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4 March 2021**

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 4 March 2021

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Virtual participation in proceedings commenced (Orders, 4 June and 30 December 2020).

[NB: [V] denotes a Member participating virtually.]

BUSINESS BEFORE QUESTIONS

REPORT OF THE HOLLIDAY INQUIRY

Resolved,

That an humble Address be presented to Her Majesty, That she will be graciously pleased to give directions that there be laid before this House a Return of the Report, entitled Report of the Holliday Inquiry: inquiry into award of the Magnox decommissioning contract by the Nuclear Decommissioning Authority, related litigation and its subsequent termination.—(*Kwasi Kwarteng.*)

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Bridleways

Mr Laurence Robertson (Tewkesbury) (Con): If he will increase the number of bridleways to improve the safety of horse riders; and if he will make a statement.

[912934]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Victoria Prentis): The Government share my hon. Friend's ambition to improve safety and access for horse riders. Our 25-year environment plan and landscapes review explain how we will help to connect people with nature. Our new environmental land management schemes will include payments to ensure that those goods are delivered.

Mr Robertson [V]: The Minister will be aware that as more and more building takes place in villages, more traffic is put on the road, which presents a danger to horse riders. Just last year alone, 46 horses were killed and 130 riders were injured. One way in which more access could be provided is by allowing horse riders to use footpaths, for example, and there are many other ideas. Will she work with me and others who are concerned about this issue to try to improve access to bridleways for horse riders?

Victoria Prentis: I would be delighted to do that. I have first-hand experience of negotiating bridleways over motorway bridges and level crossings with two small daughters on their ponies, and I very much appreciate that one of the benefits of improving the bridleway network will be increased safety. The schemes we are introducing will incentivise farmers to enhance public access across the piece.

Scottish Fishing Businesses

Wendy Chamberlain (North East Fife) (LD): What assessment he has made of the effect of the UK-EU trade and co-operation agreement on Scottish fishing businesses. [912935]

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): Under the UK-EU trade and co-operation agreement, the UK has secured tariff-free access for fisheries products and a substantial transfer of quota from the European Union, benefiting fishing communities across the UK, including Scotland. The transfer is equivalent to 25% of the value of the EU's historic catch in UK waters, worth £146 million delivered over five years. All fisheries Administrations will have regulatory control, giving Scotland powers over the largest part of the UK's exclusive economic zone.

Wendy Chamberlain: At the beginning of the year, the Secretary of State stood at the Dispatch Box and told Members that difficulties with the UK-EU fishing trade were just "teething problems", but two months on those problems are still ongoing, and the Government's compensation fund is clearly insufficient. On Tuesday, the Environment, Food and Rural Affairs Committee was told that in the medium term, we will see a lot more of the smaller companies stopping trade in Europe, and it may ultimately be their demise. That is terrible news for the East Neuk in North East Fife and their fishing fleet. Does the Secretary of State still agree with the words that he wrote in 2016, when he said:

"From the point of view of the fishing industry, the case for leaving the EU is overwhelming"?

George Eustice: Yes, I do still believe that, and we have a 25% uplift in quota as a result of the trade and co-operation agreement and regulatory freedom that we did not have before. It is worth noting that we are now seeing lorry loads of fish clearing border control posts in France typically in under an hour—sometimes a little longer, but it is an improving situation. Volumes of trade are back up to around 85% of normal volumes.

Deidre Brock (Edinburgh North and Leith) (SNP) [V]: The Prime Minister said a week ago that he thought the fishing industry could be saved if we only ate more British fish. Two months ago, the Leader of the House said that the fish are "happier" because of Brexit. In January, the DEFRA Secretary said the collapse of exports was a "teething problem". Can the flippancy end now, and can we get some serious answers for the industry? Some Scottish businesses still face three-day waits to get their fresh fish to EU markets. Does the Government not accept that they have got it wrong and that the taskforces and other sticking plasters are not enough? Will they get back to the negotiating table with the EU, eat some humble pie and accept whatever regulatory alignment and other measures are necessary to save the industry?

George Eustice: As I said, volumes of fish exports are currently running at about 85% of normal volumes. Given coronavirus and the lockdown in the EU, we think that is probably about the right level, given the stress to the markets in the European Union. It is an improving situation. Well over half of all consignments

now clear border control posts within an hour, and typically in 45 minutes. Over 90% are clearing them within three hours, so we do not recognise the figure that the hon. Lady gives of three days.

Biodiversity

Theresa Villiers (Chipping Barnet) (Con): What steps he is taking to improve protection for nature and biodiversity. [912937]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): Thank you, Mr Deputy Speaker—Mr Speaker! Goodness gracious me, I am so sorry. Gosh! Apologies.

Biodiversity definitely matters, and it is critical that we act now internationally and at home in this crucial year for nature and biodiversity. In England, our Environment Bill sets out a strong legal foundation for improving the environment, and we have introduced substantial new funding for nature, including the nature for climate and green recovery challenge funds. We have protected 40% of English waters across 178 marine protected areas, and we have committed to protecting 30% of our land by 2030.

Theresa Villiers: Will the Government ensure that nature-friendly farming is at the heart of our replacement for the common agricultural policy, and will securing a global switch to sustainable and nature-friendly farming be a core goal for us at COP26?

Rebecca Pow: I am pleased that my right hon. Friend has given me the chance to say that we on the Front Bench—every single one of the Ministers and the Secretary of State—are absolutely committed to nature-friendly farming, and there will be schemes through the new environmental land management system that will reward it. The sustainable farming incentive will support approaches to farm husbandry that will help the environment. That might include propagating integrated pest management and actions to improve soil health and water quality. Local nature recovery will pay for actions that support local nature recovery and deliver local environmental priorities, with farmers potentially collaborating. Finally, landscape recovery will support much wider landscape-scale and ecosystem recovery through long-term change of land use and projects. Internationally, that work continues with our Darwin initiative and many more things, and we will bring all those into COP26.

Office for Environmental Protection

Mary Robinson (Cheadle) (Con): What recent progress he has made on establishing the Office for Environmental Protection. [912938]

Chris Clarkson (Heywood and Middleton) (Con): What recent progress he has made on establishing the Office for Environmental Protection. [912946]

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): Now that we have left the European Union, we have the opportunity to do things better. We will innovate and improve our environmental and agricultural standards, enabling us to identify where we can deliver better environmental outcomes more effectively and in ways that better align with our regulatory systems.

Mr Speaker: I think the questions were grouped.

George Eustice: Apologies, Mr Speaker. Work to establish the Office for Environmental Protection continues at pace. We have appointed the chair and interim CEO, with non-executive directors to follow, and the headquarters will be in Worcester.

Mary Robinson [V]: Lockdown has highlighted the importance of our environment, with the positive effects of good air quality, access to green spaces and connecting with nature for our health and wellbeing. Will the Secretary of State elaborate on the remit of the new independent regulator and on what the interim Office for Environmental Protection will be able to do to maintain those important protections, as we seek to enhance and protect our natural environment?

George Eustice: My hon. Friend makes an important point. The interim OEP will be able to produce an independent assessment of the Government's progress towards their 25-year environment plan and receive complaints about failures of public authorities to comply with environmental law. It will take decisions on operational matters such as recruitment, accommodation and facilities; develop the OEP strategy, including its enforcement policy; and determine approaches to how the OEP will form and operate.

Chris Clarkson: May I associate myself with the comments of my hon. Friend the Member for Cheadle (Mary Robinson)? I am a fellow Greater Manchester MP, and my constituents in Heywood and Middleton also put a very high premium on our natural environment, especially as we are in a city region. What steps is my right hon. Friend taking to implement the measures in the Environment Bill ahead of Royal Assent?

George Eustice: My hon. Friend makes an important point. Although the timetable for the Environment Bill has slipped by a few months, we are working at pace to implement the policies and measures behind it. We have announced Dame Glenys Stacey as the chair of the OEP and Worcester as its HQ, and it will launch on an interim basis in July. We are also progressing work on developing targets. We have already published a policy paper and set up working groups, and we are developing proposals for a consultation. We will launch further consultations on a raft of measures to be brought forward under the Environment Bill, including relating to packaging and waste collection reforms.

Ruth Jones (Newport West) (Lab) [V]: Now that we are no longer a member of the European Union, it is vital that all steps are taken to ensure that the UK has the strongest possible protections for our environment. That is why so many of us are confused that the Tories weakened their own Environment Bill in Committee by voting down cross-party amendments that would have strengthened the OEP and made the Bill fit for purpose. Can the Secretary of State finally confirm that, when the Environment Bill eventually comes back to the House, he will support all steps to make the OEP—which was promised to Bristol and the south-west but is now headed for Worcester—fit for purpose and fit for the 21st century?

George Eustice: I believe it is fit for purpose. We have set up an independent Office for Environmental Protection that has powers to investigate. It will have powers to bring a judicial review, and powers to investigate and follow up on any complaints that the law has been broken. Crucially, as well, it has been given some work to develop those targets, and also to comment on progress towards both the targets and our environmental plan.

Flood Re: Consultation

Alex Davies-Jones (Pontypridd) (Lab): What steps he is taking to encourage public participation in the Flood Re consultation. [912939]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): We published a consultation on amendments to the Flood Re scheme on 1 February 2021 on DEFRA's consultation hub. We drew public attention to this through a press notice to the media, which received positive coverage. In addition, the consultation has been communicated to a range of stakeholders, including members of the property flood resilience roundtable. The consultation will close on 26 April 2021, and I would encourage all interested parties to engage in it.

Alex Davies-Jones: We have just passed the one-year anniversary of the devastating flooding that hit my community of Pontypridd in February 2020. Sadly, far too many people are still unable to get affordable home insurance, and it is clear that there are serious problems with the Flood Re scheme in its current form. Will the Minister, as part of this consultation, please agree to meet me and some of the residents affected in my community to hear at first hand about the problems with Flood Re?

Rebecca Pow: I thank the hon. Lady for that, and of course, as ever, I have huge sympathy with anyone who has suffered flooding; it is not a nice experience. But Flood Re is doing everything it can to ensure that people can get flood insurance. It was introduced in 2016, and since then 96% of those with prior flood claims were able to get five or more insurance quotes. So this is really moving, but we are doing the consultation because if tweaks need to be made, we will make them. We very much look forward to hearing views. Do input to the consultation—

Alex Davies-Jones: Will the Minister meet me?

Rebecca Pow: I am very happy to meet anybody who wants to make suggestions of how the whole system could work more effectively.

Stephanie Peacock (Barnsley East) (Lab): Too many people in flood risk areas cannot afford and do not have adequate insurance. Flood Re strongly supports flood cover being a standard part of household insurance, as recommended by the Blanc review. Can the Minister confirm what steps her Department is taking to ensure that this recommendation is implemented, and by when?

Rebecca Pow: I thank the hon. Member for that. It is very important that those who might be susceptible to flooding can get hold of the right insurance. We are doing a great deal of work on this. She refers to the

independent review of flood insurance. It was actually a special review taken around the Doncaster area to look at the lessons learned there. It has reported with its recommendations, and the Government are looking at that with a view to taking on board suggestions that may be helpful in this space.

Import Checks: Live Animals and Products

Neil Parish (Tiverton and Honiton) (Con): What preparations his Department is making prior to the implementation of checks on imports of (a) animal and germinal products and (b) live animals from the EU in July 2021. [912940]

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): We are already conducting some checks on live animals, with full documentary checks and physical checks being conducted at the premises of destination. We plan to introduce some documentary checks on products of animal origin next month and then begin some physical checks from July onwards, and also to introduce similar checks on plant products later this year. Recruitment of staff by the port health authorities is at an advanced stage.

Neil Parish [V]: On Tuesday, the Environment, Food and Rural Affairs Committee heard from a series of our fish and meat exporters to the EU who are struggling with the paperwork system imposed by the EU and its border officials. One exporter in Brixham needed over 70 pages of paperwork for one consignment of fish. When we start making checks this summer, we could insist on 140 pages of paperwork for EU imports, if we wanted to. However, could we, in our mutual interest, negotiate with the EU a digital system to make it easier for our businesses both to export and to import?

George Eustice: Unlike the European Union, we have taken a pragmatic approach to phasing in border controls, so that we can protect business supply chains and UK consumers, but when we do start to introduce those export health certificates, they will be certificates that are of a similar form to those of the European Union, since they are derived from retained EU law. I understand the point my hon. Friend is making, but we should also remain conscious that the primary focus of these checks is to protect food standards and animal health. Over time, the European Union may diverge from British law or may suffer variable enforcement between member states, and the UK needs the ability to protect British consumers and to operate food safety surveillance of other EU member states.

Flood Resilience

Brendan Clarke-Smith (Bassetlaw) (Con): What steps he is taking to support flood resilience. [912941]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): In July 2020 we published a long-term statement setting out our “ambition to create a nation more resilient to future flood and coastal erosion risk”,

and it contained five key policies and over 40 actions to better protect and prepare the country. We are investing £5.2 billion to build 2,000 new flood defences over the next six years; this is a serious commitment and it will better protect 336,000 properties.

Brendan Clarke-Smith [V]: I thank the Minister for her response and also for meeting me and the Environment Agency in January to discuss various issues surrounding flooding in Bassetlaw. Can the Minister update us on the progress of the proposed £6.5 million scheme in West Stockwith with local stakeholders?

Rebecca Pow: I was very pleased to meet my hon. Friend and the EA to discuss this issue. He is a great campaigner for his local community. The West Stockwith pumping station evacuates flood water into the Trent at times of flood; elements of the station are at the end of their design life, and the Environment Agency is working with its partners to consider competing water demands in the area to develop an outline business case to replace these. There is a £5.5 million grant-in-aid indicative allocation in the capital programme for 2020-21 to 2023-24 for this work, and, crucially, the work will protect around 68 homes.

Illegal Puppy Trade

Richard Thomson (Gordon) (SNP): What recent discussions he has had with the devolved Administrations on bringing forward legislative proposals to help tackle the illegal puppy trade. [912942]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Victoria Prentis): Puppy smuggling is abhorrent. We operate a rigorous pet-checking regime and work collaboratively to share intelligence, disrupt illegal imports and seize non-compliant animals. Officials liaise closely with devolved Administration colleagues, and they meet fortnightly to discuss developments, although of course often they speak in between these formal meetings as well.

Richard Thomson [V]: I thank the Minister for that response. Puppy smuggling is a trade carried out outside current regulations and it causes considerable distress and suffering. Does the Minister agree with charities such as the Dogs Trust that we need tougher penalties right across the UK for those caught smuggling puppies, in order to ensure that there is a real deterrent in place to tackle this horrific trade?

Victoria Prentis: DEFRA is considering a range of possible measures, which may result in legislative change. We are listening to a group of stakeholders, including the Dogs Trust, and the recommendations that they and the EFRA Committee made relatively recently will inform our policy making in this important area.

Flood Defences

Mark Garnier (Wyre Forest) (Con): What progress he is making on the construction of flood defences. [912944]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): This month will see the completion of the Government's six-year £2.6 billion investment programme to deliver over 1,000 flood schemes, better protecting 300,000 homes from flooding. Starting in April, the Government will invest £5.2 billion in a six-year investment programme to deliver 2,000 flood schemes, protecting 336,000 properties from flooding. Alongside this programme, a further £170 million will

be invested to accelerate work on 22 shovel-ready projects for defence schemes, and construction on these will begin from March 2022.

Mark Garnier [V]: I thank the Minister for that response and also for meeting me and the Environment Agency yesterday. As she knows, Bewdley in my constituency has suffered from two once-in-100-year floods in the last 18 months alone. While the western bank of the River Severn is protected by impressive demountable flood barriers, the eastern bank, known as Beales Corner, has been protected just by temporary barriers and by property-level resilience, and this year the temporary barriers collapsed catastrophically and the property-level resilience all but failed. The Minister is very familiar with Bewdley, having kindly visited last year during the flooding, and she knows that the Environment Agency is working up plans to provide a permanent solution to floods at Beales Corner, but can she promise me that she will work with me, the Environment Agency and the residents of Beales Corner to deliver on the pledge made by the Prime Minister when he visited Bewdley last year that we will finally “get Bewdley done”?

Rebecca Pow: As my hon. Friend knows, I was very sorry to hear of the flooding of the 19 properties at Beales Corner on 22 January, when the temporary flood defences failed. He kept well in touch with me on that at the time, and we have since met, as he said, which I was pleased, and always am pleased, to do. I give him an assurance that the Environment Agency is working really hard with the local authority and partners—and indeed with him—to develop the business case for a permanent flood scheme at Beales Corner. He knows that I take a very close interest, from a ministerial perspective, in this and all areas relating to it, including just working out how it will be possible and the funding options. I urge him to keep up the good work that he is doing in Bewdley.

Agricultural Policy: Farmers

Miriam Cates (Penistone and Stocksbridge) (Con): What steps he is taking to consult and engage with farmers on future agricultural policy. [912945]

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): Since 2018, we have been working with farmers to build up ideas and gain their insights. So far, more than 3,000 farmers have helped us to develop aspects of our new approach through 72 tests and trials. Our co-design approach includes the sustainable farming incentive pilot, which will open for expressions of interest shortly. We will also be working with farmers on various consultations and on policies, in particular to address the causes of poor profitability.

