even have the decency, nor the courtesy, to refer a draft of the regulations to their own Social Security Advisory Committee. If the Government are so confident that the regulations will hold up to any kind of scrutiny, why have they avoided due process by trying to sneak the changes in through the back door?

My party and other Opposition colleagues will not allow the Government to take these unfair backwards steps. Sense estimates that the changes will affect 150,000 people. Those people will lose out on PIP, which supports the extra cost of living with a disability, while the Government save £3.7 billion. That smacks of hypocrisy, given that the "Work, health and disability" Green Paper said that the Government would not seek to make any further cuts to the social security budget. Is that the real reason why they did not want the regulations to be scrutinised?

Given the Government's attitude to PIP and the assessments, it seems fitting that they will sneak out the second independent review of personal independence payments tomorrow—the day the House rises for Easter recess. What are they so scared of that they have scheduled the release of the report so that they can face no immediate scrutiny? During the passage of the Welfare Reform Act 2012, which established the new personal independence payment system, Ministers were clear that PIP was an important step to achieve the parity of esteem between physical and mental health that we want. Ministers even talked about the descriptors for the mobility component taking into account someone's ability to plan and follow a journey. They said that PIP was designed to assess the barriers that individuals face, not to make judgments based on the type of impairment. Personal independence payments are supposed to support people with the additional costs of disability.

We have heard about the court ruling that the regulations seek to undermine. The court ruled that people who find it hard to leave the house because of anxiety, panic attacks and other mental health problems should be able to receive the higher rate of PIP.

**Norman Lamb** (North Norfolk) (LD): These changes run the risk of again increasing the stigma of mental health, because they say to people with anxiety that causes them to stay inside that that is not really serious. Is that not completely in conflict with the principle of equal treatment for mental and physical health?

**Corri Wilson:** I completely agree with the right hon. Gentleman. We should not be treating one disability differently from another.

I have said this before, but it bears repeating that the Government cannot simply move the goalposts every time they lose a battle in court. The regulations do nothing more than pander to the old stigmas and attitudes towards mental illness. If a person needs help, he or she needs that help regardless of the nature of their disability or health condition.

In evidence to the Lords Secondary Legislation Scrutiny Committee, Disability Agenda Scotland, an alliance of Scotland's major disability organisations, raised a number of concerns. It said:

"We disagree with the Government's presentation of the change that this will not be a 'cut' for people currently receiving PIP, as it is a clear diversion from the stated aims of the legislation back in 2012 (to award the enhanced mobility component 'if a person's mobility is severely limited by their physical or mental condition')."

Essentially, the Government are intent on trying to spin their way out of this outrageous, stigmatising move against those with severe mental health conditions. Disability Agenda Scotland also fears:

"Current recipients may also lose out in future despite no change to their condition, if they are reassessed under the new criteria."

It will come as no shock that the DWP's own evaluation of the changes shows that the Government have no idea of their long-term impact—no idea! They simply do not care and are happy to push forward a move that makes a clear distinction between people with different conditions, against the ruling of the Court.

There are clearly concerns about assessment processes for personal independence payment, and the Scottish Association for Mental Health's report on PIP, "What's

the Problem?”, sets out those concerns. One of the main themes running through its research is a distrust of the process. One person said:

“People advise you not to shave, and turn up dishevelled—to show that mentally they are unwell! Just because you’re articulate doesn’t mean you don’t have a mental health problem.”

There is simply no consistency in the assessment process, yet the Government keep shifting the sands in a piecemeal way, which only exacerbates the problem and the impact on the lives of those who are simply trying to claim what they are entitled to.

The Government have form on pulling the safety net from under those who are desperately or life-threateningly ill. Such is the impact of sanctions on those with mental health conditions that many become destitute and dependent on food banks. The Government do not strike me as keen to ensure parity of esteem for those with mental health conditions; they seem intent on doing everything they can to make people dependent on support, rather than empowering people to live independent lives. We know that, in practice, “parity of esteem” means nothing to the Government, who have instructed private companies carrying out assessments to award the higher rate of the mobility component only to people with physical, cognitive or sensory impairments.

The Scottish Government, on the other hand, are determined to build a social security system with dignity and fairness at its heart. The process of building that system and taking over responsibility for personal independence payments is ongoing.

**Dr Rupa Huq** (Ealing Central and Acton) (Lab): The hon. Lady describes the situation in Scotland, but I assure her that seats such as mine are also affected. People might call Ealing Central and Acton metropolitan, elitist or suburban, but we have had 120 such cases recently. She talks about parity of esteem, and people keep pointing out to me that that is another example of how this Government say one thing and do another.

**Corri Wilson:** I agree with the hon. Lady. I am sure that most of us in the Chamber will have had constituents queuing at our door with personal independence payment issues.

I hope that lessons can be learned from today’s debate. The Government should stop forcing important legislation through the back door. They should have consulted their own Social Security Advisory Committee, and they should not have had to be dragged to the Dispatch Box for an emergency debate because they simply did not give the House answers.

The Government have not even waited on the second independent review of personal independence payments before manipulating the system. The Minister needs to stop mucking people about, back away from these ill judged and ill thought out changes and call a vote on annulling the regulations. If the Government do not do so, it will show how intent they are on bulldozing through legislation without scrutiny, and in spite of an independent judicial ruling.

The bottom line is that these changes are being implemented to save the Government money, no matter the cost to our communities and those with mental health conditions. This is no way to treat our vulnerable people in society, and I ask the Government to reconsider.

Several hon. Members *rose*—

**Mr Speaker:** Order. I please ask hon. Members now to stick to five minutes each, otherwise either a Member who wants to speak will not get in, or there will not be time for a proper ministerial response, about which hon. Members would understandably, but too late, be the first to complain.

4.24 pm

**Nusrat Ghani** (Wealden) (Con): It is a pleasure to speak in this important debate. I appreciate the concerns set out by the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), but the bigger picture is clear: the Government spend £50 billion a year to support people with disabilities and health conditions, which is an increase of £7 billion since 2010. The Government moved away from DLA to PIP on the basis that support should be given to those experiencing the greatest barriers to living independently. PIP supports people according to their overall level of need—not on the basis of a specific medical condition, but based on how their freedom to live independently is impaired. That is the right approach.

I chair the all-party group on eye health and visual impairment. Yesterday, I led a Westminster Hall debate on preventing avoidable sight loss, but of course in many cases sight loss is unavoidable. How we support those with limited ability to live independently is important. Sight loss affects nearly 2 million people in the UK, and the huge personal challenges and hurdles that people with sight loss have to overcome to live independently can never be underestimated. Through my work with the all-party group, I have seen at first hand the Government’s commitment to helping people dealing with sight loss.

Last year, the then Minister for Employment, my right hon. Friend the Member for Witham (Priti Patel), who is now the International Development Secretary, facilitated a meeting with her team about support to help blind and partially sighted people. We hope my hon. Friend the Minister for Disabled People, Health and Work will meet us soon to discuss how PIP can best support people with sight loss, and I am grateful to her and to Work and Pensions Ministers for their focus on this important issue. I am sure that she will agree that the Royal National Institute of Blind People does commendable work, and I urge people who are blind or partially sighted to contact the RNIB, which has created a toolkit for completing the PIP form effectively—both for the mobility part and the daily living component.

I wish to share with the House the personal experiences of PIP which have been collated by the RNIB and are available on its website.

**Heidi Allen** *rose*—

**Nusrat Ghani:** I am sorry, but there just is not enough time to give way.

Research and evidence was gathered by the Thomas Pocklington Trust, Sense and the RNIB, and the key finding of the study, which reflected real-life experiences of people with sensory loss and visual impairment, is that those participants who transitioned from DLA to PIP received a “positive” financial outcome with PIP. However, I hope the Minister will reflect on the feedback on the process, which some found confusing. Assessors need always to work to deliver a positive experience at



[Nusrat Ghani]

face-to-face assessments. Regardless, the evidence from this study, available on the RNIB website, shows that switching from DLA to PIP meant a more positive financial outcome, and that is welcome.

Opposition Members have accused the Government of betraying people with mental health conditions, but we are spending £11.4 billion on mental health this year alone, and more people with mental health conditions are receiving the enhanced PIP daily living and mobility rates than were previously getting the equivalent under the DLA system.

**Norman Lamb:** Will the hon. Lady give way?

**Nusrat Ghani:** There just is not enough time for everyone to get in. Some 66% of people getting PIP with a mental health condition get the enhanced daily living amount, which compares with 22% who were receiving the highest rate of DLA.

I will finish by focusing on this Government's record on helping disabled people into work. Since 2013, the number of disabled people in work has increased by half a million. However, those with sight loss are at the bottom of the table, and I hope we can do more to ensure that they get—

**Mr Kevan Jones:** On a point of order, Mr Speaker. The hon. Lady is making a good speech, and she makes some valuable points about PIP, but it has got nothing to do with the regulations we are talking about today.

**Mr Speaker:** The Chair has to make a judgment about pertinence and at this stage I am content with my own judgment. If the hon. Gentleman is not, I shall do my best to bear that burden with such stoicism and fortitude as I am able to muster.

**Nusrat Ghani:** We have heard experiences of where PIP is not working, but I wanted to share experiences of where it is working, as it is important to hear them, too. The point I was trying to make is that we have got many more people with disabilities going back into work, but I want to make sure that we campaign hard for those who have sight loss to ensure that they have those opportunities, too. Half a million more people are benefiting from opportunities to secure work. We have half a million more people who can support families and loved ones; half a million more people are supporting themselves, their communities and the economy. I thank the hon. Member for Oldham East and Saddleworth for giving us the opportunity to reflect on that and, no doubt, welcome those figures as well.

4.29 pm

**Stephen Timms** (East Ham) (Lab): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this debate and on the important case she made from the Dispatch Box.

I wish to challenge some of the assertions the Secretary of State has made in commenting on the changes in the regulations since they were announced. I have no doubt that his comments were made in good faith, but I think they were incorrect. In particular, the changes do not restore the original intention of the benefit. The Secretary of State suggested that the changes are not a cut, but

they obviously are, and they affect a substantial number of people. The equality analysis produced by the Department tells us that of the current case load, 143,000 people would have had their mobility award reduced to zero had it been made under the new regulations, and that a further 21,000 would have had their payment reduced. This is not, therefore, a minor or insignificant cut; it is a substantial cut that will affect a large number of people.

Table 6 in the equality assessment is titled, "Conditions most likely affected by reversing effect of UT"—upper tribunal—"judgment on mobility activity 1", and the list includes schizophrenia, learning disability, autism, cognitive disorder due to stroke, dementia and post-traumatic stress disorder. According to the Government, those are the people most affected.

**Karl Turner** (Kingston upon Hull East) (Lab): My right hon. Friend clearly knows something about the new regulations, and I do, too. The reality is that those with psychological illness cannot now qualify for enhanced mobility payments because activity 11e attracts only a maximum of 10 points. Twelve points are needed to allow mobility payments, so this is clearly a cut and the Government should just fess up.

**Stephen Timms:** My hon. Friend is right.

I wish to say a little more about the precise content of the regulations. The Secretary of State told us at the beginning of the process that nobody would have their current benefit cut; I think Ministers now accept that that statement was incorrect. Regulation 2(4) states:

"In the table in Part 3 (mobility activities), in relation to activity 1 (planning and following journeys), in descriptors c, d and f, for 'Cannot' substitute 'For reasons other than psychological distress, cannot'."

The changes explicitly carve out people who cannot plan and follow a journey because of psychological distress.

The Secretary of State has said not to worry, because people with cognitive impairments can still qualify for the highest rate of the mobility component. That may well be the case, but that is a different group of people. The changes explicitly carve out people whose mobility impairment arises from psychological distress. Was that the original intention? On 7 February 2012, the right hon. Member for Basingstoke (Mrs Miller)—if I remember rightly, she was the predecessor but two of the hon. Member for North Swindon (Justin Tomlinson)—said in a written answer that

"when considering entitlement to both rates of the mobility component we will take into account ability to plan and follow a journey, in addition to physical ability to get around. Importantly, PIP is designed to assess barriers individuals face, not make a judgment based on their impairment type."—[*Official Report*, 7 February 2012; Vol. 540, c. 232W.]

That is a clear statement of the original intent of this benefit. If the Secretary of State has been advised that the original intention was something different, he simply needs to check the record.

The changes in the regulations are different from the original intention. They introduce an explicit judgment based on impairment type; the original intention was to have no such distinction. The regulations introduce a distinction that was not in the benefit's original intention. They say that someone is in if they struggle to plan and follow a journey, but if their problem is because of

psychological distress, they are out. It is an explicit judgment, it is explicitly contingent, and it carves out a large group of people with mental health problems.

**Norman Lamb:** Does not that carve-out ultimately amount to nothing but discrimination against people suffering mental distress? Also, is it not the case that any references to spend on mental health in any other area are totally irrelevant to this issue? This rule change is about discrimination.

**Stephen Timms:** That is absolutely explicit in the regulations. That group is now being discriminated against, which is contrary to the original intention. The Secretary of State talked about restoring the original aim of the policy, but the change does not do that; it is different.

The Secretary of State suggests that it was never the intention to include this group of people with mental health problems, but his predecessors told the House, in terms, that it was the intention to include people irrespective of their impairment type. That was the intention of Ministers in 2012, but these regulations will thwart it. I hope that, like the other place, we will say no to these changes.

4.35 pm

**Graham Evans** (Weaver Vale) (Con): It was a privilege to serve on the Work and Pensions Committee with the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) in the last Parliament.

I wish to focus my speech on two particular areas. First, it is not the case that the Government are using the change as a cost-cutting exercise. Secondly, I will address some of the comments made by Opposition Members on mental health and physical conditions in relation to PIP.

We spend £50 billion every year on benefits—up by £7 billion since 2010—to support people with disabilities and health conditions, so, rather than being subjected to austerity cuts, these benefits have seen an increase in Government spending. That figure is 6% of all Government spending, or 2.5% of GDP. It is significantly more than countries such as France and Germany spend, and higher than the OECD average. It is more than we spend on the defence of the realm.

As I have said, this change is not, as some Members have suggested, a cost-cutting exercise. The Government have made it abundantly clear that they will seek no further savings through welfare in this Parliament. I ask my hon. Friend the Minister for Disabled People, Health and Work to reassure the House that she will continue to defend the disability budget.

The changes restore the original aim of the policy by clarifying the assessment criteria to make sure that support is targeted on those who need it the most. Nobody will receive less money than they have previously been awarded. This is not about making savings. PIP was widely consulted and voted on and debated in this House during the coalition Government.

**Kate Green** (Stretford and Urmston) (Lab) *rose*—

**Graham Evans:** I am sorry, but I really want to make some progress so that other Members can have their say.

More than two thirds of PIP recipients with a mental health condition receive the enhanced daily living component, compared with just 22% who used to receive

the higher rate under the disability living allowance. This Government are investing more in mental health support than any other before them. The figure stands at £11.4 billion this year.

Parity between mental and physical conditions is a core principle at the heart of PIP's design. Awards are dependent on the claimant's overall level of need, regardless of whether the condition is mental or physical.

As well as increasing spending on disabilities, this Government are challenging attitudes towards disability through initiatives such as Disability Confident. Last year, I, along with many Members of this House, held my first Disability Confident fair, bringing together 20 local businesses and support agencies to hear at first hand the benefits of employing people with disabilities.

**Norman Lamb:** The hon. Gentleman says that parity of esteem applies to the way in which PIP works, but the right hon. Member for East Ham (Stephen Timms) has specifically explained how the carve-out of mental distress means that it is clearly discriminatory. Does he not agree with that?

**Graham Evans:** I cannot comment on the specific case to which the right hon. Member for East Ham (Stephen Timms) referred. All I would say is that there is variation from case to case, and we can all give examples. In my experience, these changes to PIP have, overwhelmingly, been better for people with mental illness in my constituency.

**Victoria Borwick** (Kensington) (Con): I also have a number of local residents concerned about those with mental health issues having access to the higher rate mobility allowance. I think that it has had the unintended consequence—this is where I seek my hon. Friend's advice—of young people, post-transition, not necessarily being able to still have access to their blue badge or disability or mobility access.

**Graham Evans:** That is for the Minister to answer.

The Disability Confident fair brought together employers in Weaver Vale and those with disabilities and mental health issues and I encourage Members to consider doing something similar. I learned a lot about the challenges facing my constituents and the fair helped to bring employers and those with disabilities together. This Government have done a lot more to ensure that our welfare system is a strong safety net for those who need it. PIP is a more modern, dynamic and fair benefit than its predecessor, DLA, focusing vital support on those in our constituencies who need it the most.

4.40 pm

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing the debate and reaffirm her points about how disappointing it is that the Government did not find time for a debate and a vote on these regulations before they come into force. I would say to the Government that it does not reflect well on this House and on the Government as regards public trust on our proceedings if we do not conduct these debates and votes before such significant regulations come into force.

[Stephen Twigg]

As others have said, we know that disabled people are twice as likely to live in poverty as non-disabled people. PIP helps to level the financial playing field between disabled and non-disabled people. I represent a constituency with a significant level of poverty where 3,410 people are in receipt of PIP. We have all received representations from a range of third sector organisations about this assessment process and we have all seen, as I have in my constituency, the impact of how the assessment process works.

I want to highlight two organisations I work with. One is the Motor Neurone Disease Association, and I am pleased to be patron of its Merseyside branch. Its analysis shows that over the three years from 2013 to 2016, the proportion of people with MND who saw their award reduced as they moved from DLA to PIP was 13%. This is a condition that by its nature is both progressive and terminal. When I spoke to the MNDA this morning, I was told that the organisation wanted me to raise the quality of assessments in the debate because it believes that the poor quality of assessments has contributed to the issues mentioned today.

**Heidi Allen:** On that point, one thing that has struck me when I have been through PIP assessments—either mock assessments or those that I have observed with a constituent—is the generalist nature of the assessors. They are expected to be experts in mental health, physical health and mobility, and it is just not possible, in my view. I think that there needs to be triaging.

**Stephen Twigg:** That is borne out by the experience in my local office. Disability Benefits Consortium research suggested that 71% of respondents said that assessors had not sought any evidence or information about the specific condition, and I think that that is part of the reason why 65% of those who challenge a decision are successful.

**Mr Jim Cunningham (Coventry South) (Lab):** We must always be careful when a Government say that they are targeting somebody or something, as we know that that is a codeword for cuts and a reduction in benefits. My constituents often find it an ordeal because they are going into the unexpected, and they do not know what the outcome will be.

**Stephen Twigg:** My hon. Friend makes his point very powerfully.

The other condition I wanted to say something about is epilepsy. I am one of the honorary vice-presidents of Epilepsy Action, an organisation that has also been in touch with me today to say that that they fear that these proposals could penalise people with epilepsy who might rely on support or supervision to manage their medication and monitor their health condition. The DWP's own case study recognises that a person with epilepsy who has a seizure might need a friend or carer to administer medicine, without which they might go into status epilepticus. We know that that can lead to brain damage or to death.

I reaffirm what my hon. Friend the Member for Oldham East and Saddleworth said from the Front Bench. We have an opportunity through this debate to raise concerns on a cross-party basis, but I urge the

Government to listen to those concerns. As the hon. Member for South Cambridgeshire (Heidi Allen) said earlier, we have been sent a message by the tribunals about parity between mental and physical health. Let us say clearly that we have listened to that message and urge the Government to reconsider the regulations.

4.44 pm

**Helen Whately (Faversham and Mid Kent) (Con):** As someone who spends a great deal of time on work to improve care and support for people with mental health conditions, I will begin my remarks with a couple of contextual points before moving promptly to talking about the question of PIPs.

I am thankful that mental health has never been a higher priority for any Government. The Prime Minister has made it clear that it is a priority for her. We have the “Five Year Forward View for Mental Health” and extra funding for mental health. Campaigners, charities and professionals that I work with in the mental health sector have said to me that right now is a golden moment to improve mental health care because of this unprecedented commitment by the Government to mental health.

**Gerald Jones (Merthyr Tydfil and Rhymney) (Lab):** Will the hon. Lady give way?

**Helen Whately:** I will just make a little bit of progress. I will then be happy to take interventions, if there is time.

The Secretary of State for Work and Pensions and the Minister for Disabled People share the commitment to mental health. It is shown in the recently published Green Paper on work, health and disability and, for instance, in the Stevenson and Farmer review of employment for people with mental health problems.

There is strong evidence that PIP is a better benefit for people with mental health conditions than its predecessor. My hon. Friend the Member for North Swindon (Justin Tomlinson) has already mentioned some of the statistics, so I will not reiterate them, beyond saying that it is important to note that people with mental health conditions are far more likely to receive the mobility component of PIP than its equivalent under DLA. Some 28% get the enhanced mobility component, compared with 10% getting the equivalent under DLA. That is relevant to this debate.

We should reiterate that the whole point of PIP, as the Minister has said in the Chamber before, is that the award is based on how the condition affects someone's day-to-day life, not on their diagnosis. It is based on their needs and the consequent costs.

**Gerald Jones:** Does the hon. Lady agree that for the Government to suggest that mobility impairments caused by psychological issues are not relevant is an insult to anybody with a mental health condition? Does she also agree that mental health conditions should be treated no differently from physical ones?

**Helen Whately:** I do not agree with the first of the hon. Gentleman's two points. He should continue to listen to what I have to say. I agree with his second point and, if he listens to what I have to say, he may find that we are aligned on that.



I thank the Minister for being exceptionally assiduous in responding to and discussing my concerns on these matters. I have had several meetings with her in which she has emphasised her commitment to achieving the original aim of PIP, which is to support people to live full and independent lives. I have questioned her about the regulations in my role as chair of the all-party parliamentary group on mental health, and as a local Member of Parliament. For instance, we have discussed the case of a lady I met in Maidstone a few weeks ago who had been set on fire on a bus. That lady told me that she has been unable to go out of the house without being accompanied by somebody she trusts since then. Throughout the discussion about the regulations, she has been worried that the welfare system might not treat her the same as someone who has been unable to leave the house because of a physical disability. The Minister has assured me that that is not the case and that people are, and will continue to be, given payments based not on their diagnosis, but on their needs.

Will the Minister now clarify to us all that somebody suffering with severe psychological distress such as post-traumatic stress disorder, who needs to get out and about—for instance, to go to work or take their children to school—but finds it impossible to do so without significant assistance, could and would receive the enhanced rate mobility component of PIP, if their needs justified it?

Given the concern about the issue and the regulations, I also ask for the Minister's reassurance on three counts regarding implementation. First, will she ensure that the guidance to PIP assessors is absolutely clear that people with mental health conditions can and should receive PIP awards based on their needs and costs, and that that may well be the enhanced level? Secondly, will she ensure, through the audit system that she has told me about, that this happens in practice? Thirdly, will she draw on the evidence provided by recordings of PIP assessments, the trialling of which I welcome, having pressed her and her predecessor, my hon. Friend the Member for North Swindon, who is sitting behind me, on recording PIP assessments?

**Mr Kevan Jones:** Will the hon. Lady give way?

**Helen Whately:** I am just wrapping up.

Finally, I look forward to my hon. Friend the Minister assuring us all that the Government's welfare system does, and will continue to, treat people the same, whether their needs arise from mental or physical conditions.

4.50 pm

**Kate Green** (Stretford and Urmston) (Lab): I, too, congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on bringing this important matter before the House. I want to concentrate on a couple of the misapprehensions that have arisen in this afternoon's debate and to clarify my understanding of the position, in the hope that the Minister will confirm it.

First, on the original policy intent, we heard from my right hon. Friend the Member for East Ham (Stephen Timms) that Ministers told us during the passage of the Welfare Reform Bill in 2011 and 2012 not only that psychological stress and other conditions would be eligible to be covered by PIP, but, specifically, that the benefit would be judged on the basis not of the condition

but of the overall impact on someone's life. If psychological stress is having a significant impact on somebody's life, why will it be excluded in assessing them for the higher rate of PIP? That simply contradicts what we were told at the time of the Bill's passage. What is more, the Government themselves acknowledged in 2015 in the case of HL that psychological stress was to be included. They now say that was a mistake. Frankly, it is not good enough for Governments to go around making mistakes when something as important as this is at stake for our constituents.

Secondly, the Government have said that nobody will suffer a cut to their benefits. It is not clear whether they are still saying that, but to be clear, I have two things I would like to point out to the Minister. First, on 15 March, in the course of the urgent question heard in this House, the Secretary of State acknowledged to me that some people who had had their award increased as a result of the decision in the first tribunal could see that higher award reduced back to the level of the original Department for Work and Pensions award. He was very careful with his wording: he did not say that all awards would be protected but that the original DWP award would be. Does that mean that some people will, in practice, see their awards reduced?

If that is the case, when will that happen? I ask that because the second thing the Government are doing, as well as introducing these regulations, is appealing the two tribunal decisions. My understanding is that that is specifically to catch the people who currently see their benefits on a higher level, and who would enjoy that higher level of payments because the regulations would come in too late for them to be impacted and to see their benefits reduced again. Is the Minister now telling us that if the Government are successful in those appeals, they will reduce the benefits of people who got awards before the application of these regulations back to the level of the original DWP award?

Thirdly, can the Government reconcile the three cases decided in the upper tribunal on 9 March with the decision to strip out psychological stress, in part because it is a fluctuating condition? As we heard in the decisions made on 9 March in the upper tribunal, it is not just whether something is occasional that determines whether someone should be eligible for a higher rate of PIP; it is also about the overall impact of the harm caused by that condition. As we heard from my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), there is no better example of that than someone with epilepsy. They may suffer occasional seizures, but when they do, the harm they experience could be considerable, resulting in brain damage or even death. Will the Minister therefore explain how she reconciles those decisions on 9 March with the assertion that psychological stress should not attract the highest rate of award in appropriate circumstances because it is a fluctuating condition?

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I advise the House I would like the Minister to have 10 minutes in which to reply, so she needs to be on her feet at four minutes past 5.

4.53 pm

**Patricia Gibson** (North Ayrshire and Arran) (SNP): With regard to these PIP changes, the Government have done all they can to avoid parliamentary scrutiny. They

[Patricia Gibson]

have ignored the concerns repeatedly expressed by MPs and the Disability Benefits Consortium, as well as the deafening clamour of concerns out there.

There can be no doubt that these PIP changes are having a fundamental and life-limiting effect on those affected by them. The whole point of PIP is to help with the extra costs resulting from disability or long-term ill health, replacing DLA. The effect, real or accidental, is clear discrimination against those living with mental health challenges that could put vulnerable claimants at risk. That was the conclusion of the House of Lords.

The Disability Benefits Consortium is extremely concerned that these changes will restrict access for disabled people who need PIP through their facing additional costs. Clearly, the criteria are now far too strict, resulting in almost 50% of disabled people and people with long-term health conditions losing access to some or all of their support on being assessed. In addition, over 60% of PIP appeals are successful. To those who have had their support withdrawn or reduced, I would say this: go to your MP for help. The process is distressing and upsetting, but please appeal any decision that you think is unfair, because over 60% of appeals are successful. This shows on its own that the process is not working. It also shows that the system causes unnecessary distress for far too many claimants. My constituency office in Ardrossan has numerous examples of such cases leaving claimants confused, frightened, bewildered and in serious financial difficulty.

There are also particular concerns around the mobility component, with over 750 returning their Motability vehicles every week due to the withdrawal of essential support. We know from the DWP's own analysis that 146,000 disabled people could lose financial support as they drop from the higher rate of mobility to no entitlement at all. It is also conceded by the DWP that there is difficulty in predicting these numbers, and so the final numbers losing financial support could in fact be much higher.

It is vital that the PIP assessment criteria are reviewed to ensure that there are clear definitions in place before any changes are made. The criteria are far too narrow and restrictive. They simply do not recognise the impact that many long-term conditions and disabilities have on a person's ability to undertake daily living activities, and often fail to take account of hidden and fluctuating symptoms, including cognitive difficulties. What kind of people are suffering under this system? Those with MS and those with Parkinson's—serious chronic conditions. Those with such conditions very often also suffer from depression and anxiety. If that is not specifically and separately diagnosed, in terms of PIP assessments, it does not exist. Those with long-term conditions and disabilities that include depression and anxiety as a common symptom will not score under the original descriptor.

These changes, on top of the arbitrary cut of £30 a week to the ESA work-related activity group which is also due to be imposed, show the complete disregard for disabled people felt by this Government. How can putting disabled people into greater hardship help to remove the barriers that will help them back to work? Where are the disability employment support programmes outlined in the Green Paper? We need to treat disabled

people with dignity and respect. This Government need to listen and show some compassion and understanding, and stop trying to build an austerity programme on the backs of the poor and the disabled.

4.58 pm

**Tom Brake** (Carshalton and Wallington) (LD): I want to start by thanking the Minister. Last Wednesday, as I was coming down the escalator, she, in a large crowd of people, was coming in the opposite direction and let us know in no uncertain terms that we should leave the building. I thank her for that.

Moving on to the debate, I thank my staff, who, like others, have a 100% success rate in the appeals that we have taken up in our office. I thank you, Mr Speaker, for facilitating this debate—or, in fact, forcing it on the Government. The Government should have facilitated it in a timely manner, and they stand condemned for failing to do so in spite of a cross-party request that they make time available. I am pleased that the original prayer that we tabled with the support of the main Opposition party has led to the successful securing of this debate under Standing Order No. 24, thanks to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams).

As Members have said, PIP helps disabled people to meet some of the costs related to their impairment or condition, and the Government have a stated intention of securing parity of esteem for physical and mental health. How does stopping people with mental health problems securing extra support through PIP for their journey—that is activity 11, I believe—help to achieve parity of esteem?

The Government claim that they are simply affirming what was originally intended in the legislation. I dispute that, and the evidence backs me up. Members have quoted what the right hon. Member for Basingstoke (Mrs Miller) said about that, particularly the phrase that

“PIP is designed to assess barriers individuals face, not make a judgment based on their impairment type.”—[*Official Report*, 7 February 2012; Vol. 540, c. 232W.]

Lord Freud said:

“One of the big differences between the personal independence payment and DLA is that the personal independence payment looks at the person's ability to plan and execute a journey, not just at their physical capacity.”—[*Official Report, House of Lords*, 7 February 2011; Vol. 725, c. 9.]

Those examples alone demonstrate that the Government's intention was to allow people with mental health problems to receive PIP to assist them if their mental health meant that they could not travel without assistance. If the Government want to change the law because of the extra costs associated with funding parity of esteem, so be it, but let us have proper scrutiny, a proper debate and a proper vote, not this piece of parliamentary jiggery-pokery.

**Mr Speaker:** We are most grateful to the right hon. Gentleman. I advise the Minister that she should sit down no later than 5.13 pm.

5.1 pm

**The Minister for Disabled People, Health and Work (Penny Mordaunt):** I start by thanking hon. Members, from all parts of the House, who have contributed to the debate. There are many points that I need to answer

and I do not have much time, but I will do my best, and I will write to hon. Members about any outstanding points.

As hon. Members know, at the core of PIP's design is the principle that awards should be made according to a person's level of need, not whether their condition is of one sort or another. Those who have higher need, greater limitations on their ability to participate in society and higher costs associated with their condition will get more support.

**Stephen Timms:** Will the Minister give way?

**Penny Mordaunt:** I will answer the questions that have already been raised, and if I have time I will take interventions at the end.

That approach—using the social definition of disability—is important, and assessments are therefore complex. The assessor will try to understand the impact on a person's life and how their disability or health condition affects them in their caring duties, parenting, social life and daily living.

As the House has heard many times, recent legal judgments have interpreted the assessment criteria for PIP in ways different from what the coalition Government originally intended. The upper tribunal judgments were concerned solely with the interpretation of the wording and, as my hon. Friend the Member for South Cambridgeshire (Heidi Allen) has said, not with policy. We have therefore made amendments to clarify the criteria used to decide how much benefit claimants receive. The changes restore the original aim of the policy, which was agreed by Parliament following extensive consultation, and they add essential clarity for all.

**Stephen Timms:** Will the Minister give way?

**Penny Mordaunt:** I will make some progress. As my right hon. Friend the Secretary of State for Work and Pensions said in the House and in his letter last week to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), it is important to be clear about what these regulations are not. They are not a policy change, they are not intended to make new savings and they will not result in any claimant seeing a reduction in the amount of PIP previously awarded by the DWP. There is no change to the budget and no change to the guidance that we give to assessors.

To answer the point raised by the hon. Member for Stretford and Urmston (Kate Green), she is right to say that between the making of the rulings and the coming into force of the regulations, a handful of people—we think about eight—will have been awarded a higher amount in the tribunal rulings. We will not claw back money from those people, but we will look at those cases and our intention is to restore them to the original benefit level. That is one reason why we have acted quickly. There will be no change in the amount of PIP paid to people who have previously been awarded a certain amount by the DWP, or in the amount paid to people who will be assessed on the same principles and the same policy in the future.

It is entirely appropriate for the Government to act to restore clarity to the law, as Governments have done before and will no doubt continue to do in the future. Indeed, Labour, when in government back in 2000,

introduced a change to the rules for disability living allowance that overturned a commissioner's decision holding that telephone conversations with someone with severe depression and chronic anxiety should count as qualifying attention for the care component of DLA. That decision was seen to have significantly widened the gateway not only to DLA, but to attendance allowance, and the then Government took a similar decision to the one we have taken to restore the original policy intent.

Let me assure the House that we want to ensure our policies are working and being delivered effectively, and we will continue to review our policies, including on PIP, regularly. I remind everyone that this Government have already introduced two formal statutory reviews of the PIP assessment, and we remain committed to publishing Paul Gray's independent review, as set out in legislation. We remain committed to making continuous improvement in the PIP assessment and our decision making, and to improving the advice we provide to guide people through the process.

We know that feedback from claimants and stakeholders gives us valuable insight into the services we deliver. That is why we are setting up service user panels for PIP and ESA claimants, their carers and advocates, and representative groups to gather views on PIP and ESA. The panels, which will start next month and will initially run for 12 months, will ask for people's views on their experiences of claiming, capture new ideas for improvement and test reactions to specific changes and proposals. We wish to reach as many people as possible.

**Stephen Timms** *rose*—

**Penny Mordaunt:** I am coming to the right hon. Gentleman's point, if he will give me a moment.

We are working with charities and representative organisations to promote awareness and draw on their expertise. Following references to the panels in another place last month, we have started to see requests from claimants who are keen to participate. We are carrying out pilots to test whether there are any benefits to audio recording face-to-face assessments. The pilots, which started on 13 March, will last for six weeks and involve 400 claimants. We are trialling telephoning claimants to ensure all that the evidence they wish to be considered has been collected and submitted. That is critical to reducing the number of cases going to mandatory reconsideration and appeal, as my hon. Friend the Member for North Swindon (Justin Tomlinson) pointed out. We are giving people fuller reasons why they have not been successful to ensure that they understand those reasons exactly.

We have strengthened clinical support and clinical mentoring for the healthcare professionals who carry out assessments. Our assessors discuss with people the impacts on their life before taking a medical history. The hon. Member for North Durham (Mr Jones) raised the critical issue of ensuring that there is support throughout the assessment process, particularly for people with a mental health condition. I will not list all the things we do, but he will know that processes are in place, with special markers for such individuals. We are always interested to hear how we can improve those processes, but they are already part of the system.

**Stephen Timms:** Will the hon. Lady give way?



**Penny Mordaunt:** I want to respond to the points that have already been raised. I will take an intervention if I have time, if the right hon. Gentleman will bear with me.

The health and work Green Paper and Paul Gray's second review will both look at the issue of shared health records, which hon. Members mentioned. We have also been working more closely with Motability to ensure that the issues of appeals and counterproductive bureaucracy—hon. Members also referred to those issues—are resolved, and we will report back to the House as soon as possible. I assure my hon. Friend the Member for Kensington (Victoria Borwick) that the particular focus has been on young people and students. We are looking at what further we can do, and I assure my hon. Friend the Member for Wealden (Nusrat Ghani) that we are indeed working closely with the RNIB.

Let me turn to the specifics on mental health and the regulations. Supporting people with mental illness is a priority for this Government. That is why we are spending more on mental health provision than ever before—£11.4 billion this year alone. We have introduced the first ever access and waiting standards for mental health services. These changes and investments are already making a difference. Since 2010, the number of people accessing mental health services has risen by 40%—

**Stephen Timms** *rose*—

**Penny Mordaunt:** I am coming on to the right hon. Gentleman's point.

The number of consultant psychiatrists in this country has risen by 5%. We are working to join up the healthcare system, the welfare system and society more widely so that we focus on the strengths of people with disabilities or health conditions and what they can do if properly supported. It is for that reason that in the summer of 2015 the health and work unit was created in the Department of Health, and why in October last year we published, "Improving Lives", the work and health—

**Norman Lamb:** On a point of order, Mr Speaker. You rightly ensured that the Minister had enough time to answer questions, but none of what she is saying is about the key issue in the regulations.

**Mr Speaker:** The right hon. Gentleman must seek to intervene if he can and pursue other mechanisms if he cannot.

**Penny Mordaunt:** I am coming on to the regulations, but I think that the key to this whole debate is that people are questioning the parity between mental health and physical health. I point out to the House that mental health was never more prominent on any previous Government's agenda.

**Stephen Timms** *rose*—

**Penny Mordaunt:** If Members will allow me, I will turn to the regulations—I will not repeat the statistics that show that PIP is more favourable than DLA for those with a mental health condition. Let me tackle the issues relating to the regulations.

Several Members have concluded that if someone is suffering from psychological distress, that would not count towards their score and they would somehow be prevented from scoring the maximum on the descriptors. That is not the case. As time is tight, perhaps I could

place some case studies in the Library if that is in order, Mr Speaker. As has been pointed out, if someone is suffering from autism, PTSD, depression or a similar condition, they can score 12 points on that descriptor.

Let me cover the issues on process. We have used the most appropriate parliamentary procedure. It is set out in the Welfare Reform Act 2012. In the light of the significant and urgent consequences of the judgments, the amendments were passed to the Social Security Advisory Committee on 8 March—that is, after the regulations were laid. We have welcomed the Committee's response and the fact that it did not wish to have the regulations referred to it for public consultation. We have also responded in full to the Committee's recommendations. In particular, we have made it clear that we are committed to continuous improvement, as we recognise that it is important, for both quality and consistency, to ensure that PIP policy is clearly articulated. We have also made it clear that we will ensure that healthcare professionals who carry out the assessments fully understand what those amendments mean. The regulations were today passed by the Joint Committee on Statutory Instruments.

In the seconds I have left, I reassure the House that the regulations simply restore the original aim of the policy, as previously debated, and that we are delivering PIP in line with its original intent. We stress again that the changes will not result in claimants seeing a reduction in the amount of PIP awarded by the Department.

*Question put and agreed to.*

*Resolved,*

That this House has considered changes to Personal Independence Payment Regulations.

**Karl Turner:** On a point of order, Mr Speaker. In an earlier intervention on my right hon. Friend the Member for East Ham (Stephen Timms), I forgot to mention an indirect interest: my wife sits as a tribunal judge. I apologise to you, Mr Speaker, and the House.

**Mr Speaker:** I am extremely grateful to the hon. Gentleman. He has made the position clear and he has done so very quickly, and the House will have noted that.

**Mr Charles Walker** (Broxbourne) (Con): On a point of order, Mr Speaker. May I apologise to you and the House for inadvertently misleading it during my Adjournment debate last Thursday on the Ratty's Lane incinerator? I said that in 2012 Hertfordshire County Council objected to 46 of Veolia's HGV movements a day, and that the company was now proposing 212 HGV movements a day. That figure was provided to me by Veolia on 4 March 2016, but I have since discovered that the actual number is 268 HGV movements a day. *[Interruption.]* Nothing Veolia tells me turns out to be the reality of the situation, but I owe it to this House to do my homework more thoroughly, so may I apologise to you again, Mr Speaker, for misleading this House and to my esteemed colleagues in this place, who indicate that they share my sense of outrage?

**Mr Speaker:** I am very grateful to the hon. Gentleman for his point of order. He is certainly a witty wag. I would add that, as far as Veolia is concerned, the hon.

Gentleman is a formidable foe. I rather imagine the company is discovering that now, if it did not know it before.

**Sir Simon Burns** (Chelmsford) (Con): Further to that point of order, Mr Speaker. As you will appreciate, my hon. Friend the Member for Broxbourne (Mr Walker) was put in a most unfortunate situation because he was given duff information that he used in good faith. It then turned out that the incorrect information he gave was an underestimate of the severe impact those journeys were going to have on his constituents and local community. Could you advise us, Mr Speaker, of any satisfactory way, notwithstanding my hon. Friend's generous apology to the House, for the perpetrators of this disinformation to be called to this place to explain why they embarrassed my hon. Friend in a way that led to misleading figures being given in a debate, which had an effect on the views of other hon. Members listening to the debate?