Miriam Cates [V]: Last year, I visited a dairy farm near Penistone in my constituency that is using new technologies to increase efficiency and improve yields. That is a great example of innovation in farming that can lead to a bright future for the dairy industry. Can my right hon. Friend tell me how his Department is supporting farmers to remove barriers to adopting new technologies that they need so that they can become more competitive?

George Eustice: My hon. Friend makes a very important point. Dairy businesses such as the one she refers to in her constituency are embracing technology and innovation,

and we want to support them to go further. Over the last three years, we have provided around £75 million to farmers to help them purchase new and innovative technology. From autumn this year, the new farming investment fund will help farmers, including those in the dairy sector, to build on the progress already made by offering them grants. We will also be launching a new approach, with research and development syndicates to support individual farm businesses with research and development of technology.

Untreated Sewage: Discharge

Feryal Clark (Enfield North) (Lab): What steps his Department is taking to ensure that untreated sewage is not discharged into rivers and other inland waters. [912947]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rebecca Pow): Water companies are committed over the next five years to a £1.1 billion programme to improve the monitoring and management of sewage discharges. However, I have made it clear to water companies that more action is needed. That is why we have established the storm overflows taskforce, which has agreed to set a long-term goal to eliminate harm from storm overflows and is working on plans to start progress towards that goal.

Feryal Clark [V]: The River Lea, which runs through my constituency, is well used for water sports by many clubs and schools, and it is much loved. Sadly, it is also one of the most polluted waterways in the UK; in 2019 alone, Thames Water spent over 1,100 hours discharging raw sewage into the River Lea. When will the Government finally hold water companies to account to protect our waterways properly?

Rebecca Pow: The hon. Lady raises a very serious issue, and indeed the Department is taking it very seriously. In fairness, as I said, water companies already spend £1.1 billion to improve their monitoring and discharging, but we have set up the taskforce to hold their feet to the fire to come up with some measures for how we can set this long-term goal of getting rid of these sewage outlets once and for all. They will be doing more real-time data checking, so we will have the relevant data that we need soon, and they will be installing more monitoring devices, but the taskforce will report back in the spring on further actions that we may be able to work on.

Fish Products: Standards

Sir Gary Streeter (South West Devon) (Con): What discussions he has had with Cabinet colleagues on ensuring that fish products imported from the EU are subject to the same standards and requirements as fish products exported to the EU. [912949]

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): I regularly have discussions with Cabinet colleagues on this issue, in particular through the Cabinet Sub-Committee dealing with EU exit. Import controls on fish products are being introduced in stages. Imports of most fish products have required illegal, unreported and unregulated fishing documentation since January. That includes a catch certificate. We plan to introduce documentary checks for export health on imported fish from April and some physical checks from July.

Sir Gary Streeter [V]: I thank my right hon. Friend for all the efforts he is making to iron out the wrinkles in the export of fish products from the UK. However, if these problems persist, why do we not serve notice on our friends in the EU that with immediate effect we intend to treat the import of fish products from EU countries in precisely the same way that our fish exports to EU countries, especially France, are currently being treated—regulatory equivalence? Would that not help to bring people to the table to resolve the current disruption being suffered by our fishing industry?

George Eustice: As I said to the Chair of the Select Committee earlier, when we start to introduce those checks they will indeed be equivalent and similar to the types of checks that the European Union is currently requiring on our own fish exports. At that point, I hope there will be an opportunity for some discussion about how we can each ensure that we have the right safeguards for our respective markets in a way that is more user-friendly and more pragmatic. There are countries in the world that have better and more developed systems for doing this documentation than the European Union.

Topical Questions

[912894] **Paul Maynard** (Blackpool North and Cleveleys) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (George Eustice): When it comes to pesticides policy, the Government apply the precautionary principle. Emergency authorisations are an integral part of the precautionary principle, because they allow restrictions on a precautionary basis for certain products while allowing their use where there is a risk that cannot be controlled by any other means. At the beginning of the year, applying that principle, the Government granted an emergency authorisation for the use of thiamethoxam on sugar beet. Sugar beet is a non-flowering crop and we applied a strict condition, which is that the pest pressure should be assessed over the winter months and that the product should only be used if it were deemed necessary and the pest pressure passed a certain threshold. I can tell the House that earlier this week that analysis was published. The threshold was not met due to some of the cold weather we have had. Therefore, the terms of the emergency authorisation are not met and the neonicotinoid in question will not be used this year.

Paul Maynard [V]: The fishing and fish processing industry continues to be affected by the closure of hospitality nationwide and the impact of border friction arising from Brexit, which has also weakened sales in key Asian markets such as Korea. Will the Secretary of State volunteer his Fisheries Ministers to meet further with me and affected employees? Can he also confirm that the replacement for the European fisheries fund will also benefit the fish processing sector, as well as the fishermen themselves?

George Eustice: My hon. Friend makes a very important point. My ministerial colleague, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Banbury (Victoria Prentis), was nodding to give her assent to a meeting. Indeed, I

would also be more than happy to meet fish processors in my hon. Friend's constituency. I can confirm that the new £100 million fund to develop the fishing industry and infrastructure will be open to fish processors. In addition, those fish processors who have had issues during January, due to the new administrative processes, in exporting to the European Union, are eligible for the fisheries disruption fund and many have already applied.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): Fishing boats are tied up and fish exporters are tied up with red tape. Fishing was promised a sea of opportunity, but the reality is that many fishing businesses are on the verge of collapse. Much of the so-called extra fish may not even exist or be able to be caught by British boats. The fishing industry feels betrayed. Is it not now time for the Secretary of State to apologise to the fishing industry for the Brexit deal that his Government negotiated?

George Eustice: I have made it clear all along that the Government had hoped to get closer to a zonal attachment sharing arrangement in that first multi-annual agreement, but the EU has been required to forfeit 25% of the fish that it has historically caught in our waters—a significant uplift—as the price for continued access. That additional fishing quota is worth £140 million.

Luke Pollard: The pollock quota has gone down in the south-west. There is no apology and no sense of reality from the Secretary of State. He cannot wriggle out on this one—the net is closing in on him. The reality is that fishing has lost trust and confidence in the actions of the Department for Environment, Food and Rural Affairs. For all the broken promises, fishing businesses have closed and others will follow. Why will the Secretary of State not apologise? What will he do to fix the mess that this incompetent Government have created for fishing communities nationwide?

George Eustice: As I said, we have seen, through the trade and co-operation agreement, a significant increase in quotas—25%, worth some £146 million. As we have left the single market and the customs union, there are some new administrative processes in place. That was challenging for the fishing sector during January, which is why we opened a fund to support it. Looking to the long term, however, we have regained control of regulations in our waters, which enables us to do conservation measures on places such as the Dogger Bank that were never possible as an EU country. It has also enabled us to ban pulse trawling in our waters. These are all things that could not be done while we were shackled to the common fisheries policy.

[912896] **Caroline Nokes** (Romsey and Southampton North) (Con) [V]: I draw attention to my entry in the Register of Members' Financial Interests stating that I am a trustee of World Horse Welfare. We have heard from my right hon. Friend this morning that lorryloads of fish are clearing the border in less than an hour, but Olympian Richard Davison tells me that horses that are used for dressage are taking between four and 10 hours to clear the border at Calais because of the requirement for equine health certificates. Please will the Minister tell me what the Government are doing to make sure that there is not a looming animal welfare crisis as temperatures increase and grand prix horses are left standing in lorries for hours on end? [R]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Victoria Prentis): My right hon. Friend is right that the EU has chosen to introduce new import controls on GB livestock, including that they must enter through a border control post. Border control posts will be designed to take account of animal welfare need. The border control post at Calais for equines is one such post. We are working very hard with the European Commission to ensure that any disruption to traffic, especially across the short straits, does not lead to welfare issues. I would be grateful if she could get in touch with me directly with any specific examples and I will take them up.

[912895] **Mary Kelly Foy** (City of Durham) (Lab) [V]: A recent report by the Disability Benefits Consortium said that many disabled people faced a choice between heating and eating during the pandemic and stated that unless legacy benefits were uplifted in line with universal credit, it would be “discriminatory”. Does the Secretary of State therefore feel that the Chancellor's refusal to do this has discriminated against disabled people while undermining his job to tackle food poverty?

George Eustice: I do not accept that. Obviously, the Chancellor has made an announcement in relation to extending the universal credit uplift to help the financially vulnerable through the current situation. We also announced new rounds of funding late last year to support charities such as FareShare in food redistribution and to support other food charities to help those in need.

[912897] **Alexander Stafford** (Rother Valley) (Con) [V]: Over the last year, we have all learned how vital it is to have access to high-speed broadband, whether that is for home schooling, home working, home shopping or keeping in touch with our friends and families. For residents in cities, an internet connection can be taken for granted, but for many residents in the rural or less well-connected villages in Rother Valley—such as Harthill where I live, Netherthorpe, or even Treeton and Wales—connection is temperamental, slow and in some places completely lacking. We have all adapted to new ways of living and working as a result of the pandemic, but what assurances can my right hon. Friend give me that rural communities such as those in Rother Valley will not be left behind?

George Eustice: My hon. Friend makes a good point. All rural areas need good digital connectivity, including his constituency. The Government have delivered superfast broadband to more than 5 million premises, with 96% of UK premises now able to access superfast speeds. We are investing an unprecedented £5 billion to support deployment of gigabit broadband in the hardest-to-reach areas of the country.

[912898] **Tony Lloyd** (Rochdale) (Lab) [V]: Will the Minister make a very clear statement on the Government's policy with respect to our peat bogs and recognise that they are an enormously powerful carbon sink as well as being important for water retention in flood prevention schemes? On that basis, will he agree to meet me and one or two colleagues virtually who, particularly in the south Pennines area, have a real interest in this issue?

George Eustice: I or one of my ministerial colleagues would be more than happy to meet the hon. Gentleman and others to discuss this. I completely agree with him that deep peat in particular can be an important store of carbon. That is why we have recently announced new restrictions on burning on blanket bog. Restoration of the hydrology of some of those deep peats is a fundamental part of our approach to tackling climate change.

[912899] **Anthony Mangnall** (Totnes) (Con): I declare my entry in the Register of Members' Financial Interests. I know that the Minister and the Secretary of State are fully aware of the problems faced by mollusc exporters from grade B waters, but are they aware of the scale? If we are to introduce innovative solutions, such as creating our own depuration plants, we need to be aware that these are sizeable operations and that businesses such as Offshore Shellfish, based in Brixham, need all the support they can get. Will the Minister take that into account and also meet that business and other organisations in my patch?

Victoria Prentis: My hon. Friend and I have discussed the current completely unacceptable situation many times, particularly in respect of Offshore Shellfish in Brixham. There is no justification for the European Commission to ban our molluscs from class B waters, and we are seeking an urgent resolution of this dispute. We are willing to provide additional reassurances, but we ask the Commission to recognise the existing high standards and long history of trade between us. I am happy to meet the business as my hon. Friend suggests.

[912900] **Patrick Grady** (Glasgow North) (SNP): The Prime Minister's 10-point plan has been condemned by environmentalists as a wish list, DEFRA has been criticised by the Public Accounts Committee for failing to drive Government policy on the environment, and the Secretary of State's Environment Bill has been delayed yet again. COP26 is approaching and the UK's credibility on the environment is close to zero, so can I ask what input he has had into the COP26 ambitions, what the Government hope to get out of COP26 and what he would consider to be a success at the conference?

George Eustice: I clearly do not share the hon. Gentleman's caricature of the situation. This Government are the first in the world to make it clear that 30% of our international climate finance will go on nature-based solutions. In answer to his question, what we hope to get out of COP26 are ambitious targets around the world to continue to tackle carbon emissions, but also, crucially, a big recognition of the role of nature in tackling climate change.

CHURCH COMMISSIONERS

The hon. Member for South West Bedfordshire, representing the Church Commissioners was asked—

Restoration Grants: Churches

Munira Wilson (Twickenham) (LD): To ask the hon. Member for South West Bedfordshire, representing the Church Commissioners, how much the Church of England administered in grants to churches for the purpose of restoration in the last financial year. [912854]

The Second Church Estates Commissioner (Andrew Selous): The Archbishops' Council of the Church of England has administered £10 million of the Government's culture recovery funding to 68 churches and cathedrals and about £250,000 in conservation grants. The £300 million additional funding announced yesterday is very welcome, as is the fact that the levelling-up fund specifically includes churches and cathedrals. The national Church does not routinely fund capital works, but it does liaise closely with a wide network of funders who provide support for parish churches and cathedrals.

Munira Wilson [V]: I thank the hon. Gentleman for his answer. St Michael's church in Fulwell was closed and in a semi-derelict state when a new church was planted there in 2014. Since then, the committed team have been holding Sunday services and serving their community with no formal heating or lighting. In order to restore this listed building to achieve their vision of being community centred, they have raised over £1.5 million, but they need a further £230,000 to make the church functional. What support might the Church Commissioners be able to offer to help plug that gap for St Michael's?

Andrew Selous: I am delighted to learn about the growing congregation and all the good work happening at St Michael's Fulwell. The commissioners provide strategic development funding to the Church nationally in order to support major change projects that will make a significant difference to mission and financial strength across dioceses. In addition to the culture recovery fund, the National Lottery Heritage Fund has recently launched a new set of funding priorities to support covid-19 recovery and is open to applications now.

HOUSE OF COMMONS COMMISSION

The hon. Member for Broxbourne, representing the House of Commons Commission, was asked—

Covid Security

Patrick Grady (Glasgow North) (SNP): To ask the hon. Member for Broxbourne, representing the House of Commons Commission, what recent assessment the Commission has made of its effectiveness in making the House of Commons a covid-secure environment.

[912855]

Sir Charles Walker (Broxbourne): The House of Commons Commission has ensured that the House Service has implemented the working safely during coronavirus guidance and is a covid-secure workplace. Measures in place are continuously reviewed to ensure they are in line with any changes in Government guidance. This is further supplemented through the expert advice received from Public Health England and the parliamentary safety team. The Commission receives regular updates from the Chair of the House Service covid-19 planning group.

Patrick Grady: I welcome the hon. Gentleman to his place. He has the big shoes of my hon. Friend the Member for Perth and North Perthshire (Pete Wishart) to fill.

We all thank those in the House service for the amazing job they are doing in keeping us safe during the pandemic. Does the hon. Gentleman agree that as we return to a new normal the last thing we need is a big bang moment where one day all these practices are in place and the next day everybody is crowded back into the Lobbies, the canteens and the Chamber? Does he

agree that that kind of approach might not instil confidence across the community on the estate, and that the best option would be to adapt gradually and continue to act in line with the best advice from Public Health England?

Sir Charles Walker: I thank the hon. Gentleman for his question. The House services have done a fantastic job in keeping the show on the road, and the Commission congratulates them on that. The Commission also recognises that many members of the House service, many colleagues and the staff of colleagues want to return to the House of Commons, their place of work, and look forward to doing so. However, the Commission also recognises that this needs to be done in as safe a way as possible, as outlined in the road map published by the Government. So the Commission will be working closely, as is always the case, with the trade unions and the representative bodies in this place to make sure that the return to work is a safe one.

CHURCH COMMISSIONERS

The hon. Member for South West Bedfordshire, representing the Church Commissioners, was asked—

Landholdings: Public Transparency

Kerry McCarthy (Bristol East) (Lab): What steps the Church of England is taking to increase public transparency of its landholdings. [912857]

The Second Church Estates Commissioner (Andrew Selous): The Church Commissioners have been working through the process of registering their land holdings with the Land Registry, which can be searched publicly. In addition, on page 81 of the Commissioners' annual report there is a list of the 20 largest real estate holdings.

Kerry McCarthy [V]: When I met the Commissioners, I was told that they did not have comprehensive digital maps of their lands that they could publish. However, a recent report from the Archbishop of Canterbury recommended that the Church map all of its land holdings by using the Good Steward Mapping Tool. I note that its website features digital maps of the Church Commissioners' lands. In the interests of transparency, will the Commissioner make those maps public?

Andrew Selous: As part of the work of the Archbishop's housing commission, the Church has indeed commissioned a draft map of the land holdings of the Commissioners, dioceses and parishes, to improve planning and joined-up working between all parts of the Church. This is work in progress, which is currently being trialled by a number of dioceses.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for City of Chester, representing the Speaker's Committee on the Electoral Commission, was asked—

Third-party Campaigners: Regulation

John McDonnell (Hayes and Harlington) (Lab): If the Electoral Commission will investigate the potential merits of strengthening regulations on third-party campaigners. [912858]

Christian Matheson (City of Chester): Third party campaigners are a vital part of a healthy democracy and play a significant role in providing voters with information, but it is important that their spending and funding are transparent. The Electoral Commission continues to support the introduction of imprint requirements for digital campaign material and changes that would strengthen its ability to access information quickly about who has placed campaign material online. These changes would help provide transparency for voters and ensure that third party campaigners and others complied with the political finance laws established by Parliament--.

John McDonnell [V]: May I ask my hon. Friend to convey to the Electoral Commission, on behalf of a number of us in the House, the need for an urgent, more serious and in-depth inquiry into third party campaigning, particularly in respect of its role in the last general election? Will he refer the Electoral Commission to the report by openDemocracy that exposed groups such as Capitalist Worker and Campaign Against Corbynism, and the roles of Thomas Borwick, the deputy chairman of the Cities of London and Westminster Conservative Association, and Jennifer Powers, a former Conservative intern, who spent large sums on a social media advertising campaign smearing my right hon. Friend the Member for Islington North (Jeremy Corbyn) without declaring the source of their funds? This warrants a full inquiry and reform.

Christian Matheson: The Commission is aware of occasions and allegations in the past where people who might not have been expected to have a certain amount of resource were suddenly able to spend that resource. It assures me that it monitors the activity of non-party campaigners and where there is evidence that the law has not been followed, it will consider the matter, in line with its enforcement policy. I assure my right hon. Friend that I will pass on that message to the Commission.

CHURCH COMMISSIONERS

The hon. Member for South West Bedfordshire, representing the Church Commissioners, was asked—

Persecution for Faith or Belief

Rob Butler (Aylesbury) (Con): What representations the Church of England is making in countries where people are persecuted for their faith or belief. [912859]

7. Fiona Bruce (Congleton) (Con): What representations the Church of England is making to countries where people are persecuted for their faith or belief. [912873]

The Second Church Estates Commissioner (Andrew Selous): The Church of England has regular meetings with the Foreign, Commonwealth and Development Office about countries where people are persecuted for their faith or belief, so that our Government can raise these vital issues with the Governments of the countries concerned. The Church also engages with our heads of mission, civil society groups and, where possible, with the foreign Governments in question.

Rob Butler [V]: Congregants at one of Aylesbury's churches are deeply concerned about Christian charities in India being forbidden from receiving funds from overseas, amid reports of persecution based on faith. Such organisations often help some of the most vulnerable

people in Indian society, so will my hon. Friend tell me what steps the Church of England is taking to help Christian charities and to stop faith-based persecution, both in India and elsewhere?

Andrew Selous: The Church of North India and the Church of South India seek to comply with Indian law in this respect. Pressure from outside India may make the situation worse for those who receive funds. The Foreign, Commonwealth and Development Office should make the Indian Government aware of the impact of such restrictions on Indian citizens. In the past, I have visited the Indian high commissioner in London with a cross-party group of MPs, all of us friends of India, to successfully raise a similar issue; my hon. Friend might like to consider such a visit.

Fiona Bruce [V]: Some 83% of the world's population live in countries where freedom of religion or belief is not adequately respected. This freedom is essential for societies to secure democratic freedoms, economic development and peace, yet many people, including young people, are unaware of its importance. What is the Church of England doing to help to educate young people about the importance of freedom of religion or belief for all?

Andrew Selous: It is a great pleasure to reply to my hon. Friend, the Prime Minister's new envoy for freedom of religion or belief. The Church of England strongly supports educating young people to advocate for freedom of religion or belief for everyone globally. We are working with schools in the Gambia and, indeed, in Pakistan and Bangladesh to do exactly that, to help young people be advocates for freedom of religion or belief in their schools, families and communities.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for City of Chester, representing the Speaker's Committee on the Electoral Commission, was asked—

BAME Voting

Mr Virendra Sharma (Ealing, Southall) (Lab): What steps the Electoral Commission is taking to improve voting levels among Black, Asian and minority ethnic people. [912860]

Christian Matheson (City of Chester): The focus of the Commission's work is on voter registration, to ensure that all eligible people are able to vote should they choose to do so. Its research has consistently shown that eligible citizens from ethnic minority backgrounds are less likely to be registered. In delivering its voter registration campaigns, it therefore targets the work towards under-registered groups, including people from black, Asian and minority backgrounds. The Commission uses advertising, media coverage and partnership work in the delivery of such campaigns.

Mr Sharma [V]: I thank my hon. Friend for that response. How important is the Electoral Commission in preventing malign influence on elections in this country and ensuring that volunteers and ideas lead the debate, not online trolls and fake news?

Christian Matheson: My hon. Friend raises an essential point. The Commission has been doing work to get online imprints to make sure that people who put fake

news and trolling online can be identified, and that any such adverts have to be registered so that the individuals who post them can be identified and, if necessary, held to account. This is a major issue that affects people from BAME backgrounds and all voters, and my hon. Friend is absolutely right to raise it. I shall pass his concerns on to the Commission.

PARLIAMENTARY WORKS SPONSOR BODY

The right hon. Member for East Hampshire, representing the Parliamentary Works Sponsor Body, was asked—

Restoration and Renewal Programme

Antony Higginbotham (Burnley) (Con): What opportunities there will be for Members to contribute to the restoration and renewal programme in the next 12 months. [912861]

Damian Hinds (East Hampshire) [V]: The restoration and renewal sponsor body plans a range of opportunities for right hon. and hon. Members to contribute. Consultation is planned on design options that are now in development, to help to inform further work. The Sponsor Body will continue to provide regular updates to colleagues and welcomes the opportunity to hear views. Of course, I am available at any time to hear and convey points, questions and issues from colleagues from all parties.

Antony Higginbotham: I thank my right hon. Friend for that answer. We all want to see Parliament restored to a good state of repair, but my constituents and I have concerns about the significant costs that have been spoken of. Will my right hon. Friend confirm that before any major costs are incurred or the project proceeds too far, much more time will be allocated for debate and discussion, including contributions from Members elected in more recent general elections who were not present for the debates on the Parliamentary Buildings (Restoration and Renewal) Act 2019?

Damian Hinds: I thank my hon. Friend for that very important point. Although the scheduling of House business is somewhat beyond my own domain, clearly debate about the future of our national Parliament is incredibly important, and the debate last year, as he will remember, was oversubscribed. Many newer colleagues have also taken up one-to-one briefings, and 63 MPs made submissions to the strategic review call for evidence. Importantly, it is in the legislation that there must be a vote of this House for the main gate business case decision to be made.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for City of Chester, representing the Speaker's Committee on the Electoral Commission, was asked—

Statutory Election Period

Aaron Bell (Newcastle-under-Lyme) (Con): What assessment the Electoral Commission has made of the adequacy of the length of time of the statutory election period. [912862]

Christian Matheson (City of Chester): The Commission recently submitted evidence to the Joint Committee on the Fixed-term Parliaments Act 2011, setting out the background to the current minimum timetable of 25 working days for UK elections and the administrative and regulatory implications if the timetable were to be shortened. While the specific period is for Parliament to decide, the Commission emphasises that sufficient time must be allowed for campaigners to put their arguments to the electorate, for voters to decide how to cast their vote, and for returning officers to deliver the election process.

Aaron Bell [V]: I thank the hon. Member for his answer. As he says, this point has been exercising the Joint Committee on the Fixed-term Parliaments Act, on which I and many other Members of this House sit. Election periods have grown considerably longer over the years, which is not necessarily in the best interests of our constituents and democracy more widely, especially when an election is called to resolve an impasse. Will he be willing to inquire further from the Electoral Commission as to what the shortest potential statutory period that could reasonably be adopted is, and then write to me or the Committee?

Christian Matheson: I will indeed inquire about that. Informally, the suggestion to me has been that the Commission does not particularly want it shortened too much further because of all the administrative burdens and the administrative marker points that electoral registration officers and others would have to go through, but I will pass on the hon. Gentleman's request and ask the Commission to write to him.

Automatic Voter Registration

Ms Marie Rimmer (St Helens South and Whiston) (Lab): What recent assessment the Committee has made of the potential merits of introducing automatic voter registration. [912863]

Christian Matheson: The Commission supports electoral registration reform, as it would make it easier for people to register or to update their details throughout the year. This might include adding people automatically from other datasets or other automated solutions that still require confirmatory action by the voter. In 2019, when the Commission investigated the feasibility of such reforms, it found that these were possible from a technical perspective and could be implemented without radically altering the structure of the electoral registration system in the UK. The Commission's view is that that could help to improve registration levels among some under-represented registered groups, including the youngest part of the franchise. This would ensure that as many people as possible were able to participate in our democracy.

Ms Rimmer [V]: I thank my hon. Friend for his answer. The Capitol insurrection in Washington, fraudulent elections in Belarus and the military coup in Myanmar provide three very recent and very real reminders of the importance of defending democracy. Does my hon. Friend agree that democracy is sacred, and what better way to protect it than to automatically ensure that everyone is able to take part in the process?

Christian Matheson: The Commission absolutely sees its primary role as ensuring the smooth delivery of the democratic processes fairly and responsibly across the

whole of the UK. It has looked at ways of improving registration and looked at evidence that has previously been given, but ensuring that as many people as possible are able to register to vote and deliver that vote is one of its primary concerns.

PARLIAMENTARY WORKS SPONSOR BODY

The right hon. Member for East Hampshire, representing the Parliamentary Works Sponsor Body, was asked—

Restoration and Renewal Programme

Nickie Aiken (Cities of London and Westminster) (Con): What steps the Sponsor Body has taken to ensure that local residents and businesses have been adequately consulted on the restoration and renewal programme. [912867]

Damian Hinds (East Hampshire) [V]: The restoration and renewal programme has engaged regularly with neighbours and will continue to do so, especially at those moments with most opportunity for meaningful input. To date, it has included group sessions as well as meetings and briefings, including with Westminster City Council. Engagement with local businesses and residents—my hon. Friend's constituents—will continue, particularly ahead of the submission of planning applications.

Nickie Aiken: Is the Sponsor Body aware that, as well as the restoration and renewal programme, work on the UK Holocaust memorial and learning centre will, subject to planning permission, be taking place in Victoria Tower Gardens from 2022 for at least three years? Can the Sponsor Body give assurances that it will seek to ensure that there is minimum disruption to public access to the park from the combined and sequential effects of these two projects on this much loved local park?

Damian Hinds: I am grateful to my hon. Friend for that question. Yes, the Sponsor Body is aware of the exceptionally important initiative that she mentions. As plans develop, the R and R programme will, of course, liaise closely with the Holocaust Memorial and Learning Centre, the royal parks and others locally to carefully understand the impact of the different projects on the park, and how those impacts can be mitigated.

CHURCH COMMISSIONERS

The hon. Member for South West Bedfordshire, representing the Church Commissioners, was asked—

Chris Loder (West Dorset) (Con): To ask the hon. Member for South West Bedfordshire, representing the Church Commissioners, what assessment the Commissioners have made of the potential effect on the Church of England of the Archbishop of Canterbury's decision to take a sabbatical in May 2021. [912869]

The Second Church Estates Commissioner (Andrew Selous): While he is carrying out academic study and writing a book, the Archbishop will delegate some of his duties to the Archbishop of York and other bishops.

Study leave is available to all clergy and bishops, and the Archbishop's two immediate predecessors also both took study leave.

Chris Loder: I thank my hon. Friend very much for his answer. It is a concern of many members of the frontline clergy, in the light of press reports, that there will be a reduction in the number of clergy in the Church of England. Given that the Archbishop is going on sabbatical and there is considerable concern about that, will my hon. Friend just outline how the Church of England will protect frontline clergy in the event of any review of Church structure?

Andrew Selous: My hon. Friend will be reassured that the Archbishop of York told the General Synod on Saturday that the Church needs more priests, not fewer, and a parish system revitalised for mission to tell even more people about the good news of Jesus, building on the amazing work that the Church has done to meet those in need during the pandemic.

Mr Speaker: Order. I am now suspending the House for three minutes to enable the necessary arrangements for the next business to be made.

10.30 am

Sitting suspended.

Business of the House

10.35 am

Valerie Vaz (Walsall South) (Lab): Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Mr Jacob Rees-Mogg): The business for the week commencing 8 March will include:

MONDAY 8 MARCH—Continuation of the Budget debate.

TUESDAY 9 MARCH—Conclusion of the Budget debate.

WEDNESDAY 10 MARCH—Estimates day (3rd allotted day). There will be debates on estimates relating to the Department for Digital, Culture, Media and Sport and the Cabinet Office. At 7 pm, the House will be asked to agree all outstanding estimates.

THURSDAY 11 MARCH—Proceedings on the Supply and Appropriation (Anticipation and Adjustments) (No. 2) Bill, followed by consideration of a business of the House motion, followed by all stages of the Contingencies Fund (No.2) Bill, followed by a general debate on International Women's Day. The subject for this debate was recommended by the Backbench Business Committee.

FRIDAY 12 MARCH—Private Members' Bills.

Valerie Vaz: I thank the Leader for the business for next week. I am pleased that, according to the Order Paper, Westminster Hall will be returning on Monday and that the private Members' Bills are back. Lots of hon. Members have worked really hard to get a consensus on these Bills; I hope they will have a smooth transition.

Our thoughts are with our gracious sovereign and we wish Prince Philip a speedy recovery.

The Secretary of State for International Trade—I thank the Leader for the letter to her—wrote to me in September to say that she would report to Parliament on the Trade and Agriculture Commission. Actually, a written statement has been published—I thought she would have been here in person. In that written statement, she is extending the terms of reference of the commission. She says she wants to put the

“Commission onto a statutory footing and evolving its role to boost scrutiny of new free trade deals.”

I thought it was Parliament's job to scrutinise trade deals, so I ask the Leader to ensure that she comes to the House. I know she is top of the poll on Conservative Home—how do we get the Leader up that greasy pole? But she needs to come to Parliament. Disregard for Parliament is absolutely outrageous.

So, too, was the trailing of the whole of the Budget; apart from the fact that there was £700 million for cultural activities instead of £400 million, everything else was in the media over the weekend. Mr Speaker, you will know that in 1947—(*Interruption.*) Not you personally! We all know from our history that Hugh Dalton had to resign when he leaked the Budget.

We have had the worst death toll in Europe, the worst economic crisis, so why is the Chancellor hurting families in the middle of a pandemic and hurting businesses? There is going to be a rise in council tax—in Walsall, an extra £105—a pay freeze for all our millions of key workers; nothing for schools, nothing for maintained nurseries, nothing for our NHS staff, nothing for the police and nothing for the public sector. How soon they forget who supported them in the pandemic—and still there are excluded people.

There was no mention of the child trust funds. HMRC said £1.8 million—it is pounds or young people—have been forgotten. The money is unclaimed. Parents of children with disabilities have had to go to court to try to release that money. That was a Labour Government initiative. The children are now 18. They need to have access to that money immediately, particularly in the light of the pandemic.

In the middle of this pandemic, we have a reorganisation of the NHS. The Government are embarking on yet another reorganisation—fiddling while Rome burns, a massive restructure, so everything is going back to the Secretary of State. It is a power grab. What are we going to see—VIP lounges, VIP fast tracks? And we have had a takeover—in less than 10 minutes, 52 GPs in London were taken over by a United States insurance company. That is absolutely outrageous. While our NHS staff are turning over people in the covid crisis in our A&Es and vaccinating the nation, the very foundations of our NHS have been taken away from them. So can we have an urgent statement from the Secretary of State for Health and Social Care on that reorganisation?

Last week, my hon. Friend the Member for Newport East (Jessica Morden) had an Adjournment debate and a ten-minute rule Bill and she asked the Government to announce the results of their review on how the benefits system is treating terminally ill people. That was first announced in 2019, but there is no date. Time is running out. The Motor Neurone Disease Association and Marie Curie estimate that 6,000 people have died waiting for their benefits. The Leader will have seen the report from the coroner last week on Philippa Day. There were 28 errors. She took a fatal overdose while her payments were cut. They found a letter rejecting her request for an at-home benefits assessment near her. We need an urgent statement from the Department for Work and Pensions on its treatment of vulnerable and terminally ill people.

I know that the Foreign Secretary updated the House, and he said he had met the family of Nazanin and had spoken to the families of all three detained British-Iranian dual nationals, but we have had no more news. Nazanin's sentence runs out on Sunday, and there is no update on whether Anousheh can speak to his family again—Sherry, Elika and Arian. I pay tribute to Daren Nair, who has had to step down from Amnesty. He has been tireless in his efforts in campaigning. I met him when Richard Ratcliffe was on hunger strike outside the Iranian embassy. We need a further update.

Monday is International Women's Day and we have the debate on Thursday. It is also Women's HERstory Month, when we will look back at the history of covid. I pay tribute to the women scientists now: Professor Sarah Gilbert, who designed the Oxford vaccine and led the first trial of the Ebola vaccine, Professor Catherine Green, Professor Teresa Lambe, Professor Katie Ewer and Dr Maheshi Ramasamy. They have all been part of that vaccine.

Finally, on World Book Day, we would like to see tweets of the Leader in his six different outfits as he celebrates it with each of his children.

Mr Rees-Mogg: I begin by joining the right hon. Lady in sending the House's best wishes to the Duke of Edinburgh while he is in hospital recovering from his operation, and hope that he is restored to full health.

On World Book Day, my children are apparently dressed up today. I think one is dressed as Sherlock Holmes, one is a character from the “Jill and the pony” books, two are dressing up as James Bond, and the third and youngest are dressing up as Harry Potter and wandering round with a wand casting spells on one and all. So World Book Day is being celebrated. Even better, I will be re-showing my podcast of my reading from “Erskine May”, because can you think of anything more joyful to do on World Book Day, or anything more designed to help one enter into happy slumbers, than listening to my somnolent tones reciting from that great work?

To come to the important questions that the right hon. Lady asked, the Foreign Secretary has updated the House on Nazanin. The Government take very seriously the issues of dual nationals held overseas. It is something that I take up with the Foreign Office every week after business questions. The Foreign Secretary is actually going to be here later today with a statement, so there will be the opportunity to ensure that he is reminded of it, if not formally on the Floor of the House, at least in the corridors. But Her Majesty’s Government take it very seriously and have been working on it for a long time.