**Mr Speaker:** I am very grateful to the right hon. Gentleman for that point of order. Summoning someone to the Bar of the House is rarely used as a disciplinary device and is an extremely serious matter. I would have to reflect very carefully on whether it would be appropriate in this case. Even if it were not, I think the right hon. Gentleman would agree with me, and I think other hon. Members would agree, that in the circumstances the least we all might expect is for an apology to be proffered by the company. There is no shame in making a mistake, but there certainly is in failing to recognise the fact that one has done so and failing to apologise for having done so. I will wait to see whether we receive an apology. If I receive any such apology, the right hon. Gentleman will be the first to hear of it.

### PENSION SCHEMES BILL [LORDS] (PROGRAMME) (NO. 3)

*Ordered,*

That the Order of 30 January 2017 (Pension Schemes Bill [Lords] (Programme)), as varied by the Order of 22 March 2017 (Pension Schemes Bill [Lords] (Programme) (No. 2)) be further varied as follows:

(1) The Order of 22 March 2017 (Pension Schemes Bill [Lords] (Programme) (No. 2)) shall be rescinded.

(2) Paragraphs (4) and (5) of the Order of 30 January 2017 (Pension Schemes Bill [Lords] (Programme)) shall be omitted.

(3) Proceedings on Consideration shall be brought to a conclusion immediately after the conclusion of proceedings on the Motion for this Order.

(4) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion 90 minutes after the commencement of proceedings on the Motion for this Order.—(*Richard Harrington.*)

### Pension Schemes Bill [Lords]

*Further consideration of Bill, as amended in the Public Bill Committee*

#### New Clause 1

##### FUNDER OF THE LAST RESORT

“Notwithstanding the provisions of section 8, the Secretary of State shall make provision for a funder of last resort, to manage any cases where the Master Trust has insufficient resources to meet the cost of complying with subsection (3)(b) of that section.”—(*Alex Cunningham.*)

*Brought up, read the First time, and Question proposed (22 March), That the clause be read a Second time.*

5.18 pm

*Proceedings interrupted (Programme Order, this day).*

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Members will be aware that when the House previously considered the Bill on Wednesday last, the sitting was suspended, and subsequently the House adjourned, during a Division on the Question that new clause 1 be read a Second time. I shall begin proceedings on the Bill today by again putting that Question to the House.

*Question put forthwith (Standing Order No. 83E), That the clause be read a Second time.*

*The House divided: Ayes 230, Noes 289.*

**Division No. 191]**

**[5.18 pm**

##### AYES

Abbott, rh Ms Diane	Cooper, Rosie
Abrahams, Debbie	Cooper, rh Yvette
Alexander, Heidi	Cowan, Ronnie
Allin-Khan, Dr Rosena	Crausby, Sir David
Ashworth, Jonathan	Creasy, Stella
Bailey, Mr Adrian	Cruddas, Jon
Bardell, Hannah	Cummins, Judith
Benn, rh Hilary	Cunningham, Alex
Betts, Mr Clive	Cunningham, Mr Jim
Blackford, Ian	Dakin, Nic
Blackman, Kirsty	David, Wayne
Blomfield, Paul	Day, Martyn
Boswell, Philip	De Piero, Gloria
Brabin, Tracy	Docherty-Hughes, Martin
Bradshaw, rh Mr Ben	Donaldson, Stuart Blair
Brake, rh Tom	Dowd, Jim
Brennan, Kevin	Dowd, Peter
Brock, Deidre	Dromey, Jack
Brown, Alan	Dugher, Michael
Brown, Lyn	Durkan, Mark
Brown, rh Mr Nicholas	Eagle, Maria
Bryant, Chris	Edwards, Jonathan
Burden, Richard	Efford, Clive
Burgon, Richard	Ellman, Mrs Louise
Burnham, rh Andy	Esterson, Bill
Butler, Dawn	Farron, Tim
Cameron, Dr Lisa	Fellows, Marion
Campbell, rh Mr Alan	Ferrier, Margaret
Campbell, Mr Ronnie	Field, rh Frank
Carmichael, rh Mr Alistair	Fitzpatrick, Jim
Champion, Sarah	Fiello, Robert
Chapman, Douglas	Fletcher, Colleen
Chapman, Jenny	Flint, rh Caroline
Cherry, Joanna	Flynn, Paul
Clwyd, rh Ann	Fovargue, Yvonne
Coaker, Vernon	Foxcroft, Vicky
Coffey, Ann	Furniss, Gill
Cooper, Julie	Gapes, Mike

Gardiner, Barry  
 Gethins, Stephen  
 Gibson, Patricia  
 Glass, Pat  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Grady, Patrick  
 Grant, Peter  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hillier, Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Johnson, Diana  
 Jones, Gerald  
 Jones, Graham  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Kerevan, George  
 Kerr, Calum  
 Kinnock, Stephen  
 Kyle, Peter  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Law, Chris  
 Leslie, Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Long Bailey, Rebecca  
 Lynch, Holly  
 MacNeil, Mr Angus Brendan  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCabe, Steve  
 McCaig, Callum  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stuart C.

McDonnell, Dr Alasdair  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 Meale, Sir Alan  
 Mearns, Ian  
 Monaghan, Dr Paul  
 Moon, Mrs Madeleine  
 Mulholland, Greg  
 Murray, Ian  
 Newlands, Gavin  
 O'Hara, Brendan  
 Olney, Sarah  
 Onn, Melanie  
 Onwurah, Chi  
 Oswald, Kirsten  
 Owen, Albert  
 Paterson, Steven  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Reeves, Rachel  
 Reynolds, Jonathan  
 Rimmer, Ms Marie  
 Robertson, rh Angus  
 Rotheram, Steve  
 Salmond, rh Alex  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sheppard, Tommy  
 Sherriff, Paula  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Spellar, rh Mr John  
 Stephens, Chris  
 Streeting, Wes  
 Stringer, Graham  
 Stuart, rh Ms Gisela  
 Thompson, Owen  
 Thomson, Michelle  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Derek  
 Vaz, rh Keith  
 Vaz, Valerie  
 Weir, Mike  
 West, Catherine

Whiteford, Dr Eilidh  
 Williams, Hywel  
 Williams, Mr Mark  
 Wilson, Corri  
 Wilson, Phil  
 Winnick, Mr David  
 Winterton, rh Dame Rosie

Woodcock, John  
 Wright, Mr Iain  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Jeff Smith and**  
**Thangam Debbonaire**

#### NOES

Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, James  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bottomley, Sir Peter  
 Brady, Mr Graham  
 Brazier, Sir Julian  
 Bridgen, Andrew  
 Brine, Steve  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Carmichael, Neil  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Mr Christopher  
 Churchill, Jo  
 Clark, rh Greg  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Colvile, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Dodds, rh Mr Nigel  
 Donelan, Michelle  
 Dorries, Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Elliott, Tom  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, rh Mr Tobias  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Francois, rh Mr Mark  
 Frazer, Lucy  
 Freeman, George  
 Freer, Mike  
 Fuller, Richard  
 Fysh, Marcus  
 Gale, Sir Roger  
 Garnier, rh Sir Edward  
 Gauke, rh Mr David  
 Ghani, Nusrat  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goodwill, Mr Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Grayling, rh Chris  
 Green, Chris  
 Greening, rh Justine  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, rh Mr Philip  
 Hancock, rh Matt  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harrington, Richard  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Simon  
 Haselhurst, rh Sir Alan  
 Heald, rh Sir Oliver  
 Heapey, James  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian



Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 Howell, John  
 Howlett, Ben  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 James, Margot  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Mr Bernard  
 Jenrick, Robert  
 Johnson, rh Boris  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Kennedy, Seema  
 Kinahan, Danny  
 Kirby, Simon  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Leslie, Charlotte  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 McLoughlin, rh Sir Patrick  
 McPartland, Stephen  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline

Norman, Jesse  
 Nuttall, Mr David  
 Opperman, Guy  
 Osborne, rh Mr George  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vaizey, rh Mr Edward

Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Warburton, David  
 Warman, Matt  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig

Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wilson, Sammy  
 Wollaston, Dr Sarah  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Christopher Pincher and**  
**Chris Heaton-Harris**

*Question accordingly negated.*

*The Deputy Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).*

## New Clause 2

### MEMBER TRUSTEES

“(1) By a date to be set by the Secretary of State in regulations, approved Master Trust Schemes must ensure that at least a third of the trustees of the scheme are Member Trustees.

(2) Member Trustees must be individuals who are—

- (a) members of the Master Trust scheme; and
- (b) not members of senior management of a company that is enrolled in the Master Trust scheme.

(3) Member Trustees must be appointed by a process in which—

- (a) any member of the scheme who meets the condition in subsection (2) is to apply to be a Member Trustee,
- (b) all the active members of the scheme, or an organisation which adequately represents the active members, are eligible to participate in the selection of the Member Trustees, and
- (c) all the deferred members of the scheme, or an organisation which adequately represents the deferred members, are eligible to participate in the selection of the Member Trustees.

(4) Member Trustees should be given sufficient time off by their employer to fulfil their duties.

(5) For the purpose of this clause “senior management”, in relation to an organisation, means the persons who play significant roles in—

- (a) the making of decisions about how the whole or a substantial part of its activities are to be managed or organised, or
- (b) the actual managing or organising of the whole or a substantial part of those activities.”—(*Alex Cunningham.*)

*This new clause requires Master Trusts to make provision for some form of member representation within Master Trusts.*

*Brought up.*

*Question put, That the clause be added to the Bill.*

*The House divided: Ayes 187, Noes 289.*

## Division No. 192]

[5.31 pm

### AYES

Abbott, rh Ms Diane	Brabin, Tracy
Abrahams, Debbie	Bradshaw, rh Mr Ben
Alexander, Heidi	Brennan, Kevin
Allin-Khan, Dr Rosena	Brown, Lyn
Ashworth, Jonathan	Brown, rh Mr Nicholas
Bailey, Mr Adrian	Bryant, Chris
Benn, rh Hilary	Burden, Richard
Betts, Mr Clive	Burgon, Richard
Blomfield, Paul	Burnham, rh Andy

Butler, Dawn  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Jenny  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Crausby, Sir David  
 Creasy, Stella  
 Cruddas, Jon  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 David, Wayne  
 De Piero, Gloria  
 Dowd, Jim  
 Dowd, Peter  
 Dromey, Jack  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Ellman, Mrs Louise  
 Esterson, Bill  
 Field, rh Frank  
 Fitzpatrick, Jim  
 Ffello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Flynn, Paul  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Furniss, Gill  
 Gapes, Mike  
 Gardiner, Barry  
 Glass, Pat  
 Glendon, Mary  
 Godsiff, Mr Roger  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hillier, Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Johnson, Diana  
 Jones, Gerald

Jones, Graham  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Kinnock, Stephen  
 Kyle, Peter  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Leslie, Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Long Bailey, Rebecca  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCabe, Steve  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, Dr Alasdair  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 Meale, Sir Alan  
 Mearns, Ian  
 Moon, Mrs Madeleine  
 Mulholland, Greg  
 Murray, Ian  
 Olney, Sarah  
 Onn, Melanie  
 Onwurah, Chi  
 Owen, Albert  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Reeves, Rachel  
 Reynolds, Jonathan  
 Rimmer, Ms Marie  
 Rotheram, Steve  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sherriff, Paula  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat

Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Spellar, rh Mr John  
 Stephens, Chris  
 Streeting, Wes  
 Stringer, Graham  
 Stuart, rh Ms Gisela  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl

Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, James  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bottomley, Sir Peter  
 Brady, Mr Graham  
 Brazier, Sir Julian  
 Bridgen, Andrew  
 Brine, Steve  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Carmichael, Neil  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Mr Christopher  
 Churchill, Jo  
 Clark, rh Greg  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Colville, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn

Twigg, Derek  
 Vaz, rh Keith  
 Vaz, Valerie  
 West, Catherine  
 Williams, Hywel  
 Wilson, Phil  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Woodcock, John  
 Wright, Mr Iain  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Jeff Smith and**  
**Thangam Debbonaire**

#### NOES

Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Dods, rh Mr Nigel  
 Donelan, Michelle  
 Dorries, Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Elliott, Tom  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, rh Mr Tobias  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Francois, rh Mr Mark  
 Frazer, Lucy  
 Freeman, George  
 Freer, Mike  
 Fuller, Richard  
 Fysh, Marcus  
 Gale, Sir Roger  
 Garnier, rh Sir Edward  
 Gauke, rh Mr David  
 Ghani, Nusrat  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goodwill, Mr Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke

Hancock, rh Matt  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harrington, Richard  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Simon  
 Haselhurst, rh Sir Alan  
 Heald, rh Sir Oliver  
 Heapey, James  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 Howell, John  
 Howlett, Ben  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 James, Margot  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Mr Bernard  
 Jenrick, Robert  
 Johnson, rh Boris  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Kennedy, Seema  
 Kinahan, Danny  
 Kirby, Simon  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Leslie, Charlotte  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 McLoughlin, rh Sir Patrick  
 McPartland, Stephen  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew

Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Opperman, Guy  
 Osborne, rh Mr George  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert

Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David

Warman, Matt  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wilson, Sammy  
 Wollaston, Dr Sarah  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
 Christopher Pincher and  
 Chris Heaton-Harris

*Question accordingly negatived.*

### Clause 11

#### SYSTEMS AND PROCESSES REQUIREMENTS

*Amendment proposed:* 1, page 8, line 13, at end insert—

“( ) A minimum requirement of annual reporting of administration, fund management costs and transaction costs for each asset class, drawdown product and for active and passive asset management strategies.”—(*Alex Cunningham.*)

*This amendment would introduce annual reporting and inclusion of transaction costs requirements for Master Trusts.*

*Question put,* That the amendment be made.

*The House divided:* Ayes 188, Noes 286.

**Division No. 193]**

**[5.43 pm**

#### AYES

Abbott, rh Ms Diane  
 Abrahams, Debbie  
 Alexander, Heidi  
 Allin-Khan, Dr Rosena  
 Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Benn, rh Hilary  
 Betts, Mr Clive  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brennan, Kevin  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Burden, Richard  
 Burgon, Richard  
 Burnham, rh Andy  
 Butler, Dawn  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Jenny  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Crausby, Sir David  
 Creasy, Stella  
 Cruddas, Jon  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 David, Wayne  
 De Piero, Gloria  
 Dowd, Jim  
 Dowd, Peter  
 Dromey, Jack  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Tom  
 Ellman, Mrs Louise  
 Esterson, Bill  
 Field, rh Frank  
 Fitzpatrick, Jim  
 Fiello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Flynn, Paul  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Furniss, Gill  
 Gapes, Mike  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary



Godsiff, Mr Roger  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hillier, Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Johnson, Diana  
 Jones, Gerald  
 Jones, Graham  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Kinahan, Danny  
 Kinnock, Stephen  
 Kyle, Peter  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Leslie, Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Long Bailey, Rebecca  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCabe, Steve  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, Dr Alasdair  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine

McMahon, Jim  
 Meale, Sir Alan  
 Mearns, Ian  
 Moon, Mrs Madeleine  
 Mulholland, Greg  
 Murray, Ian  
 Olney, Sarah  
 Onn, Melanie  
 Onwurah, Chi  
 Owen, Albert  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Reeves, Rachel  
 Reynolds, Jonathan  
 Rimmer, Ms Marie  
 Rotheram, Steve  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sherriff, Paula  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Spellar, rh Mr John  
 Streeting, Wes  
 Stuart, rh Ms Gisela  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Derek  
 Vaz, rh Keith  
 Vaz, Valerie  
 West, Catherine  
 Williams, Hywel  
 Williams, Mr Mark  
 Wilson, Phil  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Woodcock, John  
 Wright, Mr Iain  
 Zeichner, Daniel

**Tellers for the Ayes:**

**Jeff Smith and  
 Thangam Debbonaire**

**NOES**

Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David

Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard

Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, James  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bottomley, Sir Peter  
 Brady, Mr Graham  
 Brazier, Sir Julian  
 Bridgen, Andrew  
 Brine, Steve  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Carmichael, Neil  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Mr Christopher  
 Churchill, Jo  
 Clark, rh Greg  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Colville, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Dodds, rh Mr Nigel  
 Donelan, Michelle  
 Dorries, Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, rh Mr Tobias  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Foster, Kevin

Fox, rh Dr Liam  
 Francois, rh Mr Mark  
 Frazer, Lucy  
 Freeman, George  
 Freer, Mike  
 Fuller, Richard  
 Fysh, Marcus  
 Gale, Sir Roger  
 Garnier, rh Sir Edward  
 Gauke, rh Mr David  
 Ghani, Nusrat  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goodwill, Mr Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 Hancock, rh Matt  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harrington, Richard  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Simon  
 Haselhurst, rh Sir Alan  
 Heald, rh Sir Oliver  
 Heapey, James  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 Howell, John  
 Howlett, Ben  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Mr Bernard  
 Jenrick, Robert  
 Johnson, rh Boris  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Kennedy, Seema  
 Kirby, Simon  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lefroy, Jeremy  
 Leslie, Charlotte

Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 McLoughlin, rh Sir Patrick  
 McPartland, Stephen  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Opperman, Guy  
 Osborne, rh Mr George  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Rudd, rh Amber

Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wilson, Sammy  
 Wollaston, Dr Sarah  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Christopher Pincher and**  
**Chris Heaton-Harris**

5.54 pm

**The Parliamentary Under-Secretary of State for Pensions (Richard Harrington):** I beg to move, That the Bill be now read the Third time.

We return to this Bill after last Wednesday's traumatic events. My thoughts and sympathies, and those of all the House, are with those who were affected. I take this opportunity to thank hon. Members from both sides of the House and the House staff for their support and professionalism in what was a very difficult time for us all.

I am pleased to see Madam Deputy Speaker in the Chair, as she has not heard any of this before. This Bill focuses on master trusts, introducing a new authorisation regime for them and setting out how they must satisfy the Pensions Regulator of certain criteria before they can begin, or continue, to operate.

The criteria were developed in discussion with the industry, and respond to specific key risks. Although the Bill provides some detail, more will be set out in regulations after further consultation with the industry and others. The Bill gives the regulator new powers to supervise master trusts, and to step in when schemes risk falling below the required standards. It also gives the regulator additional powers when a master trust experiences a key risk event. A scheme that has experienced such an event will be required either to resolve the issue or to wind up. As well as giving the regulator new powers, this Bill supports continuity of savings for members, protects members when a scheme is to wind up, and supports employers with their automatic enrolment duties.

To protect members of existing schemes, some aspects of the regime will have effect from 20 October 2016. Schemes are required to report triggering events to the regulator, and there are restrictions on certain charges until the event is resolved. The Bill also amends existing legislation so that regulations can override relevant contract terms that are inconsistent with those regulations. We intend to use this provision, along with existing powers, to make regulations that cap early exit charges and ban member-borne commission in some occupational pension schemes.

When this Bill was introduced in the other place last October, it was welcomed across the pensions industry as an essential piece of legislation that would protect the millions of people now saving for their retirement through master trusts. I am pleased to say that the Bill has been broadly welcomed by those in all parts of both Houses. We have listened to the points raised in both Houses, and have continued to engage with stakeholders. I can confirm that we have brought forward a number of Government amendments to address their concerns. In the other place, amendments in Committee mainly related to how the regulator would enforce the new authorisation regime.

Amendments on Report in the Lords focused on regulation-making powers in the Bill, in acknowledgement of the report from the Delegated Powers and Regulatory Reform Committee. One amendment inserted a power to make limited consequential changes to legislation to ensure that the law works as it should. We also made a change to allow the provisions on fraud compensation in the Pensions Act 2004 to be modified for master trusts.

*Question accordingly negatived.*

*Third Reading*

[Richard Harrington]

On Third Reading in the Lords, we made one minor technical change to clarify that regulations on scheme funders' accounts may require them to be audited. In Committee in this House, we agreed further changes. First, the Committee removed a clause that had been inserted after a narrow vote on Report in the other place, which provided for a scheme funder of last resort to meet the costs when a master trust is being wound up without the necessary funds to transfer the accrued benefits. We discussed that once again on Report last week, when the House accepted the Government's argument that this additional provision is unnecessary.

In response to a point raised in the other place about an unintended consequence of the Bill, we made amendments to enable a scheme funder to engage in activities in relation to any part of the scheme, not just the money purchase section. The original requirement in the Bill that the scheme funder be a separate legal entity, and carry out only activities directly relating to the master trust scheme in question, was amended to address concerns about the impact of the requirement on business. The amendments enable scheme funders to operate more than one master trust, and also give the Secretary of State the flexibility to make exceptions to the requirement that scheme funders' activities be limited to the master trusts of which they are the scheme funder or prospective funder.

I thank hon. Members on both sides of the House for their contributions, including the shadow spokesman, the hon. Member for Stockton North (Alex Cunningham), and the hon. Member for Ross, Skye and Lochaber (Ian Blackford)—not least because I can now say the name of his constituency without reading it. I particularly thank the Bill team from the Department for Work and Pensions, and everyone who has contributed to making this Bill an excellent piece of legislation.

6 pm

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): As we know, the passage of the Bill was interrupted this time last week as a result of the horrendous attack that took place just metres from this place. I echo the Minister's remarks, and express my condolences to everyone who is grieving for a loved one, or who is recovering from their injuries. I also express my gratitude to the emergency services, and especially to the incredible support team working in and around this amazing place. I want to say how treasured they all are.

On to the Bill. I want to put on the record my thanks to my hon. Friend the Member for Stockton North (Alex Cunningham) for his unstinting work on this Bill, to our colleagues in the other place, who, as has already been mentioned, kicked this whole process off, and to all our teams for all the hard work they put in to try to ensure that the Bill, which is about closing the gaps in the regulatory framework for master trusts and increasing protections for their savers, is as effective as possible.

It will come as no surprise to the Minister to hear that I regret that he has been a little intransigent in failing to accept our amendments. He might have been constrained, but I wish we could have done more, as it would have strengthened the Bill and protected savers further. However, the Bill as it stands goes some way to

increasing protections for master trust savers, the vast majority of whom were automatically enrolled through their sponsoring employer.

This has not been the easiest Bill to scrutinise. The content is, of course, technical, and an unusual amount of legislation is left to secondary regulations, which is a concern. That is becoming a hallmark of this Government and is entirely regrettable. It has not only brought criticism to the Government from the Select Committee on Public Administration and Constitutional Affairs, which has suggested that the Government are writing legislation in lieu of policy, but has made it difficult for this House to get a full picture of how the legislation will operate in practice.

Nevertheless, we are about to point out a number of significant gaps in the Government's approach to the legislation, as well as some parts that we believe require further thought. As my hon. Friend the Member for Stockton North mentioned last week, we tried to table amendments in Committee to enact our commitment to the WASPI—Women Against State Pension Inequality—women to extend pension credit to those worst affected, ensuring that hundreds of thousands of those women became eligible for up to £156 a week. Sadly, the amendments were not selected. It is a real disappointment that the Government did not use the Bill to address the plight of these women. Labour has a clear, costed plan targeted towards the most vulnerable women, and we are exploring further options to help as many as we can.

Given that we understand that this will be the only pensions Bill in this Parliament—the Pensions Minister can put me right on that—there are many other pensions issues that should have been included in a more comprehensive Bill. As we have said before, this was a wasted opportunity.

Let me move on to the specifics of the Bill. It is a shame that the Government did not heed the advice of our noble Friends in the other place and provide for a funder of last resort. Our amendment would have ensured that scheme members were protected in the event of a master trust becoming insolvent, and would have offered them a clear route for the drawdown of their savings. The Minister believes that the new regulatory framework provides sufficient protection to make this provision unnecessary, yet he seemed unwilling to give a guarantee that no future master trust would go bust. I am glad that he has such faith in the regulatory regime, and I genuinely hope, for the sake of scheme members, that his faith is justified.

We hope to improve the clauses relating to pause orders. Under the legislation, the regulator can step in following a triggering event to halt accumulation and decumulation from a failing master trust. The Government have made an exception for people getting divorced to allow them to access funds held under a pause order, but they did not see fit to offer the same opportunity to, for example, disabled people or those in ill health. This is likely to cause distress to those who desperately need to draw down their savings. The Government did little to consider what would happen to savers affected by a pause order who wished to continue putting aside contributions from their salary and their sponsoring employer for retirement. Our amendment suggested that the employer take responsibility for holding on to these savings until the pause order ended or a new master trust was found. The Government again unfortunately rejected this practical suggestion.



The lack of transparency of costs and charges is a scandal of the pensions industry, and there have been Government promises to tackle it for years. I remember, several years ago, as a member of the Select Committee on Work and Pensions, one of the Treasury Ministers in the last Parliament promising that this would be done, but we are still waiting. It is one of those issues that we are taking far too long to tackle. I appreciate that a review will be published at the end of the year, but that will be too late for legislation. Again, it will be up to the industry to determine what, how and when it will publish its costs.

The matter of charges is a real scandal. I wonder whether anybody here knows the charges on their pension scheme. The charges affecting all savers have been estimated at up to £120 billion a year. We need to decide whose side we are on. Are we going to look after savers or prop up the pensions industry? We tried to raise the issue of opaque costs and charges being applied to members' savings pots by investment managers and brokers, but again, the Government failed to respond. For too long, people have been encouraged to put their faith and, more importantly, their money in a distant savings pot, with very little information about where that money is invested, the performance of their savings and, importantly, the costs and charges incurred on the investment. In short, neither the scheme trustees nor the scheme members have been able adequately to ascertain whether they are getting value for money on their investments. In almost every other market, people looking to purchase goods or services are provided with basic information about performance and cost in advance of their purchase. This is a necessary requirement to ensure that they are getting value for money, yet this basic principle is not operating in our pensions system.

Part 2 of the Bill makes a small step towards greater transparency regarding the charges applied for those hoping to make the most of pension freedoms and to remove their savings from a master trust, but we maintain that it is not enough. Much more could have been done to shine a light on transaction costs applied to investment returns. The Minister committed the Government to implementing the recommendations of the Financial Conduct Authority's report on the asset management market. Surely this would have been a great opportunity for the Government to make a start.

There is a lot of work to be done to tackle the problem of opaque and excessive costs and charges being extracted from workers' savings by investment managers. This Bill merely scratches the surface. The question of governance also remains unanswered by the Government, despite the Opposition's attempts to clarify. We believe that the Bill should have increased member representation on trustee boards. Their money is being invested, and they should be involved. The Pensions Act 1995 introduced the requirement for company pension schemes to have member-nominated trustees. If the scheme's sole trustee is a company including the employer, rather than an individual, scheme members will have the right to nominate directors to that company.

The Pensions Act 2004 enshrined the right to have at least a third of the trustees of a trust-based scheme nominated by scheme members. That stems from the basic democratic principle that those for whom decisions are being taken should have a say in those decisions.

The Pensions Regulator agrees that master trusts are covered by that legislation, which is why some already have member-nominated trustees.

The regulator has, however, turned a blind eye to this matter, on the basis that having multiple sponsoring employers presents a barrier. That is not acceptable, and we have urged the Government to clarify and apply the law in this regard. Scheme members should be represented among the trustees of master trust funds—it is, as I said, their money, and they have a direct interest in ensuring there is a sound and sustainable investment strategy that delivers good value. It is disappointing that the Government did not take up this matter, which requires urgent action. Nor was a convincing argument given as to why master trusts should not have to meet their statutory requirements, especially in the light of the increased risk being borne by scheme members.

It is also disappointing that the Bill does nothing to build on the success of Labour's policy on auto-enrolment by ensuring that saving into master trusts is accessible and encouraged for a number of groups that were excluded from auto-enrolment by the Government's changes to the eligibility criteria. Throughout these debates, we have recognised that the Government have announced a review of auto-enrolment, but we have not yet heard an explanation of why it comes after the Bill. The self-employed, women, those working multiple jobs, carers and people on low incomes could all benefit hugely from an enhanced opportunity to save towards their retirement. Although the Government did not feel they could commit to a proper statutory basis for their review, we shall hold them to account in the review itself to ensure it properly serves excluded groups.

To conclude, we of course welcome legislation to strengthen the regulatory footing of master trusts. We have, however, tried throughout these debates to address a number of serious issues through pragmatic engagement with the Bill, and by highlighting its many gaps. One would think that the Government would have had time to include much more detail on this piece of primary legislation to allow for proper scrutiny in both Houses. It seems, however, that they were unable to get their act together on this aspect of pensions. *[Interruption.]* There is some chuntering from the Government Benches—I think there is dissent there. However, we hope that, through these debates, we have at least drawn attention to these important issues, and to the need to create further security and dignity in retirement for working families across the UK.

6.12 pm

**Ian Blackford** (Ross, Skye and Lochaber) (SNP): May I associate myself with the remarks made by the Minister and the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) about the events of last Wednesday? We should reflect on the fact that those events were unfolding outside this Chamber while we were having our debate. Our thoughts are very much with those who, in the line of duty, defended our interests, including the police officer who lost his life, as well as with the others who lost their lives, those who have been injured and all those who have been affected.

As we have this debate, we should reflect on the responsibility that all Members have to build an architecture that creates a climate in which consumers around the

[*Ian Blackford*]

UK can safely invest in pension schemes and savings, and in which there is an element of trust. I broadly welcome the Bill's role in improving the landscape. It is an important step forward in so far as it puts in place the necessary protection for those who are investing through auto-enrolment. It is crucial that we have the regulation in the Bill.

Like the Labour spokesperson, the hon. Member for Oldham East and Saddleworth, I would have been happier if the Government had accepted some of our amendments. Having said that, I was very much encouraged by the Minister's response last week, particularly to an amendment I tabled regarding section 75 of the Pensions Act 1995. I welcome the commitment to revisiting this issue. As has been said, the Bill has to be seen in the wider context of what we are seeking to achieve on pensions.

Two of my new clauses were not selected for debate, one of which was on the establishment of a pensions and savings commission. I still believe that the Government should consider that proposal, because an awful lot is going on in this landscape, some of which was described by the hon. Member for Oldham East and Saddleworth. There is the forthcoming review of auto-enrolment. We have had the Cridland review, the Green Paper on defined-benefit pension schemes and the FCA paper. I think that there is a willingness among all of us to work collegiately to improve the interrelationship of all these factors. I look forward to the debates that we will have in taking this forward. This all comes back to my point about how we can create further confidence so that we get effective saving in the pensions landscape.

I put this in the context of the Green Paper, one of the most striking features of which is the indication at its beginning that the average defined-benefit pot is £7,000. We all have to accept that pension savings are not at an appropriate level. We all want people to save to such an extent that they can have dignity in retirement through both their workplace pension and the state pension provision. I look forward to working with the Government on the review of auto-enrolment. While we are improving the protection for today's consumers, we need to do more to protect other people, particularly a lot of women who have been excluded, such as those in part-time jobs who are below the threshold, and the self-employed.

I applaud the Government for what they are doing. While the Bill is a very necessary step forward, there is much more that we can do by working together for the mutual benefit of those who invest in pension schemes.

*Question put and agreed to.*

*Bill accordingly read the Third time and passed, with amendments.*

## Middle Level Bill

### *Second Reading*

6.17 pm

**Kevin Foster** (Torbay) (Con): I beg to move, That the Bill be now read a Second time.

It might be helpful for the House if I give some background to the Bill and set out the reasons why it is before us. The first point—

**Mr Christopher Chope** (Christchurch) (Con): Will my hon. Friend give way?

**Kevin Foster**: I will make some progress and then I will happily give way.

For those not familiar with the Bill, the first thing is to ask, "What is the Middle Level?" The Middle Level is the central and largest section of the Great Level of the fens, which was reclaimed by drainage during the mid-17th century. The area is bounded to the north-west and east by the Nene and the Ouse washes, to the north by the previously drained marshland silts, and to the south and west by low clay hills. The Middle Level river system consists of over 120 miles of watercourses, approximately 100 miles of which are statutory navigations, and has a catchment of just over 170,000 acres. Virtually all the fenland within the Middle Level catchment lies below mean sea level.

The Middle Level Commissioners, together with the local internal drainage boards, therefore operate a highly complex flood protection and water level management system to balance the various water uses and requirements, and to alleviate the risk of flooding of land and properties. The efficient operation of this system is vital to the safety and prosperity of the 100,000-plus people who live and work in the area and the 26,000 properties that depend on it. But for the operations of the commissioners and the local boards, much of the fenland would be underwater for a lot of the year, access from higher ground would be cut off, and many of the current land uses would be impossible.

**John Howell** (Henley) (Con): The levels are very important because they often have quite sensitive archaeology. Would the Bill affect that in the slightest?

**Kevin Foster**: My understanding from the promoters of the Bill is that it is about the framework for the management of the levels and the waterways, rather than specific developments or projects. If the commissioners decided to pursue such things, they would have to go through the usual process to get permission. Given the historical nature of some of these sites, that could involve an extensive consideration of archaeological impact.

**Mr Chope**: Now that my hon. Friend is taking interventions, may I ask him what his status is? He is telling us about the Bill and the location with which it deals, but his constituency is nowhere near the affected area. Why has it not been possible for the promoters of the Bill to find a local MP who is sympathetic to it?

**Kevin Foster**: My hon. Friend is a doughty scrutiniser of Bills, even if they do not relate to Christchurch. I know that he, like me, takes his duties as a Member of the House very seriously when it comes to promoting

and debating legislation. He rightly champions the point that there is no restriction on our debating legislation even if it does not directly affect our constituencies. Private Bills must be sponsored by Back-Bench Members, for obvious reasons, and some of the MPs directly affected by the Bill are Ministers. Given the interest that I have expressed in waterways and their consistent management, I think that it is appropriate for me to sponsor this Bill. Of course, all Members will have the opportunity to participate in the debate, and I hope that we will hear from at least one local Member who is directly affected. I am sure that my hon. Friend will also share his insights into the Bill.

**Sir Henry Bellingham** (North West Norfolk) (Con): I am not directly affected by the Bill, but the drains and waterways in question are adjacent to my constituency. I support the Bill 100%, and I am delighted that my hon. Friend is sponsoring it. I think it is appropriate for him to do so, because a local MP might encounter conflicts of some kind. It makes a great deal of sense for an MP from another part of the country to sponsor this important Bill to give the commissioners more powers, and we are grateful to him for doing so.

**Kevin Foster:** I thank my hon. Friend for his intervention; I could not have put it better myself.

Why do we need a Bill? As many hon. Members know, I regularly make the point on Fridays that legislating is not something to do for the fun of it or a unique form of parliamentary sport. For a Bill to be worthy of parliamentary time, there must be a clear need for it. This private Bill is being promoted by the Middle Level Commissioners, a statutory corporation constituted under the Middle Level Act 1862. The commissioners provide flood defence and water level management to the Middle Level area, and they are the navigation authority for the Middle Level river system. The legal framework that governs the commissioners' navigation function is made up of several 18th and 19th-century Acts that regulate the use of these waterways, which were mainly laid out in the 17th century.

**Mr Stewart Jackson** (Peterborough) (Con): May I, through you, Madam Deputy Speaker, offer my sincerest apologies for my lateness? I was detained coming into the Palace.

Does my hon. Friend agree that the area covered by the Middle Level Commissioners is not strictly analogous to that of other navigation authorities, in that the Middle Level area consists essentially of interconnected drainage basins rather than stand-alone, bespoke rivers and canals?

**Kevin Foster:** My hon. Friend shows his exceptional knowledge of his constituency and the assets that support it. He is right. Fundamentally, as I will come on to say when I talk about the regulatory framework, the waterways in question were built as a drainage system, but they have gone on to be used by pleasure boats and other vessels. One of the reasons why the Bill is necessary is because some of the uses were not envisaged at the time of the 1862 Act. Clearly motorboats did not exist at the time, and the concept of canal usage was very different.

**Mr Chope:** Will my hon. Friend give way?

**Kevin Foster:** I will make some more progress and then I will be only too happy to give way again.

The regulation of these waterways, which were mainly laid out in the 17th century, is considerably out of date and does not align with modern requirements or the statutory framework applicable to other navigation authorities, including neighbouring ones. In particular, the current legal framework that governs the commissioners does not include adequate provision for the registration of vessels using the waterways or the levying of charges for the use of the waterways and associated facilities. In my briefings with the promoters, it was remarked that the framework means that the exemptions are for pleasure craft and those transporting manure. As a result, the commissioners currently do not receive any income from the navigation of the waterways, so money raised through drainage rates and levies has to be used to fund navigation, rather than flood defences. In the financial year ending on 31 March 2016, this amounted to £178,929.06 of unfunded expenditure. The commissioners are therefore seeking to update and clarify their powers to enable them to regulate and fund their waterways properly.

The powers sought are similar to those already used by other large inland navigation authorities, such as the Canal & River Trust, the Environment Agency and the Broads Authority. In essence, the future maintenance and management of the waterway will be funded in a similar way to others, not based on one set of users, and those who benefit can be asked to contribute.

Why do we have a private Bill? The commissioners originally proposed to update their governing legislation in the 2000s using a Transport and Works Act order. They approached the Department for Environment, Food and Rural Affairs, which rightly considered that the introduction of the proposed registration and charging schemes would be outside the powers of a TWAO, so the proposals did not proceed any further. Having consulted on updated proposals, the commissioners approached DEFRA again last year, but in October 2016, the Department confirmed that its position had not changed and that a TWAO could not be used. Its reasoning was that a TWAO could not be used to impose charges on navigation governed by primary legislation that does not itself contain charging provisions, as is the case for Middle Level navigation. It was therefore suggested that the commissioners should pursue a private Bill to update their powers.

I am sure that Members will agree that this is the right approach. It is welcome that we can debate these important subjects in our consideration of the Bill. Although this is the first opportunity for a wider debate in the House on this matter, the proposals will not come as a surprise to those who might be affected, as there has already been a wider consultation.

**Mr Jackson:** My hon. Friend is making a very good speech. May I put it to him that, at first sight, the Bill is an attempt to regularise the Middle Level vis-à-vis legislation for other navigation authorities, but what is missing from it—this might be different with secondary legislation—is any commensurate commitment to upgrade facilities that are similar to those of other navigation authorities? That is the Achilles heel of the Bill, and it is where it might need to be looked at again by this House or the other place.



**Kevin Foster:** I will respond to those comments when I come on to the petitions. However, I agree with my hon. Friend: clearly nobody wants to pay extra charges for the same facilities, but if we do not change the legal framework, those using the Middle Level for drainage are being asked to pay for facilities for those using it for navigation, making it very unlikely that facilities will ever be developed. These things need to go hand in hand. When I move on to the petitions, I will say a bit more about the commissioners' views about the facilities that people who are required to pay should expect in exchange.

**Mr Chope:** Is it right to say that the consultation took place at the same time as the EU referendum, the outcome of which we are celebrating today? Is it also right to say that, for example, the March cruising club, whose headquarters is almost opposite the commissioners' offices, was not consulted, and that other petitioners were not consulted either?

**Kevin Foster:** I know that my hon. Friend would agree with me that people are more than able to deal with two issues at the same time. The EU referendum was very important and many hon. Members engaged with it—I know that he engaged passionately and put his side of the argument—but they can also deal with other things, as was true today, when hon. Members have had various items on the agenda. I would not say immediately that the fact that the consultation coincided with the referendum meant that nobody took part in it. Petitions against the Bill have been deposited, and if the Bill is read a Second time, the petitioners can be heard before an Opposed Private Bill Committee, which will scrutinise the Bill in more depth. I hope that my hon. Friend will support the Bill on Second Reading so that those points can be made, the petitioners can come along and we can consider how to work constructively and appropriately to create a modern framework of regulation, rather than continue with a framework based on the needs of the 17th, 18th and 19th centuries.

**Sir Henry Bellingham:** My hon. Friend is being generous in giving way. He made the key point earlier to my hon. Friend the Member for Christchurch (Mr Chope), which is that the powers need to be brought up to date, made more fit for purpose and more modern, and brought into line with similar powers over other waterways, as exercised by the Environment Agency, the Canal & River Trust and the Broads Authority, which is near my constituency. An update is long overdue.

**Kevin Foster:** I thank my hon. Friend for putting succinctly the exact points that need to be made. The current system of regulation dates from another era and it needs to be brought into line with the successful system elsewhere. The House is not being petitioned to revert other areas to the old system, but there is a demand for change.

It might be helpful if I go through the consultation that took place between February and June 2016. The commissioners notified affected parties, including those with navigation interests, land drainage interests and local authorities, and published newspaper notices and placed details on their website. Of the 23 responses received, 18 were supportive, three neutral and two opposed.

It might be helpful if I list the supporters. They include the Inland Waterways Association, the East Anglian Waterways Association, the Association Of Nene River Clubs, the National Association of Boat Owners, the Middle Level Watermen's Club, the Residential Boat Owners' Association, the Association of Waterway Cruising Clubs and five local councils. My hon. Friend the Member for North West Norfolk (Sir Henry Bellingham), who represents a nearby constituency, has also indicated his support.