As regards my right hon. Friend the President of the Board of Trade and Secretary of State for International Trade, a written statement is a perfectly proper way of updating the House. There is a constant pressure on time in this House; we will no doubt hear later from the Chairman of the Backbench Business Committee about how his time sometimes gets squeezed. We simply have to try to ensure that time is used effectively in Opposition days, Back-Bench days, legislation and Budget days, and written statements are a proper way of updating the House.

With regard to the Budget appearing in newspapers beforehand, the main details of the Budget were released to the House yesterday, as is entirely proper, as were the Red Book and the report from the Office for Budget Responsibility. There were general discussions beforehand when things were raised in broad terms, but I do not think that breaks the spirit or the letter of the ministerial code, or indeed of “Erskine May”—although of course as Leader of the House it is my responsibility to remind Ministers that important announcements should be made to the House first.

Mr Speaker: Hear, hear.

Mr Rees-Mogg: Did I hear “Hear, hear” from Mr Speaker?

Mr Speaker: You did indeed.

Mr Rees-Mogg: Mr Speaker—heckling from the Chair I always take as a great compliment.

Mr Speaker: I always say it’s in agreement with the Leader.

Mr Rees-Mogg: Thank you, Mr Speaker.

The right hon. Lady talked about pay increases. It is worth bearing in mind that the majority of public sector workers will receive pay increases. The lowest paid will all get a £250 pay increase, and NHS staff will also get a pay increase, so those who have done the most

and who are the least well-off will benefit, even as we try to claw back the huge amount of debt that has been built up in dealing with the pandemic. Some £407 billion of support has been given to the UK economy, spread across the whole of the United Kingdom. I think there is a weakness in the Labour party’s argument—it can only slightly carp at the edges—because the scale of the support is so great that there is no opposition to it.

The NHS reorganisation is a fundamentally important thing to do. We have been through a pandemic and people will have noticed that there are things that could be done better. When something happens, it is human nature to think what we would do better if we were to do it again, and to have a reform Bill—the White Paper has already been issued—is an exceptionally sensible thing to do. It will build on the success of the NHS over the past year in the face of a huge challenge, in which, it is worth bearing in mind, there has been a huge private sector contribution. The right hon. Lady carps about some private sector activity, but the vaccination has been done with and through the help of the private sector. The pharmaceutical industry, which is a profit-making industry, is the thing that has meant that we are leading the world and delivering the vaccine to the British people.

Finally, on the issue of end-of-life benefits, the right hon. Lady raises a point that is extremely complex. That is why the Department for Work and Pensions is continuing to look at it. I have raised it with the DWP recently, in response to questions in the Chamber. There are no easy answers. Everyone wants to ensure that people are looked after at the end of life, but it is not always clear exactly how long people will live for. Again, that is part of the human condition.

Antony Higginbotham (Burnley) (Con): One of the issues that blights so many of us is potholes. In my constituency, that includes roads such as Talbot Drive, Mill Hill Lane, Stockbridge Road and Burnham Gate, but I am very pleased that Conservative-controlled Lancashire County Council has made tackling them a key priority. Does my right hon. Friend agree that the best way in which we can tackle potholes across Lancashire is by supporting our excellent Conservative candidates in the local elections in May?

Mr Rees-Mogg: My hon. Friend is absolutely right to raise the issue of potholes. Apparently there is a fantastic new machine from JCB—a remarkable, successful British company—that fills potholes remarkably quickly. I am particularly pleased to hear how good, sound Conservative councils are fixing roads up and down the country. The people of Lancashire clearly made the right choice in the 2017 local elections. They are good at making the right choice for who to represent them.

Mr Speaker: I think the hon. Member for Burnley (Antony Higginbotham) should have asked for a debate as well, at the end of his question.

Mr Rees-Mogg: Well, in a manner of speaking, we are having one now, are we not, Mr Speaker, about the enormous success of Conservative councils? That is something to which I always like to devote as much time as possible in this House. We want more pothole-free areas under more Conservative councils after the first Thursday in May.

Mr Speaker: Well, after that let us go the Scottish National party spokesperson, Owen Thompson.

Owen Thompson (Midlothian) (SNP) [V]: Thank you, Mr Speaker. My extended transition to the role of my hon. Friend the Member for Perth and North Perthshire (Pete Wishart) continues. I again make the plea to the Leader of the House to use everything within his gift to encourage some common sense and free the Perthshire One.

Last week the Leader of the House told me:

“We have in this country one of the most honest public sectors of any country in the world.”—[*Official Report*, 25 February 2021; Vol. 689, c. 1096.]

I am sure, therefore, that he will be very concerned at the news that the international community does not seem to be convinced. The Government have been put under review by the Open Government Partnership, a global coalition for transparency and anti-corruption. Will the Government now ensure that time is set aside to debate and demonstrate that criticisms of secrecy over contracts and accusations of cronyism are being taken seriously and not swept under the carpet, to give the public confidence in the Government and remove any suspicion of corruption? Of course, a simple first step would be to back my Ministerial Interests (Emergency Powers) Bill—I am sure the right hon. Gentleman is well aware of that.

I am slightly surprised that we only have one week’s future business, when we have had the luxury of two weeks’ notice or sometimes even more previously. I also hoped that we would have notice of an Opposition day debate for the Scottish National party. Could the Leader of the House update us on when that might be possible and when we might see future dates for Friday sittings for private Members’ Bills?

Finally, I would like to add my comments on World Book Day. I am sure the Leader of the House will agree that books can transform lives, improve our children’s attainment and boost wellbeing. Projects such as Dolly Parton’s Imagination Library, which has worked with the Scottish Book Trust to provide a free book every month to looked-after and adopted children to the age of five right across Scotland, are an amazing way that we can continue to do this.

Mr Rees-Mogg: I agree with the hon. Gentleman on World Book Day. I always like reading P. G. Wodehouse, which may not surprise the House. There is a wonderful new Wodehouse by Ben Schott called “The Leap of Faith”, and if anybody is looking for something to cheer them up as the lockdown draws slowly to its close, I recommend that. It is perhaps more adult reading than the things the children may be attempting to read, including stories by Roald Dahl such as “The Twits”, “Fantastic Mr Fox” and “Charlie and the Chocolate Factory”—all the old favourites that one can safely recommend.

Valerie Vaz: Do you dress up?

Mr Rees-Mogg: The answer, I am sorry to say, is no.

As regards an Opposition day for the SNP, I will, of course, take that up; I am aware of the Standing Order requirements. In terms of the plea to free the Perth and North Perthshire One, the Government do not have a majority on the Scottish Affairs Committee, so I suggest

that the hon. Member for Perth and North Perthshire (Pete Wishart) works with all members of the Committee, so that it may come to an agreement to change the times.

Finally, I admire the hon. Gentleman’s gall in asking for a debate on honesty in public affairs—dare I say, motes and beams, and there is rather a beam in the Scottish Parliament at the moment.

Elliot Colburn (Carshalton and Wallington) (Con) [V]: My constituent David Lansley has invested in a regeneration project, the Paradise Golf and Beach Resort in Morocco, which was promoted by the Government there back in 2007, but 14 years later, construction has yet to commence, despite multiple conversations with the British consular in Rabat. The investment of my constituent and many others is still nowhere to be seen. Does my right hon. Friend agree that the Foreign, Commonwealth and Development Office should intervene in this matter? Can we have a debate about the role of the FCDO in supporting British investors who have seemingly been defrauded by state-backed projects overseas?

Mr Rees-Mogg: While the British Government are unable to intervene in individual cases, we raise property disputes with the relevant Moroccan authorities to urge a satisfactory resolution for British investors. We first raised these issues in 2013 and continue to do so regularly at official and ministerial level, although, as Members will be aware, the response to covid-19 has been HMG’s priority this year and last. Morocco has reassured us that it is keen to ensure that investors are treated fairly and to help to find a solution. We encourage UK citizens in a property dispute to seek legal advice by engaging an independent lawyer qualified in local law, who will be best placed to advise on their rights and methods of redress. Although the British embassy is unable to intervene on behalf of those investors involved in property disputes, we will continue to encourage the Moroccan authorities to make progress on this issue.

Ian Mearns (Gateshead) (Lab) [V]: I thank the Leader of the House for announcing the business, including the Backbench debate on International Women’s Day 2021 next Thursday. We were hoping to have a second debate on Thursday 11 March on Commonwealth Day 2021, which is also celebrated on 8 March, but the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger), whose application it was, has agreed in behind-the-scenes negotiations this morning to move that debate to Westminster Hall on Tuesday 16 March, if we can secure the agreement of Madam Deputy Speaker, the Chairman of Ways and Means, to facilitate it.

May I pay tribute to my director of public health, Alice Wiseman, who has become a bit of a TV star in the north-east of England? I also pay tribute to all our excellent public health, NHS and council staff in Gateshead, who continue to exceed all expectations to shepherd us through this crisis—but goodness, do they need a pay rise.

Mr Rees-Mogg: I am grateful to the hon. Gentleman for the points he has raised. The early business set down for next Thursday is highly uncontentious and should not take a great deal of the House’s time. However, it is for the Backbench Business Committee to schedule the time that is available, but I note that the Commonwealth

Day debate has been moved to Westminster Hall, so I hope that ensures that these important issues are raised effectively.

I am delighted that the hon. Gentleman wants to congratulate Alice Wiseman, the director of public health in his area. The commitment of public servants over the last year has been absolutely terrific; we are so lucky in this country to have people who have ensured that, in very difficult circumstances, the best has been done for the whole nation.

Robert Halfon (Harlow) (Con) [V]: May we have an urgent statement on antisemitism at Bristol university? Jewish students have demonstrated at the Bristol university campus about the alleged actions of Professor David Miller; he has allegedly described Zionism as “the enemy” and referred to the Union of Jewish Students as an “Israel lobby group” which makes Arab and Muslim students unsafe. It is also alleged that he criticised Jewish students for manufacturing a “charade of false anti-Semitism allegations”.

The university management cares nothing, sees nothing and does nothing about this; they appear to regard Jewish students as an inconvenience and a nuisance, and refuse to take serious action. Jewish students are clearly not welcome; they do not feel safe or valued at this university, and, sadly, history teaches us where this ends. I have written to the vice-chancellor of Bristol university this week and urge my right hon. Friend to ask the Minister for Universities to intervene.

Mr Rees-Mogg: My right hon. Friend raises a deeply concerning issue. There is absolutely no place for antisemitism, and it is appalling to hear that Jewish students have reported antisemitism at Bristol university. My hon. Friend the Member for Bury South (Christian Wakeford) raised this matter with me last week and I have passed it on to the Secretary of State for Education and the Minister for Universities. We expect higher education providers to be at the forefront of tackling antisemitism, making sure that higher education is a genuinely fulfilling and welcoming experience for everyone. Providers ought to have robust policies and procedures in place to comply with the law to investigate and swiftly address hate crime, including any antisemitic incidents reported. I say to my right hon. Friend that, in light of the history of the last century, it seems to me that, of all prejudices, antisemitism is the most wicked; it has no place in our society, and universities must be part of ensuring that antisemitism ceases to exist.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab) [V]: The post office is a lifeline in many communities, and that has particularly been the case during the pandemic. I was concerned to learn that the Post Office has paused capital spend for any businesses wishing to take over their local branches, putting post offices in some communities at risk. So may we have a debate, or a statement from the Government on what plans they might have to ensure that the Post Office builds back better and remains a vital service in our communities as we come through these most difficult times?

Mr Rees-Mogg: The hon. Gentleman raises an extremely valid point about post offices during the pandemic, and I think of the West Harptree post office as a case in point. It has provided a wonderful centre for the community;

it has kept going; it has remained open, continuing to provide a service, and sometimes the post office is the only local shop that has been open in the community. This is very important, and it is very important that we support post offices. I will raise the issue that the hon. Gentleman mentioned about the pause in capital spend and try to get a fuller answer.

Jack Brereton (Stoke-on-Trent South) (Con) [V]: The levelling-up fund prospectus was published yesterday, and Stoke-on-Trent has been identified as in the highest priority for funding. Will my right hon. Friend agree to a debate about the fund to ensure that the communities I represent in Longton, Fenton, Meir and Blurton get the investment they deserve?

Mr Rees-Mogg: The £4.8 billion levelling-up fund will spend taxpayers’ money on infrastructure that improves everyday life across the United Kingdom, including regenerating town centres and high streets, upgrading local transport, and investing in culture and heritage assets. The fund will operate UK-wide, extending the benefits of funding for priority local infrastructure across all regions and nations. Thanks to the United Kingdom Internal Market Act 2020, Her Majesty’s Government once again has the ability fully to support all areas of the United Kingdom. The fund will be allocated competitively, prioritising bids from places in highest need. The prospectus published yesterday provides guidance for local areas on how to submit bids for the first round of funding for projects starting in 2021-22. Capacity funding will also be allocated to the local authorities measured in highest need in England and to all local authorities in Scotland and Wales, to build a new relationship with Her Majesty’s Government. That will support the relevant local authorities to develop bids and to ensure that spending is targeted where it is needed the most.

Mrs Emma Lewell-Buck (South Shields) (Lab) [V]: Forty-five town deals, 40 represented by Tory MPs; announcements of investment in Teesside, Hartlepool and Middlesbrough, but nothing for areas in the northern part of our region such as South Shields—it is no coincidence that we have important elections coming up. Yesterday’s Budget was not a recovery for everyone, just for those who happen to have a Tory MP or a Tory Mayor. May we please have an urgent debate on this Government’s shameful engagement in pork barrel politics?

Mr Rees-Mogg: I mean, really! The reason the money has been allocated where it has is that that is where it is needed. It is worth bearing in mind that a lot of the areas have socialist councils, and it is socialist councils that have let down their areas, which is why they need the money and why these seats are now Tory. A lot of them were socialist not so long ago; they voted Tory because they were failed by the Labour party. It is a fair process, a proper process, an honest process, and it is making up for the failures of the hon. Lady’s party.

Bob Stewart (Beckenham) (Con): May we have a debate on how we can loosen up opening times, as well as other measures, for businesses such as restaurants, pubs, shops and the like, so as to help them maximise their income as well as satisfy the inevitable surge in demand as the pandemic crisis lessens?

Mr Rees-Mogg: May I begin by congratulating my right hon. Friend on becoming my right hon. Friend, which I think creates pleasure across the whole House? I am looking forward to that being formalised at the next Privy Council.

The Department for Business, Energy and Industrial Strategy and the Ministry of Housing, Communities and Local Government have convened a small working group of retailers and local authorities to examine how best to reopen these sectors, so it is being co-ordinated with the business community. Small shops have no limits on their hours, and large shops have no limits on their hours Monday to Saturday.

With regard to restaurants and pubs, there is always a sensitivity about local communities if hours are extended, but indeed it is important that when businesses are back, they are able to operate to re-earn some of the money that they have lost. They will be supported by new restart grants, providing up to £6,000 for non-essential retail premises, and we will continue to provide eligible retail, hospitality and leisure properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021, and with 66% rates relief from 1 July to 31 March. Things are being done to help them, and opening hours will be a matter for local decision making.

Sammy Wilson (East Antrim) (DUP): At the weekend, the Leader of the House kindly proffered some advice to Unionists as to how, in four years' time, they might get rid of the Northern Ireland protocol. He knows, of course, that in those four years the EU will impose new laws on Northern Ireland, that the Northern Ireland Assembly will have no ability to decide whether or not to implement them, and that, if they do not implement them, the UK Government will be taken to the European Court of Justice.

While we welcome the actions taken by the Government yesterday—we trust that they will not deviate from the short-term measures that they have taken to protect Northern Ireland from the protocol—really, the answer is a long-term solution. I know that the Leader of the House is a fan of P. G. Wodehouse, but we do not need a Jeeves to sort this issue out; there are alternatives that the Government already know and that have been put forward to them. May we have a debate in Government time to discuss those alternatives as a means of replacing the damaging Northern Ireland protocol?

Mr Rees-Mogg: I cannot promise the right hon. Gentleman a debate in Government time, but the issue is unquestionably a serious one, and he will note, as indeed he did in his question, that my noble Friend Lord Frost is taking serious action on this matter. He is extending the implementation period of the protocol by six months to try to ensure the smooth flow of goods between one part of the United Kingdom and another. That is the fundamental point: Northern Ireland is as much a part of the United Kingdom as Somerset and even, Mr Speaker, as Lancashire, and we should recognise that in everything that we do, say and legislate for in this House.

Nickie Aiken (Cities of London and Westminster) (Con): It is World Book Day, as has been mentioned, and I wear my World Book Day badge with pride. It was sad not to see children walking to school this

morning dressed as their favourite characters, but I am sure many are at home today, as my right hon. Friend's children are, enjoying their favourite books. Some 15 million schoolchildren will still receive World Book Day book tokens, which they can spend in a bookshop or on special World Book Day books. Will my right hon. Friend join me in celebrating the joy of reading? Will he share with us his favourite book—perhaps not penned by himself?