It is also right that I mention the concerns. Six petitions against the Bill have been deposited by individuals with varying interests in the navigation of the waterways, including the March cruising club, which my hon. Friend the Member for Christchurch (Mr Chope) has mentioned, and the National Bargee Travellers Association. The commissioners have been considering the points raised in the petitions. As I touched on in response to my hon. Friend's intervention, if the Bill is given its Second Reading the commissioners will respond to those points prior to the Opposed Private Bill Committee. Both the commissioners and the petitioners will then have the opportunity to give evidence directly supporting their case to the Committee, which will determine the line-by-line detail of the Bill and whether its principle has been proved.

The Bill is long and complex and, for the benefit of Members, I do not intend to go through every aspect of it or of the petitions. There are, however, two issues that I think I should cover to assist the House. The first relates to houseboat owners. For some, the Middle Level is their home, not just a pleasure watercourse. I acknowledge, therefore, that one of the petitioners is the National Bargee Travellers Association. I have raised that issue in relation to the Bill's powers and have been advised that the commissioners are a public authority bound by the Human Rights Act to comply with the European convention on human rights. If removing a vessel would interfere with its owner's article 8 rights—namely the right to respect for private and family life, home and correspondence—that could be done only if it is proportionate to do so. The courts have indicated that it is more likely to be proportionate if a vessel plainly fails to meet safety standards or its owner consistently refuses to show that they have insurance, but it is not likely to be proportionate if there is a genuine dispute about breach of licence conditions.

The commissioners can spell that out in more detail in registration byelaws, if the Bill is passed. Of course, those byelaws will also be subject to ministerial confirmation. We could also explore the issue in more detail in the Bill Committee. Ultimately, those who make the place under discussion their home could also benefit from gaining better facilities and a more secure future via a modernised system of regulation and a modernised legal framework for the Middle Level.

My hon. Friend the Member for Peterborough (Mr Jackson) highlighted the second point, which is the idea of people paying more but not getting any facilities in return—in other words, a tax on using this stretch of water. I accept—I hope that the Bill's promoters do as well—that this has to be a two-way street. Those who navigate cannot be charged more if they are going to receive a pretty similar service. There has to be a clear benefit. I have raised the issue with the Bill's promoters and they have advised me that the commissioners recognise

that navigators being asked to pay charges will have to get something in return for their money—there is no two ways about that. They have agreed with the Inland Waterways Association, the East Anglian Waterways Association and the National Association of Boat Owners that they will set up a users' panel, if the Bill is passed and the framework modernised. The panel will be able to discuss an annual programme of maintenance improvements before each year's charges are set. The precise arrangements for the panel have not yet been agreed, but the commissioners could certainly set out more detail before the Bill Committee if that would be helpful.

I hope that that provides some reassurance to the House, but again this is a matter we could explore in some depth in Committee. I would just make the point that, as with the older regulatory Acts, we may wish to consider carefully how much we want to put on the face of a Bill and how much could sensibly be left to allow some flexibility for the day-to-day management of the levels.

There is a lot of detail I could go into, particularly in relation to the patchwork of rather elderly Acts that regulate this waterway. To allow time for debate, I will not go through them all. I am, however, happy to respond to points raised during the debate and I look forward to the Minister's comments. I hope that the Bill receives its Second Reading, so that its promoters and petitioners can make their case in Committee, and the Middle Level can have the modern, up-to-date system of regulation it deserves.

6.35 pm

**Sue Hayman** (Workington) (Lab): I am pleased to speak to the private Bill on behalf of the official Opposition. I thank the hon. Member for Torbay (Kevin Foster) for so thoroughly covering the background and setting out why the Bill is needed. I would like to emphasise a few points, because I think it is important that the House has a clear understanding of the proposals and of why the Bill is needed.

The Bill amends and updates the powers of the Middle Level Commissioners to regulate navigation on the Middle Level of the fens. It will bring the Middle Level into line with powers granted to the Environment Agency, the Canal & River Trust, and the Norfolk Broads Authority. We have heard that the existing legislation dates from the 18th and 19th centuries, primarily the Middle Level Act 1862, and so it is remarkably out of date.

The Middle Level Commissioners provide flood defence and water level management to the Middle Level area, and are the navigation authority for the Middle Level river system. The Middle Level, the largest of the Great Level of the fens, was reclaimed by drainage of the land in the 17th century. It consists of over 120 miles of watercourses, with 100 miles of them being statutory. But for the operations of the commissioners and the local internal drainage boards, much of this fenland would be underwater, as much of it is below sea level. This would have a devastating impact on the 100,000 people who live and work in the area.

The commissioners have consulted widely and thoroughly with interested parties, the substantial majority of whom were in favour of the proposed changes. In a nutshell, the Bill would allow the Middle Level Commissioners

to: charge vessels to use the waterways; fine people for staying longer than allowed at moorings; check that boats using the waterways have valid insurance; remove sunken or abandoned vessels; temporarily close sections of waterways for works or events; and enter into arrangements with other navigation authorities for the mutual recognition of registrations and licences.

Chris Howes, a local boat enthusiast, told the *Wisbech Standard* in March 2016 that he agreed with the commissioners' plans, citing the apparently abandoned boats rotting away on the Old Nene that could be got rid of under the new powers. He said:

"the proposals are potentially so exciting, and so beneficial to Fenland, it's hugely important that they come to fruition... If we want Fenland to aspire to be a tourist destination in the same way that Holland is, generating income to invest in our currently largely inaccessible waterways is a necessary stage."

Iain Smith, the chief executive of the Middle Level Commissioners, said:

"it is important to update the laws, enabling us to have better control of the waterways we oversee."

Additional income for the commissioners could make a real difference to fenland and to the waterways. I personally know the area well, having lived near there for a number of years, and would support any efforts to boost the local economy.

The Bill would bring legislation covering the Middle Level into the 21st century, in line with other navigation authorities. We support it.

6.39 pm

**The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey):** Thank you for calling me to speak, Madam Deputy Speaker. I congratulate my hon. Friend the Member for Torbay (Kevin Foster) on his opening remarks. I am delighted to see in his place my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham), because today is his birthday. That just shows how dedicated he is to his constituency duties. As he accurately identified, although his constituency is covered by the Middle Level Commissioners, this particular part of the navigation covers other stretches, including parts of the constituencies of my right hon. Friend the Member for South West Norfolk (Elizabeth Truss) and my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay) who, as members of the Government, cannot speak directly to this Bill.

**Sir Henry Bellingham:** I am grateful to my hon. Friend for her extremely kind remarks. She will be aware of two things. First, she will know that quite a lot of the navigation traffic—boats and other craft—start their journeys in King's Lynn or in my constituency and go upstream into some of these waterways. Secondly, on a point that I am sure she will come to, she and I share a passion for flood defences, and one has to remember that the extra money will be used to secure some of these waterways to prevent flooding. Flooding would obviously be devastating for all the surrounding farm areas and the many people who make their living in this area.

**Dr Coffey:** As my hon. Friend shows, he is assiduous in ensuring that people who start their journey in his constituency are well served. I recognise what he said about how the management of waterways can help with flooding.

[*Dr Thérèse Coffey*]

The main purpose of the Middle Level Bill is to amend and update the powers of the Middle Level Commissioners to regulate navigation on the Middle Level of the fens in the city of Peterborough and the counties of Cambridgeshire and Norfolk. The commissioners are the navigation authority for these waterways, and have powers under a range of local Acts passed between 1663 and 1874. They are the fourth largest inland navigation authority in the country by length of navigable waterway.

As my hon. Friend the Member for Torbay set out, the commissioners have previously lobbied my Department, which is the lead policy Department responsible for inland navigation matters in this country. They wanted us to take forward legislation to amend the navigation powers, but given the constraints on Government time for legislation and the fact that the focus of the provisions is local, it was on our advice that the commissioners brought forward this private Bill. I welcome the work they have done in bringing forward the legislation that we are considering today.

As for Government scrutiny of the Bill, as the Minister responsible for inland navigation matters, I want to be satisfied that the proposed legislation and the measures included in the Bill are fit for purpose. I believe that they are, because the existing legal framework that governs the commissioners' navigation function is now considerably dated. Some of the current laws under which the commissioners are working not only date back more than 250 years, but do not align with modern requirements. Furthermore, the current laws do not align with the statutory framework applicable to other navigation authorities—including, in particular, the commissioners' neighbouring navigation authority, the Environment Agency, which is responsible for navigation on the River Nene and the Great Ouse. This Bill will update this dated legislation.

Unlike many other navigation authorities, such as the Environment Agency, the commissioners do not have charging powers to license boats that use their navigations. The Bill will allow that to happen and give the commissioners powers to introduce a registration scheme for vessels using the waterways. It will give the commissioners powers similar to those already exercised by other authorities such as the Environment Agency, the Canal & River Trust and the Broads Authority in respect of their own navigations. Importantly, the Bill will not alter the commission's existing duty to protect and maintain the navigations, or affect the public's right of navigation on the waterways. The Government would consequently be content for the Bill to make progress.

6.43 pm

**Mr Stewart Jackson** (Peterborough) (Con): I begin with the remark that all politics is local. We are now discussing the Middle Level Bill, while earlier today we were talking about major geo-political issues, including the invoking of article 50. Such is the cornucopia of delights available in the House of Commons.

We should not divide on this Bill. It is important to have a full and comprehensive debate today, but it should then proceed to Committee so that, as my hon. Friend the Member for Torbay (Kevin Foster) who so eloquently introduced the Bill as sponsor said, it can be looked at in greater detail.

I am a local Member of Parliament, but, as the Minister said, it has not been possible for Ministers directly affected by this Bill, principally my parliamentary neighbour my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay), who is a Government Whip, to speak to it. However, as Members will know, the waterways we are discussing meet the River Nene at the city of Peterborough, and I therefore have a direct connection with and interest in the debate. Incidentally, in Cambridgeshire it is the River Nene, whereas in Northamptonshire, across the county line, it is—for some bizarre reason—the River Nen.

I pay tribute to one of the petitioners, my constituent Chris Taylor of Newborough, who has been indefatigable in raising this important issue and holding the Middle Level Commissioners to account. Like him, I believe that the petition period was insufficient and that there has not been a proper debate, but my principal worry is that there has been no cost-benefit analysis.

As I said to my hon. Friend the Member for Torbay earlier, we are not talking about a navigation authority that is analogous with authorities such as the Broads Authority and other authorities throughout the country that provide better facilities—in fact, provide any facilities—and I think that legislating for a power to impose tolls and charges without upgrading those facilities would be a draconian and retrograde step, which is why, in my view, we need to debate the issue further in Committee.

I appreciate that it is imperative to regularise the legal basis for the navigation authority's duties and responsibilities, with—as the Minister said—the proviso that the Government do not become involved in the detailed operational matters of the Middle Level Commissioners, but oversee their statutory duties. I understand that the Government broadly support the need to update and amend the existing legislation, on the basis of what is in the documentation. As the Minister said, it is very aged legislation. There is not just the 17th-century legislation that she mentioned; there are the Middle Level Acts of 1810 to 1874, the Nene Navigation Act 1753, the Land Drainage Act 1991, and the Flood and Water Management Act 2010.

As I said earlier, what we are discussing is not a traditional canal or river, but interconnected open drains. The land was drained in the 17th century to release it for agricultural and other uses. As it is below sea level, until then it was effectively an inland sea. As for the town of Whittlesey, the clue is in the name. It was pretty wet, and was not used greatly. However—of course I would say this, as the local Member of Parliament—it contains some of the finest agricultural land in Britain, if not Europe, because it is incredibly well irrigated. We must bear in mind that the Middle Level Commissioners differ substantially from the more traditional navigation authorities.

The key issue that has caused concern is not just the basic issue of charges, as covered in clause 3 and, potentially, clause 9, which deals with byelaws. I accept that the petitioners are in the minority, but they contend that their public rights of navigation—not exactly ancient rights, but very well-established historical rights, bestowed on them in the latter part of the 17th century by the Duke of Bedford, who was a major landowner to the east of Peterborough and in the fens as a whole—are being curtailed and reduced. Indeed, they contend, in



their petition and in further papers, that those rights go back much further, beyond even Magna Carta in 1215: as far back as the 4th century. That is a major issue.

Let me give some more details of the petitioners' complaint. We must bear it in mind that this is about charges on the 600 to 1,000 pleasure boats that use these 100 miles of waterways every year; it is not about commercial activity. I accept that in these straitened economic times public authorities have to look where they can to secure extra funding, and that it cannot just come from landowners, farmers and the taxpayer. I do not have an ideological aversion to further tolls and charges, therefore, but I do have an aversion to any unfairness to existing users of the facilities.

At the moment there are no services on this waterway: there are no water points, changing facilities, moorings, toilets, showers or collection points for rubbish. More importantly, notwithstanding the fact that secondary legislation might ameliorate the issue, at the moment that is not covered by the Bill and is not promised. That is an important point made in the documentation by the Residential Boat Owners Association and the National Barge Travellers Association.

My hon. Friend the Member for Torbay rightly pointed out that there is a human rights legislation issue, because if we are curtailing the right to a family life under article 8 by removing the capacity of people to enjoy what is their home—a barge, for instance, or a pleasure cruiser—that is a wider legal issue. That could be explored further in Committee.

**Sir Henry Bellingham:** I thank my hon. Friend and constituency near neighbour for giving way. Does he accept that this is not just a question of using the levies for fees for providing services, because essential bank maintenance is also needed? Unless the banks are properly maintained, in a worst-case scenario there could be appalling flooding with the banks giving way, because, as he rightly points out, this area was extensively drained in the 16th century. So it is not just a question of providing facilities; it is also a question of maintaining the fabric of the waterways.

**Mr Jackson:** May I add to the congratulations of the House on my hon. Friend's birthday? If I may say so, he is pretty ageless—he has not aged during the 12 years I have been in Parliament—and felicitations to my hon. Friend.

My hon. Friend is absolutely right that flood prevention and flood amelioration are massively important; we agree on that.

**Rebecca Pow** (Taunton Deane) (Con): I come from Somerset, and while I am not familiar with the exact area, my example is just the same. Surely any income that can be raised from navigation of the waterways would be welcomed, because currently, as I understand it, precious moneys raised through drainage rates and levies that ought to be going to vital flood prevention work to protect our precious farmland are being diverted to navigation works. This Bill is just tightening that up to correct this injustice.

**Mr Jackson:** I am mindful of time and know that other Members want to contribute, particularly my hon. Friend the Member for Christchurch (Mr Chope), so I will wrap up—also the Whip is giving me the evil eye, but only in her most endearing way.

I defer to the knowledge of my hon. Friend the Member for Taunton Deane (Rebecca Pow), and know that Somerset suffered the most appalling trauma of wide-scale flooding about five years ago. I do not think that it is mutually exclusive for us to be removing sunken boats, dredging and doing important infrastructure work that needs to be done, but it needs to be done in a more systematic way, and I am unconvinced about this private Bill, which seeks to be quite innocuous but is potentially quite draconian in what it imposes on people whose rights have been established for many hundreds of years.

It has been a pleasure to have this opportunity to represent Mr Taylor and some of the other people. If we are not here to represent unfashionable views of our constituents, we are wasting our time. In the course of the debate about this Bill, I hope that the petitioners and others with a key interest in the Middle Level will have the opportunity to have a cordial, productive meeting with the Middle Level Commissioners, and that some of those comments will be taken on board in Committee, so that the Bill will be improved. I hope that we can regularise the legislative necessity of the Bill while keeping faith with the people who are the lifeblood of the area—the pleasure boat users—because we need to look after their interests, too. I hope that we will find a mutually beneficial compromise in the near future.

6.55 pm

**Wendy Morton** (Aldridge-Brownhills) (Con): I am mindful of the hour, so I will keep my contribution brief. As a member of the all-party group on waterways and a narrowboat enthusiast, I support this private Bill and want to take a few minutes to explain why.

Across the country, we have benefited from and continue to benefit from an incredible network of over 2,000 miles of canals, waterways and other navigations. In my constituency, we have the Wyrley and Essington canal, on which we have taken our own boat, but I have never been on the Middle Level—yet. Once the means for transporting goods in and out of and across the west midlands, the waterways are now a place for walking and for leisure. Through the work of the Canal & River Trust, the Inland Waterways Association and others, including many local organisations, charities and volunteer groups, we have seen a remarkable revival in our waterways in recent years, and they are being put on a more sustainable footing.

The Middle Level Bill relates specifically to the central and largest section of the Great Level of the fens—an area reclaimed by drainage during the mid-17th century. There are Members present with far more local knowledge than I would ever declare having, but the area covers 120 miles of watercourses, 100 miles of which are statutory navigations. As we have heard, the Bill seeks to modernise the commissioners' operational powers and allow them to levy charges on users of the waterways to pay for their navigation functions.

**Jim Shannon** (Strangford) (DUP): Something that has been in the press over the past few weeks is the amount of litter that has been deposited across the countryside, including in waterways. Will charging boat owners mean that that litter will be taken away and properly disposed of? If that is part of the Bill's purpose, it must be a step in the right direction.

**Wendy Morton:** I am grateful to the hon. Gentleman. When I am out on the waterways, I certainly notice stretches with a lot of litter and debris. Every user of our canals, whether on the water or walking, has a duty to play their part in collecting litter, and we need provision for places where it can be placed.

What is particularly interesting about the Bill is that the commissioners currently have no navigation income. Any navigation works must be subsidised by those who pay a drainage levy. It is the largest navigation authority in the country without a navigation income.

**Mr Chope:** Will my hon. Friend give way?

**Wendy Morton:** I am about to conclude, so I will continue because I am mindful of the time pressure.

The Bill is needed because it will aid the Middle Level Commissioners in becoming—this is crucial—a sustainable navigation authority with the proper powers to manage a 21st-century navigation, which is in the interests of those who use it and those in the local area.

6.58 pm

**Mr Christopher Chope** (Christchurch) (Con): This debate would not be taking place if I had not blocked the Bill from going through on the nod on Second Reading. We have already heard about the benefits of having a proper Second Reading debate on a private Bill. Having spoken to some of the petitioners on the telephone, I point out that the Bill's promoters have a serious responsibility to engage with those who take a different view or have concerns about its contents. One petitioner told me there has been no contact whatever from the authorities.

It is easy to talk about the Bill going to an Opposed Private Bill Committee. I have no objection to the Bill having a Second Reading, but it is important that it goes to an Opposed Private Bill Committee after there has been an exhaustive discussion between the petitioners and the promoters, rather than the Committee being used as the forum for that discussion, because the private Bill procedure in Committee is expensive and potentially adversarial. I wish that there had been more discussion between the promoters and the objectors.

**Kevin Foster:** When he intervened on my speech, my hon. Friend cited the example of the March cruising club. I have asked for clarification, and I am advised that the club was written to and telephoned but, sadly, there was no reply. A petition would allow further communication, but I have been advised that there was no reply to the consultation. I fully agree that there needs to be such engagement, as well as a formal Committee session.

**Mr Chope:** I am glad that my hon. Friend agrees with the need for informal engagement before the Bill goes to an Opposed Private Bill Committee, because apart from anything else, some of the petitioners are not well funded. If the Committee is prolonged and the petitioners have to be represented by counsel, the costs will be disproportionately high.

The National Audit Office published an illuminating report on internal drainage boards on 21 March—basically we are talking about a collection of drains, not canals. The report expresses concern about conflicts of interest

and the need for proper oversight and assurance that the internal drainage boards will not engage where there are conflicts of interest.

I notice that there are 33 independent internal drainage districts within the Middle Level, each of which is responsible for the local drainage of its area. When we talk about giving more powers to the Middle Level Commissioners, we need to be circumspect about the checks and balances on the exercise of those powers, which I hope the Committee will be able to investigate when it meets to consider the proposals and the petitions against them.

One of the petitions is from Nigel Moore, who says that he is

“a boat owner and manager of other people’s boats on various navigations, is an adviser on nationwide legal issues relating to boating, and is currently an approved lay advocate for a boater in a High Court action wherein issues arise over the interpretation of similar clauses to that proposed in this Bill.”

He objects to the Bill because it

“entails clear abolition of private and public rights to no justifiable purpose, and will lead to unnecessary future litigation over ambiguities.”

Like other petitioners, he refers to the Bill’s wide interpretation of the term “waterways”. Schedule 1 will extend the term to a lot of areas that are not even navigable. The Bill will also extend the commissioners’ powers to adjacent waters, including private waters that are not currently within their jurisdiction. Apparently that, so Mr Moore says, has been

“a contentious point in related litigation.”

**Sir Henry Bellingham:** My hon. Friend says that rights are being taken away. Surely we are talking about the introduction of a few extra responsibilities and a few extra charges. What rights will be removed?

**Mr Chope:** As a result of the Bill, owners of private waters that are not subject to the Middle Level Commissioners’ control will find themselves incorporated within the responsibilities of the commissioners, who will be able to use their regulatory powers in relation to what are currently private waters. That is an extension well beyond what one might have thought of as being the scope of the Bill. As my hon. Friend knows, being an experienced Member of this House, as soon as people get the opportunity to start legislating they always want to take more powers than they strictly need, which is one of the petitioners’ concerns.

**Mr Jackson:** Does my hon. Friend agree that there is confusion about the duties and responsibilities of the authority as between navigation and dredging under the Bill? That needs to be clarified when the Bill goes into Committee.

**Mr Chope:** Again, that is a good point, and it has been raised in several of the petitions.

Mr Moore expresses another concern, in stating that he “objects to Clause 8(3) because the wording follows that of the contentious British Waterways Act of 1983, section (8), which has led to years of litigation as to its effect, whereas the wording of the similar clause in the Environment Agency (Inland Waterways) Order 2012 section (16) is far superior, and allows for no such ambiguity and potential attempted and unwarranted extension of powers. The wording ‘without lawful authority’ is also wholly inapplicable to refer to boats on public navigable waters, when the

right to be on the waterways derives from the public right, and the proposed provisions for registration of boats does not change that. This was the burden of Environment Agency submissions in a recent case on the Thames, which was, in my submission, correct”.

So he thinks that as worded, clause 8(3) would not only be against the expressed policy of the Environment Agency, but

“would be unenforceable and ineffectual in law, contrary to the expectation of the Commissioners, and prejudicial to the rights of boaters.”

I hope that even if nothing else is sorted out in Committee, those issues raised by Mr Moore will be.

As we have heard, a petition has also come from the March cruising club, which has been submitted by Mr Harwood, the club harbourmaster. Apart from complaining about the inadequate consultation, he raises a number of issues. Following on from the history that has been outlined by a number of the participants in this debate, he says:

“Pleasure boats have had free navigational access to the Old River Nene, which forms a large navigational section of the Middle Level, from before 1215 protected by Magna Carta and many subsequent statutes and Royal Commissions. There are even Roman transcripts describing navigation along the Old River Nene as early as the 4th Century during the Roman occupation. The Old River Nene is a natural river and a Public Right of Navigation has existed since Time Immemorial and was first codified in the Magna Carta of 1215.”

**Kevin Foster:** I am not sure whether my hon. Friend is aware of the preamble to the Nene Navigation Act 1753, which describes the ancient navigation as

“being, at all times, extremely tedious, difficult and dangerous, and very frequently altogether impracticable”.

**Mr Chope:** I do not quite know what point my hon. Friend is making, because he is referring to a preamble to a piece of legislation—of course that is not an Act of Parliament. I am not sure that what he says undermines anything I have been saying in citing the submission of the March cruising club. I am sure that when the promoters engage properly with that club, they will be able to explore that issue further.

One other point made by the cruising club, which contradicts a number of assertions made in this debate, is that the commissioners already have the power to charge boats for the use of their waterways, but what they do not have is the power to charge pleasure boats. If there is a shortfall of £178,000 of unfunded expenditure, as has been alleged, there is nothing to prevent the commissioners from charging vessels that are not pleasure boats, or indeed charging for other activities. That would be consistent with the historical rights of pleasure boat owners to use the navigation without charge. The club goes on to say that the Middle Level is basically a “network of navigable drains”, so it is in a completely different category from some of the comparators that have been cited in support of the Bill by its promoters.

The club makes several other points in its submission, one of which was echoed by my hon. Friend the Member for Peterborough (Mr Jackson). It objects because

“the Bill contains no obligations under which the Commissioners would be duty bound to provide an adequate depth of water for navigation; dredging; maintenance or any facilities to boaters. Essentially, boaters would notice nothing positive, but would be subject to legislation that would: force them to pay a fee to register; pay annual licence fees; be a criminal offence to use the

navigation without a licence; be forced to display a registration number; restrict access during certain times of the year; have the risk of being refused a licence and appealing the decision in a Magistrates Court. There are no advantages for boaters in return. This will destroy the Middle Level navigation and the boating community.”

There are several other detailed points in the submission, but I shall not cite them all.

Unless the issues I have described are resolved amicably between the petitioners and the promoters, the Bill will have a pretty slow passage through the House, because I am sure Members will not wish to impinge on the rights that individuals have enjoyed for many years unless there is strong justification.

Another petition comes from Mr John Hodges, who describes himself as a “member of the public” and a “homeowner with mooring on the banks of the Middle Level”.

He says that the proposals will “directly and specially affect” his rights. That is an indication of another category of objector.

There is also a petition against the Bill from somebody called Derek Paice, whose submission describes him as living

“on a narrowboat (which, since it is not a ‘commercial boat’, most fits the description of ‘pleasure boat’ in the Nene Navigation Act 1684) on the Middle Level and this has been his home since 2011. This was the only available and affordable option after losing his home of eight years when his father died.”

His submission alleges that

“the proposals contained in the Bill will directly and specially affect his rights and interests, including allowing the commissioners new powers to seize his home and sell it on for less than its value, effectively making him homeless, destitute and an additional cost to the state.”

Mr Paice’s submission goes on to say that the Bill

“contains no protection for the homes of people who, like him, live on their boats.”

Indeed, that theme was picked up by Pamela Smith from the National Bargee Travellers Association, who said that people who have lived and worked on boats for many years but who do not have moorings feel threatened by the proposals. She estimated that between 10,000 and 25,000 people—not just in the area of the Middle Level, but throughout the United Kingdom—live on boats but not at a fixed mooring. They are a different sort of itinerant community, and she feels that they will be very much discriminated against by many of the proposals in the Bill. Those concerns are echoed by other petitioners.

Clause 9 proposes giving the commissioners more powers to make byelaws, but those commissioners already have adequate byelaw-making powers under the Middle Level Act 1874. Under the clause, the commissioners are seeking the authority to examine people’s homes, which, in most cases, amounts to an unwarranted, unnecessary invasion of personal space. There are statutory bodies, including the police, with the authority to enter people’s homes under appropriate circumstances. Requiring boaters to surrender their right to privacy as a condition of being granted a licence to navigate is unreasonable and intrusive.

There are quite significant attempts in the Bill to impose on the rights of individuals. I noticed that when the Minister gave her certification in relation to the Bill’s compliance with the European convention on human rights, all she said was that she had no reason to suppose that the assertions made by the promoters were



[Mr Chope]

incorrect. I am not sure whether we can be satisfied that the Government have yet explored the issues relating to human rights for their own purposes so that they can assure us that, in their own view—not just the view of the promoters—the Bill is fully compliant with the law on human rights.

My hon. Friend the Member for Peterborough has already referred to the petition from his constituent, Christopher Taylor, so I will not refer to it again. I have referred briefly to what Pamela Smith has said on behalf of the National Bargee Travellers Association. That organisation has put in a major objection to much of the Bill. It has more than 700 members and four local groups and represents the interests of an estimated 15,000 to 30,000 bargee travellers in the United Kingdom. A significant number of members of the association either live permanently on the Middle Levels or use the waterways regularly. It is therefore a matter of great regret that there has been no proper discussion with the bargee travellers on the very important issues in the Bill, and I hope that that will be remedied sooner rather than later. The association says that many bargee travellers use the Middle Levels as a transit route between the East Anglian waterways, such as the River Cam, the Great Ouse, or the Wissey, and the rest of the inland waterways. There is no other inland waterway route, and there would be no choice for them but to be bound by the proposed terms and conditions and to pay the proposed charges.

I am not very familiar with this part of the fens, and, apart from having visited other people who have a narrow boat, I am not familiar with this type of recreational boating. However, I am familiar with the sort of recreational boating that happens in my own constituency of Christchurch. All I can say is that if my constituents were faced with some of the regulations and powers to invade their privacy that are proposed in relation to the Middle Level of the fens, they would be outraged indeed. We have a large number of boats moored on the River Stour in Christchurch, and they do not all have names on them. People certainly do not have to give their name and address to some passing enforcement officer.

It seems to me that a lot of the Bill should be removed before it comes back for further consideration on Report. I hope that detailed discussion, consideration and scrutiny in Committee will have that consequence and that we will be able to look back and say, “This has been a worthwhile exercise, because a not very good Bill has been much improved as a result of proper scrutiny.”

I am not going to speak at length on this occasion, but I and my hon. Friend the Member for Peterborough are concerned that the rights of the petitioners should be heard in this great home of democracy.

7.20 pm

**Kevin Foster:** It has been a pleasure to sit through this debate. I will not detain the House any longer by going through the individual comments we have heard, but I thank my hon. Friends the Members for Peterborough (Mr Jackson), for Aldridge-Brownhills (Wendy Morton) and for Christchurch (Mr Chope) for the detailed scrutiny and consideration they have given the Bill. There are certainly elements that we can take from the debate and deal with in Committee. In particular, we can deal with the byelaw powers and the question of engagement.

*Question put and agreed to.*

*Bill accordingly read a Second time and committed.*

## Business without Debate

### DELEGATED LEGISLATION

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

#### DEFENCE

That the draft Armed Forces Act (Continuation) Order 2017, which was laid before this House on 20 February, be approved.—  
(*Heather Wheeler.*)

*Question agreed to.*

#### PETITION

### School Funding in Tonbridge and Malling

7.21 pm

**Tom Tugendhat** (Tonbridge and Malling) (Con): Mr Deputy Speaker, you have called me to present my petition rather earlier than I feared when I saw my hon. Friend the Member for Christchurch (Mr Chope) take his place for the previous debate, but I am delighted to be addressing the House. I must declare an interest as I sit on the board of the academy trust of Hillview School for Girls, one of many excellent local schools that will struggle with the new funding formula. I have received a petition, signed by 75 people on paper and a further few hundred electronically, to present to the House of Commons. It states:

The petition of residents of Tonbridge and Malling,

Declares that schools in Tonbridge and Malling will remain underfunded under both the current and proposed funding plans.

The petitioners therefore urge the House of Commons to note their objections to the funding formula for schools in Tonbridge and Malling.

And the petitioners remain, etc.

[P002031]

## Hyde Housing (Lambeth)

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

7.23 pm

**Kate Hoey** (Vauxhall) (Lab): I want to use this debate to draw attention to the failure of Hyde Housing Association in my constituency to honour its pledges and promises to the residents of its Lambeth estates and properties. Back in 1999, the tenants and residents of the central Stockwell area of Lambeth voted for a stock transfer from the council to Hyde Southbank Homes, part of the Hyde Group. Some 2,500 homes were transferred from Lambeth Council, and a few years later, in 2005, the 760 homes on the Kennington Park estate and Bridge estate near Oval followed suit.

Hyde Southbank Homes was a proactive and good landlord in the first few years. Headed by the almost legendary Charlie Adams, it was a bottom-up organisation keen to stick to its commitments to provide tenants with good-quality, well managed and well maintained homes at affordable rents. Unfortunately, following the sad death of Charlie and the many changes Hyde Group made, the management and maintenance went downhill, and residents began to see a difference.

The official documentation relating to the agreement between Lambeth Council and Hyde Southbank Homes constituted a legal document. It stated:

“This contract would contain a legally binding commitment that Hyde Southbank Homes would keep all the promises made to you in this document”.

When deciding on the future ownership of their homes, the residents took seriously their responsibility and the promises that they were given, as we would expect. They were assured, legally and morally, that they could rely on legal protection not just at the time of the transfer, but into the future. The promise document also stated:

“Any surplus money that HSH makes will remain within the HSH and will not be shared with any other part of the Hyde Group.”

Hyde explicitly promised:

“The existing community buildings will be refurbished to provide facilities for all residents.”

It said that non-housing services such as “improved community facilities” would be provided, and that it would

“encourage better and more regular use of local facilities such as the...Community Centre”.

There are two community halls owned and managed by Hyde in my constituency, and they are both at risk, in a complete renegeing on Hyde’s promises to the residents. Following a very unsatisfactory so-called consultation between November 2016 and January 2017, Hyde decided to go ahead with its plans to privatise the Stockwell community centre and is looking for an organisation to take it on. It has extended the closing date for expressions of interest from suitable organisations because only three were received, and because the interested organisations were relatively small, with small annual turnovers, and were therefore not in a strong enough organisational or financial position to take responsibility for the building and its management. It is also believed that these organisations find the conditions for taking the lease of the centre so restrictive that it would be of no benefit or advantage to them.

The residents are very concerned about the real intention of Hyde. Is it setting conditions to which no well regarded not-for-profit organisation could agree? Under these conditions, the centre could not be made financially viable. The Kennington Park estate community hall has now been earmarked for closure and demolition to allow for the building of new homes. Now, we might have said, “Great—new homes!”, but nearly all of them are designed for sale or private shared ownership.

The consultation with all residents of the estates who have a stake in the future of their community centre has been very poor indeed. All past and present members of households on the Kennington Park estate, and potential future users of the centre, are entitled to be asked what they think, but that did not happen. Hyde seemed to think that it was the tenant and resident association’s responsibility to carry out the consultation, but of course the consultation should have gone much wider than the immediate area beside the community centre, because the centre is used by many people from all around the area. It was a shoddy consultation. Hyde put out some questions and answers to residents, saying that it owned and managed these community centres, and that the cost was becoming too much. It tried to blame the Government’s 1% rent reduction for social housing, saying that it meant that it

“has to make cost savings and has had to review all...services”.

The Minister may be surprised to know that, despite residents not liking the 1% rent reduction for social housing and how it might work, they are not blaming it at all. It is misleading, inaccurate and inappropriate for Hyde to claim that it subsidises the running costs because, of course, income from the tenants’ rents contributes to the maintenance of services such as community centres.

Hyde also said that as a housing provider, it needed to

“make efficient use of its income to ensure we are able to prioritise building more homes to help address the housing crisis”,

which meant it had to make difficult choices about what additional services it continued to fund and what it stopped.

The residents strongly feel that any responsible landlord is required to prioritise delivery of an acceptable standard of landlord services to its existing tenants first. It is a matter of real concern and great disappointment to residents, local councillors and myself that Hyde only too clearly puts the funding of new build above its duty and responsibility to deliver to an acceptable standard the full range of landlord services as required by law.

Of course, people have found out what is happening, and it is clear that the community is against it. As I mentioned, Hyde asserts that it cannot afford to run the Kennington Park estate centre, in particular, or the Stockwell centre, yet HSH’s accounts show a surplus for 2015-16 of over £2 million, and revenue reserves of £46,136,000. I mentioned earlier the commitments made when the transfers took place: any surplus money that HSH makes will remain within HSH and will not be shared with any other part of Hyde—that was the promise. In other words, the surpluses and reserves should first be reinvested in HSH and should not just be given over to the Hyde Group to build new housing for sale on the Kennington Park estate while the community centre is not replaced.

[Kate Hoey]

Hyde's argument as regards the review of the community centre is that it needs to prioritise building homes. Of course, building homes is a priority for all of us; we know that more than anyone in the borough of Lambeth, where the housing waiting list is huge. However, capital funding for new homes is not the same as the revenue generated from the rents. The Kennington Park Estate Tenants' and Residents' Association has worked out that the revenue generated from the rents does cover the £22,500 subsidy that was provided to keep the centre open and running. That is less than 2% of HSH's 2015-16 surplus, which, incidentally, is linked to a time when the community centre was often closed, and the income was at its potentially lowest level, due to Hyde's indecision, incompetence and bad management.

There is real shock that Hyde, after what it promised, and given how well it worked with local residents in the early stages, has now decided to go down this route. Hyde Housing is failing not just on the community centres, but on many fronts, from service charges, which one tenant leader has said are in chaos, to day-to-day maintenance, parking charges and pushing new housing into totally inadequate spaces, such as in the case of Birrell House.

One of my constituents has given me permission to quote from his letter to Hyde about service charges. This is typical of the way Hyde works—it is completely non-transparent. The service charges for the coming year are based on estimates from so-called actual costs, details of which have never actually been sent to the residents. Residents have therefore been sent service charges for this year without any real proof of how the service charges for last year were spent. This resident, who has had long-standing discussions with Hyde, said to me, and in his letter to Hyde, that he first requested the accounts and receipts for 2013-14. He says:

"This took over a year to finally arrive in October 2015 before we were able to examine them. To this date we still have issues that were raised with those that remain unresolved by Hyde."

Following on from that, he requested the 2014-15 accounts and receipts. Those took Hyde—this was slightly better—well over six months to finally provide. After my constituent went through those, there were numerous things that were obviously incorrect, and lots of invoices were not there or had not been identified by Hyde. After a number of exchanges—my constituent dealt with 17 different people in Hyde in trying to get this information—he finally got a comprehensive spreadsheet detailing the many issues, cross-referenced to the invoicing scheme, and he has gone through it in great detail.

Hyde has continually given estimates for the service charge up until the end of the year. It then issues a notice giving the difference between the estimates and the actual charge, and requesting the difference. My constituent fails to understand, as I do, how Hyde can give the actual sums yet be unable to provide the accounts and receipts from which they must have been derived. Why does it take a housing association with that scale of money behind it between six months and a year to obtain these accounts? Hyde is genuinely failing to respond in a timely and professional fashion. Indeed, some tenants feel that it has been using bully-boy tactics to demand payment when they are, quite understandably, still waiting to get the real facts before they pay. People

have tried to resolve these issues in good faith, and this has been going on for a very long time. My constituent ends by saying:

"It would be nice to deal with a company that was above board and accountable to its fee paying residents without all this aggravation, and did not have to waste our time or theirs."

Arden House, three tower blocks on the Grantham Road estate near Stockwell, was transferred, again, in 1999. The boiler refurbishments outside and within all dwellings, plus boiler upgrades, were supposed to be guaranteed for 30 years. Arden House's boiler room is situated at the top of the building and houses two commercial boilers supplying communal heating and hot water to all dwellings. All the residents pay for these services through their service charges. In October 2015, the boilers failed. The residents went without heating and hot water services for 11 days. Finally, they got the service restored, and, after a long time, got some refunds for the time they went without.

In October 2016, the boilers failed again. The residents were advised that one boiler was working and the other needed parts. The contractors were called in and restored the system; then the boilers went off again. Since then, the residents have had heating and hot water services on and off; a few days later on again, then off; and then back on for a few days and off again. There are lots of accounts of night-time call-outs being made to Hyde's contractors. They come to restart the boilers, but then the boilers go off again. This is all, of course, at the residents' own expense in ringing up, and there is a general feeling of their not being able to get through to people. Boiler parts have been ordered and fitted, but the problem is still not solved.

A new local Hyde manager has recently been appointed. I am not putting any blame on him, because he has inherited a difficult situation. He, too, has been chasing the contractors. The residents have suggested bringing in somebody qualified from outside who actually knows what is going on, because it seems that no one within Hyde's contractors has really got to the bottom of what is wrong. Residents have had to pay full charges for this service for five months, but they have received less than half a service. Now Hyde is saying that it wants to look at an expensive replacement boiler that will be metered into each dwelling, costing residents even more money, yet it cannot even maintain what is there is now. The residents believe that the situation is totally unacceptable and disgraceful. Joyce Hopper from the Arden House community group says:

"Hyde Housing should hang their heads in shame. Will someone please intervene and get our Heating and Hot water services restored once and for all?"

I turn to another issue. This might seem trivial to some people, but on the Stockwell Gardens west estate, there is a problem with estate parking. Hyde is trying to charge £90 a year for parking on its estates in Lambeth. While that is slightly less than what Lambeth Council charges for permits for street parking, the council charges residents on its estates £31.79 a year, which is considerably less than £90. There have been months of discussions and work to try to get the amount fixed at what can be seen as a reasonable compromise. Hyde argues that the money from the collection of permits goes towards maintaining roads on the estate, but local councillors have seen invoices showing that that is not true. It seems that Hyde wants to make money in whatever way it can, as quickly as possible.



Hyde is also trying to build on the Birrell House site, as I mentioned. That would be bad in any event, because it is the wrong place and residents who have lived there for many years will lose all sorts of facilities, but it would not be so bad if it was going to involve affordable housing. However, the site will be a huge development for sale that it will not be possible to use for affordable housing.

I supported the residents when they wanted Hyde to take over, because they had not been getting a great service. Hyde managed the estate during the competitive tendering process, and the arrangement worked so well that the residents asked whether Hyde could take over, which Lambeth agreed to. While things started off well, Hyde no longer seems to be interested in the residents and tenants, particularly the longer-term ones.