Mr Rees-Mogg: I think “Leave It to Psmith” is one of the classic P. G. Wodehouse books. Psmith himself is such a wonderful and engaging character, and I would recommend that book to anybody. Anyone who has not read any P. G. Wodehouse, should start with “Leave It to Psmith” or go for “Psmith in the City”, which is also a great work. If only I wore a monocle, I might be dressing up as Psmith himself.

I so agree with my hon. Friend that reading is one of life's great joys. Indeed, it has been a small consolation during the pandemic that there has been more time to read because of the inability to carry out normal social activities, and I am sure that has given many people comfort during a difficult period. Children learning to read, beginning to read and beginning to have that pleasure and enthusiasm for words is something that one sees evolve in one's own children as they develop, and it is greatly to be encouraged with all children across the country.

Munira Wilson (Twickenham) (LD) [V]: The Leader of the House will be aware that the Education Secretary recently instructed the Office for Students to cut the London weighting from teaching grants awarded to London universities, as part of Conservative plans to level down London. Given the disproportionate impact that that will have on disadvantaged and ethnic minority students in particular, many of whom commute across the city to attend universities such as St Mary's in Twickenham, will the Leader of the House grant time for a debate on this discriminatory policy, which is yet another attack by the Conservatives on our capital city?

Mr Rees-Mogg: May I agree with the hon. Lady about what a wonderful university St Mary's in Twickenham is? It is a very impressive institution. The reforms that have been asked for from the Office for Students will ensure that more of taxpayers' money is spent on supporting higher education provision, which aligns with national priorities. London universities will be able to benefit from the significant uplifts that the Government are making to elements of the grant, including the first real-terms increase in per capita funding for strategically important high-cost subjects, as well as being able to bid for capital investment to support the delivery of strategic subjects. The London weighting accounts for a small proportion of London providers' income—less than 1% of the estimated total for the 2020-21 academic year. As with all reforms, it is subject to consultation, which the Office for Students will publish shortly. The impact of any changes on providers will be carefully considered, but I would say to the hon. Lady that the policy is to level up the country; it is not a question of doing anything that is the reverse of that. We want every part of the country to be as prosperous as our great bustling metropolis.

Dehenna Davison (Bishop Auckland) (Con) [V]: Last week, I launched the all-party parliamentary group for one-punch assaults, and I put on record my thanks to all colleagues who took part in that initial meeting to get the group constituted. I launched the group following the experience of my family after the death of my father, but I have been really moved over recent days by the number of people who have reached out to me sharing their own experiences, including Maxine Thompson-Curl, Sandra Munday, Kevin Woodburn, Heidi Cox and Yvonne Henchcliffe, who have all lost loved ones to these horrific assaults. Can we make time in the agenda to get a debate in Government time to discuss the impacts of one-punch assaults and how best the criminal justice system can be reformed to ensure that all victims, or the families of victims, feel fully supported by the system?

Mr Rees-Mogg: I commend my hon. Friend for the work that she has done campaigning on this matter, which I know is very close to her heart and is obviously one of great sensitivity that the Government take very seriously. The sort of assaults that she is describing are senseless, evil acts of violence, which the Government are committed to eradicating, and we are taking steps to do so, including by more efficiently applying the criminal justice system, and with more than 6,000 new police officers already recruited from last year, which is a major step to ensuring that the law is enforced. I will of course raise her specific points with the Home Office and the Ministry of Justice, and the Backbench Business Committee may be a very good port of call for a debate in support of all the people she has got to join her all-party group.

Dame Diana Johnson (Kingston upon Hull North) (Lab) [V]: Hull is the country's fourth most deprived council area, but for some reason it is not in the 100 priority areas for the community renewal fund, which is supposedly based on social and economic factors. As my hon. Friend the Member for South Shields (Mrs Lewell-Buck) has just highlighted, a disproportionate 40 of the 45 towns and cities receiving the £1 billion through the new towns deal have Conservative MPs. It seems that with three Labour MPs, Hull is excluded from even being considered. I am sure that the Leader of the House will want to avoid the impression of pork barrel politics and the sleaze that led to his party's downfall in the 1990s, so can we please have a debate about the criteria for the allocation of these funds to maximise transparency?

Mr Rees-Mogg: I was going to say that I refer the right hon. Lady to the answer that I gave some moments ago, but let me just go back to what I said. The reason we need this fund is because of the failings of socialism—socialist councils and socialist MPs, letting down their constituents—and this Government are putting things right. They are levelling up, and many of the areas that are receiving the money still have socialist councils but, in their wisdom, they elected Conservative MPs to get over decades of socialist mismanagement. That is why the areas in most need now have Conservative MPs. Let us hope that Hull has Conservative MPs, too, and then it will be managed better.

Mr William Wragg (Hazel Grove) (Con): Mr Speaker, "Have you ever been in the House of Commons and taken a good square look at the inmates?"—

so wrote P. G. Wodehouse, to continue today's theme. He was less than complimentary about some of the characters, but quite what he would have made of the virtual Parliament is anybody's guess. Bearing in mind those inmates, will the Leader of the House provide us with an update on when we will be released from this captivity?

Mr Rees-Mogg: If we are going to swap P. G. Wodehouse quotes, a glorious one comes to mind: "The Right Hon." Gentleman

"was a tubby little chap who looked like he had been poured into his clothes and had forgotten to say 'When.'"

That has always been one of my favourites—[*Interruption.*] No, my hon. Friend the Member for Hazel Grove (Mr Wragg) is my hon. Friend, so it is perfectly safe, and I said the right hon. Gentleman anyway, so any connoisseur of procedure—as my hon. Friend is—would know that I was not referring to him.

We need to get back to normal. We need to get back to the Chamber being full and bustling and Ministers being held to account. Debates with full interventions are much better than debates that are a series of monologues read out that pay no attention to what has been said beforehand, with people just filling the airwaves for three minutes. We want to get back to being a proper Chamber and I hope that we can do so in line with the general road map.

Mr Speaker: I would just add, to reassure the House, that on the agenda for Monday at the Commission is the road map to take us forward.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Local Government cuts, housing targets and a deregulated planning regime have meant that a lot of councils have had no option but to surrender municipal land for luxury flats. Can we have an urgent debate and Government statement on the "Planning for the Future" White Paper, because the future, no matter what the right hon. Gentleman says, will be different post-coronavirus? There will be virtual working, new strains and yearly jabs. Can he do that by Wednesday, because on that day, the glorious 1800s town hall of Ealing is potentially set to be dwarfed by a series of tower blocks, including one of 26 storeys, if these greedy developers get their way. Fight for us, Leader of the House!

Mr Rees-Mogg: I am not the greatest admirer of tower blocks, it has to be said, but I am not responsible for those sorts of planning decisions, many of which may be with the local authority and the Mayor of London, so the hon. Lady may well want to take it up with him. I cannot promise a debate by Wednesday, as I have just set out the business for next week, but of course the hon. Lady is right that the effects of the pandemic will change many aspects of our life. It is hard to predict exactly how at the moment, but all sorts of areas will need to be reconsidered—office working, the type of places or of homes that people want—and that needs to be taken into consideration. But I would just challenge her on support for local authorities. They have received massive support during the pandemic, including £4.6 billion of un-ring-fenced money so that they can deal with the problems, and their allocation has increased in other areas as well.

Martin Vickers (Cleethorpes) (Con) [V]: Tomorrow, I have a meeting with Highways England, when I will be raising a number of local priorities, including resurfacing the old and worn-out concrete surface of the A180 and the dangers faced by many villages when the main carriageway is closed due to repairs or accidents. Thanks to the excellent news yesterday that Immingham, Grimsby and the Humber ports are to be given free port status, it is even more important that we have an adequate highway network. Like many colleagues, I feel that as elected representatives we lack the necessary influence to determine the priorities of agencies such as Highways England. Can we have a debate about Highways England and how its priorities are set?

Mr Rees-Mogg: My hon. Friend raises an excellent point. He tempts me greatly, because I hope when he sees Highways England tomorrow that he will ask it on my behalf why it keeps on closing the M3 and the M4 at weekends, both of which are essential routes to the part of the world in which I live. It is extraordinarily vexing, so if he can do me a favour, I hope he will raise that with it. As always, he is the champion for Cleethorpes and for his constituency, and he is right to be concerned about the quality of our roads and ensuring that they are in the best possible condition. Her Majesty's Government are providing £4 billion of taxpayers' money for major structural renewals on Highways England's network up to 2025, so it can meet the road condition targets it has been set. It is of course important that it consults with the public and Parliament in developing a programme for these works, and I will certainly pass on his comments to the Secretary of State for Transport. I encourage him to get good answers from Highways England.

Patricia Gibson (North Ayrshire and Arran) (SNP) [V]: The gender pension gap stands at around 40.3%, more than twice the gender pay gap of 17.8%, representing a differential in pension income of around £7,500 a year. The pension triple lock does not apply to pension credit, discriminating against the oldest and poorest pensioners, who are disproportionately women, and those earning less than £10,000 a year—again, mostly women—are not automatically enrolled into a pension and will not therefore benefit from their employers' contributions. Will the Leader of the House make a statement as to how he thinks his Government can address the specific challenges of the disproportionate poverty of older women, which was worsened by the acceleration of state pension age equalisation?

Mr Rees-Mogg: State pension age equalisation came about, ultimately, because of the judgment of the European Court of Human Rights, which said it was discriminatory to have different pension ages. Therefore, the decision was taken 30 years ago, or thereabouts, when my noble Friend Lord Lilley was the relevant Secretary of State, to even the ages, and that has been a fair and sensible policy. The hon. Lady mentions the triple lock. That, again, has been extraordinarily important in raising the level of pensions for both men and women across the country, so it is something that the Government are tackling and we are ensuring that pensioners are protected. If the hon. Lady wants a debate, I would suggest that this is a topic for the Budget debates.

James Sunderland (Bracknell) (Con): Can I please refer my right hon. Friend back to the excellent question from my hon. Friend the Member for Hazel Grove (Mr Wragg)? Does he agree that somebody needs to take comprehensive ownership of the road map for a return to a fully physical Parliament, and if so, who should that be?

Mr Rees-Mogg: My hon. Friend raises an interesting question—indeed, a complicated question—because who runs this House is something that I am not sure anybody has ever yet worked out, but perhaps one day we will. It is divided up between various bodies. The House of Commons Commission—very much led by you, Mr Speaker—will have the authority to decide when members of staff can come back, but the House itself determines the procedures within the Chamber. The current procedures continue until 31 March and then there will be an opportunity to decide to renew them, but they cannot be renewed indefinitely without the desire of the House to do it. I would certainly hope that we get back to normal in accordance with the road map, but that will be a decision for Members themselves.

Mr Speaker: As I did point out earlier, there is a road map going through to the Commission on Monday. Also, the Leader of the House does have a duty of care to the staff, as I do, to ensure that we try to keep in line with Public Health England.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): The vaccine roll-out is the most important national mission our country has undertaken in decades. While more and more people are being inoculated every day, I am concerned that there is a lack of a coherent national strategy for distributing oversupplies of the vaccine. Does the Leader of the House agree with me that we must ensure excess vaccines are distributed to those in need, especially in diverse communities like my own in Sheffield, Brightside and Hillsborough, where there are significant health inequalities and where, sadly, infections remain higher than the national average in some cases? Does he agree with me that the Government should urgently publish a strategy on this issue which can be scrutinised by this House?

Mr Rees-Mogg: The hon. Lady raises an important point. The vaccine roll-out is going extremely well and the best way of doing it is in accordance with the advice the Government have been given by the Joint Committee on Vaccination and Immunisation—on the basis of age and people making appointments. Obviously, it is also sensible to use up any excess vaccine that is left at the end of a session, particularly the Pfizer vaccine which cannot be kept for a long time except at very low temperatures. I do not think, however, that it would be sensible to devise a specific strategy on this, because we want to focus the strategy on the delivery of the vaccine by age group. Therefore, I think it is absolutely right to leave the use of surplus to the discretion of the people who are handing out the vaccine, while accepting her important point that we make every effort, as the Government are, to reach the hard-to-reach groups to ensure that they are vaccinated, but they will all be covered by the age brackets.

Mr Philip Hollobone (Kettering) (Con): There has been a 170% increase in the number of dog thefts during the pandemic, a crime that brings immense

distress to both owners and their pets. My constituents in Kettering are increasingly worried about that trend and they want to see the problem tackled firmly and decisively. May we have a Government statement on the appropriateness of the penalties available to the courts for convicted dog thieves and on the police response to this rising crime trend?

Mr Rees-Mogg: Her Majesty's Government understand the high level of public interest in this issue and the undoubted distress caused to victims when their pets are stolen. I know many Members have raised this issue and campaigned on it on behalf of their constituents. It is an appalling crime, and I am sad to hear reports of it increasing over the past year. The theft of a pet is a criminal offence under the Theft Act 1968 and carries a maximum penalty of seven years' imprisonment. The Sentencing Council's guidelines on theft now take account of the emotional distress on the victim caused by any theft offence, including the theft of a pet, meaning that the courts will now take that into account when considering the appropriate sentence. My hon. Friend will know that the Government are committed to recruiting an extra 20,000 police officers and have already recruited over 6,000 to ensure the police have the resources they need to deal with these and other crimes, but he may want an Adjournment debate on this important subject.

John Cryer (Leyton and Wanstead) (Lab) [V]: The Leader of the House will probably be as aware as anybody of the genocidal attacks on Christians, which are happening on a weekly or daily basis in Nigeria. I represent quite a large, mainly Christian, Nigerian community who are very worried about the situation. The Government in Abuja seem to be unwilling or unable, or perhaps both, to do anything about it or even lift a finger. We have had debates on this issue in the past in Back-Bench time, but would it be possible to have a statement from the Foreign Secretary or the relevant Minister of State on the situation in Nigeria?

Mr Rees-Mogg: I am very grateful to the hon. Gentleman for raising this issue. It is a matter of serious concern to Her Majesty's Government, who have been engaging with the Nigerian Government on it. I happen to know that our exchanges are followed closely by the Nigerian high commission, who I expect will have heard what the hon. Gentleman has had to say, but I will also take it up with the Foreign Secretary to see what more the Government can do. It is extremely serious, and the reports of the kidnapping of children and the attacks on Christians that are taking place are very troubling.

Mrs Pauline Latham (Mid Derbyshire) (Con) [V]: The country is doing incredibly well in terms of the vaccine roll-out. As the Prime Minister has said, it is "going gangbusters". The infection rate is being driven down, and the country has been given a road map out of the lockdown, which I consider slightly cautious. I would like to see, given the science, that it is speeded up a little. I came into the House of Commons yesterday and, like today, it was sparsely populated, although busier because of the Budget. It was like a ghost town. Can I be reassured by the Leader of the House that the House of Commons will go no slower than the road map out of lockdown that the public will have to follow? If we do, we will look completely out of touch.

Mr Rees-Mogg: My hon. Friend is absolutely right to raise that point. Since 1340, Members have had a right of unobstructed access to this House and to this Chamber. They are entitled to come, and that is a fundamental constitutional point. As the restrictions are lifted, Members may feel entitled—may desire; may want—to exercise that right. I also agree that we should go no slower than the country at large. It seems to me that, if nightclubs are opening on 21 June, which I think are perhaps more her scene than mine—[*Interruption.*] Perhaps we should go together. We will take the right hon. Member for Walsall South (Valerie Vaz) with us too. If they are open, for heaven's sake, the House of Commons should be open properly. We cannot be behind nightclubs, can we, Mr Speaker?

Mr Speaker: The question keeps being posed, and I want to reassure the hon. Member for Mid Derbyshire (Mrs Latham) that nobody is stopping MPs coming. What we are saying is, "Let's do the right thing by each other"—nothing else. I understand that she may have thought that I want to reopen only in September. I reassure her that that is definitely not the case, hence why I have become involved with the road map to the commission on Wednesday, to make things happen absolutely in line with what is going on there. Of course, I think she and the Leader of the House may enjoy Annabel's together, but let us move on.

Charlotte Nichols (Warrington North) (Lab): As a member of the BEIS Committee, I was alarmed by press reports overnight that the Business Secretary has, without consultation, axed the Industrial Strategy Council, and that the industrial strategy has been cancelled as a footnote to the Budget, at a time when an industrial strategy could not be more vital, as we rise to meet the challenges of rebuilding after covid, the climate emergency and the post-Brexit landscape, particularly in such regions as the north-west. Can the Leader of the House please advise when the Business Secretary will make a statement to the House for scrutiny of such an important change in policy direction, rather than Parliament finding out about it, as seems to be a recurring theme, through the media?

Mr Rees-Mogg: My right hon. Friend the Business Secretary will open the debate on the Budget on Tuesday 9 March. Nothing is being hidden from Parliament. Unless we were to go back to Gladstonian-length Budget speeches, which ran to over four hours on occasions, it is not possible to include everything that is in the papers issued with the Budget in the Budget speech, but my right hon. Friend will be open for scrutiny next Tuesday.

Chris Loder (West Dorset) (Con): As the Member for West Dorset and the promoter of the Animal Welfare (Sentencing) Bill, I am delighted to hear that sitting Fridays will come back this Friday coming. I and fellow colleagues have been particularly diligent to ensure that we are ready and raring to go. We have been through Committee stage, and I very much hope that my right hon. Friend might ensure that we can get in this Friday coming. If, for whatever reason, we cannot quite manage it, would he be so kind as to make further time, to ensure that we can get the Bill through in this Session?