Hyde is interested in getting more housing, but not necessarily affordable housing. An organisation that has done quite a lot of work on the detail of what has been happening at Hyde shows us that Hyde is using community centres as assets. The question is not whether the community centres are affordable, but whether Hyde wants to give them any priority—it has clearly decided that it does not. Hyde's bosses claim that the money that it makes from its for-profit activities will ultimately benefit the rest of the group, but it no longer seems to be worried about the effect on long-term residents.

Hyde's board has become incredibly corporate. Members may well know the chief executive, Elaine Bailey, who spent 12 years at Serco before she joined Hyde. She is quite used to scandal from those days, and I suspect that she will be seeing a bit more. In 2013 she had to defend her former company over accusations that it had overcharged the Government for criminal tagging, meaning that it faced a £68.5 million bill. It also took some flak for its involvement in immigration centres. I could go through a whole list of things, but I suppose that that would not really be fair to her although, at the same time, we can see why residents do not have huge faith in her.

The chairman of the Hyde group ran the online retailer Net-a-Porter, and before that he was an investment banker, as were two of his colleagues. There is a corporate lawyer on the board, as well as senior people who formerly worked for BT and the weapons manufacturer BAE Systems, and a chartered surveyor who has worked extensively in private sector housing development. Rounding off the board is the former boss of the G4S prisons and justice division, which has a record similar to Serco's.

Charitable status and the absence of shareholders are not guarantees that an organisation will be run for more than money. Hyde is actively pursuing a strategy that puts corporate success over the concerns of its residents. Financial analysis carried out by Corporate Watch has brought out some quite "dodgy" things, about which I think the Minister should be concerned over the long term. The chief executive's salary went up from £189,000 in 2015 to £242,000 in 2016. That is somewhat more than most of the residents—and, indeed, most of us in this House—earn. Why are these people paying themselves such large sums of money when they cannot even get basic repairs done for their residents?

For those of us who wanted this to happen, and who did our best to make it work in the interests of residents, the most upsetting thing is the very cynical ethos that Hyde has adopted. It has lost its bottom-up, tenant-led housing service, which was based on tenant involvement

and support. It has become hugely corporate, and it puts corporate success above providing services to its residents.

I want to probe the Minister about what more local councillors, the local council and the Government can do to make Hyde Housing abide by its commitments and retain the community services about which promises were made. Surely it must be possible to make Hyde honour those promises, which were in a legal document, without councils and residents having to go to court and spend lots of money. Hyde must be held to account, and the Government must be able to put some pressure on the top people. This situation is not happening only in Lambeth. Since knowledge of this Adjournment debate has been in the public domain, I have had lots of letters and emails about the activities of Hyde Housing in other areas, so there is clearly real concern. If Hyde gets away with this, it sends out a green light to every other housing association—

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. This is not a problem—it is up to the hon. Lady when to finish—but may I point out that there are only eight minutes left for the Minister?

**Kate Hoey:** I will finish by saying that those questions have arisen, as I think the Minister understands, and I just want to make sure that the tenants and residents really feel that somebody somewhere is listening to them and doing something about Hyde's appalling services.

7.45 pm

**The Minister for Housing and Planning (Gavin Barwell):** I congratulate the hon. Member for Vauxhall (Kate Hoey) not just on securing this debate, but on the eloquence with which she has set out her constituents' concerns. I assure her that the House has listened very carefully to what she has said about the situation her constituents are experiencing. I was pleased to hear of the initial improvements that Hyde delivered after the transfers, and I was very disappointed to hear that those improvements have ebbed away. I anticipated that the hon. Lady would focus primarily on the issues in relation to the two community centres, but she raised much wider concerns about some of the basic landlord services that her constituents are experiencing.

The hon. Lady will be aware of the Government's view, which is that housing associations are part of the private sector. They are not state institutions under the Government's control, so there are limits to how much I can say to reassure her. It is worth pointing out—in fact, it is important to point out, thinking back to one of the quotes she read from a letter sent to her by a constituent—that housing associations are not profit-making companies. They have clear values of helping people in real housing need, and it is very important that as they become much more commercial organisations, raising finance from the private sector to help them to achieve their objectives, they do not lose sight of the core values that lie behind them.

The housing associations currently operating in this country broadly fall into three categories: some of them, such as the Peabody Trust, are the original philanthropic organisations set up some time ago; a whole lot of them were set up on the back of "Cathy Come Home"; and more recent ones were often formed

[Gavin Barwell]

as the result of the transfer of local authority homes. However, all of them should have a common set of values, and it is important that they do not lose sight of those values as they become more commercial in the ways they finance the development of housing.

By way of a partial reassurance for the hon. Lady, it is important to say that although housing associations sit outside state control, they should comply with the clear regulatory standards that exist, and some of the issues she raised clearly give rise to concerns in relation to that. At the moment, this association has the highest level of regulatory clearance. I do not know whether she has been in touch with the regulator about some of these issues, but if not, she or Lambeth Council may wish to draw those concerns to the regulator's attention.

More generally, the points raised by the hon. Lady draw our attention to one of the fundamental challenges that confronts the housing association sector. This debate is quite timely for me, because my first meeting this morning—it was some hours ago—was with a group of housing associations to discuss the Government's housing White Paper and the role that they can play in helping to confront the housing crisis in this country at the moment. As a Government, we are very much pushing housing associations to increase the supply of housing and to build the new homes that, as I am sure the hon. Lady agrees, are so desperately needed right across the country, but particularly in this great city that she and I have the privilege to represent in this House. However, there is a tension in ensuring that housing associations, in their efforts to deliver the housing we so desperately need, do not lose sight of their responsibilities in providing services to their existing rental tenants. It is probably worth putting on record a little bit about the scale of what Hyde is doing in that regard. In 2014-15, it built more than 1,000 new homes of various tenures. Its plan is to deliver about 3,000 homes from 2015 to 2018, and a further 3,000 from 2018 to 2020. In terms of supply, it is doing very much what the Government—and, I am sure, the hon. Lady—want it to do with regard to meeting the acute housing need in our city and across the country. Hyde also provides a lot of services to tenants, including financial advice, and jobs and training advice. That is a very important part of its work as a landlord.

Obviously, the core issue of this debate is that relating to the two community centres. As the hon. Lady said, the central Stockwell estate, with just under 2,500 homes, was transferred in 1998-99, and Kennington Park, with about 760 homes, was transferred in 2005. At the core of the hon. Lady's argument was the suggestion that Hyde has not honoured the promises it made at the time of those transfers. If she believes that to be the case, my main suggestion is that her first port of call should be to make a complaint to the association itself under its complaint procedure. I am sure that she has already done that—she would not have raised the issue in the House if she had not.

If the hon. Lady has exhausted Hyde's own complaint procedure, the next step is to go to the housing ombudsman, who has responsibility in respect of the honouring of any promises that were given. If that has not happened so far, the hon. Lady might wish to go down that route.

I know the association reasonably well. I have met its chief executive, Elaine Bailey, a number of times. I do not know whether the hon. Lady has tried to get in touch with Elaine directly, but if she has not and she would like my help in facilitating a meeting so that she can raise some of her concerns directly, I would be happy to do so, if that would be of any use.

I am conscious that time is drawing to a close, but from the Government's point of view, housing associations have an absolutely vital role to play in delivering the new homes that we so desperately need in this country. However, as I have said, it is very important that, alongside delivering those new homes, they also have regard to the services that they provide to their existing tenants. The Government take that very seriously.

The two main ways in which control is exercised is through regulatory standards and the housing ombudsman, with whom people can raise concerns. I encourage the hon. Lady to go down those two paths. She may want to speak to me further about these matters outside the Chamber, and I will certainly use my office in any way I can to try to help her to ensure that she gets the result that her constituents would rightly expect with regard to the services that they receive. I am grateful to her for drawing these issues to my attention.

*Question put and agreed to.*

7.52 pm

*House adjourned.*

## Westminster Hall

*Wednesday 29 March 2017*

[MR DAVID HANSON *in the Chair*]

### School Funding (London)

9.30 am

**Helen Hayes** (Dulwich and West Norwood) (Lab): I beg to move,

That this House has considered schools funding in London.

It is a pleasure to serve under your chairmanship, Mr Hanson. I am pleased to have secured this debate so that Members can highlight the specific impacts that the proposed national funding formula will have on London schools. I am grateful to the Minister for meeting me last week, together with my hon. Friend the Member for Bermondsey and Old Southwark (Neil Coyle), my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) and the leader of Southwark Council, to discuss the challenges that schools in Southwark and Lambeth will face as a consequence of the national funding formula proposals.

Since I was elected almost two years ago, there have been only a handful of issues on which my constituents feel as strongly as they do about the schools funding formula, and few issues around which people have mobilised on such a large scale. In the past few weeks, I have attended meetings in Lambeth and Southwark with a total of more than 500 parents. A further 100 parents and children joined a protest in Dulwich last week, and hundreds more have been in touch with me by email and letter and on social media. I want to speak about the impact the Government's proposals will have, what exactly is at stake and why it matters so much. I have some specific asks to make of the Minister.

The new national funding formula will see 70% of London's schools receiving cuts to funding. The proposal comes at a time of unprecedented budget pressures in our schools as a consequence of a series of unfunded costs: the national minimum wage increase; employers' pension contributions; employers' national insurance contributions; inflation; and, for local authority schools only, the apprenticeship levy. In that context, the additional cuts introduced by the schools funding formula will be unsustainable for many schools in London. London Councils calculates that the combined impact of introducing the national funding formula at a time of wider budgetary pressure means that collectively, London schools will lose £360 million in 2018-19.

The Conservative manifesto pledged that the funding accompanying every pupil into school would be protected, but the National Audit Office is clear that per-pupil funding has not been protected in real terms. In London, the proposed national funding formula will clearly break that pledge further. The cuts will not fall evenly but will fall disproportionately on areas of London with the highest levels of deprivation. Therefore, while Croydon Central will gain £4.4 million for its schools, West Ham stands to lose £4.4 million, East Ham loses £3.6 million and Bethnal Green and Bow loses £3.5 million.

**Stephen Timms** (East Ham) (Lab): I am grateful to my hon. Friend for highlighting the scale of the cuts in my constituency and the scale of the concern among my constituents about that. I have had letters from lots of teachers at Central Park Primary School about the £710,208 being taken out of its budget. Does she agree that that is quite wrong?

**Helen Hayes:** I agree with my right hon. Friend entirely. The level of pressure our schools are being asked to bear would be unacceptable in any circumstances, but in order to understand exactly how damaging the proposals are, and why parents in my constituency and across London feel so strongly about them, the Government must understand the journey that London schools have travelled in the 14 years since the Labour Government introduced the London challenge programme of improvement for London schools in 2003.

I moved to London in 1996. At that time, parents in the same situation as I am in now, with their oldest child approaching secondary school age, were often trying to do one of three things: move close to a high-performing state or church school; move out of London to a part of the country where schools were better; or educate their children privately. Children whose parents were unable to make any of those choices often attended local schools, which despite the best efforts of their teachers substantially failed generations of children. In my constituency at that time, we had William Penn boys' school and Kingsdale school, both of which were failing schools that became notorious. William Penn subsequently closed and successfully re-opened as the co-educational Charter School, and Kingsdale was completely remodelled under a change of leadership. Those are now outstanding and good schools respectively.

I have spoken with many parents in my constituency who attended failing schools as children. They remember the crumbling buildings, leaky roofs, shortages of books and materials, very large class sizes and poor discipline. They tell me that any success in their educational outcomes was due to the hard work that they and their teachers put in and happened despite, not because of, the funding and policy environment in which the schools were operating.

The situation could not be more different across London now: 94% of London schools have been judged to be good or outstanding by Ofsted. While London schools were the worst in the country in the 1980s and 1990s, they are now the best. That transformation was achieved through a combination of political leadership, appropriate resourcing, stringent accountability and—most importantly—the hard work of teachers, governors, support staff and parents. I think I speak for all London MPs from across the House when I say that we are deeply proud of our schools and everything they deliver for London children.

Our schools in London deliver for every child. They are not reliant on selection, and as a consequence London children also benefit from being educated in a diverse environment, which helps to build understanding and community cohesion. My children are receiving an excellent education alongside children from every possible walk of life, and their lives are enriched as a consequence. It is that approach, not grammar schools, that delivers the social mobility the Government say they want to see.



[Helen Hayes]

London schools are the best in the country, despite having the most complexity among their intake. They have the highest levels of students with English as an additional language, special educational needs and children from deprived households, and they have very high levels of churn, in part due to the large numbers of families now living in the private rented sector, who often have to move when short-term tenancies come to an end.

London schools are able to deliver in that context when they have the teaching and support staff to provide the help and support that every child needs, so that those who need extra help in the classroom can receive it, those who need to be stretched more to fulfil their potential can thrive, and a rich, imaginative curriculum can be offered to all students. The headteachers in my constituency increasingly talk about the new challenges their students face. Chief among them are mental health issues, which are growing in part as a consequence of the pressures children face on social media. They feel the need for additional support in school that students can access, but they are already unable to afford that.

I wrote to every headteacher in my constituency to ask about the impact that they anticipate the national funding formula will have on their school. I want to share just two examples of their feedback today. A primary head wrote to me and said,

“in order to balance the budget this year we had to lose six members of staff. Prior to this academic year we employed one Teaching Assistant per class. This year we have a Teaching Assistant per year group. I can see a time when schools will not be able to afford Teaching Assistants at all. Our building is shabby because we cannot spare the funds to redecorate and carry out minor repairs. Cuts in funding will mean that Headteachers will become more and more reluctant to accept pupils that put a strain on the budget.”

**The Minister for School Standards (Mr Nick Gibb):** I am listening carefully to the hon. Lady and, as I did at the meeting with her and her colleagues, I have paid careful attention to what she is arguing. Is she interested in knowing that in Lambeth, under the new national funding formula, the funding per pupil is £6,199 and in Southwark it is £6,271, whereas in Waltham Forest it is £5,129 and in Surrey it is £4,329? It is that discrepancy that the national funding formula tries to go some way to dealing with.

**Helen Hayes:** I thank the Minister for his intervention. If he bears with me a little longer, he will hear that I am not arguing that schools elsewhere in the country—or indeed in outer London—should lose out as a consequence of the funding formula; what I am interested in is a funding formula that is fair for all schools.

A secondary headteacher wrote to me and said:

“Effectively our budgeting will be reduced by £500,000 in real terms in the next three years...it will make it very difficult for us to continue to provide a high quality education for our students, and will undoubtedly affect our ability to support student achievement and wellbeing. It will also have a negative impact on the workload of our staff who already work incredibly hard day in day out to support our students.”

Those are experienced headteachers, looking at a spreadsheet in the cold light of day and working out the choices they will have to make to accommodate the Government's funding cuts.

**Paul Scully** (Sutton and Cheam) (Con): To clarify, are not many of the pressures the hon. Lady talks about, which I certainly do not dismiss, the associated costs, rather than necessarily to do with the funding formula itself?

**Helen Hayes:** My argument is about the cumulative impact of unfunded cost pressures in recent years, and some still to come because of the apprenticeship levy, in addition to the impact that the new funding formula will have.

Seventy per cent. of schools' budgets are spent on staff, so it will be teaching assistants, speech and language therapists, learning mentors, family support workers, school trips, sports clubs, music specialists and teachers that will have to be cut. Heads across my constituency say that the formula does not work. London schools also face a recruitment crisis, fuelled by the high cost of housing and childcare in the capital, as well as the Government's failure to meet teacher training targets. More than 50% of London heads are over the age of 50, and the current budgetary pressures, combined with the new inspection regime and changes in the curriculum, are making it harder and harder to recruit. Further reductions in funding will only exacerbate the situation, making it harder for schools to retain experienced teachers and creating a level of pressure in the profession that will cause many hard-working teachers to look elsewhere.

The Government's stated aim in revising the schools funding formula is fairness. I agree with that aim. There are problems with the current formula in some parts of the country, because of the embedding of resourcing decisions made by local authorities many years ago and their use as the basis for calculating future increases. However, there is nothing fair about a proposal under which funding will be cut from high-performing schools in deprived areas. A fair approach would take the best-performing areas in the country and apply the lessons from those schools everywhere. It would look objectively at the level of funding required to deliver in the best-performing schools, particularly in areas of high deprivation, and use that as the basis for a formula to be applied across the whole country.

London schools should be the blueprint for education across the whole UK, but school leaders in London are absolutely clear that quality will inevitably suffer as a consequence of the funding changes that the Government are implementing. It is simply irresponsible for the Government to put the quality of education in London at risk. Children are growing up in a time of great global change and uncertainty. We feel that today perhaps more than ever, as article 50 is triggered. They need to be equipped with the knowledge, skills and confidence to navigate and compete in a post-Brexit economy. Our schools are essential to that, and to ensuring that children make the maximum possible contribution to the economy and public services in the future.

I ask the Minister this morning to think again and, as he reviews the 20,000 consultation responses that have been submitted, to consider the impact that the changes will have on London schools. I have two specific asks. When I met the Minister last week, it was not clear from what he said that he had recently visited high-performing London schools, so I invite him to visit a primary school and secondary school in my constituency to see

at first hand the great work that our local schools do and to understand the current financial pressures that they face.

**Mr Gibb:** I visit high-performing London schools all the time. Most recently I have visited Michaela Community School in Wembley and St Michael's Church of England School just south of the river in Battersea.

**Helen Hayes:** I thank the Minister; I would dearly love to welcome him to high-performing schools in my constituency, so that he can hear at first hand about the pressures that headteachers are talking about.

Secondly, I ask the Minister to go back to the Treasury and to negotiate again. Spending on schools is an investment that the Government make in the future of our economy. It would take just 1% of the education budget to ensure that no school loses out through the introduction of the national funding formula. I ask him please to think again and not to put the success of London schools and their ability to deliver for future generations of London children at risk.

**Several hon. Members** *rose—*

**Mr David Hanson (in the Chair):** As Members can see, a number of right hon. and hon. Members want to participate in the debate. I intend to call the Front-Bench spokesmen at 10.35. I hope that Members will show self-restraint so that everybody is able to take part.

9.44 am

**Paul Scully** (Sutton and Cheam) (Con): It is a pleasure to serve under your chairmanship, Mr Hanson. I shall be brief in making a few points about how the costs—and the associated cost pressures that I mentioned in my intervention—affect schools in Sutton.

All hon. Members welcome the opportunity to get fairer school funding. It has been debated at great length in the House over the past few months, with good reason. It is not fair that pupils with similar needs do not benefit from the same funding, and that that depends on where they live. It is right and proper to look at the issue, but that has not happened for a long time because it has been politically difficult. I welcome the fact that it is happening now. The consultation has just finished, and I am sure the Minister will look at the representations made in the responses and present any changes that he feels are appropriate for us to debate further.

Secondary schools in Sutton receive greater funding from the formula, by about 1.4%. Primary schools lose by 0.5%. However, as was mentioned before, many of the issues that headteachers are dealing with at the moment and that they will face going forward are associated cost pressures. With all the changes being made, now is an apt time to consider them.

There is a lot of concern among headteachers—all the headteachers in the area have written to me and the right hon. Member for Carshalton and Wallington (Tom Brake). Some headteachers from the London Borough of Sutton have already met the Minister for discussions. They are concerned about such things as the apprenticeship levy, which affects only some secondary schools and is comparatively low when set against the effects of some of the other changes and pressures. However, I find it strange and puzzling when any public sector institution's

money is churned around, as happens when we give a school funding and then claw some back through levies, rates and such things. I would find it easier if we cut through the bureaucracy and paid schools the money they needed to spend on their pupils.

Schools are not really well placed, especially at the moment, to take on apprentices because they are already training centres—they already train newly qualified teachers, Teach First teachers and other student teachers. Where they might be able to take on apprentices, such as in administration, things have already been cut to the bone, because those are in many ways the first places where cuts can be sought. It then becomes difficult to send anyone out on day release. I have a lot of sympathy with headteachers about the apprenticeship levy.

Many headteachers have talked to me about the 1% salary increase for public sector workers. They say that they want to be able to pay teachers more but, without the requisite funding, doing so would effectively mean an extra 1% cut in their budgets. They are not attracting more funding from the centre to pay for it. Again, I understand their concern. A signal is being sent, and it is pushed on to the headteachers to say, "Sorry. I can't pay you any extra this year because of budget constraints"—despite the mood music in the media about pressure to pay people the extra 1%.

Another headteacher mentioned the cost of recruitment. It is difficult to get teachers, and especially senior teachers. I have been a governor for many years. When I was the chairman of governors at a primary school, we were looking for a headteacher and put many adverts in *The Times Educational Supplement*. It cost thousands of pounds each time and the response was woeful. I am interested in whether the Minister would consider a centralised recruitment system that everyone could tap into—one source that teachers can use—which would be a great cost saving for schools. The Department has talked about being able to make savings in schools through such things as procurement. It would be great if the Department could help schools by taking that approach.

I talked about the fact that secondary schools are a net gainer and primary schools a net loser. One reason they are all losing is the local authority formula. The local authority in Sutton has caused two issues. First, it had built up a surplus in the part of the grant it left behind, which has been used over the last few years to cushion some of the pressures. The surplus has now been used up and has finally come to an end. That has not been communicated particularly well to the schools, so there is a little bit of a cliff edge this year. On top of that, the local authority has effectively made a 0.5% cut for many schools to the amount it is keeping back, rejigging and then handing out to them.

Whereas the national formula helps us out a lot, the local formula means that Sutton loses out. It is important that parents and headteachers know exactly where the blockages are. In these times of greater devolution, it is important that the right people are accountable for formulae. I ask parents and headteachers to ensure that they question the local education authority and hold their councillors to account, including the council leader in Sutton, on why that money is being held back.

There is a disparity in Sutton between some of our secondary schools of about £1,000 per pupil—some get £4,500 while others get £5,500 per pupil. We have a

[Paul Scully]

number of grammar schools, with six fully and partially selective schools in Sutton. I question the argument about a lack of social mobility. There is a good amount of social mobility in those schools, primarily for Asian communities. We have a big Tamil community and a Bangladeshi community.

**Helen Hayes:** The issue with grammar schools is not what they deliver for the children who are able to access a place there. The evidence across the country shows that children from deprived backgrounds who do not go to grammar schools in areas that have them do demonstrably worse in their education. That is the issue of fairness I was referring to.

**Paul Scully:** That is an interesting intervention, but I can only use the Sutton example. All our schools are excellent, including the ones that are not selective. Indeed, Stanley Park High School in Carshalton and Wallington won *The Times Educational Supplement* secondary school of the year award last year. All the schools are being brought up in Sutton. A lot of Tamil and Indian families are moving around to be able to access Sutton's schools. The problem in Sutton is ensuring that white working-class people can get that social mobility. We need to work harder on that.

My final point is that the funding pressures on the grammar schools are such that they are getting considerably less pupil premium per pupil than those in other areas, despite some of them being in average deprivation, because they are in more affluent areas. They are being disadvantaged because of the fixed costs—buildings cost a lot to heat and light, and there are staffing costs. They are losing out to other schools, which are getting pupil premium on top.

I make a special plea to the Minister to consider some of the work being done by grammar schools. Essentially, the funding formula is fair. It is good we are addressing this issue. I would like the Minister to have a look at some of the associated cost pressures and to answer some of the questions that headteachers have raised with me.

9.53 am

**Jim Fitzpatrick** (Poplar and Limehouse) (Lab): It is a pleasure to see you presiding over us this morning, Mr Hanson. I am not sure I have had the privilege of serving under your chairmanship before. I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate and commend her for her excellent speech, which detailed the problems we all face.

I do not have a long record of speaking in education debates over the years. As the Minister knows, my main engagement with his Department has been about fire sprinklers in schools and trying to improve the guidance on their installation. We have not cracked that yet. However, I have been contacted by a number of primary school heads in my constituency. Their comments need to be registered not only with me but by me in this debate. I will do so briefly, in line with your request, Mr Hanson. I have also written to the Secretary of State.

Heads from Cubitt Town Junior School, Mayflower Primary School, Cyril Jackson Primary School, Lansbury Lawrence Primary School, Arnhem Wharf Primary

and St Peter's London Docks Primary School, as well as constituents, have contacted me on this issue. One letter said:

“the national funding formula has the potential to make school funding fairer, but it will fall short unless it is given sufficient resources to succeed. School budgets are being pushed beyond breaking point.”

That brief quote says a lot. Given the pressures faced by schools, the writer of the letter is still able to see the positives in the funding formula, but refers to how it is let down by the sheer lack of resources. In her letter to me, the headteacher of Cyril Jackson Primary School listed 12 ways in which the school was forced to act to reduce overheads in 2015-16, meaning reduced staff numbers, less guidance, less encouragement and fewer opportunities to see new things, and experience other environments and be inspired by them.

My hon. Friend the Member for Dulwich and West Norwood has previously said, and may have said again this morning:

“The government is putting our excellent local schools at risk, with a change in the funding formula which will see money taken away from our local schools to give to schools in other parts of the country.”

Neither I nor any other colleague, I am sure, would wish to see schools in other parts of the UK short-changed, but giving them what they need to deliver a great education service should not be at the expense of London schools. Children everywhere should have and must enjoy an equally high standard of education. Whether they live in Dulwich, Docklands, Dudley or Droitwich, children deserve well-funded schools that enable them to reach their potential. It is as simple as that.

Those on the ground are telling me that school budgets are being pushed beyond breaking point. One of our local representatives in Tower Hamlets, Councillor Danny Hassell, recently tweeted that he had just seconded a Labour motion at the council against Government plans to cut funding in our schools that will mean a staggering loss of £511 per pupil in Tower Hamlets. Children such as those at Cubitt Town Junior School cannot afford the Government's proposals. Their headteacher tells me it is calculated that Cubitt Town pupils will lose up to £746 per pupil.

**Mr Gibb:** I am listening carefully to the hon. Gentleman. Does he acknowledge that Tower Hamlets was the highest funded local authority in the country on a per-pupil basis before the national funding formula and remains so, even after the national funding formula is implemented, with funding of £6,718 per pupil, compared with £4,329 in Surrey and £5,129 in Waltham Forest?

**Jim Fitzpatrick:** I am grateful to the Minister for citing those statistics. I was citing one myself from the headteacher of Cubitt Town Junior School, who said that Cubitt Town pupils will lose up to £746 per pupil. I do not doubt that Tower Hamlets' schools are well resourced and well funded by the Government, but the cuts being introduced will be unsustainable. The headteacher says that it could mean the school losing up to six teachers. How will that Isle of Dogs school withstand such a reduction without significant negative consequences for the quality of education it can give to local children?



Along with parliamentary colleagues, I urge the Government to acknowledge that their funding plans do not work for Cubitt Town, for the other schools I have mentioned or for all those left unmentioned. They certainly do not work for Tower Hamlets.

9.58 am

**Mr David Burrowes** (Enfield, Southgate) (Con): It is a pleasure to take part in this vital debate. I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing it. Members from both sides of the House are present. That is important, because this is a cross-party issue that cannot be monopolised by any one party. It matters to us all because it matters to children in our constituencies and their life chances.

I am grateful to the Minister. He is one of the most patient Ministers and, indeed, one of the longest-standing Education Ministers. No one can preach to him about schools. He has been out there visiting schools across the country. He may be patient, but he is intolerant in the sense that he does not tolerate educational failure, wherever it comes from, particularly for disadvantaged pupils. He has been a Minister on a mission, both in the Department and on his sabbatical—we could not do without him, so he came back. The Minister's mission, which is shared by the Department for Education, is:

“to deliver educational excellence everywhere, so that every child and young person can access world class provision, achieving to the best of his or her ability regardless of location, prior attainment and background.”

We all want to achieve that aim. That is what the debate about the national funding formula and schools' overall budgets is about. That is what we want to achieve. Like other hon. Members, I am a governor, at two schools. I am also a parent and I care passionately about the Government achieving what is very much this Minister's mission.

London is a success story as a result of that mission. The Government should be proud, along with the previous Government in terms of funding, of what they have achieved. They have ensured that 92% of schools across London are good or outstanding. We pay tribute to the teachers, governors, parents and pupils for being very much part of that success story. Particularly relevant is the fact that disadvantaged pupils are progressing better in London than elsewhere in the country. We want to ensure that others are lifted up to that standard. That means being lifted up in funding as well, and that is what the national funding formula is about.

I recognise that the Government have a position. We can spend our time—I do not want to spend too much time, Mr Hanson—defending manifesto commitments, and we can dance on the head of a pin about how much extra money there is per pupil, or we can make the point, as I am sure the Minister will, that more is being spent than ever before, in cash terms. The figure is £40 billion a year. We also have to recognise the context, which is our national debt; interestingly, that is £40 billion a year as well. That is important context for the restraint that all public services are facing.

I have been ready to defend the reality that the Department for Education budget and the schools budgets are not immune from that restraint. They have already had to make significant decisions and cuts in school budgets. However, we are in a position in which schools have already been vulnerable. Before the national funding

formula, we could have had a debate about school funding and cuts in my local schools and others. However, we now have the national funding formula. Many of us, particularly in outer London, were hopeful that that would lead to a significant rebalancing of funding. For those of us in outer London, there has been an impact not just in relation to school funding. Local government has historically been underfunded. There is a need to recognise the demographics—the population increases—in outer London. Mental health funding is also relevant. The right hon. Member for Tottenham (Mr Lammy) will join me in making this point. There has been 25% less funding in parts of London such as Camden. All of that impacts on schools, so we were looking to the national funding formula in particular to see us through these difficult and challenging times.

I recognise that the Government are right on the principle. This is perhaps where this funding formula debate will differ from others to which the Minister has patiently listened. We need to retain recognition of deprivation. That needs to be reflected, and it is: 18.1% of the schools budget is for additional needs, based on low attainment, deprivation and English as an additional language. That is so important and it must stay. It must not in any way be diluted or reduced; in fact, some of us say that it should be increased. It should be good news for Enfield and other parts of London that are particularly impacted by those additional costs. It is also right there is flexibility; that is good news as well.

There is an issue about deprivation. I ask the Minister to reflect on the concerns in that regard. I am thinking of free school meals and the income deprivation affecting children index. Is what is happening truly reflective of the challenges facing children in families who may well be on universal credit and who may be in work, but who could well still be in poverty and in challenging situations? There is concern that the drop-off in free school meals is impacted by the benefit changes and that that is not leading to a proper settlement, a proper reflection of people's needs.

Enfield does better than other parts of London, and it should do, but it does not do well enough—the Minister may have been expecting me to say that. My constituency may get £400,000 more in cash terms, but the reality is that 15 out of 22 schools will lose out. The reality as far as budgets and the real costs are concerned is that there will be £3 million of cuts in Enfield, Southgate by 2018-19. There is also an impact from the apprenticeship levy, national insurance contributions, pensions and pay.

That matters greatly to schools such as West Gove Primary School, which have significant additional needs. Just over the weekend, I got another 280 petition letters, all of which I have here. Never before has there been such interest and concern among parents. At West Grove, they are concerned about a cut of £276,572 over the next four years. Hazelwood Infant and Junior School faces a cut of £150,000 over that period. It says that that equates to eight teachers. We have dealt with challenging budgets before, but there is now an impact on the budgets for teachers. That is affecting particularly primary schools. A particular issue is the high cost of recruitment and retention.

The principle behind the national funding formula is sound. I do not want us to go backwards. We need to be bold and continue with that, but we need to recognise

[Mr David Burrowes]

that eventually it has to mean adequate provision, proper provision, for additional costs. I will defend the principle, but I will not defend the reality of the cuts that will come through for the budgets of my local schools. In fact, I join the Minister in this intolerance: I will not tolerate that, because it will impact particularly on disadvantaged pupils. When we get to the autumn Budget, I will want to see, to help the Minister, a bigger pot so that we can help schools in other areas and ensure that there is fairer funding, and ensure that London continues to be the success that it deserves to be and is not a victim of its success.

Several hon. Members *rose*—

**Mr David Hanson (in the Chair):** Order. We have 30 minutes before the winding-up speeches, and six Members. That means five minutes each, if people can exercise self-restraint.

10.5 am

**Siobhain McDonagh (Mitcham and Morden) (Lab):** I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on her brilliant exposition of the issues currently facing London schools.

In May, I will have been the MP for Mitcham and Morden—the place of my birth—for 20 years. One of the biggest and most satisfying things during those 20 years has been seeing the blooming of our schools. Schools that were universally performing so poorly have been transformed into schools that, in the main, although not exclusively, are doing really well. School buildings are now places that people would want to enter, rather than fearing to enter. I want to see that continue, and I want to see that mostly for those who have least. What concerns me is the number of teachers who come and see me at my Friday advice surgery from schools where children are in temporary accommodation and finding it difficult to get to school. As has been mentioned, more children than ever suffer from mental health problems and are self-harming. These demands on schools at this time make it difficult for them to cope from where they are, let alone if they lose any funds at all.

**Mr Gibb:** Let me gently point out to the hon. Lady that 96.2% of the schools in her constituency, Mitcham and Morden, gain funding under the new national funding formula. That amounts to a 6.6% increase once the formula is fully implemented, and that is £3.5 million. Schools should not be coming to the hon. Lady to talk about cuts in funding, because 96% of her local schools will see an increase in funding under this formula.

**Siobhain McDonagh:** I invite the Minister to come to William Morris Primary School, in Pollards Hill, which is going to lose £487 per pupil, which is the equivalent of four teachers, or to Singlegate Primary School, which will lose £424 per pupil; or perhaps he would like to go to Morden.

**Mr Gibb:** Again, the hon. Lady takes the misleading figures from the National Union of Teachers, which is conflating the cost pressures that all of the public sector

is incurring over this year and the next three years—amounting to 8% in total—with the national funding formula. The national funding formula is good for schools in the hon. Lady's constituency. I hope very much that her local headteachers and she herself will support the new national funding formula, because it is fairer, and fairer for her schools.

**Mr David Hanson (in the Chair):** Order. I call Siobhain McDonagh.

**Siobhain McDonagh:** I am sure that, when a bill has to be paid, the headteacher is not looking for the reason why it is becoming more difficult for them to do that. Certainly—

**Mike Kane (Wythenshawe and Sale East) (Lab):** I am sorry to interrupt my hon. Friend, who is making a fantastic speech. The Minister has interrupted hon. Members a number of times. The figures that he talks about, from the Association of Teachers and Lecturers, the NUT and the National Association of Head Teachers websites, come from the figures from the Department and the National Audit Office, so the figures are as accurate as they can be from Government statistics. The Minister should stop interrupting Members who are standing up for schools in their constituency.

**Siobhain McDonagh:** I thank my hon. Friend for his intervention, but I am delighted that the Minister is intervening on us, because he needs to understand what schools are finding and experiencing. I know from my long awareness of his work that this cannot be a pleasant thing for him to be doing. He needs to understand—I am sure he does—the effect on the schools that are the most vulnerable and hang on to their improvement with all their might.

That brings me to a school that we both appreciate—Harris Academy Merton. It has had a 70% pass rate for five A to C GCSEs in the last year and will lose £298 per student. St Mark's Academy will lose £291 per student. These schools cannot afford to lose money. They need the Government's help, not the Government's debate.

10.9 am

**James Berry (Kingston and Surbiton) (Con):** It is a pleasure to serve under your chairmanship, Mr Hanson, and to follow the hon. Member for Mitcham and Morden (Siobhain McDonagh). I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing this excellent debate.

My parents are teachers, and I have had the pleasure of visiting every school in my constituency at least once. We have the best schools in the UK in terms of the proportion of good or outstanding schools and GCSE and A-level results, and we also have grammar schools. They suffer the same pressures as schools do everywhere else in London. I want to speak briefly about the funding formula and other funding pressures that schools face, but I will say at the outset that I would be an advocate for more funding for schools—that should be a priority. As a Parliamentary Private Secretary for the Department of Health, I sit here in countless debates asking for more funding for the NHS—indeed I sit in debates asking for more funding for all other areas of public spending, and see colleagues ask for more funding

across the board—but what I would focus on is more funding for education. We cannot just demand more funding for everything; we have to identify where we would raise the additional revenue or what we would cut.

The funding formula came about after a cross-party campaign that was premised on an agreement that the funding for schools was not fair, in the sense that it was not equitably distributed and that different parts of the country with similar demographic profiles were seeing different funding for their schools. The campaign was never based on levelling up to the level of schools funding in the highest funded area—Tower Hamlets. That would have added billions of pounds to the cost of the funding that is required for schools, and no party committed to that in their manifesto. In any new funding formula there are going to be winners and losers. I expected that, as the third worst funded borough in London, we would be a winner, although I had hoped that it would have been by more than 0.9%, with some schools' funding going down.

Having followed this and other debates on the funding formula carefully, I have not actually heard any coherent criticisms of the general approach to the funding formula in terms of the per pupil funding and the additional factors. No one seems to disagree that those are the right factors. What they disagree with is that, as a result, some schools' funding is going down. Personally, I would like to have seen a more radical approach, because that would have ended the unfair and inequitable situation that schools in Tower Hamlets, 14 miles away from my constituency, receive £2,406 per pupil more than schools in Kingston, on top of the pupil premium, which is not counted in those figures.

**Jim Fitzpatrick** *indicated assent.*

**James Berry:** The hon. Gentleman is nodding. Before I am intervened on by an MP from Tower Hamlets, I completely accept the political consensus that we should address social deprivation through funding for education. I completely accept that schools in Kingston are always going to get less than schools in Tower Hamlets, where there is a higher index of social deprivation. However, if we take into account the pupil premium figures and the differential in the same city of £2,400 per pupil, that is simply not fair. In my stage 2 response to the fairer funding consultation, I asked that the per pupil funding element should not be reduced to a weighting below the current 76%, unless significant additional funding is identified for the additional factors.

I want to touch on the other pressures beyond the fairer funding formula. I have spoken to many of my headteachers in Kingston, and frankly their concern is not with the fairer funding formula primarily, but with the other pressures on their budgets. Some of those have been mentioned. They include increased employers' national insurance contributions, increased pension contributions, increased national living wage, the apprenticeship levy, the equalisation of sixth-form and further education funding, the reduction in the education services grant and a general increase in costs.

Another factor that I imagine affects other hon. Members as well, and certainly has a profound effect in Kingston, is the huge overspend in high-needs funding. It has resulted, as in other boroughs, in Kingston having

to top-slice the dedicated schools grant to the level of the minimum funding guarantee. It is a demand that Kingston's schools and Kingston Council are not really in a position to regulate, because a lot of the high-cost, private school, out-of-borough placements—sometimes of more than £200,000 per pupil—are made by the first-tier tribunal for special educational needs. Kingston Council is trying hard to address the issue by supporting applications for two new free schools—two special schools, one in Kingston and one in the constituency of my hon. Friend the Member for Twickenham (Dr Mathias)—so that we can better deal with high-needs children in borough, but this matter needs to be addressed. We need more funding for high-needs provision in particular.

**Dr Tania Mathias** (Twickenham) (Con): I absolutely agree with everything my hon. Friend says about the pressures regarding special educational needs. These are unpredictable, six-figure sums—he is absolutely right about that. Does he agree that there is a case for there being a separate pot, perhaps of central funding, because those costs are unpredictable year on year and are increasing?

**James Berry:** In addition to the funding formula, those additional costs need to be addressed. I will close by rebutting the ridiculous suggestion that has been made, although not in this Chamber today, that we should cut funding for new schools and use it for existing ones. In London we know that there is an acute pressure for school places, and that the cost of buying the sites for them is very significant. Some 750,000 new places are needed by 2025. Yes, we need more funding for schools now, but we will create a terrible situation for pupils if we take away the funding that has been put aside for the schools we need to build and that I very much welcomed in the Budget.

10.16 am

**Mr David Lammy** (Tottenham) (Lab): I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate. I think that the tone has been very measured, but I say to the Minister that back in communities across London there is tremendous fury, frankly, at what the Government are proposing. I really want to warn him. I went to school in the 1970s in London; I have seen schools in the 1980s in London, and I am deeply worried that we will be returning to that story in this city. When London slips back, as night follows day, the nation slips back on education. London's contribution to our GDP is bigger than at any time since 1911. In the Brexit environment that we are now going into, this is a very dangerous move. The Government simply cannot talk about social mobility and about families that are just getting by, and see the sorts of devastating cuts that we are hearing about right across the city.

**Mr Gibb:** Will the right hon. Gentleman give way?

**Mr Lammy:** No, I will not give way. I think of the Willow Primary School on the Broadwater Farm estate—one at that school is well off—and of the six teachers and all the learning mentors that it might have to lose. I ask the Minister, with all sincerity, how he can stand by the cuts. When he says to my hon. Friend the Member



[Mr Lammy]

for Poplar and Limehouse (Jim Fitzpatrick) that Tower Hamlets is the best-funded local authority in the country, has he knocked on doors in Tower Hamlets? Has he seen the deprivation that exists in Tower Hamlets?

The Minister knows, as we all do, that the education debate in this country is not between state schools in deprived areas of the country, but between the state schools and private schools. That is the big gap, and that is what any Government with any ambition to raise the standards of children across the country should be seeking to match, not cut. Let us not have this fake debate about redistribution across already deprived constituencies, when the real debate is how we level up to the standard of private schools. When he says, "Look, you are getting just under £7,000 in Tower Hamlets," let him remember that a child that goes to Eton means £33,000 a year. That is the debate. If he is sincere about social mobility, he will go back to his friends in the Treasury and ask for more.

I have been asked by this Government to do a review into the disproportionate number of black and ethnic minority young people and adults in our criminal justice system. I have to warn the Minister that this situation will lead to more young people in our pupil referral units, and more young people in our young offenders institutions and prisons as a direct result. That is because teaching assistants help to keep the peace and order in our schools, and help with kids with special needs, and they will have to go. It is because a class size of 30 or 32 kids is hard on one teacher. I commend all teachers committed to teaching in deprived constituencies; it is a vocation that none of us should forget about in this debate.

I say to the Minister, do not just interrupt Members and quote the figures blindly at us. We know what this is about. This is a direct cut of the education budget. The Government are turning their back on a commitment they made when they first came into office, and we must and will hold them to account.

10.19 am

**Dr Tania Mathias** (Twickenham) (Con): It is a pleasure to serve under your chairmanship, Mr Hanson. I will try to be brief, as I agree with most of my colleagues' points. I, too, have had meetings with hundreds of parents and with smaller groups of parents, and I have met many headteachers.

I have received many letters from children and I will highlight one of those, because thankfully the children are celebrating, rather than being fearful of the changes to their schools' budgets. Serine Zahr of Hampton Hill Junior School told me that her school is precious because of its values. She noted that in Hampton Hill Junior School, they are "collaborative like a bee" and "reflective like a swan". As I am sure the Minister knows, most of the schools in my area are good or outstanding, as evidenced by Serine.

There is concern among teachers and parents. In particular, parents who help in schools—the schools appreciate them giving up their time—are rightly concerned that although they are giving their time in the classroom, they are now being asked to contribute money because of the fear of losing teachers and, even in one school, for repairs to the toilet blocks. That shows that although

there is less argument about the funding formula—headteachers agree that the formula needs to change—the issue is the overall real-terms cost per pupil. I note the pertinent comparison made by my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) with the amount we are spending on debt interest. I agree with other colleagues that education must be a priority.

I agree with some of my colleagues' points about small wins. I know that the apprenticeship levy is less than 1% of the budget, but does it have to apply to schools? Although I appreciate the point made by my hon. Friend the Member for Kingston and Surbiton (James Berry) about no party asking for a levelling up, we need some levelling up per pupil.

In the longer term, there could be a review of governors. I have been a primary school governor. Now that we need good financial health in our schools, there is an argument over the longer-term duty and training of governors in that respect.

Will the Minister please look at special educational needs funding? The trajectory that it is on cannot be predicted. It is great that children get extra help for milder forms of, for example, dyslexia and dyspraxia, but as my hon. Friend the Member for Kingston and Surbiton said, we need to spend £200,000 a year on some children to ensure that children have, as we say, educational excellence everywhere.

I thank the Minister for being here and I really appreciate his interrupting hon. Members. He did not interrupt me, probably because we have a very small increase in our area. The issue is not the formula in particular, but the overall grant and the per-pupil protection.

10.23 am

**Andy Slaughter** (Hammersmith) (Lab): It is a pleasure to serve under your chairmanship for what I think is the first time, Mr Hanson. I also congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) who set out her case admirably, allowing me to do what I should do, which is to concentrate on the situation in Hammersmith.

I had a conflict of interest a couple of weeks before the consultation closed. As well as needing to be here, I was being asked almost every day to be at the school gates at 3.30 pm, which is not the best time to persuade the Whips that I should not be here. I managed to play truant on at least three occasions and go to meetings at Wendell Park, Brackenbury and Kenmont schools in my constituency. I say meetings, but they ranged from sober affairs, with speakers from the local authority, the headteacher and myself explaining the not-always-entirely-clear 75-page document that people had to fill in, to rather more exuberant demonstrations, with a lot of visual aids prepared by the children in playgrounds to express their views on what was happening. I am also grateful to the local authority in Hammersmith; Sue Macmillan, the cabinet member for children's services, who came back from maternity leave to organise that; and Sue Fennimore, the cabinet member for social exclusion, who organised a meeting for some 400 parents and governors at Hammersmith town hall before the consultation ended.

I mention all that because I have never seen such unity of purpose on an issue before. Irrespective of political allegiance or indeed any other factors—we

have extremely mixed communities in Hammersmith—the whole school community, including governors, parents, teachers, pupils and headteachers, all came together, which is perhaps not surprising, given that Hammersmith faces the largest cuts possible in formula funding. Forty-seven headteachers from the 48 schools have written to the Government expressing their concern—I do not know about the one headteacher who did not, but I am told he does not look at his emails too much. All 48 schools in Hammersmith will lose almost 3%. However, this debate is not just about the national funding formula; it is about school funding, and I echo what Government Members, as well as Opposition Members—

**Jeremy Quin (Horsham) (Con):** Will the hon. Gentleman give way?

**Andy Slaughter:** If the hon. Gentleman does not mind, I will not, given the time. Government and Opposition Members have said that this is about the overall picture. It seems extraordinary that substantial sums of money should be taken away from schools in deprived areas through the formula funding when other cuts are being imposed.

I agree with what my hon. Friend the Member for Wythenshawe and Sale East (Mike Kane) said from the Opposition Front Bench. The figures from the NUT and other unions should not be rubbished by the Government, but looked at, because they give an overall picture of the cuts that there have been over a number of years, starting as long ago as 2013 and going through to 2020, and possibly beyond.

Let us look, for example, at Ark Burlington Danes Academy, which is a very successful academy with 67% of pupils on free school meals. By 2020, it will have lost 18% of its budget. Hammersmith Academy, which is a new-build academy with 61% of pupils on free school meals, will have lost 25% of its budget. Wormholt Park Primary School, which has 59% of its pupils on free school meals, will have lost 16% of its budget. As the Minister can readily tell, those schools have very deprived intakes and they are losing unsustainable amounts of money.

In addition to the cost pressures, which cannot be separated out as the Minister would like, what will happen if we have the misfortune of the Government continuing this after 2020? The NUT has pointed out that, according to the Government, several schools will still be overfunded. Will they be restricted by not having inflation increases thereafter? What are the plans? In my constituency a number of schools will still be said to have, once the floor is imposed, funding that is 10% above what they should have, and in one case, 31% above. How are those figures in any way realistic or sustainable for schools to cope with?

Given the amount of time that the Minister has been in the job, he ought to appreciate the absolute sapping of morale, particularly among teaching staff in these areas. It is absolutely right that London schools are a huge success story, but like the rest of the country, we have been through a lot of trauma, with the loss of Building Schools for the Future. Without going into the politics of it, there has also been the way in which academies and free schools have been introduced, and the imbalance of resourcing going to those schools rather than to community schools.

My hon. Friend the Member for Dulwich and West Norwood mentioned English as an additional language, special educational needs, deprivation and turnover. In particular, the effects of the Government's housing policies mean that not only has there been this extraordinary churn, but families are regularly being thrown out of London and they then have to commute hours back with their children every day. Schools are seeing a huge turnover of pupils. Those things cannot be coped with easily. Schools need additional resources and we do not need this destabilisation.

I will continue doing the school gate meetings, even though the consultation has closed, because what has happened has awakened an appreciation of the overall attack on school budgets under this Government. It is unprecedented—it has not happened for at least 20 years or perhaps longer—so I echo what Members on both sides of the Chamber have said. Nobody wants the funding not to increase or the funding gaps not to be addressed in schools that may have been historically underfunded for a number of reasons. That is certainly not the fault of London education authorities, which have always—going back to the days of the Inner London Education Authority—prioritised funding for inner-city schools. However, the problem will not be addressed by substantially reducing the funding and resources of schools in London, which have done a fantastic job over the last 10 to 20 years in changing the mood and the climate. The Minister should wish to emulate that around the country, not drag London down.

**Mr David Hanson (in the Chair):** I call Wes Streeting. I ask him to finish his speech by 10.35 am.

10.30 am

**Wes Streeting (Ilford North) (Lab):** It is a pleasure to serve under your chairmanship again, Mr Hanson. I will be mindful of the clock.

The Minister will be able to cross out huge sections of his speech because of the number of interventions he has made. I am sure that when he came here this morning, he would have been delighted to have a debate about the education funding formula, but let me save him from intervening on me. He would tell me that in my constituency there are 24 winners and five losers from the formula, generating an additional £2.8 million, but even by the conservative estimate of London Councils, which uses National Audit Office figures to look at cost pressures, my constituency's schools will lose £3.6 million.

The Minister has great attention to detail, so he knows as well as anyone that the principle of the education funding formula and the rebalancing of budgets is not contested. The real problem is the real-terms cuts to all schools throughout the country, alongside serious inflationary pressures and rising costs. In fact, the Institute for Fiscal Studies has said that school funding per pupil has been frozen in cash terms until 2019-20, resulting in a real-terms cut of 6.5%, which it describes as

“the largest cut in school spending per pupil over a 4 year period since at least the early 1980s”.

It is not even a case of robbing St Peter's school to pay St Paul's. The whole system is losing money and pupils will suffer as a result.

[Wes Streeting]

Take my own borough, the London Borough of Redbridge, of which I should declare that I am still a councillor. Taking into account cost pressures, funding cuts and the education funding formula, more than £15 million will be taken out of its schools by 2020—about £338 per pupil per year, which is equivalent to losing 411 teachers. Redbridge Primary School, which I know the Minister has visited—I went there to play the recorder with him—will lose £396 per pupil per year, which is equivalent to losing seven teachers.

The worst-affected primary schools include Ilford Jewish Primary School, which will lose £575 per pupil per year, and Ray Lodge Primary School, which will lose £554 per pupil per year—equivalent to nine teachers. Beal High School, one of our largest secondary schools and a great, successful academy school, will lose more than £500,000—£357 per pupil per year, or 15 members of staff. Even my local grammar school, Ilford County High School, will lose just shy of £300,000 because of cost pressures—£498 per pupil per year. That is partly a reflection of the terrible funding settlement that the Minister has received from the Treasury, but it is also a reflection of the terrible priorities of the Government under the new Prime Minister.

Brett Wigdortz, who as founder and chief executive of Teach First has done more to tackle educational disadvantage in this country than most, said:

“Some of the most depressing things I’ve seen in England were going to East London and seeing outstanding schools where kids from low income backgrounds were getting a world class education... And then you travel 20 miles to the south-east into Kent, which has a grammar school system and visit schools there, and they’re very depressing places I would say.”

It is a scandal that the majority of schools in this country are losing money to fund ideological pet projects such as the expansion of grammar schools, when there is no evidence that they will tackle educational disadvantage—quite the opposite.

I conclude by reflecting on my own experience as a child of the 1980s who went to primary school in east London and secondary school in central London—I have lived in London for my entire life. My old primary school, St Peter’s London Docks, which my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) referred to, will lose £732 per pupil per year—£144,982 by the end of the decade. My old secondary school, Westminster City School, which is just down the road, is losing more than £500,000—£831 per pupil per year or the equivalent of 12 teachers. From visiting the school, I know the impact that that is having on the curriculum and on the wide provision of choice at a secondary school that still serves a majority deprived population with a high free school meal intake.

Through its educational provision, that school took a council estate boy from Stepney in east London and gave him opportunities that he would never otherwise have had. Without those opportunities, I would never have been elected to Parliament. It also took a Peckham boy from a south London council estate, John Boyega, gave him great drama teaching and sent him to Hollywood as one of the stars of “Star Wars”. The school no longer has curricular or extracurricular drama provision. That should rest on the Government’s conscience. It is to their shame, because those are the chances that take

kids from council estates and give them a world of opportunities enjoyed by those from the most wealthy and privileged backgrounds.

10.35 am

**Mike Kane** (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hanson. I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate and on her impassioned speech.

As my hon. Friend the Member for Ilford North (Wes Streeting) said, under this Government we are seeing the largest real-term cuts for 20 years. The schools budget will not be protected in real terms and will not rise during the Parliament, and funding will be protected only in cash terms. No planning for budgets has been put in place by the Department for Education to cover the cost pressures that have been articulately pointed out by hon. Members today, such as inflation, the living wage, pension provision and the apprenticeship levy, which the hon. Member for Sutton and Cheam (Paul Scully) mentioned. There has already been a sharp rise in the proportion of secondary schools in deficit, which has risen to nearly 60% in 2014-15, according to the National Audit Office. The NAO has also confirmed that there will be a real-terms reduction in funding per pupil because of a failure to increase funding in line with inflation. That, I am afraid, is a clear breach of the Conservative party’s manifesto commitment.

**Catherine West** (Hornsey and Wood Green) (Lab): Does my hon. Friend agree that this is, in essence, an attack on all young people, regardless of whether they live in London or anywhere else in the country? This is an attack on the future generations of this country.

**Mike Kane:** My hon. Friend the Member for Dulwich and West Norwood pointed out that it would take 1% of the education budget to level up in London—about £500 million. Some £380 million was clawed back from the Department for Education for its failure to convert enough schools to multi-academy trusts. This can be done—it can be achieved—but, as with their U-turn last night to downgrade GCSE passes to grade 4, we can only hope that the Government will see the light on the key issue of the £3 billion of funding cuts that we face between now and 2020. The funding formula amounts only to redistributing a small sum of money while we face cuts across the board. Instead of moving an inadequate sum of money around, what is required is investment in all our schools, for every child.

The Library briefing states that “inner London constituencies are expected to see the biggest fall in funding under the consultation proposals.”

There are particular pressures on London from the fair funding formula, as has been pointed out. The number of children on free school meals has declined in London, partly because of gentrification in particular areas, but also because of benefit changes, which mean that fewer children are eligible. That is having a disproportionate impact on school budgets in London.

The Secretary of State has said that no school should lose more than 1.5% of its funding as a result of changes to the funding formula. However, it has already been shown by the IFS and the NAO that, given the budget cuts, cuts to schools will be far more severe. Those are the figures on the union’s website.



**Jeremy Quin:** I come from a part of the country with £2,000 per pupil less than the London average. Will the hon. Gentleman confirm that he believes that there should be fairness in how we distribute funds between schools? That is what the NFF is about, and it is welcomed very broadly around the country.

**Mike Kane:** There should be fairness in the funding formula. There are good things in it, such as an emphasis on high needs, a deprivation index, a focus on prior attainment—why would we not welcome those things?—but we have seen many U-turns from the Department. I would bet my bottom dollar that, with the pressure that is coming from all hon. Members, we will see another one. I am worried that we will also see a U-turn on some of the good things about this funding formula.

The financial challenges of providing London school places is huge, because of the cost pressures and land values. That is why we have seen the Government U-turn on the 50% faith school cap. The Catholic Church needs to build at least 40 new schools in London and the Government have had to U-turn on their policy from 2010.

The free school programme in London is not subject to any spatial planning whatsoever. There was a school in Bermondsey that recently closed down after £3.5 million was spent in two years on educating 60 pupils. That was £60,000 per pupil. As my right hon. Friend the Member for Tottenham (Mr Lammy) said, we could have sent those pupils to Eton for half the price. That is what happens when there is a free school programme that is not subject to spatial planning.

**James Berry:** Will the hon. Gentleman give way?

**Mike Kane:** I will not give way, if the hon. Gentleman will forgive me. I really am up against the clock.

The Education Funding Agency is paying inflated prices for land, particularly in London. Funding issues are hitting teacher recruitment, as has been articulately pointed out. Pay in real terms for teachers has fallen by 10% since 2010. The jobs market is beginning to pick up, no wonder we are failing to meet our graduate targets for teacher training, which adds to the pressures. The cost of living, as has also been pointed out, and the cost of childcare are exacerbating the problems, as is inflation. My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) has been articulate for weeks and months in the Chamber on the effect of London's housing crisis, which means that teachers are priced out of the market.

As I have said, the Opposition would love to support elements of the funding formula. I remember the joke by Peter Kaye, who is a Bolton comedian. When his children were trying to get to sleep but could not do so because of the “wardrobe monsters”, he rang them up and said, “Don't worry about the wardrobe monsters. It's the burglars coming in through the roof!” This issue is not about the funding formula, a high needs index, a deprivation index or the focus on prior attainment; it is to do with cost inflation. The Minister should stop confusing the matter for his own Back Benchers and for Parliament. The national funding formula will not touch the sides of what needs to be done to avert a massive crisis in our schools.

We need change. The Minister should not bang on about the funding formula. He needs to address the cost pressures that all schools face. He needs to tell them, which he has not done so far, how they are to make the savings required. More importantly, however, he needs to tell us how he will change his mind in the weeks and months to come.

10.42 am

**The Minister for School Standards (Mr Nick Gibb):** It is a pleasure to serve under your chairmanship, Mr Hanson.

I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing this important debate. I trust that she would agree that we share the ambition to have a country that works for everyone, where all children have the opportunities for an excellent education that unlocks talent and creates opportunity. That should be regardless of their background or where they live, which is why today 1.8 million more pupils are in good or outstanding schools than was the case in 2010, and why 147,000 more six-year-olds are now reading more effectively this year compared with 2012 as a result of our reforms.

The Government are prioritising spending on education and have protected the core schools budget in real terms so that, as pupil numbers increase, so will the amount of money for our schools. School funding today is at its highest level on record at more than £40 billion in 2016-17, and is set to rise to £42 billion by 2019-20. However, the current funding system is preventing us from ensuring that the money is allocated fairly. In the current system, similar schools and similar local authority areas receive very different levels of funding with little or no justification. For example, a secondary school in Wandsworth that is teaching a key stage 3 pupil with English as a second language and low prior attainment would receive £7,699, but if that same pupil were in a school in the neighbouring Borough of Lambeth, the school would receive £10,263, which is a difference of more than £2,500. There is no reason why moving just a single mile should lead to such a change in funding.

Opposition Members complained about the debate. They do not like their figures being challenged, but I am afraid that I am going to do so, because they repeatedly cite misleading campaign data from the National Union of Teachers. First of all, let us take the hon. Member for Nottingham—

**Mr Lammy:** It is Tottenham.

**Mr Gibb:** Haringey is the 11th best-funded local authority in the country at the moment and it will remain—

**Several hon. Members rose—**

**Mr Gibb:** I will not give way. Haringey will remain the 11th highest-funded authority.

Allocations are based on 10-year-old data—2005 data—but during that 10-year period deprivation in London has been reduced. In 2005, 27% of pupils in London were eligible for free school meals; today, that figure is 18%. By ensuring that we allocate funding on the basis of up-to-date data and fairly, we can allocate £5 million more to boroughs such as Merton, the funding of

[Mr Gibb]

which will rise from £114 million a year to £119 million a year, reflecting the fact that Merton has been underfunded in the past. It was disappointing—

**Wes Streeting** *rose*—

**Mike Kane** *rose*—

**Mr Gibb:** I will not give way to either of the hon. Gentlemen. It was disappointing that the hon. Member for Mitcham and Morden (Siobhain McDonagh) did not acknowledge that, directly as a consequence of this fairer way of allocating funding—this new funding formula—her schools are receiving £3.5 million more.

The hon. Member for Ilford North (Wes Streeting), who is itching for me to give way, said that his borough of Redbridge was seeing a reduction in funding. I am afraid that that is simply not the case. Redbridge's school funding will increase from £201,600,000 to £209,859,000, a 4.1% increase, as a direct consequence of the introduction of a national funding formula.

**Mike Kane:** Will the Minister give way?

**Mr Gibb:** I will not give way.

These anomalies will be ended once we have a national funding formula in place, which is why introducing fair funding was a key manifesto commitment for this Government. Fair funding will mean that the same child with the same needs will attract the same funding, regardless of where they happen to live.

We launched the first stage of our consultation on reforming the schools and high needs funding systems in March last year. We set out our principles—

**Mike Kane:** On a point of order, Mr Hanson.

**Mr David Hanson (in the Chair):** I hope it is a point of order, Mr Kane.

**Mike Kane:** Mr Hanson, it should be noted that Members from all parties, including myself, were generous in giving way to the Minister. The Minister has not been generous in return.

**Mr David Hanson (in the Chair):** I am afraid, Mr Kane, that that is not a point of order for the Chair. The Minister is entitled to give way or not give way according to his own preference.

**Mr Gibb:** Thank you, Mr Hanson; I want to respond to all the points that were made in the debate.

We launched the first stage of our consultation on reforming the schools and high needs funding systems in March last year. We set out the principles for reform and proposals for the overall design of the funding system. More than 6,000 people responded to that first stage of our consultation, with wide support for those proposals. I acknowledge the support that the hon. Member for Wythenshawe and Sale East (Mike Kane) has given to the principles of this formula.

We have just concluded a 14-week second stage consultation, covering the detailed proposals for the design of both the schools formula and the high needs formula. Our proposals will target money towards pupils who face the greatest barriers to a successful education.

In particular, our proposals will boost the support for those from disadvantaged backgrounds, and for those who live in areas of deprivation but who are not eligible for free school meals—those ordinary working families who are too often overlooked. We are also putting more money towards supporting those pupils in both primary and secondary schools who have fallen behind in their education to ensure that they have the support they need to catch up.

Overall, 10,740 schools would gain funding under our proposals, and the formula will allow those schools to see those gains quickly, with increases of up to 3% per pupil in 2018-19 and of 2.5% in 2019-20. Seventy-two local authority areas will quickly see an increase in their high needs funding, and no local authority will see a fall in its funding.

As well as providing those increases, we have listened to those who highlighted in our first stage consultation the risks of major budget changes for schools. That is why we have proposed to include significant protections in both formulae. No school would face a reduction of more than 1.5% per year or of 3% overall per pupil and, as I have said, no local authority will lose funding for high needs. The proposals will limit the otherwise quite large reductions that some schools, including many in London, would see as the funding system is brought up to date.

The real-terms protection of the core schools budget underpins these proposals. As a result, we are able to allocate some £200 million to schools in both 2018-19 and 2019-20, over and above flat cash per pupil funding. That will combine significant protection for those facing reductions with more rapid increases for those set to gain under the fairer funding formula. High needs funding will see an equivalent real-terms protection.

London will remain the highest-funded part of the country under our proposals. Schools in inner London will attract 30% more funding per pupil than the national average, which is right. Despite the city's increasing affluence, London schools still have the highest proportion of children from a deprived background and the highest labour market costs, as has been acknowledged in the debate.

We are using a broad definition of disadvantage to target additional funding to schools, comprising of pupil and area level deprivation data, prior attainment data and data on English as an additional language. No individual measure is enough on its own. Each factor reflects different aspects of the challenges that schools face, and they work in combination to target funding. Where a child qualifies for more than one of those factors, the school receives funding for each qualifying factor. For example, if a child comes from a more disadvantaged household and they live in an area of socioeconomic deprivation, their school will attract funding through the free school meals factor and the area-level deprivation factor—the income deprivation affecting children index.

The additional needs factors in the formula are proxies for the level of need in the school. We are not suggesting that the funding attracted by an individual pupil must all be spent on that pupil, but that schools with high numbers of pupils with additional needs are more likely to need additional resources. Using the proxy factors helps us target funding on schools that are more likely to face the most acute challenges. I will give way to the

hon. Member for Dulwich and West Norwood (Helen Hayes), who introduced the debate, if she wants to come in on that point. If not, I will press on.

**Helen Hayes:** I will come in at the end.

**Mr Gibb:** Very good. In addition to the formula, schools will continue to receive additional funding through the pupil premium to help them improve the attainment of the most disadvantaged pupils. We have also included a mobility factor in our formula to recognise the additional costs faced by schools, many of which are in London, where a high proportion of pupils arrive at different points through the year. We were influenced by the right hon. Member for East Ham (Stephen Timms) in making that change. London schools will receive additional funding to reflect the higher cost base they face from being in London, which is particularly important given that so much of schools' spending goes on staffing costs. The higher funding for London schools will support them to continue their success in recent years, particularly for children from disadvantaged backgrounds.

I understand the reactions of those Members who are disappointed by our formula's impact on their constituencies. The formula is not simply designed to direct more money to historically lower-funded areas or areas with the highest levels of deprivation. It is designed to ensure that funding is properly matched to need using up-to-date data, so that children who face entrenched barriers to their education receive the support they need. That includes pupils who do not necessarily benefit from the pupil premium but whose families may be only just about managing.

**Andy Slaughter:** The debate is about schools funding in London and the Minister is almost exclusively talking about the formula. Does he not understand that the additional cost pressures talked about by my headteachers in the letter they sent to the Secretary of State are having an effect on all schools in addition to the funding formula? It is that combination that is causing these difficulties.

**Mr Gibb:** I recognise that schools are facing cost pressures, including salary increases, the introduction of the national living wage, increases to employers' national insurance and pension scheme contributions, and general inflation. We have estimated, as has been acknowledged in the debate, that national pressures will add about 8% per pupil between the start of 2016-17 and 2019-20, but it is important to note that some of those cost pressures have already been absorbed, and 8% is not an estimate of pressures to come. Over the next three years, per pupil cost pressures will on average be between 1.5% and 1.6% each year.

The current unfair funding system makes those pressures harder to manage. We felt very strongly that introducing a national funding formula will direct funding where it is most needed. That will help schools that have historically been underfunded to tackle those cost pressures more easily. We will continue to provide advice and support to schools to help them use their funding in cost-effective ways and improve the way they buy goods and services so that they get the best possible value for their pupils. We have published a wide range of tools and support, which are available in one place on the gov.uk website and include tools to help schools assess their level of

efficiency and find opportunities for savings, guidance on best practice, including on strategic financial planning and collaborative buying, and case studies from schools. We have launched the school buying strategy to support schools to save more than £1 billion a year by 2019-20 on their non-staff expenditure.

In addition to those pressures, I appreciate that schools will be paying the apprenticeship levy. As my hon. Friend the Member for Sutton and Cheam (Paul Scully) pointed out, the apprenticeship levy comes with real benefits for schools. It will support schools to train and develop new and existing staff. It is an integral part of the Government's wider plan to improve productivity and provide opportunities for people of all backgrounds and all ages to enter the workplace.

In conclusion, I am grateful for this opportunity to debate school funding in London. I hope Members are reassured to some extent that the Government are committed to reforming school funding and delivering a fair system for children in London and across the whole country—a system where funding reflects the true level of need of pupils in schools.

10.56 am

**Helen Hayes:** I thank all hon. and right hon. Members who have participated in the debate this morning, and I thank the Minister and my Front-Bench colleague for responding to it. It has been a high-quality debate. The strength of feeling and the passion are clear, and Members have represented the interests of schools in the constituencies very powerfully indeed. There is no disagreement on the principle of fairness for school funding. The concerns that have been expressed this morning are about the impact of a funding formula that will see schools in London losing funding on top of the existing severe cost pressures they are suffering.

The Minister continually refers to total sums of money and the ranking of schools according to their allocation, but that is not the concern. No Member in this Chamber is concerned about where their local authority sits in the ranking of authorities across the country. We are concerned that our schools have the funding they need to deliver the excellent outcomes for our children that they deliver at present. Higher levels of funding are good value when they deliver for children in deprived areas.

The point we are making is that the Government's approach is putting the quality of education in London schools at risk. That is of grave concern. It is simply disingenuous of the Minister to dismiss the concerns of headteachers in London as a response to inaccurate campaign data. They are looking at their spreadsheets and telling us that the Government's approach is not working. There is nothing fair about a formula that cuts funding for high-performing schools in deprived areas.

I conclude the debate by reiterating the powerful words of my right hon. Friend the Member for Tottenham (Mr Lammy):

“When London slips back...the nation slips back”.

I urge the Minister to reflect on those words and to think again about the impact that the funding formula will have on the quality and performance of London schools.

*Question put and agreed to.*

*Resolved,*

That this House has considered schools funding in London.



## Homeopathy and the NHS

10.58 am

**David Tredinnick** (Bosworth) (Con): I beg to move, That this House has considered homeopathy and the NHS.

Mr Hanson, it is always a pleasure to serve under your chairmanship, particularly when before we have even started the match, you have given us extra time. It is not often that we are able to start a debate earlier than expected.

This debate has come about for two reasons. The first is the attacks on the long-established national health service homeopathic service. Secondly, we are approaching a very happy moment, Homeopathy Awareness Week, when the homeopathic community comes together to tell people about what it can offer in providing support to doctors and alternatives where other treatments have not worked.

Homeopathy Awareness Week takes place from 10 to 16 April in a celebration of homeopathy: a safe, gentle, natural system of medicine that I have used for 30 years to great effect. In the UK, it might surprise people to hear that 15% of our population already use homeopathy and a further 80% have heard about it. Many people are not sure what makes it different from other medical systems. The week aims to get people to have a better understanding. A lot of events have been organised, including the film première of “Just One Drop”.

To put things in a global perspective, some 450 million people use homeopathy each year. If homeopathy did not work, why would so many people choose to use it and carry on using it? It is a global medical system, the second largest medical system in the world, and is used particularly in very poor communities, which I will come on to.

On British practitioners, a survey recently showed that 72% of homeopathic patients rated their practitioners either very good or excellent. The Homeopathy group recent study showed that practitioners are treating all kinds of things, from irritable bowel syndrome—30%—to depression—20%. More than three quarters of teenagers and 41% of adults receive homeopathic treatments for skin disorders. About a third of adults and 40% of teenagers go to homeopaths for anxiety and stress. It is a service that delivers both in and out.

**Mr Andrew Smith** (Oxford East) (Lab): I congratulate the hon. Gentleman on securing this debate. I certainly would not dispute the testimony of those who have benefited from homeopathic treatment, but does he not agree that scientific evidence of its effectiveness would help in a decision on whether to use it?

**David Tredinnick:** The right hon. Gentleman, who has been in the House as long as I have, has made a good point. There is scientific evidence out there, although we could use more. One of the problems is that, when scientific evidence is produced, it is pooh-poohed. However, that does not stop people using, for example, arnica cream when they get wounds. It is a standard preparation and it is a homeopathic medicine. So there is a degree of need for more studies, but there are studies out there that are ignored.

I have said homeopathy is the second biggest medical system in the world. Some would say it is the most prestigious. It has always been held in very high regard

by people who are widely respected. It is no secret that the royal family and many celebrities have used homeopathic medicine over the years. It has become increasingly important in an age when drug dependency is epidemic and when there are serious worries about the effectiveness of antibiotics.

The homeopathic private sector is growing fast not only in this country, Europe and America, but everywhere. However, in the NHS, we are under attack from people in the medical establishment. This goes back to 2005, when a letter was put out attacking homeopathic services in the health service. It was actually a bogus letter on NHS letterhead. The Countess of Mar and Lord Palmer asked a question about it and the reply acknowledged that

“this document was not issued with the knowledge or approval of the Department of Health and that the use of the National Health Service logo was inappropriate in this instance. The document does not represent any central policy on the commissioning of homeopathy”.

Anti-homeopathy groups such as the so-called Good Thinking Society, which is a front for one individual, a sceptic called Simon Singh, are threatening clinical commissioning groups with legal action for commissioning homeopathy. People such as Simon Singh are anti-patient, anti-choice and closed-minded individuals who have never studied or used homeopathy. In the UK, we have a robust system of homeopathic regulation. We have the Faculty of Homeopathy, which was formed in the 1950s for doctors. Doctors are, of course, regulated by the General Medical Council as well. In 2015, the Professional Standards Authority took on oversight of the regulation of the 2,000 members of the Society of Homeopaths. Such enhanced regulation is important and is a good reason why homeopathy should be more greatly available in the health service.

**Jim Shannon** (Strangford) (DUP): Will the hon. Gentleman give way?

**David Tredinnick:** I will give way to my hon. Friend from Northern Ireland.

**Jim Shannon:** It is always good to have debates on anything to do with health, but particularly with homeopathy. There have been several reviews of the scientific evidence on the effectiveness of homeopathy. Indeed, this House had a report in 2010, which the Minister will be aware of, from the Science and Technology Committee. In my constituency of Strangford is a major shop in Newtownards that deals in nothing else but homeopathy medicine, which clearly shows a demand. Does the hon. Gentleman feel it is perhaps now time for the Government to look at homeopathy in a new light because of the demand that there is, and also to see what homeopathy can offer?

**David Tredinnick:** My hon. Friend makes a powerful point. There is insanity about this subject. The amount of money spent on homeopathic prescriptions in the health service is about £110,000 per annum. So why are those who are against it so fanatically against it? What is it that gives them the swivel-eyed look? Why do they take so much trouble to rub out an alternative at a time when the mantra of the Government is patient choice? It is quite bemusing. Many of the patients that go to homeopaths have contraindications to pharmaceutical

drugs, or chronic illnesses that have not been helped by conventional medicines. I say to the Minister that there are no cost savings to be made by banning homeopathic prescriptions, as patients will still need other interventions instead. The Government should assess how much money the health service has spent on other interventions for these patients before the successful use of homeopathic medicine.

If we look around the world, we see a much more developed landscape. In France, 70% of pregnant women use homeopathy. You can go to any chemist in France and find homeopathic preparations and chemists who are qualified to talk about them. If we go further afield, I particularly like the example of India where there is a Ministry for complementary medicine called the Ministry of AYUSH—the “H” in AYUSH stands for homeopathic medicine. I will say a little about that later.

We have already discussed evidence and there is always a need for good studies. There was a study in France, which I sent to the Secretary of State a long time ago for consideration by the chief medical officer. I have not had a reply yet, although I accosted him about it in the Division Lobby this week. A bullet-proof study named EPI3, which looks at the integration of homeopathy into general practice in France, showed positive outcomes, as does a randomised double-blind, double-dummy, multi-centre, non-inferiority clinical trial, which covers everything possible to follow the protocol, looking at the effect of an echinacea-based hot drink versus oseltamivir in influenza treatment. There are also promising indications that homeopathy could be helpful in combating the increasing problem of antimicrobial resistance. That is an example of a good study. I will come back to the EPI3 study.

The attacks on homeopathy in the NHS come pretty much from one person. They come from an organisation called the Good Thinking Society, a charity that is not supposed to campaign for changes in the health service, but its website states that it wants to raise money because it

“Helps us campaign against the funding of homeopathy”.

According to the website, its leader, the Good Thinking Society’s chairman, largely funds the whole operation and another charity. It launched an attack on the Liverpool homeopathic service to shut it down, and eventually it was shut down. It worked like this. There was a consultation for local people at the end of 2015, at which I had a representative. Some 90% of those present were in favour of retaining or extending the service. Voting was by secret ballot, using hand-held remote controls, and 90% were in favour. One lady present, who suffered from a range of chronic conditions that conventional medicine had been unable to treat, was close to tears. She said that the only thing that had allowed her to live a relatively normal life was homeopathy. She pleaded with the clinical commissioning group not to cut the homeopathy service.

The next stage was a formal consultation open to everybody, with no restriction by area and no checking of who was contributing. That consultation found 73% against keeping the homeopathic service. It is my belief that that consultation was hijacked by the Good Thinking Society—that it got people to call in and distort the result. The right hon. Member for Oxford East (Mr Andrew Smith) and I have been here for a long time—nearly

30 years—and I think we can smell electoral fraud when we feel it. I cannot see how the results can go from 90% in favour to 73% against.

Patients who relied on that service have nowhere to go now, except for being a charge on the health service. That decision caused immense pain. One patient, Mr T, aged 58 from Liverpool, said in an interview from October 2015:

“After 3 years of trying everything my doctor gave me homeopathy, and within 4 months my stomach problems were better. 18 months later I can lead a normal life again.”

A London patient with arthritis said:

“It is the only thing that has helped me find remission from a disease that previously left me wheelchair-bound.”

The core of this debate is the most recent, and most serious, attack on NHS homeopathy—the attack on the Royal London Hospital for Integrated Medicine, the largest public sector provider of integrated medicine in Europe, formerly known as the Royal London Homeopathic Hospital. It offers an innovative patient-centred service, integrating the best of conventional and complementary treatments for a wide range of conditions. All clinics are led by consultants, doctors and other registered healthcare professionals, who received additional training in complementary medicine. This is a flagship hospital that is admired around the world. Instead of threatening it with closure, it should be hailed as an example of best practice and used to develop integrated medicine and to spread understanding of its benefits to the public and the health community.

For greater accuracy, I spoke to the director, Peter Fisher, and I have a briefing note from him. Apart from being a director of the hospital, he happens to be—as he described himself when he came before the Select Committee on Health in the last Parliament, during an inquiry into long-term care and conditions when I was acting Chair of the Committee—physician to Her Majesty the Queen. This is not somebody with a little training; he is a highly proficient, highly trained doctor—so much so that he is a doctor at that level.

Dr Fisher says:

“The Good Thinking Society is harassing the Royal London Hospital for Integrated Medicine by threatening legal action against its host clinical commissioning group, Camden. The RLHIM has an agreement with the north London cluster of clinical commissioning groups, led by Camden, for clinical care pathways for 13 conditions. Patients who do not have these conditions can be treated if normal treatments have failed or have caused serious adverse effects, and in certain other circumstances. The GTS is attempting to close the latter pathway. This would cripple the hospital, preventing it from providing homeopathy, herbal and other treatments and from treating cancer patients. The GTS has harassed the RLHIM and other complementary medicine providers with legal action, reporting to the ASA—

the Advertising Standards Authority—

“and the Charity Commission.”

I will say more on that if we have time. He continues:

“The RLHIM is the largest public sector centre for integrated medicine in Europe with a strong record of provision, innovation and research. A large scale study in France comparing conventional and homeopathic GPs showed that homeopathic GPs prescribe far fewer drugs, with the same or better clinical results, at 20% less cost.”

So there is an economic argument here, which I will say a word about in a moment.

[David Tredinnick]

In the year ending March 2016, the Good Thinking Society had an income of about £100,000. It gave £25,000 to something called the Nightingale Collaboration, which is not a charity, so that it could use the money more freely. That organisation has attacked osteopaths, who are regulated by an Act of Parliament—I was on the Bill Committee for that—and homeopaths, and has waged a campaign against complementary therapies with the Advertising Standards Authority.

The individual, Simon Singh, is a strange and inconsistent individual. He sent me an email before Christmas explaining why he could not send me a Christmas card. I am not sure I would have expected one, as I absolutely despise him. In 2015, it was reported that the charity made claims that processed sugars are not deadly and do not feed cancer, but he did not reveal that the charity was receiving funds from a very large soft drinks manufacturer. I think it is accepted that large amounts of sugar are not necessarily a good diet for cancer patients. I think that is why he got his nickname, “Sugar Drinks Simon”.

Mr Singh also criticised the lyrics of the Katie Melua song “Nine Million Bicycles” for inaccuracy, referring to the size of the observable universe. He proposed correcting the lyrics, saying that the value of 13.7 billion light years would be correct. I looked into that and found that the correct figure is 46.5 billion light years from home. Even on that subject, on which Mr Singh professes to have knowledge, he was wrong—so there is no surprise that he is wrong about homeopathy, about which he has absolutely no knowledge.

To recap, we have what my daughter would call the absolutely bonkers situation where an individual, Singh, who is a physicist, not a physician, with no understanding or experience of homeopathy, is trying to cripple our leading academic medical centre, part of the University College London Hospitals NHS Foundation Trust, whose director—the man running it—is the Queen’s doctor. How mad can you get?

The core problem is not about whether or not homeopathy is effective. There have long been arguments about evidence-based medicine. Professor Sackett, who was responsible for the phrase, did not say it is about whether medicines work or not. He said it is about integrating individual clinical experience and the best external evidence; it is not just about external evidence. It is not just about the medicine—it is about the patient’s and the clinician’s experience. The nub of it is that complementary medicine can reduce the costs on the health service. I have quoted the French EPI3 study, which said that French GPs who integrate homeopathy in their practice use about a third of the antibiotics and psychotropic drugs and half the analgesics, with very similar results, at 20% less cost. That is not taking into account antimicrobial resistance or the adverse effects of analgesics, sleeping tablets or whatever.

There is a turf war here between two sides of the medical establishment, which is actually about resources. We have to resist that. The Secretary of State said, very sensibly, on LBC on 10 September 2014:

“There are some bits of the NHS where it”—

homeopathy—

“is sanctioned by GPs, but it wouldn’t be done without a doctor saying they thought that that was the right thing to do. And what doctors say is the right thing.”

He signed early-day motion 1240, which was about supporting homeopathic hospitals, in the 2006–07 Session of Parliament. It was signed by more than 200 Members—nearly a third of the Members of the House of Commons.

Today of all days—Brexit day—when the Prime Minister will be writing to the European Commission, I found this written answer in the Scottish Parliament from 23 February 2011. The then Health spokesman—no less an individual than the current First Minister, Nicola Sturgeon—replied. This is what she said in reply to a question about the effectiveness of homeopathy in relation to the Scottish Government’s integrative approach to patient care:

“In primary care, costs will relate to the cost of the remedy, which can be cheaper than the cost of orthodox drugs. Practitioners have also noted a reduction in side effects and dependency risks in some cases. In secondary care in Scotland, homeopathy is only employed within a broader integrative care approach, with surveys showing both enhanced wellbeing and symptom reduction across a broad range of long term conditions, and a resultant reduction in NHS costs through reduced GP and hospital visits and repeat prescriptions.”