Mr Rees-Mogg: May I begin by thanking my hon. Friend for giving me my Union Jack face mask? He sports a similar one.

[Mr Rees-Mogg]

I am delighted that a motion to allow a sitting Friday on 12 March is on the Order Paper today. This is intended to allow remaining stages of those private Members' Bills listed in the motion, including my hon. Friend's Bill, to take place and I hope that the House will support the motion. There have been a significant number of representations, including from my own constituents, but from MPs as well, to bring these Bills back, so I hope that the motion, the solution, will be welcomed by the House. If the House were to make good progress next Friday, it is my intention to offer a further sitting Friday in order to finalise any of the outstanding Bills listed on the Order Paper and then move forward with Second Readings, if any are put forward. I hope that the Lords will find time to pass these Bills if they pass their Commons stages, but that is, of course, a matter for their Lordships.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP) [V]: The Leader of the House will agree that democracy is very important, if not a quasi-sacred thing, and that when it is violated by the likes of Lukashenko in Ukraine, and, indeed, Donald Trump in America, we are all rightly repulsed. With that in mind, may I ask the Leader of the House a very simple question: if the Scottish people—or indeed the Welsh people, given the polling in Wales this morning—were to vote for independence at the ballot box, would he respect that choice of the Scottish or, indeed, the Welsh people?

Mr Rees-Mogg: I agree, as I do on many matters actually, with the hon. Gentleman. He is much missed in this Chamber and we hope to see him back physically in the not-too-distant future. It is a duller and quieter place without his regular sedentary interventions. He may have forgotten, but there was a referendum in 2014 in Scotland, which settled the issue. It seems to me that, in the midst of sorting out a pandemic, getting the economy back on its feet and resolving some little local difficulties going on with the leadership of the Scottish National party, it would be reckless to be proposing a referendum at this point.

Sir Robert Neill (Bromley and Chislehurst) (Con) [V]: There are 1.2 million stroke survivors in the United Kingdom. It is the largest cause of adult disability in this country. Will my right hon. Friend the Leader of the House make time for a proper debate on the progress of the national stroke programme, because, two years on, the quality and availability of after-care and rehabilitation services, particularly specialist areas such as physio and speech therapy, remain very variable to the great concern of many families?

Mr Rees-Mogg: My hon. Friend raises a crucial point. The NHS long-term plan, published in January 2019, outlines commitments to improving stroke services, including better stroke rehabilitation services and increased access to specialist stroke units. Stroke services across England continue to provide rehabilitation and post-acute services to stroke survivors and their families and carers during the pandemic. In part, this has been helped by innovative methods of care delivery alongside face-to-face contact. Almost half of stroke survivors have had virtual care since covid began. More than 80% of them reported positive or very positive experiences. There are 20 integrated

stroke delivery networks, giving full coverage across England. Integrated stroke delivery networks were established in shadow status in October 2020 and we expect them to be fully operational by spring 2021. Ninety per cent of stroke patients will receive care in a specialist stroke unit and more patients will have access to disability-reducing treatments of mechanical thrombectomy and thrombolysis. This combined with increased access to rehabilitation services will deliver improved long-term outcomes for stroke patients. I thank my hon. Friend for raising this very important issue.

Ian Paisley (North Antrim) (DUP) [V]: Welcome to North Antrim, Mr Speaker. I know that the Leader of the House cares passionately about this Union, and has growing concern about the breakdown of the following relationships: the internal relationships in Northern Ireland; north-south relationships across Ireland; and the UK-EU relationship, as a result of the outworking of the Northern Ireland protocol. Yesterday, during Northern Ireland questions, three Back-Bench Labour Members and one Labour Front-Bench Member expressed hostile and growing concern about the impact that the protocol is having on GB businesses trying to do trade with Northern Ireland. The Loyalist Communities Council wrote to the Prime Minister at the weekend to express concern and withdraw its support from the Belfast agreement. The Leader of the House will know the unanimous position of all strands of Unionism in their hostility and opposition to the protocol. Of course, businesses also tell us daily of the upset in respect of trade.

Will the Leader of the House inform us of when the Prime Minister will come to the House to make a statement about the extension of the grace periods put in place unilaterally by Her Majesty's Government? What next steps will the Prime Minister take to protect the Union, to protect Northern Ireland businesses and to ensure that the genie does not get any further out of the bottle?

Mr Speaker: I've got to say that questions have to be much shorter and not statements. This is business questions.

Mr Rees-Mogg: I think I see a portrait of William of Orange behind the hon. Member for North Antrim (Ian Paisley). It is always worth reminding the House that the then pope ordered a Te Deum to be sung in St Peter's in celebration of William of Orange's victory; Catholics therefore have an interest in a United Kingdom, too.

With regard to the protocol, I have to some extent already answered the question. What my noble Friend Lord Frost has done is really very important and indicates the Government's commitment to making sure that the protocol works, and that the problems that have arisen are taken very seriously by the Government, which is important. We must get to a situation wherein the whole of the United Kingdom is able to trade freely, as required under the Act of Union 1801.

Sir David Amess (Southend West) (Con) [V]: Will my right hon. Friend find time for a debate on the impact of living with endometriosis on a person's mental health? March is Endometriosis Awareness Month, and during an event held earlier this week by our all-party

parliamentary group on endometriosis we heard powerful stories of how the psychological impact of the condition can be just as damaging as the physical pain. Integrated mental health support is sadly needed.

Mr Rees-Mogg: First, I convey my sincere sympathies to any women who have suffered as a result of endometriosis and encourage them to seek clinical advice as to what support is available.

The National Institute for Health and Care Excellence guidelines are there to help health and care professionals to deliver the best possible care to all women, based on the best available evidence. Health and care commissioners are expected to take them fully into account, and I urge all clinicians to follow the NICE guidelines on endometriosis and to do all they can to support the mental and physical health of those suffering from this extremely difficult condition.

Plans to develop a women's health strategy were temporarily paused in the initial phase of the pandemic; however, the Department of Health and Social Care has recently restarted work in this policy area and will be setting out plans shortly. Endometriosis will be considered as part of the upcoming work on the women's health strategy.

My hon. Friend may wish to apply for a Westminster Hall debate or an Adjournment debate to cover this subject—Mr Speaker is looking his normal benignant self as I suggest an Adjournment debate, so I think my hon. Friend may be in luck.

Mr Speaker: Let's hope he is.

I will now suspend the House for a few minutes to enable the necessary arrangements for the next business to be made.

11.37 am

Sitting suspended.

Counter-Daesh Update

11.42 am

The Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State (Dominic Raab): With permission, Mr Speaker, I would like to update the House on our ongoing campaign to counter Daesh. The safety and security of our citizens is obviously the Government's highest priority. It is at the core of our work in tackling Daesh, which remains our most significant terrorist threat both at home and abroad. This month marks the two-year anniversary of the liberation of Syria and Iraq from Daesh's barbaric rule, but, as we saw on 21 January in Baghdad, Daesh is still able to carry out lethal attacks.

The Global Coalition against Daesh estimates that there are still around 10,000 Daesh members at large across Syria and Iraq. Many terrorists remain in detention facilities, but others are hidden in civilian populations and camps for internally displaced persons, so support for Daesh still lingers in many communities. At the same time, while Iraq and Syria remain Daesh's primary focus, it also presents a clear and growing global threat, so diminishing Daesh's ability to operate in other parts of the world, including Africa and Asia, must also be a priority for the international community. We must not allow it to take root elsewhere. Meanwhile, here at home, the threat we face from Islamist extremism is all too clear. The ongoing inquest into the horrific Manchester Arena attack, which killed 23 people, provides a tragic daily reminder of that.

We continue this struggle because we appreciate the real and direct threat it presents to the British people. The UK will continue to be a leading member of the 83-member Global Coalition, providing military support to tackle the remnants of Daesh, delivering essential aid to liberated communities and countering Daesh's vile and warped propaganda. With that in mind, let me now set out the steps we are taking.

Since the start of the UK's military intervention against Daesh, known as Operation Shader, the UK has trained more than 120,000 Iraqi and Iraqi Kurdish soldiers and released more than 4,000 munitions at enemy targets during the course of the air campaign. The global coalition as a whole has invested more than \$4 billion to ensure that our partners on the ground and in the region are better trained and better equipped than Daesh. As part of the coalition efforts to prevent the resurgence of Daesh, the UK has provided support and funding for a range of other initiatives across the region. That includes things like the improvement of detention facilities in the north-eastern part of Syria that house Daesh fighters.

Military support for the sovereign Government of Iraq is now adapting in line with the changing security situation, but also Iraq's growing military capabilities; and thanks to UK efforts and those of the wider coalition, Iraqi security forces are increasingly able to conduct successful independent counter-Daesh operations, and they now have the capability to deliver tactical training to their own armed forces, which is also important. That has allowed the coalition to reduce troop numbers, focusing instead on providing specialist operational support and advice to our Iraqi counterparts; and for that purpose, the UK maintains troops deployed to the region, supporting the Iraqi security forces, including officers working with NATO and with coalition allies.

[Dominic Raab]

On 18 February, the Secretary of State for Defence joined NATO Ministers in agreeing to incrementally expand the NATO Mission Iraq in line with that particular strategic focus. Of course, the Royal Air Force continues to conduct routine armed reconnaissance missions to support the Iraqi security forces. We are very proud of the role of our armed forces in that critical theatre.

Most recently, I can report to the House that on 11 February a coalition surveillance aircraft located a number of Daesh fighters. They were occupying two dispersed encampments on the banks of the Tharthar river, west of the city of Bayji. Two UK Typhoon FGR4s conducted careful checks of the surrounding area for civilians, before carrying out simultaneous attacks using two Paveway IV guided bombs against each group. The bombs hit their targets within the encampments, eliminating the terrorist threat.

Beyond Daesh, our support in the region continues to be challenged, including by the persistent and ongoing threat from Iranian-aligned Shi'a militia groups. We have seen a concerning pattern of attacks in recent weeks, including an attack on the coalition air base in Erbil in the Kurdish part of Iraq, which tragically killed two civilians, as well as injuring several coalition staff. The UK condemns these attacks on coalition bases and diplomatic premises, and we will continue to be absolutely resolute and robust in our response. Iran's proxies must not be allowed to destabilise Iraq and the wider region, and we work very closely with our allies to support the Government in Iraq, protecting coalition forces and foreign missions. We are also working together to prosecute those responsible for such attacks, where, of course, the Iraqi people are often the primary victims.

The presence of covid-19 in both Syria and Iraq remains an acute challenge. Healthcare systems in both countries are under very severe pressure. Then there is the economic impact—the cost to jobs, to livelihoods—and the wider social costs that communities will feel for many years to come. We need to be particularly vigilant to ensure that these do not provide the conditions—the fertile ground—that Daesh can exploit to gain further support. In that sense, the humanitarian response forms part of our security objectives.

The UK remains one of the largest humanitarian donors to the Syria crisis, having spent more than £3.5 billion since 2012. Over that period we have distributed 28 million food rations, delivered 20 million medical consultations and dispensed 14 million vaccines. In addition to our existing aid commitments in Syria, the UK has also provided funding to delivery partners to help mitigate the impact of covid-19. That complements our ongoing support to deliver activities that help tackle transmission of the virus—things such as health care, water hygiene kits and sanitation support.

In relation to Iraq, clearly the economic challenges are compounded by covid-19 as well as, of course, the fall in oil prices. This compound crisis threatens Iraq's stability and again risks creating the conditions that would allow extremism to grow; so we are working to counter that. We have committed £272 million in humanitarian support in Iraq since 2014, providing an absolutely vital lifeline to millions, with shelter, medical care and things like clean water. To date, UK funding has helped provide food assistance to more than

500,000 people, life-saving healthcare services to more than 4.3 million people, and safe drinking water and hygiene facilities to more than 3.5 million people.

We are working with the Government of Iraq and the international community to stabilise and reform the economy, in order to create and build the opportunities for all Iraqis. As friends of Iraq, we stand behind Prime Minister Kadhimi's reform vision, together with all members of the coalition. I had the opportunity to meet Prime Minister Kadhimi in London last October for talks and to reinforce our message of solidarity with him and the Iraqi people.

As Daesh's ability to plot its external operations has been downgraded, it is more reliant on its perverse propaganda and warped narrative to try to maintain its relevance and foment support for the conduct of terrorist attacks. With that objective, Daesh maintains a steady drumbeat of violent communications, which it distributes via encrypted messaging applications. I want to express my appreciation to the British media, which has generally shown admirable restraint and editorial judgment in reporting on these matters.

This is a critical moment. Yes, Daesh's brand has weakened, but none the less it remains globally recognised. It has been adopted by an assortment—a whole range—of violent groups, from Mozambique right the way across to the Philippines.

In December 2020, the UK counterterrorism internet referral unit saw a 7% rise in the volume of terrorist content online, and we can see a worrying rise in the proportion of children and teenagers who are now being arrested for terrorism offences. It was Assistant Commissioner Neil Basu of the Met who described lockdown and the accessibility of terrorist content online as a "perfect storm", because terrorists have digital access to those who are probably the most susceptible to extremist narratives.

We are tackling Daesh's propaganda head on, and I am proud that the Foreign, Commonwealth and Development Office leads on this work on behalf of the global coalition. We have carried out a range of targeted and effective offensive cyber-operations. During the fight to liberate Mosul from Daesh control, we used those capabilities to disrupt Daesh's battlefield communications, destabilise its ranks and help the coalition to surprise Daesh and, ultimately, overwhelm it.

In November, we revealed that the National Cyber Force is now bringing together the expertise of GCHQ, MI6, the Defence Science and Technology Laboratory and the Ministry of Defence, to take the online fight to terrorists, including, of course, Daesh. We are degrading its network and dismantling its lies, but also, and importantly, we are building resilience on the ground to its violent, extremist narrative. That particular battle—I would describe it as attritional—is often invisible to the public and the media, but it is absolutely essential, and we are prosecuting it with total vigour and determination.

We want to continue to play our full role in combating Daesh across each of these essential strategic fronts, to ensure the safety and security of the UK and Iraq and of the people and interests affected around the world. As the Prime Minister has said, we will never be complacent in the struggle. We will not let up until Daesh is consigned to the history books. I commend this statement to the House.

11.53 am

Lisa Nandy (Wigan) (Lab): I thank the Foreign Secretary for advance sight of the statement. I hope this marks the return to the quarterly updates that we were used to. It has been seven months since the last statement, and as he has shown in his update, a lot has happened since.

I want to start by restating our support for the ongoing military operation against Daesh. In particular, I pay tribute to our armed forces, who continue their brave work to defeat Daesh, train and support Iraqi forces and create the conditions for the Iraqi people to rebuild their lives and their country in peace. They deserve our full support. Given the key role of the specialist support that the Foreign Secretary just outlined, can he confirm that, when the Government bring forward the integrated review that we expect imminently, there will not be a cut in numbers to our armed forces?

Yesterday, 10 rockets targeted an Iraqi military base—the Al Asad airbase hosting coalition troops. One contractor, sadly, died in the attack and 10 British personnel were, thankfully, unharmed. What discussions have the Government had about this incident and what assessment has the Foreign Secretary made of the ongoing threat to British and coalition forces?

The fight against Daesh is not simply a military conflict; it requires all the tools of our statecraft to counter extremism, to rebuild communities and to support development. The Foreign Secretary has just told us that the humanitarian response forms part of our security objectives; if he believes that, how does he square it with plans to drastically cut the development budget? UK aid is vital, and I would say indistinguishable from the security threat we face, in rebuilding Iraq to pave the foundations for lasting peace and prosperity, as well as in providing crucial humanitarian support in Syria. That is why we are so concerned about the effects of the Government cuts. The Foreign Secretary said a great deal in his statement about the important contributions that the UK has made in recent years and currently makes, but he said very little about what he plans to do over coming years. We already know that the Government's cuts include a reduction of around £0.5 billion to the conflict, stability and security fund, which includes programmes such as the counter-terrorism programme fund and extensive activities in Iraq designed to reduce the probability of future insurgencies. Can the Foreign Secretary explain to the House why he thinks these cuts are in the national interest and how they will affect the fight against Daesh?

A record 12.4 million people in Syria are struggling to find enough food to eat and to access healthcare, with more than 80% living below the poverty line, while an unprecedented 3 million Iraqis have been forced to flee their homes due to violence, half of whom are children, and nearly 7 million are in need of humanitarian assistance. We must tackle the social and economic challenges facing people if we are to defeat Daesh, so can the Foreign Secretary today rule out cutting aid to Iraq and Syria, as he has done in respect of Yemen, and can he tell us when the replacement refugee resettlement scheme will begin?

Can the Foreign Secretary also tell us what the Government plan to do to deal with the British citizens currently in camps in north-east Syria? His recent letter to four of his Conservative colleagues seemed to suggest that far higher numbers—up to 900 people—travelled

to the region than we had believed, and a significant number of those remain. This is causing tension with our allies in the United States, who have expressed extraordinary frustration at the UK's inaction. The Foreign Secretary does not need to take my word for it; he only needs to look behind him, because there is serious disquiet on his own Benches about this issue. Our US allies believe that the global threat from ISIS will grow if this remains unaddressed. Does the Foreign Secretary accept President Biden's case that the global threat from ISIS will grow if this remains unaddressed, and given that the Government have it made clear that they do not intend to repatriate British citizens, can he tell me what alternative approach he intends to take in order to deal with this serious security threat?