Well, there we are. That is what the First Minister in the devolved Administration thinks.

Homeopathy is a wonderful system of medicine. It has been part of the national health service for a long time, and I look forward to hearing from the Minister about the Government’s position.

11.21 am

**The Parliamentary Under-Secretary of State for Health (David Mowat):** It is a pleasure to serve under your chairmanship, Mr Hanson. I congratulate my hon. Friend the Member for Bosworth (David Tredinnick) on yet again leading the charge—we have debated this issue in various parts of Parliament—and on securing this debate in close proximity to Homeopathy Awareness Week, which starts on 10 April. He normally corresponds with my colleague, the Minister for Public Health and Innovation. I apologise that he has to put up with me today, but I will do my best to address the points he raised and set out as specifically as possible the Government’s and the NHS’s position on homeopathic remedies.

The Government have no particular position on the efficacy or not of any type of treatment, but we have a position on evidence-based medicine, and I will come on to talk about how we expect an evidence base to determine how we spend public money. There is an acceptance that there is great popularity for some parts of this medicine across the world, as my hon. Friend said. The Government have no particular control over how people spend their money in terms of these treatments. He was involved in the Walker report and review, which put in place a regulatory environment involving the Professional Standards Authority system and the voluntary lists for that.

As well as that popularity-led issue, there is the issue of how we spend public money in the NHS. I will come on to that process, but it is about the evidence base. It is right that there is a method of evaluating competing drugs, technologies and treatments. I will come on to talk about that and what it means in this context. We have no overall position on this issue. My hon. Friend made a good point about the over-prescription of antibiotics. He said that, in certain areas, homeopathic remedies may be an alternative.



I used the phrase “evidence-based medicine”, which means that the medicine is clinically cost-effective. Typically, the drugs that are used across the NHS are subject to trials—possibly lasting many, many years and involving large populations, statistically clear correlation and all that goes with it. A requirement of those drug trials is that their results are not anecdotal, but clearly repeatable. The drugs must demonstrate efficacy. When the National Institute for Health and Care Excellence evaluates them, it uses a threshold to measure their cost versus the quality of life and the years that are obtained by their use. Precisely the same criteria would be applied to any homeopathic or alternative remedy; they would be evaluated in that way. The Department’s position is that medicine must be evidence-based. Within that constraint, we use what the evidence tells us to use. For non-NHS expenditure, it is up to the public to buy what they wish, provided it is safe. There are some controls, and if I have time I will talk a little about the Walker review and what the controls are.

The NHS’s commissioning power is set locally by CCGs, which are GP-led. They set out their policies, in terms of what the CCG uses, but as they do that we expect them to be advised and informed by best practice and, where they are available, by NICE guidelines. Within that, GPs have considerable discretion. As my hon. Friend knows, some GPs still prescribe such remedies, where that is permitted by the CCG. That is not something that the Government have chosen to interfere with, although the drive towards evidence-based medicine means that over the past decade the amount of prescribing has decreased considerably. Last year, something like 9,000 separate prescriptions were made in primary medicine at a cost of about £100,000. A decade ago, the figure was nearer £150,000. That decline has been driven not by a Government diktat, but by our requirement that all CCGs use an evidence base for their decisions.

My hon. Friend gave various views about the evidence base. In 2010, the House of Lords Science and Technology Committee said:

“There has been enough testing of homeopathy and plenty of evidence showing that it is not efficacious.”

More recently, NICE said that it is not aware of any evidence that demonstrates therapeutic effectiveness, and it does not currently recommend that homeopathy

should be used as a treatment for any health condition. As a consequence, there has been a tail-off in the use of such remedies.

I accept that, in certain circumstances, patients may feel that they have tried many other things, and a physician working with them might say, “Let’s have a go at one of these things. What have we got to lose?” As I say, it is not the Government’s job to stop a GP taking that position in that situation. Very often, that will be done in conjunction with a patient who, as my hon. Friend said, feels as though they have tried everything else, and will have a go at it as a last resort. It may well be that, anecdotally, it works, whether that is through a placebo effect or for whatever other reason. It is not the Government’s job to stop that.

In the last minute that I have, I want to talk about the Walker review, of which I think my hon. Friend was the vice-chairman—he certainly helped to inform it. A system of regulation was brought in. We have been talking about the potential need for statutory regulation of the use of such remedies outside the health service. The Walker review looked at a variety of issues with respect to such medicines and concluded that we should put in place a voluntary system of regulation accredited by the PSA—something of a middle way.

**David Tredinnick:** The Society of Homeopaths is now regulated by the Professional Standards Authority, and will be looking to the health service to make better use of its services.

**David Mowat:** The Society of Homeopaths is accredited by the PSA, as my hon. Friend says. When somebody gets accredited, that is an endorsement that that practitioner is committed to safety and to work of good practice. It is not necessarily an endorsement of the technique that is being used, but it is accreditation that it is a safe technique. We accept that, and we would like more professionals working in that area to go down that route. I will finish on that note. I hope that I have been successful in setting out the Government’s position.

*Motion lapsed (Standing Order No. 10(6)).*

11.30 am

*Sitting suspended.*

## HIV Treatment

[MRS ANNE MAIN *in the Chair*]

2.30 pm

**Mrs Anne Main (in the Chair):** Before I call Mike Freer to move the motion, I want to say that our thoughts are with the victims of last Wednesday's atrocities. I do not think that the House is pausing in its proceedings, but our thoughts are with them today.

**Mike Freer (Finchley and Golders Green) (Con):** I beg to move,

That this House has considered the all-party parliamentary group report *Impact of Health and Social Care Act on HIV treatment*.

I associate myself with your comments, Mrs Main, which are exactly right, and it is a pleasure to serve under your chairmanship. I also put on the record my appreciation of the Minister and other colleagues, but especially the Minister, who has been extremely supportive of the all-party parliamentary group on HIV and AIDS and who has always been helpful when I have raised issues to do with HIV/AIDS. I am grateful, too, to other Members on what is a busy day, with other demands on their time. Their attendance at this debate is much appreciated.

Since 2015, when I was elected chair of the all-party parliamentary group on HIV and AIDS, our main objective has been to draw on evidence from clinicians, patients, HIV charities and research groups concerned about the potential impact of the Health and Social Care Act 2012 on HIV treatment in England. In December 2015, therefore, we started to collect written evidence so that we could investigate whether such concerns were based on reality.

Our inquiry took about a year to conclude. We heard from clinicians, local authorities, public health officials, people living with HIV, and the charity sector. We took both written and oral evidence. After a year of gathering evidence, it is fair to say that we concluded that fragmentation has occurred, creating a degree of uncertainty and presenting opportunities for aspects of HIV care to fall through the gaps between the commissioning bodies. I will outline that later.

The purpose of our report, "The HIV puzzle: Piecing together HIV care since the Health and Social Care Act", was not to turn back the clock, but to reach out to the sector for evidence and recommendations so that we may make tangible improvements to the commissioning of HIV services. We need to work together to make such changes to ensure that people continue to maximise the benefits of the world-class treatment and clinical care service available in the UK.

I emphasise that the majority of the report recommendations focus on the need for clarity and accountability in all parts of the HIV care pathway, because the lack of clarity in the 2012 Act is what came into sharp focus. It was exemplified by the debate surrounding the provision of PrEP—pre-exposure prophylaxis—and the uncertain future of HIV support services. I and my APPG colleagues who advocate central funding for PrEP welcome NHS England's announcement of a new PrEP trial to reach 10,000 people.

Our report concluded that the Health and Social Care Act increased fragmentation to many aspects of the care pathway, from prevention to long-term condition management. For example, fragmentation has created risks for HIV support services. The separation of sexual health and HIV is another example. There are new potential barriers to testing and prevention. Most importantly, there is confusion over the commissioning of new prevention techniques. I will highlight some of our key findings and offer suggestions as to how the APPG believes the report's recommendations can help address them.

HIV support services—non-clinical services—have long been considered a vital part of the care pathway for people living with HIV. The British HIV Association, BHIVA, which is accredited by the National Institute for Health and Care Excellence, provides official guidance on HIV treatment and care. BHIVA states that the following are necessary for effective long-term condition management: peer support; support from other trained professionals; and information about HIV treatment, healthy living with HIV, diet and lifestyle, and optimisation of general health issues. People living with HIV also need support to access general health services, financial advice, and housing and employment support.

That view is endorsed by NHS England:

"The effectiveness of specialised HIV services depends on other elements of the HIV care pathway being in place and effectively coordinated",

Those elements include:

"Third sector HIV care and support services for treatment adherence, peer support and self management... Social care, mental health and community services for rehabilitation, personal care or housing".

Not everyone living with HIV requires support, and most will only need to use those services periodically, such as when they are newly diagnosed, experiencing employment issues, pregnant or considering disclosing their status to others, and if they are experiencing discrimination. The UK stigma survey identified that 28% of people diagnosed within the previous 12 months reported suicidal thoughts. Sadly, the suicide rate for HIV-positive men in the first year after diagnosis is more than five times higher than for men in the general population.

Similarly, while the side effects of treatment have improved in recent years, many people still have real difficulty in managing them, especially when starting medication or transferring regimens. People who are long-term diagnosed may experience ongoing and irreversible side effects of older HIV treatments, such as neuropathy and lipodystrophy. Most recently, there is emerging evidence on diabetes.

Support services in those instances not only ensure that people have access to a trained professional or volunteer at the point of crisis, but reduce the pressure on healthcare professionals. The National AIDS Trust reported that 50% of attendees at expert patient groups subsequently reported fewer GP visits. For an investment of £400 per attendee, the average net saving to the NHS for each patient with a long-term condition was £1,800. In addition, Positively UK reports that 88% of people reported that peer support has helped them to adhere better to their treatment plans.

Unfortunately, however, we have heard from the National AIDS Trust and other local support organisations that HIV support services are vulnerable under the 2012 Act, because commissioning responsibility has not been clearly defined. Therefore, the clearly mandated service provision has instead taken priority, in particular where there have been reductions to public health grants for local authorities. Last year, for example, HIV services in Berkshire and Oxfordshire were reduced by more than £100,000. In Berkshire, that equates to a loss of a third of the funding, which will directly affect 300 people living with HIV in Slough and Bracknell.

In Public Health England's guidance to commissioners, "Making it work", HIV support services are the only part of the care pathway left "to be determined locally". That means that either the clinical commissioning group or the local authority can provide such services, but in a number of cases it appears that no one is commissioning services such as community-based HIV clinical nurse specialists.

The value of support services in other disease areas is well recognised. CCGs already commission cancer care, peer support for mental health services and the DESMOND—diabetes education and self-management for ongoing and newly diagnosed—programme for diabetes. The APPG has therefore recommended that the responsibility for providing HIV support services is met by NHS England and CCGs as part of the patient care pathway provided for long-term condition management.

Local authorities have a responsibility to provide public health and social care services, but the ambiguity in the 2012 Act and reduced funding mean that the responsibility has been deprioritised. Support services sit comfortably within the mandate that CCGs and NHS England already have to provide HIV treatment and care. Importantly, what we are asking is that the Department of Health reiterate the need for a mandated whole-treatment plan, from start to finish.

**Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): My hon. Friend is making some good points, and I commend him for bringing forward this important debate. Does he agree that one of the fundamental challenges thrown up by the Health and Social Care Act 2012 is the fragmentation of services? As a clinician, it is strange to me—I made this point when I was on the Health Committee—that sexual health services are now commissioned by local authorities and a lot of HIV diagnoses are first discovered by contact with sexual health services.

**Mike Freer:** My hon. Friend makes a good point. I will go on to identify what is almost a lottery or a roulette, where people can access testing only if the parts of the health service or social care services that they come into contact with know what to do. I will also comment on the problem that some services—particularly GP services—feel that they are under so much pressure that they do not always know how to refer people for testing. One of the implications of the rationalisation of genito-urinary medicine clinics—GUM clinics—is that people risk falling through the cracks. My hon. Friend makes a good point that because services are provided in a number of places by a number of parts of the health service and it is not clear who is responsible for doing what, there is a great danger that people will

think, "Someone else is doing it," or, "Someone else is paying for it," and we end up with no one doing it or no one having the funds to do it.

Civil society groups have highlighted that, under the Health and Social Care Act, some HIV services have been separated from sexual health services, which seems to have had the unintended consequence of creating different commissioning responsibilities for different aspects of caring for people living with HIV. HIV clinical services are commissioned by NHS England. HIV clinics traditionally sit in or next to sexual health or GUM clinics. That is the logical place for them to be; it helps with referrals and the continuation of care. Most HIV diagnoses are picked up during routine sexual health check-ups.

For example, the team at the Marlborough clinic at the Royal Free hospital, which serves my constituency, offer HIV testing and treatment alongside sexual health advice, testing and treatment for sexually transmitted infections, and contraception services. Where an HIV-positive diagnosis is made, staff can quickly link the newly diagnosed person into care at the adjacent Ian Charleson day centre, almost by walking them from one part of the building to the next, to ensure that there is continuation of care and no gap between someone being diagnosed and referred. In every part of the health service, whatever the illness or condition, if there is a gap between diagnosis and referral to a specialist service, some patients simply do not turn up. The collocation of services improves the continuation of care. The threatened merging of GUM clinics, which might take them away from HIV clinics, is therefore a cause for concern. I fear that it will make fragmentation worse.

Although local authorities are entirely responsible for providing sexual health services, they are not responsible for the entire HIV care pathway. That has resulted in sexual health services being put out to tender without a plan for the HIV service. That disruption of care presents a real problem for keeping track of patients and ensuring that they remain in the care pathway.

**Dr Poulter:** One of the other practical problems that was not thought through very well in the run-up to 2012 is communication between services, which my hon. Friend rightly mentioned. IT systems in the NHS often do not talk to one another very well, and they certainly do not communicate well with local authority databases or those of private sector providers, which may store information about the same person. That is at the core of the problem, and I wonder whether he might look at that issue when he makes recommendations to the Minister in the future.

**Mike Freer:** My hon. Friend makes a good point. The APPG is currently considering an informal report about the future of social care. Because HIV is no longer a death sentence but a manageable condition, people are living to ages by which they expected to be dead, or by which the health service expected them to be dead. We have early indications that the social care sector simply is not geared up for handling admissions or placements of HIV-positive people into care homes and nursing homes. Some care workers are simply uneducated about how to provide support. My hon. Friend is right: as people are moved into private placements, whether they are funded by the local authority or self-funded, we will have the problem of a lack of joined-up support—not



[Mike Freer]

just in IT, but between social care, which is a local authority responsibility, and care for health conditions, which is the responsibility of HIV clinics with NHS support. He makes a very good point.

The disruption caused by dislocating HIV and sexual health clinics presents a real problem in keeping track of patients. As I said, collocation ensures that patients stay in the care pathway. Integrated HIV and sexual health services support young people living with HIV as they transition from paediatric care into adult services. Navigating adult HIV services for the first time can be challenging for young people. Including those services alongside sexual health services ensures that they have a one-stop shop for their HIV care and other tools for ensuring good sexual health.

The reality is that, in many cases, sexual health has become fragmented from HIV. Sexual health is the more profitable aspect of tenders, so some providers have purchased only the sexual health service, leaving no provision for HIV. In oral evidence to the APPG last year, the British Association for Sexual Health and HIV—BASHH—said that it believed that that had been a genuine oversight in the tendering process. Its president said:

“I don’t think the connection of what would happen if, particularly in a small service, the sexual health element of the tender was won by another provider. I don’t think anybody thought what would happen to the HIV service that was there. I think they thought it would just continue to be provided...and of course that may well be the case if it’s a large HIV unit, but in many cases it isn’t and it’s financially not viable, and that’s where the problem lies”.

Others report that when sexual health tenders were purchased without the HIV service, HIV clinics were left understaffed and with little certainty about the commissioning of the service. That means that people living with HIV have been required to access services elsewhere, which has led to small but significant numbers being lost to care. In its written evidence to the APPG’s inquiry, BASHH also noted:

“In a sexual health service that went out to tender a few years ago the contract was awarded to a community NHS provider. The outreach HIV clinic that had been well established was not sustainable and the service was discontinued. The majority of the service users transferred their care to other HIV providers some miles away but 9% were presumed to have disengaged in care.”

With that in mind, the APPG’s report, “The HIV puzzle”, recommends co-commissioning of HIV and sexual health services by local authorities and NHS England. Those two commissioning bodies should work collaboratively to ensure that a service assessment is in place so that the new provider, whoever it is, has a responsibility to ensure that the HIV service is maintained and not lost. The Department of Health needs to ensure that there is mandatory guidance for sexual health service bidders to undertake risk assessments and produce action plans detailing how the HIV treatment service will be transitioned and implemented.

The separation of HIV clinics from sexual health clinics is an unintended consequence of the Health and Social Care Act that needs to be addressed. The split of responsibility for different aspects of HIV care between local authorities and NHS England is leading to confusion in commissioning, and as I mentioned, early indications are that a small but significant proportion of HIV patients have fallen out of the care pathway as a result.

Previously, sexual health services were all commissioned by primary care trusts and the separation of HIV services from sexual health services was unheard of.

The inquiry also identified that there remains no whole service specification for HIV and sexual health, which we believe is causing health professionals to deprioritise the service. The service specifications that do exist relate to either sexual health or HIV services through “Integrated sexual health services: national service specification” and the NHS England service specification for adult HIV services, and it is the same for paediatric HIV. Those guidelines are useful, but what is really lacking is a comprehensive service specification for HIV and sexual health that encompasses all aspects of the HIV care pathway.

That is why we recommended that the Government develop a whole service specification for HIV and sexual health, bringing together the various existing strands of clinical guidance to ensure clear and consistent advice is available to all local authorities, CCGs and NHS England. A clear service specification for HIV and sexual health would mean that there is a one-stop shop for local authorities or CCGs, which would help to remove the sense of fragmentation experienced by both patients and health professionals.

We recognise that public health is a devolved issue, but the Secretary of State must ensure that local authorities have enough guidance to ensure that there is a minimum service requirement that they must provide. At the moment, the 2012 Act does not provide enough clarity or accountability to any one commissioning body. The nature of HIV as an infectious disease means that HIV services do not start at the point of diagnosis.

Let me turn to testing and prevention, which are a critical part of encouraging safe sex. The APPG is extremely pleased with the Government’s recent announcement that relationships and sexuality education will be made compulsory in all secondary schools. Properly informed and sensitively taught, that will go a long way to ensuring that young people are able to make informed decisions about safe sex and preventing the transmission of sexually transmitted infections and HIV.

None the less, testing and prevention are subject to similar fragmentation of commissioning responsibility, so confusion over commissioning responsibilities remains. As an example, HIV testing can be paid for by any of three commissioning arms—local authorities, NHS England and CCGs—depending on the setting and context in which the test is offered. HIV testing—including community outreach—for most-affected groups and routine population screening in areas of high prevalence is the responsibility of local authorities. HIV testing clinically indicated in a hospital—and termination of pregnancy services—is paid for by CCGs. Testing and treatment for STIs, including HIV testing, provided in general practice when clinically indicated or requested by individual patients, is covered by NHS England as an essential service under the GP contract. Different settings, different funding, total confusion.

In short, if someone is offered an HIV test by a hospital doctor because they arrive in A&E with shingles, it is paid for by the CCG. If they are offered the same test for the same reason by their GP, it is paid for by the NHS primary services contract. If they are offered a

test by the same GP simply because they live in an area of high prevalence, as NICE recommends, it is paid for by local authority.

The evidence for prevention and early diagnosis is overwhelming. People living with HIV can expect a near-normal lifespan if they are diagnosed early, but people diagnosed late continue to have a tenfold increased risk of death in the year following diagnosis. NICE also estimates that the costs of HIV care remain 50% higher for each year after diagnosis if the diagnosis is late. Likewise, preventing onward transmission is crucial not only for individual and public health but in terms of the sizeable lifetime costs of treatment. In 2011, PHE estimated that each infection prevented would save between £280,000 and £360,000 in lifetime treatment costs. NICE estimates that, if national testing guidance is implemented fully, 3,500 cases of onward transmission could be prevented in the next five years, saving the NHS more than £18 million a year in treatment costs.

I mentioned that GPs say they are under time pressure, and for a number of health issues that is widely reported as a barrier to proper intervention. The availability of education for GPs on offering HIV tests remains a problem. GPs feel they do not have enough information about the most appropriate time at which to intervene on HIV testing. As the Royal College of General Practitioners notes,

“There is...the issue of effective implementation—including training and support for practices to adopt these schemes...GPs and our teams are already under immense resource and workforce pressures making it incredibly difficult to implement any new programme”.

Many in primary care will therefore refer patients to GUM services for testing. However, that has the potential to entrench existing inequalities in late diagnosis rates, given that high-risk communities—particularly black African communities—are far less likely to access sexual health clinics and much more likely to access primary care.

Although healthcare professionals’ knowledge of when to offer an HIV test is not directly related to the Health and Social Care Act, the expectations from patients and the NHS England to mandate commission testing based on clinical indicators mean that educating healthcare professionals on the subject in line with NICE public health guidance must be a priority. The APPG has also called for protection of local authority public health grants from further funding reductions, in line with the Government’s commitment to ring-fencing the NHS budget. I would be grateful if the Minister could outline what plans she has to ensure that public health investment is not lost under further changes to local authority funding.

Finally, arguments over commissioning responsibilities have led to a stalemate on the introduction of innovation in HIV prevention. In 2015, studies from the UK, France and the US reported that, when taken regularly, PrEP can reduce the risk of HIV transmission by up to 86%. As the National AIDS Trust notes:

“PrEP is exciting, new, and currently, unique. It is not a vaccine, although it has a similar impact. We can draw comparisons to statins, in terms of preventing illness, or contraception, in terms of preventing unwanted consequences of sex. But actually, there is nothing quite like it. It is the definition of healthcare innovation.”

I do not wish to repeat the arguments made for and against the centralised commissioning of PrEP, but it does serve as an important case study in highlighting

how the fragmentation outlined already risks HIV services that are focused on both lifelong condition management and preventing onward transmission.

As I mentioned at the beginning of my comments, I am enormously grateful to the Minister and NHS England for the announcement of an expanded clinical trial phase, including at least 10,000 participants, which will be launched early in 2017-18. I hope she will be able to update us on that trial in her response. I thank everyone who participated in the inquiry, particularly those who travelled across the country to attend our oral evidence sessions, and all the members of the APPG who took enormous time out of their diaries to support the inquiry.

2.58 pm

**Jim Shannon (Strangford) (DUP):** It is a pleasure, as always, to serve under your chairmanship, Mrs Main. It was a particular pleasure to hear the hon. Member for Finchley and Golders Green (Mike Freer) set the scene for us on a subject that is close to his heart and one that he has become a champion for in this House. I congratulate him on that. I have always been here to support him in his endeavours, and I am pleased to do likewise again.

When we think of HIV, as we are doing in this debate on the report, our thoughts automatically go to African nations. They do in my case, and Swaziland in particular, as my parliamentary aide visits and supports an orphanage there. One in every two people there has AIDS, so there is naturally a massive need for care and support of orphans. My heart has long been touched by the needs of the people in that country who have been ravaged by the spread of AIDS, and by the work of the World Health Organisation and other charities such as Teen Challenge and Elim Missions, which are active in my constituency.

However, this debate is about the report, which makes it clear that this is an issue much closer to home as well as one in Africa. We can relate it to our own constituencies. I understand that health is devolved to Northern Ireland—at least it is now; we will see how these talks go. The Minister might be the person making the decisions. We will have to see what happens in relation to that. With great respect, I hope she will not be making those decisions; I hope we will be making them back home, but that is by the by.

In Northern Ireland in 2015 there were 103 new diagnoses of HIV, bringing the total to almost three times what it was in 2006. Some of these figures are shocking and worrying. That is the highest number of HIV diagnoses to ever be recorded in a single year in Northern Ireland. From 2000 to 2014, a total of 557,000 HIV tests were carried out in Northern Ireland.

In Northern Ireland a total of 126 people diagnosed with HIV have died. That includes AIDS and non-AIDS-related deaths. Data obtained from the Public Health Agency showed that 114 pregnancies were affected by HIV from 2005 to 2016. Encouragingly—there is always a good message to be told—the pregnancies were managed to prevent the infection being transmitted from mother to child. That is certainly a bonus and highlights the importance of knowing about infection and managing the birth of babies correctly. We have come forward with medicine and medication over the years in an innovative and very effective way.

[Jim Shannon]

In 2015, there were some 6,095 new cases and 88,769 people being treated for HIV across the UK. This is not an African infection; it is a problem in the UK that we must address. In setting the scene for us, the hon. Member for Finchley and Golders Green focused attention on where it should be in this debate: where we are in the United Kingdom. Some 101,200 people were estimated to be living with HIV in the UK by the end of 2015.

As with many illnesses, many people are living with the disease without knowing it. I would like to hear the Minister's thoughts on how we can reach people out there who are carriers and perhaps do not know it. The clear fact is that, if people are not diagnosed, there is a much greater danger of them unwittingly spreading the infection.

It is estimated that 87% of people are diagnosed; 96% of those diagnosed are accessing treatment; and 94% of those accessing treatment are virally suppressed or "undetectable"—the virus will not show up on tests; it is unable to be transmitted to others. Those are some of the facts. That means that around 13% are undiagnosed and unaware of their infection—they are not able to access care to protect their wellbeing and prevent the onward transmission of HIV to others.

It has been estimated that each new infection costs the NHS between £250,000 and £360,000 in direct lifetime treatment costs. That is something we need to address, and the Minister must at least consider it. The number of new diagnoses in 2015 was slightly lower than in 2014, but new infections have remained roughly static since 2010. The fact that there are new infections each year is something we cannot ignore and needs to be addressed. I am keen to know the Minister's thoughts on the best way of doing that.

Some 39% of people are diagnosed late, which has a potential impact on their immediate health and therefore the cost of treatment at the point of diagnosis and beyond. The fact that people are diagnosed late indicates that there was a possibility of diagnosis earlier. If that is the case and it has not been done, why? There must be a proactive approach to encourage screening and to reinforce education and learning about the prevention and spread of HIV and sexual health in general.

I tabled a question some time ago, to which the Minister responded, on the increase in sexual infection among those in the 50-to-70 age bracket. The figures indicate a rise in HIV infection among that group as well. I ask this question because it is important to do so. When people get to a certain age in life, they may not be involved in those activities as much as they may have been in the past, but there has been a rise in sexual diseases in that age bracket. I know the Minister responded to that question last year, but I would like to hear an update on her thoughts.

Some of the recommendations in the 2016 report from the all-party parliamentary group on HIV and AIDS on the impact of the Health and Social Care Act on HIV services bear highlighting. The first one that I want to mention states:

"While public health has been devolved, the Secretary of State must ensure that local authorities have enough guidance to ensure there is a minimum service requirement, which they must provide."

The hon. Gentleman mentioned that in his introduction and clearly outlined the issue. With respect, at the moment the Act is not providing enough clarity or accountability, and it is the Department of Health's responsibility to ensure that it does.

I look to the Minister, as I always do—she is a very responsive Minister—and ask what co-operation there has been with the regional devolved Assembly in Northern Ireland and the Health Minister there. What plans are in place for such engagement, involving the Secretary of State or Minister of State for Northern Ireland, should we return to direct rule? We cannot afford for health to suffer due to the reluctance of Sinn Féin to enter into government with the party with the largest mandate—the Democratic Unionist party. It is the responsibility of Ministers in this place to step in and step up if necessary and ensure that the people of Northern Ireland have the right strategies in place.

I was quite encouraged by the Library briefing on this debate, which has been extremely helpful. It mentions the pre-exposure prophylaxis drug Truvada, to which the hon. Gentleman referred. There are some excellent medications today, and that is one of them. It is a brilliant, new, innovative drug that can make a difference. It can save lives, stop or at least control HIV infection and give a longer life. We must welcome some of the things that are happening out there and that the NHS is providing, because it is tremendous news.

Lastly, it is clear that the Department of Health needs to ensure there is mandatory guidance for sexual health service bidders to undertake risk assessments and produce action plans, detailing how the HIV treatment service will be transitioned and implemented. We need to have that in place. It is not enough to put a couple of adverts in the media. Although that is good and should be done, it is not enough. We must have a strategy to deal with the prevention of this disease. We must also remember that it is not something that affects only one nation; it affects us all in this nation of the United Kingdom of Great Britain and Northern Ireland, and we must deal with it effectively. I look to the Minister for an indication of how she intends that to be done.

3.7 pm

**Mr Ben Bradshaw** (Exeter) (Lab): I congratulate the hon. Member for Finchley and Golders Green (Mike Freer) on securing this debate, on his all-party group's excellent report and, indeed, on all the work he does on HIV and AIDS. I draw attention to my entry in the Register of Members' Financial Interests and declare an interest: I am a trustee of the Terrence Higgins Trust.

The hon. Member for Finchley and Golders Green is absolutely right, as is his report, on the impact of the Health and Social Care Act 2012 passed in the previous Parliament. I am sure the Minister has read not only his APPG's report but the Health Committee report that we published last year on public health in general and the impact of that 2012 legislation on the delivery of public health, and particularly the delivery of sexual health and HIV services across the country.

The hon. Gentleman is right that, in our report, we identified a number of problems and challenges with the new landscape and commissioning structure. We heard from people up and down the country in evidence—HIV/AIDS organisations, those who work in sexual health, consultants and virtually everyone else—that



the area that has been hit most negatively by the Health and Social Care Act and the changes in commissioning arrangements are HIV services and sexual health services more generally. We all have our own ideas of why that might be the case. Although the jury is still out about the decision to pass the responsibility for public health to local authorities, there were concerns expressed at the time of the Health and Social Care Act—some of us warned the then Health Secretary, Andrew Lansley—about the potential impact of giving local authorities the responsibility for HIV support and other sexual health services, but I am afraid those concerns were not listened to. I hope the Minister will explain to hon. Members and to the country at large what monitoring the Government have been doing on the impact of the Act on services and what measures or action the Government will take as a result of anything they find.

**Dr Poulter:** I agree with the right hon. Gentleman. Does he agree that one challenge is the fact that local authorities are now commissioning the provision of health services in complete isolation from many of the other HIV and associated services? That is very different from our general understanding of public health at the core of the Act—it is a fault.

**Mr Bradshaw:** I completely agree with that point. The different commissioning responsibilities for different bits of sexual health and HIV and AIDS are all over the place. On top of that, although the Government can, with some justification, claim to have protected NHS spending in cash terms if not in real terms, they cannot claim to have done that when it comes to public health, which has taken significant cuts and will continue to take significant cuts over the next few years. Of course, those cuts are being imposed on local government. As the hon. Gentleman and other hon. Members know, local government faces huge financial challenges across the piece. There is also the threat of the withdrawal of the ring fence on public health funding in the next two or three years. In our report we made it clear that we thought that was a risky move indeed.

I do not want to repeat a lot of what was said by the hon. Member for Finchley and Golders Green, who made a comprehensive and excellent speech, but I hope the Minister will explain to us what monitoring the Government are doing on the impact. What will they do in response both to the concerns raised and the recommendations of the all-party group report and our Select Committee report to address the problems? We have known about them for some time—our report is now more than a year old.

The news about PrEP is very welcome, but will the Minister clarify the timing of the commencement of the trial? While we are on the subject, another potentially welcome development is the big fall-off in HIV presentations or positive tests at some of the London clinics in the past few months, which some people suggest may be to do with the availability of PrEP. Can the Minister tell us whether she has made an assessment as to whether that is the case, in which case it is a promising development indeed?

Finally, one of the things that concerns me is the plight of older people living with HIV and AIDS. Around a third of the people in Britain now living with HIV and AIDS are over 50. About 60% of them live at

or below the poverty line. When many of them were originally diagnosed, they did not expect to have a long life expectancy, but they are still here thanks to the fantastic treatment and care that has been invented and developed, which has not only helped to keep people alive but enabled them to lead lives of reasonable quality. Back when they were diagnosed, they may have been less cautious about spending their money to get by at that time, and now they find themselves hopefully with many years stretching ahead and no more means at their disposal, so there is a particular challenge when it comes to older people living with HIV and AIDS. That will require the Department of Health to work more closely with the Department for Work and Pensions. Some of the people that my charity—the Terrence Higgins Trust—deals with face problems when it comes to benefits and benefits sanctions. Those sorts of things add extra pressure and misery to the challenges that people living with HIV already face.

3.14 pm

**Peter Kyle (Hove) (Lab):** I apologise for arriving late and missing the start of the debate, Mrs Main, but I was waiting to speak in the Prime Minister's statement. It is a pleasure to serve under your chairmanship again. I long for the day when I can get called as quickly as my right hon. Friend the Member for Exeter (Mr Bradshaw), who gets called with such speed and alacrity.

**Mr Bradshaw:** You have to be here for 20 years.

**Peter Kyle:** I long for that day as well, but that is in the lap of the electorate. I also thank the hon. Member for Finchley and Golders Green (Mike Freer). He heads up some incredible work by the all-party group, which has provided remarkable and concise information that is usable not only within the sector, but by a great number of people, to advocate for the challenges of people living with HIV and AIDS and to help to explain the broader issues people face. The reports are read by a great many individuals, and not only by experts in the subject, which is a credit to him. His wide-ranging speech—the last three quarters that I caught—was exceptional, and I am grateful to have been here for it.

I represent the city of Brighton and Hove, which has more than four times the national average HIV contraction rates and people living with HIV. That places an additional onus on me to give voice to both the sector and the individuals who live with this long-term condition. I am a representative for that city and for the gay community. When I was on the board of Pride, I spent a lot of time trying to understand the fabric of the support services going to people living with HIV, and I have done so with even more enthusiasm and dedication since being elected as an MP.

I am proud that we have incredible preventive work in Brighton and Hove. THT, Stonewall and local groups, co-ordinated through the LGBT Forum, have done remarkable work on prevention. It is a sadness that they do not have all of the tools that they call for, including PrEP, at their disposal. I know that the issue has been aired by other Members today, so I will not go into any more detail on that, but the grassroots and the people working on the frontline in Brighton and Hove are absolutely enthusiastically calling for that.

**Thangam Debonnaire** (Bristol West) (Lab): I, too, wish to add my thanks to the hon. Member for Finchley and Golders Green (Mike Freer). Does my hon. Friend agree that having such a confusing and complex mix of commissioners and authors of standards for prescribing does not help to establish the consistent commissioning of drugs such as PrEP, which he has mentioned and which would help so many people not only in his own constituency, but in Bristol West?

**Peter Kyle:** Bristol and Brighton share many of the same characteristics in terms of demography and the numbers of people living with the long-term condition of HIV/AIDS. I agree with my hon. Friend wholeheartedly. The hon. Member for Finchley and Golders Green made the point very well about the split that was created in the Health and Social Care Act. It is having an impact on communities and I hope Ministers will finally realise that that needs to be prioritised.

In the work I have been doing with the people who deliver frontline services, I have learnt that the people who live with HIV/AIDS often have complex needs. The landscape for provision is also complex and moves from prevention to treatment. As my right hon. Friend the Member for Exeter mentioned, people are living into old age with HIV—that is not entirely new, but it is a fairly recent development. We should celebrate the fact that people now live into old age with HIV, but it presents us and our health service with very complex challenges.

I too have met people living into their 70s and 80s with HIV, who, when they were first diagnosed pre-1996, were given just weeks to live. There is an additional challenge for such people, as hinted at by my right hon. Friend. Many of those people are not only vulnerable because of the comorbidities and complex health challenges that they may have, both physical and emotional, but many of them spent all of their money when they thought they had a very short time to live, so they are additionally vulnerable because of their financial position. That means those individuals need the holistic care that they deserve.

The hon. Member for Finchley and Golders Green spoke well about the split created by the Health and Social Care Act 2012. I have seen its direct impact on support for people living with HIV. Some people are failing to get the comprehensive care that they need. That is leading, first, to individuals with complex needs not getting the comprehensive care they need, and, secondly, to providers of comprehensive care not getting the funding they need to provide the services. That is causing a terrible ruction in the provider landscape for HIV. Specifically with regard to Brighton and Hove, I am referring to the Sussex Beacon—I shall talk more about that in case the Minister is not aware of its fantastic work.

First, it is important to describe the general health landscape in the city of Brighton and Hove, which is in crisis. We have a hospital, a clinical commissioning group and an ambulance trust in special measures, as well as patient transport services whose privatisation was botched, and which were then renationalised, all within six months. On top of it all seven GP surgeries have closed in the past 12 months. The service is comprehensively in crisis. However, there is one jewel in the crown—the Sussex Beacon, which was established as a hospice in 1992, to provide end-of-life care for

people who were dying because of HIV and AIDS. It has flourished and evolved as the needs of the client group have changed and evolved over time. It is a remarkable organisation, providing preventive, outpatient and inpatient services, and more than 2,000 bed nights a year.

Last year the Care Quality Commission said that the Sussex Beacon is outstanding. It is one of the true beacons of health in the community, and I am proud that it exists to provide comprehensive, holistic and tailored care for individuals living with HIV. It is incredibly important to the community. Because of the split, however, no one agency is taking overall responsibility for funding the Sussex Beacon any more—not the local authority, and not any of the funding agencies designated to do so by central Government. As a result, its statutory funding has fallen by £400,000 a year. That funding gap is bringing an extraordinary organisation to its knees.

In Brighton and Hove politics there is a rainbow coalition. The three MPs are each from different parties, but last year we united in writing, along with the leader of the council, to the Health Secretary, to point out how extraordinary the work of the Sussex Beacon is, and what the dangers are. We pointed out what would happen if all its client group—people with extremely complex needs who were used to and are deserving of specialist care for the special challenges they face—were to be transferred from somewhere rated outstanding to somewhere in special measures, such as a hospital struggling to cope with the patients it has at the moment. Before the general election, the Health Secretary took time to come to Brighton and visit the Sussex Beacon for a photoshoot, as did the Prime Minister when she was Home Secretary on another occasion. Sadly, neither had time to respond to the letter about the dangers that the service will face in future. It was passed on to another agency in the Department of Health for a response.

Perhaps people felt that we were crying wolf, but we were not. The trustees of the Sussex Beacon have issued a warning that they will start to shut services from June this year unless the funding gap is closed. Staff have been put on notice of redundancy. We are in the last chance saloon for that fantastic organisation, which is celebrated beyond Brighton for the services it provides. I urge Ministers to consider the specific challenges it faces. The Minister will know what an achievement it is in today's health environment to get an outstanding rating for something so complex, meeting such complex needs. Because of the nature of the debate, she will know that the people who use the services count on them in a heartfelt, emotional and dependent way. It is an extraordinary service and I urge her to look directly at the challenge and see what the Government can do. Once the service is lost it will be gone forever, and will not be coming back.

I labour the point for two reasons: because I am a Member of Parliament for the area that the Sussex Beacon serves and one of its patrons, but also because it speaks to the challenges that comprehensive providers face in an environment in which funding has become very specialised and very narrow. Comprehensive providers are struggling to find their feet in the new environment. What is happening to the Sussex Beacon is relevant to the broader challenges faced by the sector, in the broader health environment.

3.26 pm

**Martyn Day** (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mrs Main, and to take part in today's debate. I am grateful to the hon. Member for Finchley and Golders Green (Mike Freer) for securing the debate, and for his detailed and informative speech, as well as for the work of the all-party group on HIV and AIDS in producing an excellent report, "The HIV puzzle". The report notes, on the basis of evidence from charities, civil society groups and the pharmaceutical industry, significant upheaval to HIV and sexual health services since the Health and Social Care Act 2012 was implemented.

The findings of the report are very worrying. A joined up, multi-sector approach to support and care for those at risk of or living with HIV is crucial to its prevention. The UK Government should reflect seriously on how they can improve HIV services in the light of that body of evidence. The report is concerned with HIV services in England, but its findings will be of interest throughout the UK. Communicable diseases do not, after all, recognise administrative or national borders. The report recognises:

"In Scotland sexual health sits under Blood Borne Viruses in the health system, which Dr Gordon Scott argues makes it easier to set priorities."

In that spirit, and given that the issue is devolved, I hope that the comments of a Scottish Member about HIV in Scotland will also be of interest to Members from other parts of the UK.

There were 6,095 new diagnoses of HIV across the UK in 2015, and 300 of those were in Scotland. The latest figures for NHS Lothian, which covers the West Lothian part of my constituency, tell us that there are 1,589 people diagnosed and living with HIV, and that 70 of those were diagnosed in the past year. At the other side of the country, Glasgow has experienced its biggest rise in HIV infection for three decades. The issue will affect every community in the country. We all have our challenges, especially when we consider that it is estimated that about 13% of people may be undiagnosed, with all the consequent risks of onward transmission, as well as the impact on those people of being unable to get access to care and treatment.

Lifetime treatment costs the NHS between £280,000 and £360,000 per patient—a not insignificant amount. Prevention of HIV infection remains a priority for the Scottish Government. There is no room for complacency on communicable diseases such as HIV. We continue to provide funding to NHS boards for HIV prevention, as well as supporting organisations such as HIV Scotland, with £270,000 in funding this year. There is of course no one-size-fits-all approach to HIV prevention. That is why in Scotland we are providing Waverley Care with £45,000 in funding this year for its HIV prevention and support work with African communities.

A joined-up approach to HIV care is vital to ensuring that infected people can get the care they need to live life as independently as possible. The Scottish Government's sexual health and blood-borne virus framework 2015 to 2020 is continuing to build on achievements made under the original framework document of 2011. The HIV Testing Kits and Services Revocation (Scotland) Regulations 2014 lifted the ban on the sale of instant-result testing kits in Scotland. In the light of that change, and following

leadership on the issue by HIV Scotland, a subgroup of the executive leads group published a questions and good practice document on instant-result self-testing in March 2014. The good practice document was the first of its kind in the world and has since been recognised internationally as an example of good practice by the World Health Organisation.

All NHS boards in Scotland have protocols in place in relation to HIV post-exposure prophylaxis—PrEP—for sexual and non-sexual exposures. The framework makes clear the importance of a multi-agency approach to sexual health and blood-borne viruses. Truly delivering on the framework outcomes in the long term will require the involvement of patients and service users, NHS boards, local authorities, the third sector, academics, the media and, indeed, the general public. The integration of health and social care in Scotland is one of the most significant reforms since the establishment of the NHS. We are the only UK nation to have legislated to put NHS boards and local authorities under statutory duties to work together. That is helping to tackle priorities in the framework to work towards as joined-up an approach as possible to caring for people with long-term conditions and disabilities, such as HIV.

Evidence generated in late 2014 and early 2015 indicates that the HIV infection is being transmitted among a small population of highly chaotic, vulnerable and often homeless people who inject drugs. These transmissions reinforce the importance of prevention work with such populations. The Scottish Government are working with health boards, schools and the police service to ensure that vulnerable groups can get the right support to prevent and treat infection. The framework update includes commitments on development of care services with local authorities; tackling social stigma through education; encouraging HIV testing to be regarded as routine; and NHS boards and partners offering testing to vulnerable groups using innovative approaches such as delivering testing in the communities themselves.

The Scottish Government are also considering the recommendations of an independent review of PrEP. The European Medicines Agency has granted a licence for Truvada as PrEP for HIV in adults at high risk. The Scottish Government's chief pharmaceutical officer has written to its manufacturer to ask it to make a submission to the Scottish Medicines Consortium. The Scottish Government's position is that all medicines must be licensed before they can be made routinely available on the NHS, but we recognise that some people are already buying PrEP drugs privately in Scotland. It is important that people who are doing so receive appropriate advice from and are monitored by clinicians. The executive leads network for the sexual health and blood-borne virus framework is considering the findings of the PrEP short life working group, which considered a range of issues associated with the use of PrEP. I look forward to hearing about the outcomes.

In conclusion, I commend the work of the APPG and its report on this issue. There are undoubtedly lessons for us all within it.

3.32 pm

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Mrs Main. I thank the hon. Member for Finchley and Golders Green (Mike Freer) for his excellent



[Mrs Sharon Hodgson]

chairmanship of the all-party parliamentary group on HIV and AIDS, for securing this important debate and for his comprehensive opening speech. It was a tour de force.

I also thank the other hon. Members who have contributed to the debate. I thank the hon. Members for Strangford (Jim Shannon) and for Linlithgow and East Falkirk (Martyn Day), my right hon. Friend the Member for Exeter (Mr Bradshaw) and my hon. Friends the Members for Hove (Peter Kyle) and for Bristol West (Thangam Debbonaire) for their excellent and knowledgeable speeches and interventions. They will all have given the Minister much to think about.

We have come a long way since the height of the HIV/AIDS epidemic of the 1980s, but that does not mean that we should be complacent in our approach to the disease now. Across the UK, an estimated 101,200 people were living with HIV by the end of 2015; 87% of them had a diagnosis, and 96% of those diagnosed were accessing treatment. Although they are a minority of people in the wider population, they are a significant minority that we cannot let down when it comes to their care and treatment.

The number of people receiving HIV care in 2015 in England was just over 81,000. That is a 73% increase in the number of people accessing HIV care since 2006. In part, that is welcome, as it means that more people are accessing care that can improve their lives, but it also provides us with reasons to ensure the future quality of care provided, and that is the crux of why we are here today to debate this issue.

As the APPG highlighted, it is understood that since the passing and implementation of the Health and Social Care Act 2012, there have been growing complications with the commissioning and provision of HIV services across the healthcare system. In the rest of my contribution, I will touch on the Health and Social Care Act's impact on HIV services, but I will also expand into other areas, such as the cuts to public health budgets and the worrying trend of decommissioning of HIV services, and finally I will touch on issues regarding PrEP.

Since the passing of the Health and Social Care Act, there has been a significant fragmentation of our NHS and wider health services. During the passage of the Act, Opposition Members felt that it was an unnecessary top-down reorganisation. The case of HIV services proves exactly how that fragmentation is causing consequences for the future of vital services. The creation of CCGs and the devolution of public health to local authorities have fragmented HIV services across various bodies, with no coherent commissioning and oversight. Currently, services are failing to maintain the standard that patients expect. That is down to commissioning responsibility not being clearly defined under the Health and Social Care Act. Although the coalition Government argued that the Act would ensure the streamlining of services, the opposite has clearly been the case for HIV services.

I therefore want to push the Minister on what she is doing to look into the APPG's recommendations, especially about joint commissioning for support services by NHS England and CCGs, along with co-commissioning of HIV and sexual health services by local authorities and

NHS England. Another issue that the Minister must look at—I raise this repeatedly with her—is public health funding. The cuts to services further exacerbate the problems that HIV services face because of commissioning responsibilities being unclear, which is pushing services to walk away from their responsibilities.

I know that the Minister will reference the funding going into regular HIV testing and the promotion of safe sex, along with the HIV innovation fund, but the impact on funding cannot be ignored. Last week, the National AIDS Trust published a report showing that in England, there has been a 28% decrease in the expenditure between 2015-16 and 2016-17. That is on top of the cuts to HIV support services, or decommissioning of said services, in Lambeth, Southwark, Oxfordshire, Portsmouth and Bexley. Although public health budgets are only one part of the funding streams for HIV support, treatment and care, they are nevertheless an important part of the pathway, as cuts to sexual health services more broadly are detrimental to HIV care. The £200 million in-year cut and 3.9% cut year on year will only have a negative impact on the future of all sexual health services, including those for HIV. The Minister must seriously address that false economy, or risk seeing a public health crisis that could easily have been avoided.

**Thangam Debbonaire:** I thank my hon. Friend for the excellent speech that she is making. I want to add my support for what she has just said, and perhaps go a bit further. Does she agree that the Minister needs to address the fact that the failure to address preventive services will only store up costs and problems further down the line, and that when there are cuts to public health grants, those services need to be ring-fenced or protected in some other way so that we are not storing up problems for the future?

**Mrs Hodgson:** I thank my hon. Friend for that helpful intervention. I agree with her absolutely. The whole point of preventive services—HIV and sexual health services are preventive—is to save money, and lives, further down the line. We regularly debate preventive measures for other health issues with the Minister in this Chamber.

There is still a question mark over the future of HIV services, not only because of the cuts that we are seeing now, but because the future of public health budgets after 2018 is not guaranteed. There are also issues with the devolution to local authorities of business rates, which will be used to fund public health spending. The Government have still not published details of how they aim to ensure that public health will continue to be prioritised when that comes into effect. I hope that the Minister will be able to offer clarity today.

PrEP is a highly effective way of protecting someone who does not have HIV from contracting it. As the UK PROUD study showed, it was 86% effective in preventing HIV transmission and, if taken correctly, it has closer to a 100% success rate. That is why it is important that this drug treatment is supported as much as possible. While the announcement on the feasibility study is welcome, questions remain that the Minister must answer. Nearly four months since the trial was announced, we are still none the wiser as to when it will begin, other than that it will begin early in the 2017-18 financial year. I welcome that in her letter to the APPG yesterday the Minister

said that the trial would begin in the summer, but I hope she will offer further clarity on when we will know more. There remains an issue with the drug Truvada, which is used in PrEP. For the trial to reach the 10,000 people that it plans to, a generic version of Truvada will need to be used. I am interested to know what conversations the Minister has had with Gilead, and how co-operative it has been to ensure the success of the trial.

Finally, I want to ask the Minister about the concerns that many PROUD participants will run out of their supply of PrEP this week, and that between 350 and 4,000 individuals at the highest risk of HIV will run out of supplies. That is a matter of urgency, and the Minister must address it as a matter of priority. We cannot allow the people who take this drug treatment to be put at risk. Therefore, I hope the Minister will go away today and look at the matter immediately.

These issues are highly important to many people who live with HIV or within those communities where infection rates are more common than in others, as we heard from my hon. Friends the Members for Hove and for Bristol West. I was shocked and surprised to hear that there is four times the normal rate of those people in the community of my hon. Friend the Member for Hove. I am well aware why he is here today to speak for his constituents.

The Government's mismanaged approach to the NHS's structures and to wider health services is seeing services fall through the gaps and people's lives affected, which is exacerbated by short-sighted cuts. It is important that we recognise the work that has already gone into addressing HIV in our society, but accept that we still have a long way to go. We cannot squander these opportunities, as we could see yet another public health crisis due to complacency and failure to step up and address this issue. I hope the Minister has listened carefully to all the contributions to the debate and the seriousness of it, and will go away and do the right thing by the tens of thousands of people living with HIV or at those risk of contracting it, and support them. They should not be let down.

3.42 pm

**The Parliamentary Under-Secretary of State for Health (Nicola Blackwood):** It is a pleasure to serve under your chairmanship, Mrs Main. I congratulate my hon. Friend the Member for Finchley and Golders Green (Mike Freer) on securing this important debate, and all Members who have contributed to what has been a highly informed discussion. I welcome the opportunity to discuss the findings from the recent and interesting report "The HIV puzzle", which was produced by the all-party parliamentary group on HIV and AIDS. I pay tribute to my hon. Friend for his work on HIV innovation, and to all the members of the APPG for the work they do to champion HIV within Parliament.

Preventing the spread of HIV and supporting those who already have the disease remains a Government priority. As colleagues present will have heard me say before, and as the shadow Minister, the hon. Member for Washington and Sunderland West (Mrs Hodgson), also said, when we look back at the HIV epidemic in this country we can be proud of our achievements so far. In particular, we have made considerable progress in recent years towards meeting the UN 90-90-90 ambitions to eliminate HIV-related mortality and transmission

by 2020. We have already met two of the ambitions, with 96% of people diagnosed with HIV receiving antiretroviral treatments and 95% of those treated virally suppressed. We have made significant progress on the third goal—to reduce undiagnosed HIV so that diagnosis is over 90%. The proportion of undiagnosed cases was 13% in 2015, which means we have seen a fall of almost half, from 25%, in just five years. However, that is still too high and we need to redouble our efforts to ensure that those who are positive receive a timely diagnosis.

The right hon. Member for Exeter (Mr Bradshaw) was right that we must have robust monitoring to ensure that we understand what is happening. He identified some particularly encouraging reports from London; there were some encouraging reports during 2016 from London clinics, particularly Dean Street. Those trends are welcome. Public Health England is actively investigating the trends, and whether the reduction has also been seen in other parts of the country and in other risk groups. It will report on that when the 2016 HIV data are published later this year, and I shall be happy to notify him if he would find that helpful.

Many Members today have reported concerns about how public health funding in the future might affect the provision of HIV prevention and support services. In line with recommendation 6 in the report, we have decided, in relation to this aspect and wider public health funding, to retain the ring fence on the public health grant for a further year, until 2019, as we move towards the implementation of local business rates retention. This is a step on the way to a more locally owned system, but that will help to smooth the transition by providing certainty for the next two financial years. It means that grant conditions will continue to apply and Public Health England will have a clear assurance role in relation to grant spend. I recognise that local authority funding remains tight and that councils have tough decisions to make to ensure that vital public services remain sustainable. Returns from local authorities have identified that more than £82 million was spent on sexual health.

**Dr Poulter:** I thank my hon. Friend the Minister for the constructive approach that she is taking in replying to this debate, as indeed she does in all debates on health matters. Does she recognise that there are areas with very high demographic change, that some of them have high rates of people living with HIV and that the funding formula is beginning to be out of date and needs to be reviewed? There are some parts of the country that need more money than that funding formula makes available for public health purposes.

**Nicola Blackwood:** I am going to come to what we are going to do in the future. The current situation will remain in place for one year, but we have identified the public health spend. A significant proportion of the funding will be allocated to HIV testing and prevention activities. We also recognise that there are reasonable concerns about the practicalities as we move towards business rates retention, and how it will work in practice, in particular in relation to health. The fact is that the only way we are going to get the scale right is if we continue to engage closely with Members. One thing we are looking at is how we manage the move towards mandation and how we look at transparency and accountability in public health spending. We will be doing that in a very consultative way—

**Thangam Debonnaire:** I am sorry to interrupt the Minister. I think she mentioned a minute ago something about protecting public health funding for two years until the change to business rates. I am so sorry, but I missed that point. Could she clarify it? Does she mean that this is a new announcement of new protections?

**Nicola Blackwood:** The public health ring fence will remain in place until 2019.

We also recognise, as recommendation 1 makes clear, that HIV support services are an important part of the overall care that people diagnosed with HIV receive to support their health and wellbeing. I have heard hon. Members' concerns today about such services being decommissioned because of budget pressures. We are increasing our focus on supporting and improving place-based commissioning, and will work to provide the right opportunities for all commissioners and providers involved in a care pathway to work together to secure the right service response for the needs of the local population, taking into account each partner's responsibilities.

In line with a number of the recommendations, we also need to ensure that we make the most effective and efficient use of the resources available. We are already seeing some really effective examples of that in the Public Health England HIV innovation fund, which supports voluntary sector-led projects across the country that are focusing, as my hon. Friend the Member for Finchley and Golders Green knows only too well, on HIV prevention and testing. That includes the OutREACH project in Cumbria, which is using community pharmacists to provide HIV testing in a rural area with very high rates of late HIV diagnosis, and the MESMAC project in Yorkshire, which is providing HIV awareness training and testing at a hostel housing migrants who are claiming refugee status in the UK. We are also encouraging innovations such as home testing. Our aim this year is to see 50,000 tests for HIV carried out at home. They are already starting to make a difference. The introduction of compulsory relationships and sexuality education will, as my hon. Friend says, have an important role to play in prevention.

I was very sorry to hear the comments made by the hon. Member for Hove (Peter Kyle) about the Sussex Beacon. I am sure that, given his account of the clear local need and the quality of the service, he is holding local commissioners to account for their decision making. I am afraid that my recollection is that I had responded to him on that matter, and not an arm's-length body. I am very sorry if there has been confusion, but I am happy to continue the discussion following this debate, so that we can clear it up and ensure that we make progress on it. I would not like him to think that we do not take it very seriously indeed.

As we all know, delivering high-quality HIV services is about not just funding, but getting the commissioning right. As the report highlights, a lot of work still needs to be done to ensure that the commissioning landscape for the services supports effective collaboration and co-operation, so that we can continue to see improvements in these and other outcomes. That is exactly why Public Health England commissioned a sexual health commissioning survey, which very much supports the findings of both the Health Committee and APPG reports.

I recognise that commissioning sexual health and HIV services is complex, given the range of services and the different population needs that are covered under the broad umbrella of sexual and reproductive health and HIV. We are very alive to and are working to address the risk of fragmentation damaging the progress that we have made, so I am particularly pleased to announce that, shortly, Public Health England will launch an action plan to support commissioners and ensure that they can provide the sexual health and HIV services that their populations need.

As its first priority, Public Health England will look for ways in which to reduce the fragmentation of commissioning and address the barriers that stop effective collaboration and co-operation between commissioners. That will include encouraging the development of a model of lead integrated commissioning in each locality, including developing models for out-of-area tariffs and other issues that can slow down contracts and increase costs. PHE will also identify system leaders across the country to lead local sexual health, reproductive health and HIV commissioning in an agreed locality and form a national network of commissioning leads to promote the effective national development of commissioning.

To test out how that might work in practice, PHE will pilot local delivery models working with local authorities and CCGs to help to build on effective models of commissioning. We will announce the names of the pilot sites shortly—the work is still in the early stages of implementation—but I take this opportunity to urge any areas that are interested in working with us to get in touch with PHE and to take part in developing the work as it takes shape.

**Mr Bradshaw:** I warmly welcome what the Minister has just announced. When the pilots are up and running and have delivered results, if it is necessary to revisit some of the structural and commissioning changes that were made under the Health and Social Care Act and which caused the problems in the first place, would she be open to doing so? On the ring fence, if she is going to delay its removal by a year, she might as well have a proper review of that, given the concerns out there about the impact of removing it on public health funding and spending in general.

**Nicola Blackwood:** I think the right hon. Gentleman slightly misunderstood me on the ring fence. We have kept it because we believe that transparency and accountability measures need to be put in place, so that when local authorities move to business rates retention, their decisions can be made in an appropriately accountable way that can be scrutinised properly. We do not feel as though we have that yet, so we have moved the date back a bit. We want to do that effectively and to have proper consultation on the mandate. On his other point, I think it is a bit early in the process to start discussing that.

Given the time, let me move on to service specifications. During the debate we have heard examples of contracts for sexual health services becoming divorced from the provision of HIV services. A key recommendation from the APPG report was to create a joint service specification for sexual health and HIV services. We recognise that the existing service specification for sexual health needs strengthening, which is why it is now being updated. PHE has committed to building on existing commissioning



guidance to provide more focused advice and examples of locally designed systems to support the commissioning of HIV and sexual health services.

NHS England is responsible for the service specification for HIV treatment and care, and we think that that remains a sensible division. However, the development of a new integrated service specification for sexual health services will allow us the opportunity to join up our advice to produce a more integrated offer.

I want to recognise the continuing priority of PrEP, which many colleagues mentioned, and the trial that was announced last year by PHE and NHS England. Up to £10 million has been set aside to fund the trial, which is anticipated to include at least 10,000 participants over the next three years. We expect the trial to be under way this summer. It has the potential to change the lives of thousands of people who are at risk of contracting HIV.

**Jim Shannon:** I asked about where the older generation featured in things, as did the right hon. Member for Exeter (Mr Bradshaw), but the Minister has not touched on that yet. If she is not able to do so now, perhaps she can come back to us in writing.

**Nicola Blackwood:** The whole point of developing a much more systematic process and having a commissioning programme that does not allow the fragmentation of services, but instead is much more integrated, is that it will take into account more ageing people living with HIV. We believe that that will deal with the issue.

The hon. Gentleman also asked how we will tackle the issue of undiagnosed people living with HIV in the community. We believe that the strategy of increasing education and introducing compulsory sex and relationships education will be part of that, as will improving our performance, testing and early diagnosis. The work being done through the innovation fund is a key plank of that. Having clear specifications in commissioning guidelines so that we have coherent services for all who seek them is the strategy. We think that is a coherent response.

**Mike Freer:** Could the Minister write to hon. Members to clarify what will happen to those who are currently on the PROUD trial? What will happen while there is a gap between the drug stopping and the new trial starting? That would be appreciated.

**Nicola Blackwood:** I shall be happy to provide that very important clarification.

We should not underestimate our progress on testing and diagnosing HIV. That is down to the campaigning and the very hard work of many people in this Chamber, and by the many campaign groups out in the community that are the bedrock of the service in this country and provide world-class services for people who live in the UK with HIV. However, as today's debate shows, our way forward is not free of challenges, and we must continue to reflect on how we can best deal with and meet those challenges. I hope that the commitments I have announced today go some way towards reassuring Members that the Government take these issues very seriously. However, the Government cannot do it alone. I am sure that we can continue to rely on the wisdom and support of all those in this room and the incredible work of voluntary organisations, so that we can finally achieve our goal, which we have all been working towards for so many years: a world free from HIV/AIDS.

3.57 pm

**Mike Freer:** I thank right hon. and hon. Members for their time this afternoon. This has been a constructive debate, and I thank the Minister specifically for the commitments on extending the ring fence, for recognising that work needs to be done on the commissioning model and with regard to the work that PHE will be doing on a new action plan to support the pilots in addressing fragmentation and specification. Those announcements were all very welcome.

We have come a long way from HIV/AIDS being a death sentence. It is now a manageable condition. That is largely to do with drug breakthroughs but, importantly, it has been delivered through a co-ordinated response both from Public Health England and the NHS. I hope that this debate will help to avoid undoing the progress that we have made.

*Question put and agreed to.*

*Resolved,*

That this House has considered the all-party parliamentary group report Impact of Health and Social Care Act on HIV treatment.

## Joint Spatial Plan (Thornbury and Yate)

[MR ANDREW TURNER *in the Chair*]

4 pm

**Luke Hall** (Thornbury and Yate) (Con): I beg to move,

That this House has considered the West of England's joint spatial plan and green space in Thornbury and Yate.

It is a pleasure to serve under your chairmanship today, Mr Turner. I requested this debate because of the unprecedented levels of concern in my constituency about the West of England's joint spatial plan, especially in the communities of Thornbury, Charfield and Coalpit Heath.

I completely support the Government's plan to deliver 1 million more homes by 2020. I welcome the recent housing White Paper, which is clearly an ambitious plan to fix a broken housing market and build the homes that we need in this country. The four West of England councils—Bath and North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council—are working together to produce a West of England joint spatial plan and joint transport study, which is supposed to be setting out a prospectus for sustainable growth, to help the region to meet its housing and transport needs until 2036.

I support a thought-through, locally led, long-term plan for development in the West of England. I thank the leader of my local authority, Councillor Matthew Riddle, for his work so far. I also thank local town and parish councils and community groups such as TRAPPD—Thornbury Residents against Poorly Planned Development—and VALID, or Villagers against Local Intended Development, for their tireless work on behalf of our community.

I want to outline a number of serious concerns about the joint spatial plan. First, it is clear that the currently proposed infrastructure will not be sufficient to alleviate the proposed developments or to link the areas being developed to areas of employment. The second serious concern is about relying on satellite locations in the West of England when the demand is so clearly in Bristol and Bath. The third is about the lack of affordable housing, the fourth is about the difficulties surrounding the deliverability of the plan, the fifth is the proposed development on the green belt, and the sixth is the complete lack of local support.

The joint spatial plan should focus on integrating workplaces in the region with homes and transport, because the economic growth areas will provide jobs for the additional residents who will be living in the new homes. Unfortunately, it is clear that the joint spatial plan focuses on providing more housing, not on integrating that housing with employment and businesses. The developments proposed in rural areas simply lack the employment opportunities that will be necessary for local people. There appears to be an emphasis on developing the economy and jobs in south Bristol but promoting house building north of Bristol. Like other local people, I understand that that may be because of a desire to protect the green belts, but it will have huge consequences for other aspects of the environment. It will eat into the countryside that is not designated as green belt and

create the prospect of inadequate and highly polluted transport corridors. That view was reinforced by the joint spatial plan consultation, which concluded that

“the majority of responses...did not agree that the strategy makes adequate provision to address economic and employment needs”.

If building is not concentrated nearer to large employment areas in more sustainable locations closer to Bristol, Bath or Weston-super-Mare, we will see a dramatic increase in congestion, with more and more people commuting into Bristol and Bath from satellite locations such as Buckover. The Institute of Directors South West stated that

“there is a lack of a proper consideration of future employment needs”.

Business West pointed out the

“imbalance between employment and housing provision.”

A representation from the development industry highlighted that

“creating a new settlement in a location away from any sort of urban area may induce further levels of out-commuting.”

The University of Bristol noted an

“obvious lack of connection with the wider housing spatial strategy and JTS”—

the joint transport study—and a

“clear disjoint between the housing and economic development strategies which cannot reasonably endure.”

My second point is about one of the elements of the joint spatial plan that has caused most concern: relying on satellite locations or strategic development locations in the West of England when the demand is so clearly in Bristol and Bath. The proposal to build a garden village at Buckover of up to 3,000 houses, divided straight down the middle by the A38 and less than 600 metres from Thornbury, is a prime example of the flaws in plans to prioritise satellite developments coming together to form a completely unsupportable development. It is clear that there is no serious proposal to deal with the extra traffic that would be directly funnelled onto the A38, a road that already has more than 22,000 daily car movements on to the nearby motorway junction. There is next to no local support for the expansion of Buckover: more than 92% of the more than 10,000 residents whom I surveyed in Thornbury and Alveston were opposed to it. The Government rightly rejected South Gloucestershire Council's application for support for a garden village at Buckover earlier this year, because it was clear that Buckover did not meet a number of the criteria. I thank the Minister and his Department for that extremely wise decision.

The consultation report readily admits that there is significant concern in the development industry that

“there is no clear evidence as to how the Joint Authorities have adopted the methodology, assessed the range of potential development locations and chosen the Strategic Development Locations”.

Business West said:

“The implications of sustainable development have failed to guide key decisions on spatial location”.

Highways England expressed concerns about

“the location of these developments and their impact on the SRN”—

the strategic road network—

“particularly the M5.”

The University of Bristol stated the need for

“a thorough assessment of the environmental impacts of all the SDLs”.

Satellite developments are one of the core planks of the plan. That extremely brief overview of some of the problems associated with the proposal to build a garden village at Buckover, despite its having been rejected for Government support, is a good example of why the joint spatial plan needs to be fundamentally reconsidered.

There are problems associated with the deliverability and sustainability of the West of England joint spatial plan. There are serious concerns that the JSP is not deliverable, primarily because of the pressure that it would put on the transport infrastructure. The infrastructure that would be needed is simply undeliverable—that is clearly the case in Charfield, Coalpit Heath and Buckover. The JSP would also put too much pressure on other local infrastructure, such as schools, recreational facilities and medical services. Further concerns have been raised that it would not meet the tests of environmental, economic or social sustainability.

I have mentioned the significant concern in the development industry that

“there is no clear evidence as to how the Joint Authorities have...chosen the Strategic Development Locations”.

Wessex Water has now raised serious concerns about deliverability, especially around Thornbury, Charfield and Buckover, particularly in respect of drainage and erosion prevention. Highways England has also raised concerns about the deliverability of the strategic site locations, including the sites at Charfield and Buckover, and has suggested that

“their identification should be revisited to identify sites which would have less adverse impact.”

Business West states:

“The process undertaken by the West of England Authorities in producing this Plan has failed to take into account the overriding principle of achieving sustainable development. The implications of sustainable development have failed to guide key decisions on spatial location”.

Those are damning words on the joint spatial plan.

The community does not believe that the plan is deliverable. Only 3.7% of respondents to the consultation report believed that the strategy could be delivered; over 96% stated that it could not. The most common reasons given included pressure on transport and associated infrastructure and the fact that strategy

“would not meet the tests of environmental, and/or economic and/or social sustainability.”

There are also problems associated with the deliverability of affordable housing. The consultation report noted:

“The National Housing Federation and several others were concerned that the plan does not meet objectively assessed housing need and would fail to meet the tests set out in national planning policy. The Federation stated that they did not agree with the approach that has been taken to set the target at a significantly lower level than the number identified through the objectively assessed needs exercise...The Home Builders Federation...considered that the calculation of affordable housing needs has been underestimated and that the actual affordable housing need is considered to be significantly above 32,500 dwellings”.

There is concern in the development industry that the affordable housing target should be higher. A number of local residents and some local parish and town councils also believe there is a need for more affordable housing. Mendip District Council is concerned that the current approach to affordable housing is

“likely to have an impact upon housing demand in Mendip as the district generally offers lower cost housing than many areas in the West of England.”

The proposals to build in the green belt in Coalpit Heath are also misguided. South Gloucestershire Council's strategic green belt assessment designated Coalpit Heath's green belt as serving all five of the policy objectives for inclusion in green belt, and the southern part as serving four out of the five. Why the joint spatial plan considers that there are exceptional circumstances or why the location is of strategic importance are not demonstrated.

On local support, I have surveyed more than 14,000 residents, asking for their views on this plan. More than 92% of them are opposed to the expansion at Buckover, more than 93% are opposed to the development in Charfield and almost 96% are opposed to the development on the green belt in Coalpit Heath. When we compare those figures to the results of the 2016 British social attitudes survey, in which only 45% of people opposed more homes being built in their area, it becomes easier to understand the scale of local concern about the plans in south Gloucestershire.

In summary, the need for housing in our area is predominantly in Bristol and Bath, but the joint spatial plan is prioritising satellite town growth far from where the need for housing actually is. There is too much of a focus on providing housing and not enough on integrating those houses with employment, which will result in more commuting from the north of our area and increased congestion.

That is echoed by voices in business, academia and the development industry. The development industry, the local town and parish councils, the business community and more than 96% of consultation respondents believe that the plan is not deliverable. The National Housing Federation, the Home Builders Federation, parish and town councils, local residents and Mendip District Council have all raised concerns about affordable housing. The business community, Highways England and the local academic community have all raised serious concerns about the strategic development locations, and there is no clear evidence as to why they were chosen. It is also clear that the proposed Buckover garden village, which is still being advocated internally within the local authorities despite being rejected by the Government, would put immense pressure on the surrounding infrastructure. As for public support, there simply is none.

I have written today to the Minister asking him to use the powers under section 21A of the Planning and Compulsory Purchase Act 2004 to issue a holding direction on the West of England joint spatial plan. I would be grateful if he could give me the following assurances today: first, that he will consider putting a holding direction on the West of England joint spatial plan; and secondly that he will agree to meet me to discuss these issues in more detail, and especially to ensure that the Government do not support any future applications for financial support to develop Buckover. Considering the glaring and obvious flaws in this joint spatial plan, and the level of concern about it in the community, I urge the Minister to reassure the residents of Thornbury, Charfield, Coalpit Heath and south Gloucestershire, and intervene over this unsustainable, undeliverable and unsupportable plan.

4.12 pm

**The Minister for Housing and Planning (Gavin Barwell):** It is a pleasure to serve under your chairmanship, Mr Turner.



[Gavin Barwell]

I congratulate my hon. Friend the Member for Thornbury and Yate (Luke Hall), both on securing this debate on a subject that is clearly very important to him and, more importantly, to his constituents, and on the eloquence with which he set out his case. I have listened carefully to his concerns about the adequacy of infrastructure, the location of some of the proposed development, the provision of affordable housing and deliverability.

My hon. Friend asked me to consider and discuss with the Secretary of State whether to issue a holding direction on the emerging West of England joint spatial plan. I should say at this stage, as he probably anticipates, that propriety considerations prevent me from commenting on the detail of the plan. My quasi-judicial role in the planning system means that I have to remain impartial. The plan could—certainly if he has his way—at some point come across my desk or that of the Secretary of State. Likewise, I cannot comment on individual planning applications, in case they are ultimately appealed or a request to call them in comes across my desk or that of the Secretary of State.

I welcome my hon. Friend's support for the Government's plans to deliver 1 million homes in total by 2020 and for our recent housing White Paper, which sets out how we aim to fix the broken housing market and to build the homes that we so desperately need. In addition, I welcome his support for a locally led, long-term plan for development in the West of England. However, I recognise that, although he may support that principle, along with other people, he has serious concerns about the nature of that plan in its current form.

In the recent housing White Paper, the Government reiterated our strong encouragement for local planning authorities to get plans in place and to keep them up to date. We have been very clear that local planning authorities are best placed to prepare plans that address the strategic priorities of their area, in consultation with their local communities. Up-to-date plans are really important because they provide clarity both to communities and developers about where homes should be built, where employment uses should go, where community facilities should be located, and where not. That means that development is planned, rather than the result of speculative application by developers.

Planning is a very democratic process and rightly so. Local people should be involved at the heart of decisions on how their areas are developed, particularly in respect to some of the issues that my hon. Friend referred to. The national planning policy framework, which is the master document for Government planning policy, sets out that early and meaningful engagement and collaboration with neighbourhoods, local organisations and businesses is essential. In addition, there is a statutory right for any person to make representations about a plan that the local planning authority proposes to submit for examination. A wide section of the community should be proactively engaged, so that local plans, as far as possible, reflect a collective vision and a set of agreed priorities for the sustainable development of the area, including those contained in any neighbourhood plans that have been made.

As well as the statutory duty to co-operate, we are keen to encourage collaboration between planning authorities, so that strategic priorities, particularly for

housing, across local boundaries are properly co-ordinated and clearly reflected in individual local plans. A joined-up plan-making process, whereby local planning authorities work together and key decisions are taken together, will provide communities with certainty, clarity and a plan for delivering the housing and other development and infrastructure that they need.

From the Government's point of view, I welcome the fact that the four West of England councils—Bath and North East Somerset, Bristol City, North Somerset and South Gloucestershire—have been consulting on the emerging joint spatial plan and joint transport study. More recently, there was a public consultation on that plan and study, which set out a prospectus for sustainable growth to help the area to meet its housing and transport needs for the next 20 years. I understand that that consultation ran from 7 November until 19 December 2016, and that nearly 1,600 responses to the consultation were received.

How many homes are needed in a particular area is a matter for local decision, based on comprehensive evidence, and to simplify that process we will shortly consult on a standard methodology to help local planning authorities to assess housing need. However, my hon. Friend is right to say that we need to ensure that we maximise the contribution of land for new housing from brownfield and surplus public sector land, and that local planning authorities should have a strategy to maximise the use of such land, for example, through minimum densities. As he argued so powerfully, that is vital to ensure that the development we get is sustainable and is as close as possible to where the employment opportunities are. I thought that he made powerful points in that regard.

My hon. Friend was also right to say that councils need to ensure that there is sufficient infrastructure, such as roads, schools and surgeries, available to accommodate the proposals that they bring forward in their plans. That is an integral part of the evidence base behind a plan and I assure him that it is one of the things that will be thoroughly tested at examination.

I understand that the four councils will now take the next few months to consider and evaluate the responses that they have received and, as appropriate—clearly, my hon. Friend believes that it is highly appropriate—to revise their draft proposals. That will include potential schemes to tackle existing issues on roads and other infrastructure to help to meet the increased demands that will come with growth in population and economic activity.

I believe that, after that, the councils aim to publish an updated draft in the summer of 2017, ready for a further round of public consultation in the autumn of 2017. The feedback from that consultation will be considered and incorporated into a final draft joint spatial plan, and then a further consultation will be held before the submission of the plan to the Secretary of State in 2018. Therefore, further opportunities—indeed, I might say extensive further opportunities—for representation on the detail of these plans can be requested during the examination process and during the hearings that will be held by an independent inspector.

Therefore, my hon. Friend should take some comfort that the planning system allows ample further opportunity for his voice, and the voice of the constituents he so ably represents, to be heard on this plan, before it comes anywhere near being adopted by each authority. If it is

adopted, the joint strategic plan will become part of the development plan, in accordance with which planning applications must be determined, unless material considerations indicate otherwise. It is intended to guide the four councils in the development of their local plans. I understand that the individual councils will keep control over how development is permitted in their areas, but the demand and approach to meeting that demand will have been decided collectively and with extensive consultation.

My hon. Friend raised the proposal for a garden village known as Buckover in his constituency, at Thornbury. I am pleased to be supporting 14 locally led garden villages from Cornwall to Carlisle with exciting proposals to deliver new communities with up to 48,000 homes. As he made clear, Buckover is not one of the schemes we have accepted on to the programme. Community support was one of the criteria we took into account in assessing the expressions of interest we received, and I recognise that there is a strong sense locally that Buckover is a proposal that does not have that support. I reassure him that that will remain an important criterion in assessing future decisions about further garden towns and villages that we may want to add to the programme.

I welcome the fact that four areas in South Gloucestershire are pursuing neighbourhood plans, and I understand that includes Thornbury, which was designated earlier this month. Neighbourhood plans mean communities can have a real say over the detailed location of development, and its design, phasing, mix and appearance. Communities can also use their plan to help to provide for local employment, to protect important local green spaces and to engage in the area's wider planning strategy. We strongly encourage communities to consider the benefits of neighbourhood planning, which is why the recent housing White Paper announced further funding for neighbourhood planning groups for 2018 to 2020 and gives communities a greater role in housing design.

The framework expects local authorities to recognise the character and beauty of the countryside and the benefits of the best and most versatile agricultural land. Local plans should include strategic policies for the conservation and enhancement of our natural environment, including landscape, whether that is designated landscapes or the wider countryside. The framework empowers communities to use their local plan or neighbourhood plan to designate smaller areas as local green space. Designation rules out new development there, other than in very special circumstances.

In conclusion, as we move towards greater flexibility in plan making, it is as important as ever that local communities are given the opportunity to participate in the process and to make their views known to their local authority. I hope that my hon. Friend and his constituents will take every opportunity to participate in consultation on the West of England joint strategic plan as it moves forward, and I hope the authorities will listen to the views expressed as they develop their plans. Nevertheless, subject to the propriety considerations that prevent me from commenting on the detail, I am more than happy to meet with my hon. Friend to discuss his and his constituents' concerns.

I will of course discuss with the Secretary of State my hon. Friend's specific request that I issue a holding direction. There are issues around timing, because the plan is still at a relatively early stage in the process and the inspector appointed by the Secretary of State to assess whether the plan meets national policy has not had the chance to do that work yet. However, I would be more than delighted to meet my hon. Friend. I commend him for securing the debate and for raising with passion and eloquence the concerns his constituents have expressed over the plan. I look forward to discussing the matter with him further.

*Question put and agreed to.*

## Breathing Space Scheme

4.30 pm

**Kelly Tolhurst** (Rochester and Strood) (Con): I beg to move,

That this House has considered the Breathing Space scheme to help families in debt.

It is a pleasure to serve under your chairmanship this afternoon, Mr Turner. I am grateful to have secured my first Westminster Hall debate since my election to the House and I am thankful that so many Members have turned up to support me.

As many Members will know, issues of fairness are close to my heart, and in particular, fairness for children and young people. Personal debt problems can have profound consequences on those groups, yet the system we have means that creditors are again and again hassling and hounding families and young people for debts in an aggressive and harmful way. The breathing space scheme would deliver respite from those threats in two ways: through introducing a breathing space so that people in financial difficulties get the help they need to stop their debts from spiralling, and through achieving a safer way for families to make agreed debt repayments with creditors. The scheme is about ensuring that families doing the right thing about their debts are properly protected.

I am delighted that the Government are actively considering whether a breathing space scheme, such as I have proposed in my private Member's Bill, should be introduced. I want to ensure that families who are repaying their debts have a legal guarantee against poor practices, ultimately protecting the children in those households. People often have debts with multiple creditors. Unfortunately, at the moment, what we see so often is councils reaching for bailiffs instead of looking to work on affordable payment plans, or a bank adding punitive charges to a family's account, sending their debts out of control.

**Dame Caroline Spelman** (Meriden) (Con): I am sure my hon. Friend is aware that the Children's Society data show that 20% of families in council tax debt are visited by bailiffs, and that more than 30% of those families have to cut back on essentials such as food. Does she agree that a breathing space would give those families an opportunity to work with charities such as Fair for You to have planned expenditure for household items, and that Christians Against Poverty offer training courses in budgeting, which would help prevent debt spiralling?

**Kelly Tolhurst**: I agree with my right hon. Friend. My Bill and this campaign seek to give people exactly those opportunities to work with charities to come up with a structured payment plan and to give them safety in that period—I completely agree.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): I congratulate the hon. Lady on securing this debate and on her private Member's Bill. In my constituency alone, 3,348 children are living in families with problem debt. Those children are five times more likely to have low wellbeing than those in families who are not in such debt difficulties. Does the hon. Lady hope, like me, that the Minister will take into consideration that family debt problems can have a significant impact on children's mental health and wellbeing?

**Kelly Tolhurst**: I agree. As I outlined at the beginning of my speech, one of the reasons I am behind the campaign is that I have an interest in the wellbeing of children and families. Debt can have a major impact on the young people in those families.

People working on a plan with an independent debt adviser should not be forced into an ever-worsening situation when they are doing their best to recover. The Government have a proud record on moving people into work, and the latest employment figures show that we now have the highest levels of employment that have been recorded. In my constituency of Rochester and Strood, hard-working families are sometimes bringing up their children and getting on with life, paying mortgages or rents on low incomes, sometimes with insecure jobs. However, while we have good news on employment, it is worrying that Bank of England figures show that household debt is at its highest since the financial crash in 2008.

Problem debt is when that debt gets out of control. Sometimes, it is small sums of money that push families into that situation. Credit can be a good thing, helping people smooth their finances and make purchases today to be repaid out of future income. When things are good, that can be managed and provide benefits, yet the rise in personal borrowing has led to mounting concern that households who get into debt need safer ways to manage when they get into difficulties.