I was deeply troubled to hear the Foreign Secretary outline how children are being targeted by Daesh propaganda. Does he agree that it is appalling that British children in the UK are being groomed to join Daesh, and will he therefore tell me what steps the Government are taking to protect children from this threat?

Finally, Iran has continued to make efforts to destabilise the region, including supporting and arming militia groups in Iraq, which the Foreign Secretary referenced. What specific steps are the Government taking to counter Iranian destabilisation efforts in Iraq, and what assessment has he made of the wider threat of Daesh outside of Iraq and Syria? Does the Government believe that this threat is currently growing?

We will continue to support the Foreign Secretary and appreciate the steps that have been taken and that he has laid out today, but, with so much Government policy currently under review in terms of the future of our armed forces, foreign policy, security, defence and aid, we must hear far more about our future focused commitments to defeat Daesh.

Dominic Raab: May I first thank the hon. Lady for her support for the military action we are taking against Daesh? We have not always had that from the Opposition side of the House, but it is important. It is important for our armed forces to know that they have cross-party support, and it is important for our enemies to know that they cannot divide us. She asked about the integrated review. I can reassure her that that will retain its strategic focus on countering Daesh and the terrorist threat that we face. She also referred to recent attacks on coalition forces. Of course, they involve both Daesh and Shi'a militias. Our approach is to work closely with coalition forces, but the big step change that we are seeing is the reinforcement of the capability of the Iraqi security forces. We will continue to work on that, ultimately for a long-term sustainable and better future for the Iraqi people. That is the course that we need to pursue.

I totally agree with the hon. Lady about the importance of official development assistance, and about the military approach that we are taking being in lockstep with having an effective humanitarian initiative. I have read out some of the figures that show how seriously we take this, and I can reassure her that we will remain among the leading countries around the world in all our ODA, particularly in relation to Iraq and Syria, and this is well above the level that we have had under previous Governments.

[Dominic Raab]

The hon. Lady asked about the global resettlement scheme. That is one for the Home Office, but she will have heard the message from the Home Secretary and the Home Office, and I am certainly engaged with that to ensure that it is effective and continues this country's proud tradition of providing a haven to those who flee persecution.

The hon. Lady also asked about foreign terrorist fighters. Those individuals who have fought with or supported Daesh should face justice, primarily where the crimes have been committed, which is in the region, where the victims are. It remains our view that a prosecution pathway is most likely to be effective there, not least for evidence-gathering purposes. When individuals return to the UK, they can and will be investigated. She will know and respect the fact that that is handled by the police and the Crown Prosecution Service independently, but we work closely with all our partners in order to achieve that. What she said about the US was nonsense. We are in lockstep with all our allies.

The hon. Lady also asked about minors. That is particularly important because of the moral duty, which we recognise. Obviously we would advise anyone against travel to Syria. There is no consular support there—certainly not the kind of regular consular service that we would normally be able to provide—as conditions on the ground make that impossible. As I have said to the House previously, we continue to work with all those concerned to facilitate the return of unaccompanied or orphan children where that is feasible with no risk to security and where it can be done practically. I will not comment on the numbers, as that is obviously sensitive, but I take this very seriously. We regard those children as the innocents of the scourge of war, and wherever it is safe and possible, we will put our protective arms around them. I hope I have addressed all the various points that the hon. Lady raised, and I reiterate my thanks for her support on military action, which is so important.

Tom Tugendhat (Tonbridge and Malling) (Con) [V]: I very much welcome my right hon. Friend's statement and update today. He of all people knows very well that Daesh is not a command structure but really an ideas network that has spread an inspiration of terror and hate around the world. So while I very much welcome his update on the military action and offer my complete support to my former comrades in the actions they are taking, can I confirm with him that really we are looking not for pattern of life but for pattern of thought, and that we need to work with those in the region who can help to change it?

What contact has my right hon. Friend had with the Al-Azhar mosque in Cairo? What engagement has he had with the Hashemite Kingdom of Jordan? What engagement has he had with others in the region who have been more successful in changing minds than in simply ending them? He knows better than anyone that, as we work with others around the region, the UK's rule of law and image of justice UK can help and support, and do a lot more to change the potency of Daesh and to end its evil influence, not just in Iraq and Syria, as he has rightly mentioned, but in Yemen and Afghanistan, where it is beginning to spread.

This is not just a question of force, although force is necessary; nor is it just a question of money, but it is a question of justice and of supporting the most vulnerable. In that light, I hope that the Foreign Secretary will see that the commitment that the UK made at the pledging conference in Yemen is indeed the floor and not the ceiling, as my right hon. Friend the Minister for the Middle East and North Africa said on Tuesday.

Dominic Raab: I thank my hon. Friend the Chair of the Foreign Affairs Committee. He is right to say that as well as all the material support that we provide on humanitarian terms and all the military action that we take, we need to confront the ideology head-on. Of course he is right that Jordan and Egypt are critically important in that, as are many others in the region.

On what my hon. Friend mentioned in relation to justice, one important thing is that wherever it is possible—often it is not, because of either the conditions on the ground or the availability of evidence—to prosecute and convict people involved, as we have recently with the 10-year custodial sentence for Mohammed Abdallah, an IS sniper who was convicted back in 2017, it helps to demystify the frankly perverse but none the less romantic image that people, particularly those who are susceptible to being groomed or radicalised, may have of Daesh. The UK concept of justice is not some romantic frill; actually, it has a very powerful effect, because it exposes what we are really talking about here.

Alyn Smith (Stirling) (SNP) [V]: I, too, thank the Foreign Secretary for advance sight of his statement. I stress that the Scottish National party stands four-square alongside the military action against Daesh undertaken by the UK Government and their allies. This is a common fight and a common endeavour, and we support these actions.

We do differ on some of the wider questions, and I reiterate our concern that, for a variety of global reasons, now is absolutely not the time for the UK to walk away from its 0.7% aid commitment. However, may I urge the Foreign Secretary, as the hon. Member for Wigan (Lisa Nandy) did, to commit to freezing, even within that reduced spend, the aid to Iraq and Syria? That is really very necessary in a region that is in part in chaos because of the foreign policies of the UK and others.

The Kurdistan Regional Government deserve a great deal of recognition and respect for the work that they have done on providing safe haven for refugees and minorities. That deserves support, but so too—I would be grateful for an assurance from the Foreign Secretary that this is under way and should be built upon—do their civil functions to help create a more secure and stable society in their area. The military action is supported and welcomed, but there are civil functions that could be supported too, and that would certainly have our support.

I strongly agree with the points that the Foreign Secretary made on disinformation. The disinformation fight against Daesh and its network of ideas is crucial, but it is a wider issue too. In the SNP's submission to the integrated foreign and defence review, we called for a national strategy against disinformation in all its forms and the appointment of a hybrid threats ambassador to co-ordinate that activity. I reiterate to the Foreign Secretary that that would be a really useful thing to happen in the integrated review when it comes forward, and if it did happen, it would have our support.

Dominic Raab: I thank the hon. Gentleman for his support and for the forensic contributions that he makes on this important issue. As I said to the hon. Member for Wigan (Lisa Nandy), we are grateful to have the support of the whole House and the whole United Kingdom for the military action that our armed forces take, often at some risk to themselves. It is important to have that solidarity.

The hon. Gentleman asked, as others have, about the humanitarian element of the work that we do. That is crucial; it is a key part of the strategic jigsaw. We will ensure that we continue to provide humanitarian support and the aid that goes in to provide the supplementary support that is so essential to taking effective military action. He is right to praise the work of our Kurdish partners. They are very important and, yes, we support them both militarily and in their impact on institutions and civil society on the ground.

On disinformation, I thank the hon. Gentleman for the SNP's submission to the integrated review. He makes a very important contribution. How we deal with some of the new types of threat that we face, from cyber to misinformation, will be crucial to dealing with many of the threats that we face not just in Syria and Iraq but across the world, so we welcome that support.

Dr Julian Lewis (New Forest East) (Con): Now that the caliphate has been overthrown, Daesh reverts to a more traditional form of terrorism requiring long-term containment measures. In order to bring this to an end, a lot depends on who is sponsoring terrorist movements. What evidence do we have of Turkish behaviour towards our Kurdish allies in Syria, and what evidence do we have of Pakistan finally turning its back on an ambivalent approach to Islamist terrorist movements?

Dominic Raab: I thank my right hon. Friend, the Chair of the other Select Committee—the Intelligence and Security Committee—and he is right to raise both those issues. It is difficult for me to talk, as he will understand, about evidence as such, but in both cases we have to monitor it very carefully, not least because both of the countries and forces that he referred to do not often represent a single whole—there will be different views within, for example, the Pakistani Government—but, certainly, we feel that there has been an improvement and a recognition that we face a single global threat that we must all rally round and work together to tackle.

Layla Moran (Oxford West and Abingdon) (LD) [V]: May I start by thanking our armed forces for all they do in the fight against Daesh? Effective counter-terrorism strategies require a whole of society approach to preventing and countering violent extremism and radicalisation. It means bolstering healthcare, education, governance and civil society, and reducing poverty—all moneys that come from our aid budget, so by cutting overall aid spending by £4.5 billion, or 30% compared with 2019, this Government risk making the world a less safe place. Will the Secretary of State acknowledge that link, and what recent impact assessment has been made of the effects of planned ODA cuts on our counter-extremism efforts?

Dominic Raab: I thank the hon. Lady for her support for the military action we are taking. She is right to emphasise the importance of a strategic approach. I do not accept the point she has made about ODA, not least

because we remain one of the very greatest and largest donors in ODA terms generally, but also in the two specific theatres I have described today.

Laura Farris (Newbury) (Con) [V]: I know my right hon. Friend will join me in congratulating Karim Khan on his appointment as chief prosecutor at the International Criminal Court, but he will also know the painstaking work he was doing through UNITAD—the Investigative Team to Promote Accountability for Crimes Committed by Daesh/ISIL—in Iraq in bringing to trial the war crimes, genocide and crimes against humanity perpetrated by Daesh against, specifically, the Yazidis. Could he say what support his Department continues to provide to UNITAD in its work in this regard?

Dominic Raab: I thank my hon. Friend and, as she says, I warmly welcome the international community's election of the first British chief prosecutor at the International Criminal Court. Along with Joanna Korner—Judge Jo Korner—who is representing us as a judge on the ICC, I think nothing could be a more potent symbol of the strength of global Britain and the force for good that we represent in the world. My hon. Friend asked about UNITAD. We fully support UNITAD's work, and I thank her for raising this. We have provided £2 million for the UN investigative team for the accountability of Daesh particularly, and that obviously helps support the investigations of violence against minority communities and, critically, helps witnesses and survivors come forward with evidence.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for his statement, and the Secretary of State and the Government for their determination to destroy Daesh. In response to the covid-19 outbreak, many countries have seen increases in levels of violence towards religious, belief and other ethnic communities. The Institute of Development Studies has stated:

“With the security forces turning their attention to implementing lockdown measures, Daesh...are re-emerging to attack minorities they previously had targeted”.

For example, in Nigeria, Boko Haram has stepped up its attacks on individuals and churches, and on schools as well. Will the Secretary of State share his plans to specifically support vulnerable religions and belief communities that are suffering due to increased religious violence from Daesh terrorist groups?

Dominic Raab: I totally agree with the hon. Gentleman. We have played a leading role in the global coalition, which has scaled back and ended Daesh's occupation of territory. That is critical because that is the way Daesh subjugates minorities—Christians and others—who have suffered grievously as a result. We also support efforts towards accountability for crimes that have been committed, particularly in Syria, against Christians but also other minorities. That includes the support we provide the UN's International, Impartial and Independent Mechanism, which is preparing the ground for prosecutions. The military action to scale back control of territory frees up those communities, and we also want to see accountability, so that there is no impunity for the crimes committed.

Bob Stewart (Beckenham) (Con): As my right hon. Friend has already outlined, the last airstrike against Daesh took place on 11 February, when two Daesh

[Bob Stewart]

encampments were destroyed by laser-guided, precision Paveway bombs, without one civilian casualty. Will he join me in congratulating those Royal Air Force aircrew based at RAF Akrotiri in Cyprus, who, without much publicity or fanfare, and quietly, bravely continue to fight our enemies from the skies above Syria and Iraq?

Dominic Raab: My hon. Friend is absolutely right. I pay tribute to not only the RAF teams, but all our armed forces involved in the operations in Syria and Iraq for the critical work they do. He is also right to point to the care and attention that our armed forces, who are renowned the world over, take to avoid any civilian casualties. That is important not just militarily, because with surgical attacks we avoid creating a groundswell—a backlash—against the intervention we take.

Jonathan Edwards (Carmarthen East and Dinefwr) (Ind) [V]: On Tuesday, the Secretary of State and I engaged in debate about future policy in Afghanistan. One major reason for the dilemma now faced by NATO—this was alluded to—is the increasing influence of Daesh in the country. Considering the implications for regional security, what role does he envisage for the Shanghai Cooperation Organisation in future Afghan security policy?

Dominic Raab: I am happy to write to the hon. Gentleman about the specific organisation to which he refers. In general in relation to Afghanistan, he will know that we are following the negotiations—the arrangements—between the Afghan civilian Government and the Taliban, and making sure that the approach we take is linked to conditions on the ground. That must be the right way forward—to use our influence to moderate and have a positive impact on the future Government after the withdrawal of troops.

Marco Longhi (Dudley North) (Con) [V]: I thank all our armed forces for the work they do. Being a member of the armed forces parliamentary scheme is proving to be an eye-opener in terms of their day-to-day experiences. Does my right hon. Friend agree that the coalition is essential in liberating territory held by Daesh and supporting the Iraqi security services?

Dominic Raab: My hon. Friend is spot on, as ever. It is important that we push back on Daesh and the militia that are destabilising not just Iraq, but the region. Crucial to the long-term sustainability, viability and prosperity of that country is building up the independent resilience of the Iraqi security forces. We are focusing on both those elements, and that was very much at the heart of the talks I had with Prime Minister al-Kadhimi when he was here last year.

Martyn Day (Linlithgow and East Falkirk) (SNP) [V]: In addition to winning the military war against Daesh, we must ensure that we win the peace, so it is bitterly disappointing that the Chancellor is pulling the UK back from its commitments to the most vulnerable, despite protestations across the world, the third sector and the political spectrum. Can the Secretary of State tell us what cuts will be forthcoming to programmes supporting communities ravaged by Daesh throughout the middle east and north Africa?

Dominic Raab: I understand the hon. Gentleman's concern. We are a leader in ODA, and we will remain a leader in ODA. The precise allocations, which I think he is after, will be published formally, in the normal way, in September. It is worth noting that we have spent £3.5 billion in relation to the humanitarian response in Syria, which includes £1.7 billion on supporting Syrian refugees and host communities. We have a proud record, and we will continue to do it, not just because it is the right thing to do but because it makes for effective policy.

Christian Wakeford (Bury South) (Con): I applaud the Government's continuing commitment to countering Daesh. However, Daesh is not the only destabilising regime in the region. Does the Foreign Secretary agree that there is more to be done through our allies and our own forces to combat the threat posed by Iranian proxy terror groups, including Hezbollah, which is financed and directed by the Islamic Revolutionary Guard Corps?

Dominic Raab: My hon. Friend is right. He will know that we proscribe the entirety of Hezbollah as a terrorist organisation, and we have an asset freeze in place against the whole organisation. The IRGC in its entirety is subject to UK autonomous sanctions. We will never let up and constantly look at how we can maintain our targeted and forensic approach to dealing with them militarily and the financial support that they get and thrive on.

Dame Diana Johnson (Kingston upon Hull North) (Lab) [V]: How many of the 900 United Kingdom citizens to whom my hon. Friend the Member for Wigan (Lisa Nandy) referred who left the country to fight for and support Daesh have been brought to justice either in the United Kingdom or abroad for any offences they have committed?

Dominic Raab: I am happy to write to the right hon. Lady with the specific numbers that we have, but as I have said, our focus has been first and foremost on prosecuting in the region—where that is possible, that seems to be the right thing to do on jurisdictional grounds and for the victims—but also when they return. I will see whether we have the breakdown of numbers that she wants and write to her, if I may.

Mr Philip Hollobone (Kettering) (Con): Médecins sans Frontières, the wonderful medical charity, has just announced that one of its staff members has sadly been killed in the giant al-Hawl camp, which houses families of Islamic State fighters in Syria. That brings to 30 the number of people who have died in attacks in the camp. This sprawling hotbed of ISIS discontent houses 65,000 people. What are Her Majesty's Government doing to contain the threat posed by this number of people in that location?

Dominic Raab: My hon. Friend is absolutely right: it is not just a strategic danger; we also have to think of the vulnerable people who are at risk. We are working closely with all our partners. Of course, those camps are a target not just militarily but for the warped propaganda and narrative that Daesh and others seek to sow.

Tony Lloyd (Rochdale) (Lab) [V]: The Foreign Secretary is entitled to ask for and get the support for the military operations against Daesh, but does he agree that we also have to make sure that we challenge the conditions

that allow for the rise and the existence of terror, wherever that is? That is not just about humanitarian assistance; it is also about investment in education, health, the economy and the civil institutions that make nations work. What is he doing to lead an international coalition that guarantees support in those areas, as we have successfully done with the coalition to challenge Daesh militarily?