According to figures from the Children's Society, an estimated 2.4 million children live in families in problem debt in England and Wales. In my constituency of Rochester and Strood, more than 2,700 children are living in more than 1,500 families who are suffering with problem debt.

Problem debt often strikes when people experience a sudden change in circumstances, or, more usually, an unexpected income change. For example, if a boiler breaks down or hours are cut at work, parents, and particularly those on low incomes, sometimes find themselves forced to rely on credit to make ends meet. That is the reality for many families in the UK, and we often do not hear about the struggles that working families face. Sometimes the debt is not through any fault of their own. That is backed up by the fact that the vast majority of people seeking help from charities such as StepChange or Citizens Advice have fallen into debt as a result of a job loss, a reduction in income, illness or a relationship breakdown that affects their income and ability to cope.

When problem debt grows, keeping up with repayments can demand ever increasing proportions of monthly income. Families in problem debt are spending, on average, 18% of their income on repayments, and more than 600,000 families are spending more on debt repayments every month than they are on food for themselves and their children. I would argue that, in many cases, that is a temporary financial difficulty that could be resolved with the right help and support, given time.

We know too well the devastating impact that debt can have on people's lives. Debt makes people ill. Half of the clients seeking debt advice from independent debt charities such as StepChange said that debt-related mental health problems or physical health problems were so bad they needed to get treatment from hospital or from a GP. Debt can also cause families to break up. It can stop people from working and make them much less productive at work.



**Paul Blomfield** (Sheffield Central) (Lab): The hon. Lady is rightly talking about the consequences of debt. In Sheffield this week, there has been a crackdown on the growth in illegal money lending. It has revealed a world in which physical violence and rape is used to intimidate those who are not paying back money. Does she agree that there is a depth and unpleasantness to the options that are available to people who do not have the opportunities that an initiative such as breathing space would provide?

**Kelly Tolhurst:** It was truly terrible to hear of those practices in Sheffield this week. I completely agree: an opportunity to implement a breathing space will allow a regulated, clear way to enable people to go to legal credit agencies and deal with charities, so that they can borrow and deal with debt in a managed way, without having to seek help from organisations such as the hon. Gentleman refers to.

**Greg Mulholland** (Leeds North West) (LD): I join others in commending the hon. Lady for securing this debate, for her Bill and for her leadership. The Liberal Democrats are delighted to work with and support her. I also commend the volunteers in my constituency and others who have raised this very important campaign. I am sure the Minister will be very sympathetic, but as a society we need to understand that the costs of debt can be far bigger than we realise. The hon. Lady has mentioned the health costs. When it affects children, holding them back at school and meaning they do not get the qualifications they might otherwise do—that is quite common—it can have a lifelong impact on their earning potential, so the economic costs of debt of this nature are really devastating.

**Kelly Tolhurst:** The hon. Gentleman is absolutely right. We can look at these things in silos, but this is actually about the whole of society. Debt is just one factor, and if we look only at debt we sometimes do not recognise or take account of its effects. I completely agree with his point.

As hon. Members said, debt has a profound effect on children. Children in households that are struggling with debt problems are twice as likely to say at school that they are being bullied. Adding up all the social impacts that are endured—the loss of health, the broken families, the loss of production and the hardship—there could be an £8 billion cost to the state and society, which would fall on all of us. Those unthought-of issues have an impact on families. My Bill would enable us to look at those issues further.

I want to dwell for a moment on the damage that problem debt does to families and children living in such households. Unfortunately, the presence of children in households corresponds with a rise in debts. One in five parents said that they have faced problem debts in the past year, compared with one in 10 adults without children. Geographically, families and children are more likely to have debt problems in the north-west, the midlands and Wales, where at least a quarter of households have struggled in the past year. That compares with Scotland, which has a form of breathing space scheme, and where only 10.9% families with children suffer debt problems.

Research from the Children's Society shows that families trapped in problem debt are also more than twice as likely to argue about money problems, leading to stress on family relationships and causing emotional distress for children. It found that children living in families with problem debt are five times more likely to be at risk of having low wellbeing than those without debt difficulties. More than half of parents in council tax debt polled for research carried out by the charity said that they thought their children suffered anxiety, stress or depression as a result of that debt. The Children's Society research shows that is not the amount owed by households that directly impacts on children's wellbeing but the number of creditors to whom they owe money.

StepChange Debt Charity clients typically take between six and 12 months to stabilise their finances. It estimates that, in just six months, a typical StepChange Debt Charity client would have an extra £2,300 added to their debts if creditors applied default interest and charges to all their accounts. John Kirkby, the founder and international director of Christians Against Poverty, said that even three months could be a sufficient period to enable a stabilisation of finances.

The debt trap and the direct impact it has on children in the household brings me to why this scheme is needed. There are two main problems with the current system. First, this House has given people who need to go bankrupt legal protection against spiralling debt problems, but we have simply failed to deliver for people repaying their debts more manageably over time. Our laws have focused on people with the most intractable problems, who need debts written off and the chance of a fresh start. However, there is a cost for families who go down that route—bankruptcy is not free. It is the right solution for many people and undoubtedly meets an important need, but fewer than one in 10 people seeking debt advice enter into an insolvency option. For the majority of families who are likely to recover from a temporary setback and repay their debts in an orderly way, there is no equivalent protection. We all know about the issues associated with bankruptcy. They are often a step too far for those families.

Secondly, the voluntary approach to breathing space fails far too often. We know that creditors agree with the general principle, because it is in industry and Government codes, yet sadly there is a widespread failure to abide by those codes. According to StepChange, between a third and a half of people who contacted creditors for help said they were not given any kind of temporary breathing space. Without such protection, pressure to repay debts at an unaffordable rate and threats of enforcement can leave households cutting back on everyday essentials, or falling even further behind on other bills. The benefits of a breathing space scheme go across the board. Indeed, Martin Lewis of MoneySavingExpert, who spoke at the launch event for my Bill, called it a

“win, win, win—for the creditor, the state, and the individual.”

The evidence is clear: 60% of StepChange clients said that their finances stabilised once further interest, charges and collection actions on their debts were frozen voluntarily. However, not one client who received no such help reported that their finances had got back on a steady footing. That is not all. Many firms that provide that

[Kelly Tolhurst]

sort of support when their customers have a temporary financial difficulty say that the repayments they receive are higher in the long term.

We need a scheme on a statutory footing that enables families to recover. That is what breathing space sets out. It will help more families to recover and repay their debts. It will reduce the social cost of debt, which affects us all. Ultimately, breathing space will benefit the wider economy. I want to propose the introduction of such a scheme, with two key protections. The first would provide a guaranteed period of time—breathing space—without additional interest, charges, collections and enforcement action. First, that would stop the spiral of worsening debt while people gain control of their financial situation, for example by moving into new employment or recovering from ill health. Secondly, it would give people who need more time to repay their debts through an agreed affordable payment plan the same statutory protection from further interest, charges, collection and enforcement action that the law currently gives to people who need an insolvency option.

I am delighted that a breathing space scheme has had support from across this House, including from the Work and Pensions Committee, the all-party parliamentary group on debt and personal finance and the many Members who have supported my Bill. It is important to stress that we are not starting on this endeavour from scratch. A comparable scheme—one we seek to improve on—is already in place in Scotland. The debt arrangement scheme has been in place in Scotland since 2004, and in 2015-16 £38 million was repaid through it. Over time, the number of people using the debt arrangement scheme has increased. Crucially, its use has increased as a proportion of the available debt options. At the start of available data in 2009-10, over half—57%—of debt options were bankruptcies. That number has now shifted significantly down to 36% bankruptcies and 22% for the debt arrangement scheme. That means that more people are paying back their debts and are being supported to do so, rather than having their debts written off.

The scheme works for all. It works for creditors, which get back the money owed to them rather than seeing it written off through bankruptcy. It works for the state and services who support families. Most importantly, it works for families and children, who can repay their debts free from enforcement action, rising fees and charges and spiralling interest repayments.

I welcome the Prime Minister's announcement in January that she will review the unfair practice of charging people with mental health problems up to £150 to fill in crucial debt help forms. I pay tribute to the Money and Mental Health Policy Institute and MPs across the House for campaigning to end that unfair practice, which prevents people with mental health problems from getting the help they so desperately need, but we need to tackle the causes, drivers and consequences of mental ill health in all services.

Addressing the impact of debt on children's mental health is central to the breathing space scheme. This week, we launched the all-party parliamentary group for young people's health, which seeks to look at ways in which we can improve the health, and particularly the mental health, of young people, and seek to understand all the reasons for the increase in mental health issues

that we see in our young people. Working with families and helping families thrive is a way of improving the health of our young people. As I have outlined, debt is a factor. We now have the ideal opportunity to introduce a comprehensive breathing space scheme to give people in debt a guarantee of protection from the escalating pressure that blights families' lives and affects the wellbeing of children and families who are trying hard to do their best and work their way through life. I hope we do not miss this opportunity, and I hope the Minister will agree that this is a sensible way forward in improving outcomes for families who are just managing.

**Several hon. Members** *rose*—

**Mr Andrew Turner (in the Chair):** Order. Three Back Benchers have caught my eye. I will call the Scottish National party Front Bencher at 5.10 pm, the official Opposition at 5.15 pm and the Minister at 5.20 pm.

4.50 pm

**Yvonne Fovargue (Makerfield) (Lab):** It is a pleasure to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Rochester and Strood (Kelly Tolhurst) on obtaining the debate.

I will not go over the figures, because we have heard many times about the problems and the numbers of people in debt. Most of us have taken out credit and it is not a problem until it becomes debt—unaffordable debt. As I know from my previous role at Citizens Advice, that often happens because of a bump in the road, whether it is a reduction in hours of work, illness or a relationship breakdown. The problems are often temporary, but people need time to recover. Moreover, they need space to recover from the illnesses, mental health issues and stress that can be caused, and which are contributed to by threats from creditors and pressure to repay debt at unaffordable rates. I therefore support a statutory breathing space.

I will not go into all the reasons for such a scheme or for the debt payment programme in Scotland, but I will stress that a breathing space is a temporary measure. A breathing space is not permanent and it is only available when people are working to get back in control of their debt, with assistance, and as long as they engage with a provider of regulated debt advice. I will, however, spend some time on how long the breathing space should be.

R3, the Association of Business Recovery Professionals, has said that 28 days is sufficient for a breathing space. Frankly, when I worked on debt problems I never even got a response from a creditor within 28 days. People would come in; I would write to their creditors, who would then respond to me with how much they owed; I would get people back in and they would give me their income and expenditure; and I would write to the creditors again with an offer—28 days is a completely unacceptable amount of time for all that.

Twelve months is a reasonable period, and six months would be a minimum. Often I got a letter within six months, but people's incomes and circumstances change and so we had to write back. The Financial Conduct Authority's rules already guarantee 30 days from the lending firms it regulates, and that period is extendable by another 30 days. The R3 proposal would extend that to other creditors, but 28 days is simply not enough.

The R3 proposal is the exact opposite of giving people the space and time they need to get back on their feet. It does not even give time for the necessary paperwork, let alone give people in difficulties the time they need to concentrate on their debt and to take in the fact that they are getting to grips with it and a solution is in sight. For those recovering from illness—if they have had a cancer diagnosis, for example—going through a relationship problem or trying to find a new job, things do not happen within 28 days, I am afraid. The R3 proposal is diametrically opposed to what debt advice agencies say is necessary. People need a chance to recover. Twelve months is reasonable.

The breathing space is not for everyone. It is not a catch-all or a get-out for people in debt. It needs to be conditional on a full assessment of their circumstances and needs by a regulated debt advice provider. I cannot stress the word “regulated” enough. Continued engagement with the process is necessary by the individual in debt.

The breathing space is not simply a way of putting off paying, and it needs continued engagement. Were the debt advice provider immediately able to recommend another statutory debt remedy such as bankruptcy, an individual voluntary arrangement or a debt relief order as the best option, people would not be advised to enter the breathing space scheme, other than for temporary protection while an application was going through. It is not a way for people to get out of paying.

In 2015, the Government accepted the recommendation of an independent review of the future of the Money Advice Service. They said that they would look at introducing a breathing space. The consultation was expected to be opened and completed before Christmas 2015, but I am still waiting for the consultation document and the terms of reference. I ask the Minister when that consultation will come through. I have my response ready—it is there and ready to go.

Can we have the statutory consultation? Can we help people who are in debt and have had a bump in the road? Let us help them to smooth it out a bit. Let us help the creditors get their money, let us help people in debt to pay off their debt and let us help the state as well as the families, because the state is dealing with the mental health problems and paying for the prescriptions of people with depression. Let us help those people deal with the root cause of their problems, which is being in debt.

4.55 pm

**Caroline Ansell** (Eastbourne) (Con): It is a pleasure to serve under your chairmanship, Mr Turner.

I congratulate my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) on securing this important debate, in which I am able to speak on behalf of the heartbreaking number of children in families who have fallen into problem debt in Eastbourne and Willingdon, which is estimated to be about 4,000. I am also thinking about the national picture, in which 2 million or more children are caught in the same situation.

There is no statutory scheme to support families in temporary difficulty who are seeking to repay their debts. The Children’s Society and StepChange have called for the breathing space so ably championed by my hon. Friend, and they have identified in it a practical and pragmatic way forward to help such families.

Debt reaches far into every aspect of life. More than half of the 500,000 people who sought help with debt last year were also seeking mental health support from their GP. StepChange estimated that the cost of problem debt to the state and to society, on top of the personal and human costs, is about £8 billion.

Speaking as a teacher, I would simply add that no matter how contemporary the curriculum, how handsome the funding or how stellar the school building, children who live under stress simply struggle to learn, recall and fulfil their potential. Debt reaches right into the heart of everything we want to see for our children in their education. With 2 million children involved, that is hugely concerning.

A breathing space would protect those vulnerable children living in families in problem debt by giving the families the time and space to come to an affordable and safe repayment plan. Between a third and half of those who contacted their creditors for help said that creditors had not given them any kind of temporary space. Without such protection, households trying to deal with their debts are often thrown into worse and cumulatively more damaging financial difficulties.

My hon. Friend’s words still ring true for me—“win, win, win”—because her Bill ultimately would be just that for all parties, because they all stand to benefit, including creditors. A breathing space scheme is not about writing off debt; it is simply about allowing people the time to pay back the money owed. The credit companies get their money back, families get out of the debt trap and children can have their childhood back. The Minister understands those concerns, and good work is already going on in the area, so I look forward to his comments and to learning more about some of that work, because the Government share the value of wanting to support those who find themselves in problem debt.

4.58 pm

**Kate Hollern** (Blackburn) (Lab): It is an honour to serve under your chairmanship, Mr Turner.

I, too, thank the hon. Member for Rochester and Strood (Kelly Tolhurst) for securing this important debate on a serious issue. I can see the devastating effects of debt simply from my constituency casework. Blackburn, unfortunately, has more than 5,000 children living in families with debt problems. I have seen cases where a relatively small debt of a couple of hundred pounds has escalated to well over £1,000 in a very short time through court costs and bailiff costs, and I have seen sad cases where people have actually lost their homes.

Although I welcome the options that have been put forward and hope the Minister will support them, I am concerned that they do not go far enough. A wider approach is required. The proposals are a good starting point, but there needs to be a recognition that, in the last few years, the price of food has escalated and council tax precepts for police and adult social care have added to the burden for very poor families. In addition to implementing the scheme and providing respite for families suffering from debt problems, the Government must do more to offer security for people, both in and out of work, who suffer from poverty.



[Kate Hollern]

Families on low incomes need far more certainty. Current policies attack low-income families and just add to their huge burden.

As I said, I agree wholeheartedly with the proposals, and I share the concerns of the Children's Society about the long-term effects of growing up with problem debt. My hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) mentioned young people's mental health. Debt stigmatises and isolates families and can reduce young people's chances of developing into confident human beings who can contribute. It is devastating. I have worked with many families whose children's confidence has gone because the family has ended up in debt—often, as several hon. Members said, through no fault of their own. If someone suddenly loses their job or is taken ill—there are terrible diseases that can render people totally unable to work—a happy family that has had a secure life for 10 years can suddenly be faced with the devastating need to deal not only with the illness that has hit the family but with the impact of losing their income. Often, those families just do not know where to turn. It is important they have support and breathing space to help them try to get their lives back on track.

We must also recognise the high level of insolvency, particularly among small businesses, which can leave people with debt from money that they invested in their business. People can suddenly be left with no business but a huge debt.

I back the scheme but, as I said, I do not believe it goes far enough. I welcome it as a starting point, but I would like some reassurance from the Minister that he will consider the wider impact of political decisions on low-income families, particularly in places such as Blackburn.

5.3 pm

**Mr Philip Hollobone** (Kettering) (Con): I commend my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) for her initiative in bringing forward these proposals. She is clearly at the forefront of this worthwhile campaign, and she is ably supported by hon. Members from across the House, in particular by my hon. Friend the Member for Eastbourne (Caroline Ansell), who made a powerful speech.

Debt is a terrible problem among households. Like the hon. Member for Makerfield (Yvonne Fovargue), I was a debt adviser in a citizens advice bureau some years ago. Far too many families in Kettering have their lives blighted by taking on too much household debt.

Part of the problem is the language we use to describe these issues. At its most fundamental, it comes down to the word "credit". Everyone thinks that credit is a good thing, and creditors like to use that word because it attracts people to take out their products, but let us call it what it is—it is not credit; it is debt. They are not credit cards; they are indebtedness cards, or debt cards. People love to have a credit card but, for hundreds of thousands of our fellow citizens, a credit card is a passport to a life of misery. They get themselves completely out of their depth when it comes to managing financial products and, as hon. Members so ably described, their lives and the lives of their children are blighted in so many ways as a result.

R3, which was mentioned, did a survey in February and found that just over two fifths—41%—of British adults are worried about their current debt and that 40% say that they often or sometimes struggle to get to payday. Those figures are true for people in the Kettering constituency, and the proposals of my hon. Friend the Member for Rochester and Strood would really help to address that.

There is also a woeful lack of financial education at school. If we are struggling now to manage household budgets, things will be even worse for future generations.

**Dame Caroline Spelman:** I would like to encourage my hon. Friend with the information that the Church of England's schools—even the primary schools—have rolled out a programme of teaching financial literacy so that the next generation of children will be better equipped to cope with money and the pressure that is put on them at a tender age to borrow money.

**Mr Hollobone:** Thank God for the Church of England—that's all I can say. I hope that that scheme, which my right hon. Friend is right to highlight, is rolled out across the country into non-Church schools, too. We need to take advantage of best practice, and it sounds to me like the Church of England is doing that. There must be lenders out there that are examples of best practice and already give their customers breathing space, but we have not heard mention of them today. I would like to see their names up in lights as examples for others to follow. I close by commending my hon. Friend the Member for Rochester and Strood for her sterling efforts on the issue.

**Mr Andrew Turner (in the Chair):** The first two Front-Bench speakers may now have an extra minute each. I call Kirsty Blackman.

5.7 pm

**Kirsty Blackman** (Aberdeen North) (SNP): It is a pleasure to serve under your chairmanship, Mr Turner. I do not imagine that I will take six minutes, but we will see—I sometimes wander off track.

I really appreciate the hon. Member for Rochester and Strood (Kelly Tolhurst) securing this important debate. It is key that we continue to discuss this issue and keep the pressure on until solid action is taken, so I appreciate being able to talk about it.

Several Members mentioned the percentages involved and the effects of debt on families. We do not talk enough in this House about the low savings that many families have. A quarter of families have less than £95 in savings because they are just not able or do not have the financial knowledge to save. If someone has only £95 in savings and their washing machine breaks down or their children need new shoes, their only option is to go into debt to fix those things, which are necessary. A lot of families just do not have an option; they have to rely on debt. It is not something that people get into intentionally to get nice shiny new sofas; it is a way that people finance their daily lives. I would like us to get out of that cycle, but that is where we are, and we need to help people whose debt becomes unmanageable.

The increased price of food was mentioned, and I think that that will come more to bear. We have seen rather high food inflation, particularly in the first part of this year, and that will really impact family budgets.

The other thing about families is that children really are pretty expensive. On top of everything else—clothing and things like that—childcare costs are massive, especially when children are young. When you are having to work less because you have just had children, it is a very difficult time for families to manage their finances. For me, that is key point at which families should get the most support, rather than the little support they seem to get in some of these situations.

The hon. Lady mentioned the debt arrangement scheme in Scotland. As was said, that has been in place since 2004 and we have seen really big benefits from it. Scotland now has the lowest proportion of over-indebted individuals in the UK, which is probably a good measure to judge the scheme on. In advance of the debate, I looked up debt arrangement schemes. It struck me that a huge number of people who provide advice said, “If you are really struggling with debt, it’s very likely that a debt arrangement scheme will be the best type of scheme for you if you live in Scotland.” It seems to be held up as the go-to one. The quote from Martin Lewis about it being a “win-win-win” was mentioned by a number of Members. The people who are owed money get their money, which is key. That is why we have managed to get them on board and to bring in that regulated scheme.

In relation to the point made by the hon. Member for Makerfield (Yvonne Fovargue) on the length of time, in Scotland, it is six weeks, rather than 28 days. She might not think that is long enough, but that is what we use. If she were to be looking at the Scottish scheme and thinking about importing it to England and Wales, it might be good to look at whether six weeks has worked.

The debt arrangement scheme we have in Scotland has provided protection from enforcement by creditors across the time the money is being paid. People pay back the money over four or five years, instead of the one or two years in which they would have been expected to pay it back. It has also provided them with protection from bankruptcy; they do not have to go bankrupt. Yes, their names are placed on a register and stay on there for six years, but that does not have all the issues associated with bankruptcy. For us it has been hugely positive to have that scheme. I am sure the Minister will look at what has been done in Scotland and the effect that it has had. I am not saying in any way that it is perfect, but it has had a positive impact and changed the lives of families in Scotland.

5.12 pm

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): I congratulate the hon. Member for Rochester and Strood (Kelly Tolhurst) on securing this debate, which is critical to many individuals and families. I also recognise her commendable work in initiating and progressing the Families with Children and Young People in Debt (Respite) Bill, which has the potential to form part of a much needed solution to the escalating levels of personal debt.

As several hon. Members have already outlined, we face a growing crisis with the levels of unsecured household debt. In January, the TUC released analysis that showed that it reached record levels in 2016, according to data provided directly by the Office for National Statistics. Total unsecured debt, which does not include mortgages,

reached a record level of £349 billion during the third quarter of 2016. Unsecured debt per household increased to an average of nearly £13,000 in that quarter, which was an increase of more than £1,000 on the previous year and according to the TUC was the largest annual increase since 1997. As a share of household income, that represents an average of 27.5%, the highest figure for eight years.

It is clear to Opposition Members that the Government’s policies have created a perfect storm for those conditions to worsen. Weak wage growth has left many households struggling to get by as the cost of living continues to increase and the poorest continue to bear the brunt of Government cuts. It is therefore hardly surprising that personal borrowing has increased to fill the gap. As we have heard, sometimes people have no other option as a means of putting food on the table.

As we have said previously, the Government need to reassess their policy programme urgently, with specific consideration for the impact it has on the most vulnerable in society. However, in the interim, some sort of remedial approach is needed to give a helping hand to people who find themselves in a vicious circle of debt.

There is currently too great a gap between struggling with debt repayments and formal bankruptcy proceedings. Insolvency proceedings are typically suitable for only a small number of unmanageable personal debt cases. In particular, as my hon. Friends the Members for Makerfield (Yvonne Fovargue) and for Blackburn (Kate Hollern) said, a single event can often serve as the trigger for a spiral into debt problems. That is typically a change in circumstances such as family breakdown, redundancy or bereavement. The individual suffering from such problems can often be back in employment or have support from the welfare system arranged in a period of six months to a year, but at present the challenge of having to deal with the initial personal problems alongside that mounting debt can have an adverse effect on getting back into employment and cause serious mental health issues, which slows the process down. Those factors combined demonstrate that a breathing space scheme would help to alleviate the pressure on individuals while they get back on their feet.

**Kirsten Oswald** (East Renfrewshire) (SNP): Does the hon. Gentleman agree that schemes such as the debt arrangement scheme that my hon. Friend the Member for Aberdeen North (Kirsty Blackman) spoke of are hugely important in alleviating the stresses and strains that impact on not only the family members who are dealing with the debt but the children themselves? If we do not put steps in place to try to deal with that, the impact on the children could be long standing; it could have a lasting effect on their life chances.

**Jonathan Reynolds:** I endorse those remarks in terms of what the objectives of such a scheme should be. We believe that, for it to be as effective as possible, the Government must undertake some further exploration of the technical details. In current versions of the scheme under way elsewhere, I understand that public sector debts such as council tax debt are excluded as well as self-assessment fines, benefit overpayments and so on. Those debts can often cause the most serious stress to individuals, so it is important to include those obligations alongside consumer credit.

**Yvonne Fovargue:** Does my hon. Friend agree that, as recent research from StepChange has shown, local authorities and Government agencies are worse than payday lenders in how they enforce debts?

**Jonathan Reynolds:** I am afraid that is my experience. I want to stress that that has been a serious problem for my constituents. In preparing for the debate I recalled that in recent months in my surgeries there have been three individuals who have all been pushed into dire financial situations specifically by the recovery of benefit overpayments, including one situation in which someone had to borrow money from family to feed their children. I have also found one of the fastest growing problems is council tax arrears, which affected 36% of the clients helped by the charity StepChange in my constituency in 2015, up from 20% of its client base in 2012.

As per previous announcements confirmed in the spring 2017 Budget, the Government intend to shift collection of certain overpaid tax credits from Her Majesty's Revenue and Customs to the Department for Work and Pensions, with its enhanced collection programme projected to collect £520 million by 2022. The recovery of that sum is likely to have a substantial impact on the individuals concerned in the next few years, so a breathing space scheme that includes that type of debt would be enormously helpful in alleviating some of that pressure.

**Paul Blomfield:** I wonder whether my hon. Friend would echo the concerns raised by my hon. Friend the Member for Makerfield (Yvonne Fovargue) that the Government have indicated some sympathy for the proposals but seem to be kicking the issue into the long grass. If the Minister says nothing else in his response, will my hon. Friend share my hope that he will give a commitment of a date for when a review could be undertaken and completed?

**Jonathan Reynolds:** I agree entirely with my hon. Friend, and in my closing remarks I will ask for exactly that commitment.

There needs to be clarity over how participation in a debt arrangement scheme will impact on an individual's credit rating. The rationale behind avoiding bankruptcy is partly down to the future impact of that on an individual's borrowing capacity and financial position, particularly when their financial affairs may stabilise in a matter of months. Individuals struggling with debt in the short term may be hesitant to enter into a scheme if they feel that would damage their long-term ability to secure finance or if it would serve as a black mark on their credit history, should they wish to obtain a mortgage in future.

The key priority now is to see some progress and movement. The Government initially promised to put forward the review of the scheme—[*Interruption*]

**Mr Andrew Turner (in the Chair):** Order. I understand that there may be more than one consecutive Division in the House. Please could all Members return here as soon as possible after the final Division so that we can conclude the sitting? If there is only one Division, Members should return immediately after that.

5.18 pm

*Sitting suspended for Divisions in the House.*

5.55 pm

*On resuming—*

**Mr Andrew Turner (in the Chair):** The sitting will conclude no later than 6.7 pm.

**Jonathan Reynolds:** Before the sitting was suspended, I had begun to reach my conclusion. The key priority now is to see progress and movement on this issue. The Government initially promised to have a review of the scheme by December 2015, as we have heard today, but we are still waiting for that. Since then, according to the debt charity, StepChange, 1.3 million people have sought debt advice from the major debt advice charities. That shows the urgency of the situation and the real need for the scheme.

In a December 2015 report, StepChange also estimated that problem debt was costing the economy £8.3 billion, through knock-on effects such as lost productivity and the strain on health services. I ask the Minister to agree about the importance of minimising the harm caused by personal problem debt, the costs of which evidently affect all parts of the country. Will he also commit to a timeline for producing a detailed proposal for a breathing space scheme?

The issue of growing personal debt will not go away. Indeed, evidence shows that it is getting worse. The Government need to respond to this debate by promising clear and comprehensive action on how that can be tackled. Opposition Members believe that, although the scheme would not be a total solution for the public, it would be an excellent starting point.

5.56 pm

**The Economic Secretary to the Treasury (Simon Kirby):** It is a pleasure to serve under your chairmanship this afternoon, Mr Turner. I congratulate my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) on securing this important debate. There have been many thoughtful contributions and I am particularly pleased that they are on the record.

We all share an interest in helping people who have fallen into serious debt. We have heard some very distressing stories from hon. Members today. Debt can have a devastating impact on the lives of people in our communities, and people can fall into debt at really hard times in their life. Whether it follows the death of a loved one, a separation, or being made redundant, they are difficult times, so we must do what we can to help people who are in that situation to get back on their feet. That is all part and parcel of making a society and an economy that works for everyone. It is important that financial services work for everyone, too.

We have done some really good things to help, particularly on the role of the consumer credit market. The Financial Conduct Authority, which we set up in 2013, now regulates the market to give people much more protection. For instance, firms must provide forbearance—a period of respite—if their customers are unable to make their repayments. They must treat customers fairly and lend money responsibly. Crucially, they must lend money only to those whose affordability checks have proved that they can afford to repay it.

Those measures have had a real effect. Since the introduction of the payday loan price cap, the number of payday loans has fallen by more than 50%, from



4.2 million in 2014 to 1.8 million just a year later. Regulation alone is not the answer, so we are taking direct action to support people who are struggling with their debts, such as through the Money Advice Service, which last year funded more than 380,000 free advice sessions for people in debt. We have also been resourcing our illegal money lending teams to tackle those who seek to exploit and abuse vulnerable people. We are helping to ensure that there is a genuine alternative to ruthless illegal lenders with our support for the credit union sector, which includes £38 million of funding for the credit union expansion project.

We have been exploring carefully whether we could introduce a breathing space scheme to give people time to find a way to deal with their debts. I thank all those debt advice charities and creditors that have given their time and expertise to help us to look into this. It is clear that such a scheme has the potential to help people to get their finances back on track. We are looking at it carefully. I am pleased to say that we entirely support its principles of better debt management and lower problem debt.

However, we have also found that introducing such a scheme could mean costs to the public purse and could have an impact on local authority finances. With the national debt nearing 90% of GDP over the next few years, and while we are still forecast to borrow more than £50 billion this year, we have to assess any new spending proposals carefully. That is why we will continue to look into the various options for implementing a scheme such as this, and will consider closely its costs and benefits.

The Government are committed to tackling illegal money lending, which the hon. Member for Sheffield Central (Paul Blomfield) mentioned. In last year's autumn statement, we announced that all funds from convicted loan sharks would be used to scale up credit union incentives.

My right hon. Friend the Member for Meriden (Dame Caroline Spelman) mentioned council tax debt. It is important that councils, which are best placed to make judgments about collecting council tax, act proportionately and fairly, and take into account the impact of non-collection on the broader population.

My hon. Friend the Member for Rochester and Strood made a number of very important points during her speech. The Government agree that it is important to ensure that people in financial debt get the help they need. That is why, for example, we are creating a new single financial guidance body. We are keen to address the impacts of debt, including on mental health, and we are working closely with the Money and Mental Health Policy Institute to review practices.

I thank the hon. Member for Makerfield (Yvonne Fovargue). Clearly, she has personal experience of this important area. My hon. Friends the Members for Eastbourne (Caroline Ansell) and for Kettering (Mr Hollobone), and the hon. Members for Blackburn (Kate Hollern), for Aberdeen North (Kirsty Blackman) and for Stalybridge and Hyde (Jonathan Reynolds), made

thoughtful contributions. I thank them for being strong voices not only for their constituents, but for the vulnerable people we are discussing.

As I said, we have been carefully exploring the option of introducing a breathing space scheme, working closely with the debt advice and credit sectors. So far, the work has demonstrated that a period of statutory protection from creditors has the potential to give indebted customers the chance to get their finances back on track by giving them time to seek debt advice and move into existing debt solutions. Officials have found that a breathing space could stop consumer paralysis in the face of multiple creditor letters and enforcement action. It could encourage more people to come forward for debt advice earlier.

We will continue to look into the various options for implementing such a scheme and will consider closely its costs and benefits. We are looking carefully at what is happening in Scotland. When we are in a position to consult further, we will do so. I understand that many people, including those struggling with debt, would like to see such a scheme sooner rather than later.

In short, we have to do all we can to ensure we are helping people to get out of debt. We have done a lot already. My hon. Friend the Member for Kettering mentioned financial education. He may be pleased when reading *Hansard* to learn that I had a meeting last week with the all-party parliamentary group on financial education for young people—indeed, I am in the process of writing to the Secretary of State for Education on this matter. The hon. Member for Blackburn (Kate Hollern) mentioned financial shocks. We are providing £45 million of levy funding a year via the Money Advice Service to fund, for example, the 380,000 free-to-client debt advice sessions that I mentioned had taken place last year. We are also working with the Financial Conduct Authority to ensure that the lending sector is better regulated.

We have been looking closely at the idea of a breathing space and will continue to explore its potential. I will do my best to work with my hon. Friend the Member for Rochester and Strood, and indeed anyone and everyone else who has an interest, because this is important and I would like as many people as possible to be involved as we move forward.

We will keep examining all the ways in which people in serious debt can be protected and supported as they get their finances under control. We want them to build happier, more secure futures for themselves and their families. I understand that the costs of debt are bigger than just the financial costs—for some, they have a lifelong impact. I want an economy that works for everyone, and will be doing all I can to move this forward.

6.6 pm

**Kelly Tolhurst:** I thank all Members for their contributions and for supporting my debate today, and thank the Minister for his positive comments.

6.7 pm

*Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).*



# Written Statements

Wednesday 29 March 2017

## CULTURE, MEDIA AND SPORT

### Archives Unlocked

#### **The Minister for Digital and Culture (Matt Hancock):**

I am delighted to announce the publication of “Archives Unlocked”, a new strategic vision for archives across England. It is available online at [www.nationalarchives.gov.uk](http://www.nationalarchives.gov.uk).

The National Archives leads 2,500 archives in England, a diverse landscape of national regional and local archives. Together they form a unique network of rich archival collections. Archives Unlocked is an ambitious vision that recognises and celebrates the value of archives within the wider culture sector, and across our society. At its heart is a recognition of the opportunities provided by new technologies and digital transformation—opening up our collections to all like never before and encouraging innovation across creative industries and businesses. As the UK strives to take its place as a world-leading digital economy, Archives Unlocked will help drive the digital transformation needed across the archives sector.

Accompanying the strategic vision is an action plan focused on building digital capacity; engineering resilience; and demonstrating impact. I believe that by working together with The National Archives, partners and funders, Britain’s brilliant archives will be able to thrive and contribute fully to the nation’s cultural, intellectual and economic future.

[HCWS571]

### Future of Channel 4

**The Secretary of State for Culture, Media and Sport (Karen Bradley):** Since late 2015 the Government have been working with Channel 4 to look at options to ensure a strong and successful future for the broadcaster.

Channel 4 broadcasts a range of great content and delivers significant public value in a variety of ways. The Government have therefore concluded that Channel 4’s public service model and remit would not be best served by privatisation.

However, the Government believe that there is scope for Channel 4 to do more to serve the nations and regions across the UK. Channel 4 already does much good work in the nations and regions but as a publicly owned asset the Government believe Channel 4 can, and should, go further to ensure it is doing all it can to support the UK as a whole. The growth in the broadcasting and production sector has not been evenly distributed, with more than two thirds of UK producers presently based in London and the south-east. This limits the spread of wealth and opportunity, including in terms of regional growth, and it also limits the representation of local tastes and interests in television.

The Government will therefore launch a 12-week consultation to seek views on how Channel 4 can most effectively increase its regional impact. Specifically, we want to look at:

To what extent should Channel 4 be based outside London;  
Whether more programmes shown on Channel 4 should be made outside London;

Whether Channel 4 should be able to make larger investments in production companies to support the development of emerging talent, including that from the regions, and help bolster Channel 4’s future financial position.

We are seeking the broadest range of views and evidence to inform our assessment, including from the broadcasting and production sectors, from regional authorities, and from audiences around the UK. Channel 4 is a key stakeholder in this process and the Government will work closely with it throughout this process, including in finalising the consultation document.

The consultation will be published in the coming weeks.

[HCWS572]

## FOREIGN AND COMMONWEALTH OFFICE

### Foreign Affairs Council (3 April)

**The Minister for Europe and the Americas (Sir Alan Duncan):** My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 3 April. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. The meeting will be held in Luxembourg.

*Foreign Affairs Council*

The agenda for the Foreign Affairs Council (FAC) is expected to include Syria, Libya and Yemen. There will also be a session with the Secretary-General of the Arab League, Ahmed Aboul Gheit.

*Syria*

At the Foreign Affairs Council, Ministers will discuss the forthcoming conference on “Supporting the future of Syria and the region” in Brussels on 4 and 5 April, along with Council conclusions on Syria including the joint communication on the EU-Syria strategy published by the EU External Action Service on 14 March. The UK will co-host the conference along with the EU, Germany, Kuwait, Norway, Qatar and the UN. The conference is an opportunity for the international community to come together and take stock of the humanitarian situation in Syria; build support for the refugee-hosting countries in the region; reconfirm multi-year commitments made in London; and raise vital new funding for 2017 and beyond.

*Libya*

Discussions will cover the latest developments in the Libyan political process. The EU has formed a new quartet on Libya with the UN, the League of Arab States and the African Union. Ms Mogherini will debrief Ministers on the quartet’s first meeting on Libya and outline next steps.



*Yemen*

Ministers will discuss the appalling humanitarian situation in Yemen and the need for progress towards a political settlement. The UK will update EU member states on recent diplomatic activity in support of the UN special envoy for Yemen, following the meeting of Foreign Ministers of the UK, US, Saudi Arabia, UAE and Oman which took place on 16 February in Bonn. The discussion will be an opportunity to explore ways in which the EU can further support the work of the UN special envoy and respond to the humanitarian crisis.

[HCWS573]

**TRANSPORT****Dartford-Thurrock Crossing Charging Scheme**

**The Minister of State, Department for Transport (Mr John Hayes):** The Dartford-Thurrock crossing charging scheme account for 2015-16 is published today under section 3(1)(d) of the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003. A copy of the accounts will be placed in the Libraries of both Houses.

Attachments can be viewed online at: <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-29/HCWS570/>.

[HCWS570]

# ORAL ANSWERS

Wednesday 29 March 2017

	<i>Col. No.</i>		<i>Col. No.</i>
<b>INTERNATIONAL DEVELOPMENT</b> .....	231	<b>PRIME MINISTER</b> .....	240
Afghanistan .....	236	Engagements .....	240
Developing Countries (Extreme Poverty) .....	231	Engagements .....	246
East Africa (Food Security) .....	234	Munitions Workers (Award).....	246
Somalia (Food Security) .....	233		
Topical Questions .....	238		
United Nations (Aid Programmes) .....	237		

# WRITTEN STATEMENTS

Wednesday 29 March 2017

	<i>Col. No.</i>		<i>Col. No.</i>
<b>CULTURE, MEDIA AND SPORT</b> .....	19WS	<b>TRANSPORT</b> .....	22WS
Archives Unlocked.....	19WS	Dartford-Thurrock Crossing Charging Scheme .....	22WS
Future of Channel 4 .....	19WS		
<b>FOREIGN AND COMMONWEALTH OFFICE</b> .....	20WS		
Foreign Affairs Council (3 April) .....	20WS		

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## CONTENTS

Wednesday 29 March 2017

**Speaker's Statement [Col. 231]**

**Oral Answers to Questions [Col. 231] [see index inside back page]**

*Secretary of State for International Development*  
*Prime Minister*

**Article 50 [Col. 251]**

*Statement—(The Prime Minister)*

**Employment and Support Allowance [Col. 302]**

*Application for emergency debate under Standing Order No. 24*

**Public Authority (Accountability) [Col. 304]**

*Motion for leave to bring in Bill—(Andy Burnham)—agreed to*  
*Bill presented, and read the First time*

**Personal Independence Payment: Regulations [Col. 308]**

*Emergency debate under Standing Order No. 24*

**Pension Schemes Bill [Lords] (Programme) (No. 3) [Col. 335]**

*As amended, further considered; read the Third time and passed*

**Middle Level Bill [Col. 354]**

*Motion for Second Reading—(Kevin Foster)—agreed to*

**Petition [Col. 370]**

**Hyde Housing (Lambeth) [Col. 371]**

*Debate on motion for Adjournment*

**Westminster Hall**

**School Funding (London) [Col. 115WH]**

**Homeopathy and the NHS [Col. 141WH]**

**HIV Treatment [Col. 149WH]**

**Joint Spatial Plan (Thornbury and Yate) [Col. 173WH]**

**Breathing Space Scheme [Col. 181WH]**

*General Debates*

**Written Statements [Col. 19WS]**

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

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