Dominic Raab: I agree with the hon. Gentleman: there is a whole range of international collaboration that goes on. I have to say that the principal cause is not some sort of underlying, opaque set of socioeconomic conditions; it is the fact that there is a tyrant in Syria, Daesh is feeding on the instability, and Iran is promoting proxies and militias in the region.

Robert Lorgan (High Peak) (Con) [V]: I welcome the statement and the Government's commitment to tackle the lingering threat of Daesh. On Monday, a Syria relief report was published, authored by my constituent and Chapel-en-le-Frith resident Charles Lawley. The report found that 99% of internally displaced people in north-west Syria have symptoms compatible with post-traumatic stress disorder, yet only 1% were aware of any mental health support available to them. With this in mind, will the Foreign Secretary assure the House that the UK will continue to be a major donor to the humanitarian crisis in Syria and look carefully at support for mental trauma for victims of conflict?

Dominic Raab: My hon. Friend is absolutely right. We obviously focus on the material support—hygiene, water, sanitation and the like—but the scale of PTSD and wider mental health issues in those theatres, in the internally displaced persons camps, is legion. We need to keep our focus as best we can, in the incredibly difficult conditions that the aid and humanitarian workers operate in, to try to alleviate that suffering too.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): The extremist and evil ideology of ISIS, or Daesh, is diabolical and it needs to be dealt with. In the light of the recent deployment of our brave British troops to Mali, does the Secretary of State believe that the threat of Daesh is spreading and that our current foreign and defence policy is sufficient to protect ourselves from this threat?

Dominic Raab: The hon. Gentleman asks thankfully an excellent question. Certainly the curtailment of the territory within which Daesh can operate in Syria has been important, but of course, like a Hydra, it can sprout limbs elsewhere. That is the key thing that we need to watch because, as other hon. Members have said, Daesh, or equivalent terrorist groups such as al-Qaeda or the successors to al-Qaeda, are looking for the underlying conditions, be it conflict or instability, to prey on. So we must be eternally vigilant to that from the middle east through to the Sahel and many other places.

Felicity Buchan (Kensington) (Con): What steps is my right hon. Friend taking to crack down on the spread of Daesh's influence across the globe and, in particular, what steps he is taking to cut off its financial resources?

Dominic Raab: My hon. Friend raises an excellent point. Whatever the perverse but romantic ideology Daesh spouts, it relies on cold, hard cash. That is why

robbing and depriving it of territory, particularly in Syria, has been so crucial. Yes, we do seek to target the financial lines of credit and other financial support, but it is also important to note that as Daesh has lost territory, it has lost control over oil resources and the people it subjugates, including with illegal taxation, so the territorial aspect is also crucial to the financial objectives.

Mr Alistair Carmichael (Orkney and Shetland) (LD) [V]: The Foreign Secretary is absolutely right that Daesh poses a global threat and we absolutely must not allow it to take root elsewhere. That being the case, does he not agree that it is surely counterproductive to be cutting our aid to Yemen and to be continuing to supply arms to Saudi Arabia for their use in the conflict in Yemen?

Dominic Raab: We are still a world-leading donor in relation to Yemen. We have remained and will remain between third and fifth in terms of the top donors. As the right hon. Gentleman already knows but I am happy to repeat, we have a world-leading export licence regime that makes sure that anything that could be used for illegal purposes cannot be exported.

Mike Wood (Dudley South) (Con) [V]: The Foreign Secretary is absolutely right that Daesh's operations pose a threat not only to the people in north Africa and the middle east but to our own security in the UK. With that in mind, will he support the US's targeted response against militia units and make sure that the UK stands alongside President Biden on such matters?

Dominic Raab: My hon. Friend is right and, as I have expressed in public statements recently, we have supported the action that has been taken, and we will always stand shoulder to shoulder with our American allies in tackling the militias, Daesh and all those who threaten our interests and our people.

Patrick Grady (Glasgow North) (SNP): Pope Francis is due to visit Iraq in the coming days. It is the first visit of a pope in the country's history and he is expected to visit some of the ancient Christian communities in the country who have suffered so greatly under the oppression and terror of Daesh. What specific measures are the Government undertaking to ensure that, as well as tackling Daesh directly, we are supporting the communities—Christian and other faith communities—who are at such risk from its violence and terror?

Dominic Raab: The hon. Gentleman raises a really important point. Of course, the UK is a member of the global alliance standing up for freedom of religious belief, both in Syria—I have mentioned the steps that we are taking to address the persecution of minorities—and in Iraq. The opportunity is there to work with the Iraqi Government in a different way and we take that very seriously, not just because we feel that we have a moral duty to do it, but because we think that that is the sustainable future for a cohesive Iraq that is fit and prosperous for all its people.

Mr Gagan Mohindra (South West Hertfordshire) (Con) [V]: I thank the Foreign Secretary for his statement and I associate myself with the comments made about the excellent work of our armed forces in keeping us safe.

[*Mr Gagan Mohindra*]

Does my right hon. Friend agree that operations against Daesh, including Operation Shader, represent the best of international co-operation?

Dominic Raab: My hon. Friend is absolutely right, and it is important that we have a team effort in the struggle against Daesh, partly because of the severity of the threat that it poses and partly because of the amorphous nature in which it can appear. It is therefore important to have cohesive international collaboration and this is a very good example of that.

Steve McCabe (Birmingham, Selly Oak) (Lab) [V]: Notwithstanding the threat from Daesh, Iran's support for terrorist activity across the region and in Europe, as we have learned from the Assadi trial, also poses a real threat. Will the Foreign Secretary give an assurance that Iran's aggression and support for terrorism will be included in any discussions on a revamped Joint Comprehensive Plan of Action?

Dominic Raab: The hon. Gentleman is absolutely right; that is a key aspect of addressing and dealing with Iran. I was in Paris recently not just with my French and German opposite numbers—we also had a virtual meeting with the US Secretary of State, Tony Blinken. Clearly, we are all agreed—so there is an element of transatlantic solidarity and cohesion, which has been reinforced—not just on the importance of nuclear compliance and getting Iran back to systemic compliance rather than non-compliance, but on dealing with its wider destabilising activities, including those that the hon. Gentleman mentioned.

John Howell (Henley) (Con) [V]: My right hon. Friend is so right to stress that the threat of Daesh is not dead; I have seen for myself in Nigeria how the activities of Daesh-related groups are still causing mayhem. Does he think that this is not going to be solved until we have got rid of President Assad in Syria and have a regime in there that we can trust and that can work on our behalf?

Dominic Raab: I totally agree with my hon. Friend that it is very difficult to see a scenario where Syria returns to peace, stability and some kind of normalcy with President Assad at the helm.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab) [V]: I also pay tribute to all our armed forces, who are doing some brave work in the region. The Secretary of State has said that he is aware of fighters returning to the UK. May I ask him—if he does not have the information, he can write to me—what numbers are being charged, what numbers are under control orders and what their status is when they come back?

Dominic Raab: The hon. Gentleman raises a very important point. I am happy to write to him about the numbers. Obviously, anyone who returns from Syria or Iraq who poses a threat to the UK is very carefully monitored by the authorities and appropriate action is taken. Prosecutions are highly dependent on the evidence that can be gleaned, but I will write to him with more detail.

Scott Benton (Blackpool South) (Con): I welcome this statement on the UK's continuing commitment to defeat groups such as Daesh and the dangerous ideology upon which they are based. Daesh has sought to exploit power vacuums throughout the region and to build up influence, and the same may be said of Iran. Will my right hon. Friend set out what steps the UK is taking to prevent and deter Iran's malign activities?

Dominic Raab: As I said in the answer I gave a few moments ago, one element of those things is part of the so-called JCPOA-plus considerations. More generally, with all our partners in the region, we are looking at our resilience and the support we provide for those who are threatened by Iran's activities. My hon. Friend will also know that those will not just be on territory. In relation to freedom of navigation, it is important to provide support for international shipping, and that is particularly salient in the strait of Hormuz.

Feryal Clark (Enfield North) (Lab) [V]: Thousands of Kurdish men and women died fighting Daesh and defeated them in many parts of northern Syria and Iraq, but the Turkish incursion into northern Syria has emboldened Daesh-supporting militia. The UN has said that Turkish-backed militia fighting in Syria continue to commit war crimes against Kurdish civilians, including rape and torture. Militias made up of former Daesh fighters, such as al-Nusra, are strengthening with the backing of Turkey. Will the Secretary of State join me in condemning Turkey's support for these militias?

Dominic Raab: Of course, Turkey has received a significant number of refugees itself. I can tell the hon. Lady that we have made clear our opposition to Turkey's military operation in the north-east of Syria. I have to say at the same time that Turkey is an important NATO ally and a key partner. It does an extraordinary amount countering terrorist threats and managing those migration challenges that I mentioned. At the same time, notwithstanding what I said earlier, we strongly support Turkey's efforts to try to secure a ceasefire, which has reduced the risk of further violence in the Idlib province. Those are the approaches we take, and of course it depends a little bit on the area we are talking about.

Bob Blackman (Harrow East) (Con) [V]: My right hon. Friend clearly understands that we have a huge number of UK citizens who have gone to fight for Daesh and at the moment have been captured. What action is being taken and what action is he taking to bring those people to justice, whether within the region or by returning them to the UK, where they would face the justice of our courts?

Dominic Raab: My hon. Friend is absolutely right. We want to see accountability and we want to see a deterrent effect. Obviously, it is difficult. It is challenging on the ground, but our preference, and I think the preference for the victims, would be to have the crimes dealt with in the territory where those crimes have been committed. That means seeking to provide support for a justice pathway in the region. At the same time, if we have UK nationals or anyone else who has been there and been engaged in criminal activity or in fighting, we will monitor them and where we have got evidence, we will prosecute them here at home.

Stephen Farry (North Down) (Alliance) [V]: I join in the commendation of many of the actions of the UK Government and, of course, our armed forces. Ultimately, we need a stable and sustainable solution in Syria, Iraq and the wider middle east. On the one hand, we sadly have countries such as Russia and Turkey pulling in negative directions, but on the other hand we have the opportunity of a new Administration in the United States. What consideration is being given to the convening of some form of international conference, possibly under the auspices of the United Nations, to renew diplomacy and find a common way forward?

Dominic Raab: That is an interesting idea. Whether something under the auspices of the UN as a whole would be the right way to go is another question, but the hon. Gentleman is absolutely right to say that the new US Administration is actively engaged with partners. The President has made a clear and palpable virtue of consulting not only European partners but many others. Ultimately, many of the challenges that we are talking about result from strategic tensions that need to be resolved and, ultimately, they can be resolved only through diplomatic initiatives. The hon. Gentleman is right to put the emphasis on that, on top of the vital military work that we do and the humanitarian relief that supports and buttresses those efforts.

Mr Tobias Ellwood (Bournemouth East) (Con): Daesh is far from defeated—they are regrouping—but I join the Foreign Secretary in commending the efforts of our military in the counter-Daesh coalition. The coalition's frustration is the absence of a viable post-operational plan, because unless the end of the conflict is quickly followed by improvements to governance and security, the enemy is free to regroup, retrain and fight again, as we see in Afghanistan and Iraq.

In Syria, tens of thousands of hard-liners are escaping from internment camps and detention camps such as al-Hol. The Syrians are asking for our support; surely we could do more to facilitate the processing of those hard-liners. With the US now focusing on another area of instability, namely Yemen, will the Secretary of State say whether we are committed to helping to secure a political resolution and a ceasefire and, if required, to leading a US peacekeeping force in that country?

Dominic Raab: My right hon. Friend, who chairs the Defence Committee, asked four or five questions in one; I want to try to do them justice, but I am conscious of the strictures of the Chair.

My right hon. Friend makes some really good points. On Yemen, the UK has been and remains one of the leading not just aid donors but supporters of Martin Griffiths, the special envoy, and the initiative, and we will continue that. We have made it clear that we fully support Saudi in its efforts to bring an end to the conflict and also to bring pressure to bear on the Houthis, who threaten, seek to destabilise and rely on Iran for their support.

Mr Deputy Speaker (Mr Nigel Evans): I thank the Foreign Secretary for making his statement and am extremely grateful for his responding to way more than 30 questions from 30 Members of Parliament, for almost one hour.

I will suspend the sitting for three minutes so that people can safely leave the Chamber and other Ministers and Members can then enter in a covid-safe fashion.

12.42 pm

Sitting suspended.

Ways and Means

Budget Resolutions and Economic Situation

INCOME TAX (CHARGE)

Debate resumed (Order, 3 March).

Question again proposed,

That income tax is charged for the tax year 2021–22.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

Mr Deputy Speaker (Mr Nigel Evans): For the ease of those taking part, all Back-Bench contributions, at least at the beginning of the debate, will be six minutes, but I have absolutely no doubt that that will be reduced later on in the day.

12.46 pm

Anneliese Dodds (Oxford East) (Lab/Co-op): Yesterday, we saw in black and white the impact of this Government's mishandling of the coronavirus crisis, right there at the front of the Office for Budget Responsibility's report: the UK has suffered the worst economic crisis of any major economy. The Chancellor has tried to dismiss that damning fact as a mere accounting quirk, but the OBR was clear: even when all G7 countries are measured in the same way, the UK's economic crisis has still been the worst.

Perhaps it is understandable why the Chancellor wishes to muddy the waters on this point, because the OBR is scathing in its assessment of the reasons why we have had such a severe crisis, and he has played a leading role. In its words, the primary reason is:

“simply that the UK has experienced higher rates of infection, hospitalisations, and deaths from the virus than other countries.”

The Government were too slow into lockdown not once, but three times. The Labour party urged the Government last autumn to listen to the scientific advice and bring in a short circuit-breaker over half-term to contain the virus, but the Chancellor allegedly overruled the scientists and insisted that a lockdown was not needed. When it came, it was longer and more severe. As the OBR notes:

“The UK has spent longer in stricter lockdowns than other advanced economies”.

The fact is that the Chancellor just does not get it. He thinks that we can separate out the health crisis from the economic crisis and trade one off against the other, but failing to get on top of the public health crisis only makes the impact on jobs and businesses worse. The OBR was clear on that point:

“a greater prevalence of the virus also raises voluntary social distancing which...account for around half of the total decline in economic activity associated with the pandemic.”

It is a damning report card. Coronavirus may have closed large parts of our economy, but this Government crashed it.

Yesterday's Budget was an opportunity for the Chancellor to make amends, to end the irresponsible decision making that has defined the past year, and to reverse the economic mismanagement that has defined the past 10 years. It should have been a Budget to rebuild the foundations, but it merely papered over the cracks. After the year

that we have just had, it should have put the NHS and social care system front and centre, rewarded our key-worker heroes, and set out a plan to strengthen a system too often horribly exposed by the virus. But incredibly, the Chancellor made just a single mention of the NHS and said nothing whatever about social care. Worse still, despite saying that he would be honest with the country about the challenges that we face, he buried a planned cut of £30 billion in resource spending for the Department of Health and Social Care in the fine print of the Red Book.

We know that, when it comes to the pressures on our NHS, this coming year will look different from the last—thank goodness—but it is extraordinary to think that there will be no ongoing costs, either as a result of the pandemic or of the backlog and waiting times that have built up. More than 4.5 million people are currently on the waiting list for treatment—the highest number on record. The Government are burying their heads in the sand, and it will be our NHS staff who feel the pressure from that denial of reality. Those cuts are an appalling reward for workers who have given absolutely everything over the past year to help our country through this crisis. It is hard to think of a greater long-term challenge than that of social care and yet, despite being almost two years on from the Prime Minister saying that he had a plan to fix the crisis in social care once and for all, this Chancellor and this Government had absolutely nothing to say about it.

As for health, so for education: the Government have planned zero additional covid-related spending for schools this coming year. It is extraordinary to believe that there will be no extra costs for our schools as they try to support a generation of schoolchildren who have missed such a chunk of their education.

That sums up this Budget: nothing to say on the biggest issues the country is facing; out of touch with what people are going through right now; and absolutely no plan for what to do next.

Let us take the jobs crisis. The Department for Work and Pensions should be straining every sinew to help get people into work, yet the kickstart programme that the Secretary of State oversees is helping just one in every 100 eligible young people. The restart programme for the long-term unemployed has not even begun and will not be operating at full capacity until this time next year, by which time unemployment is expected to have hit over 2 million. This Budget should have been a moment to get a grip on these failing schemes, to supercharge them so that they were doing everything possible to help those who have lost their jobs, and to give people a genuine jobs promise, as Labour has urged. But what did we get? We got tinkering around the edges with traineeships and apprenticeships, when we know that £330 million of apprenticeship levy funding is still sitting unspent, and a two-year programme to pilot the use of new technologies to help people find work. That is not a plan. That does not come near the scale of the response needed to help the 1.7 million people who were already out of work, or the hundreds of thousands more who risk losing their jobs in the months to come. Can the Secretary of State honestly look me in the eye and say that this amounts to a plan for jobs?

Moreover, where will the new jobs come from? With the hosting of COP26 this year and the eyes of the world upon us, the UK has an enormous opportunity

to show how an active Government making smart investments can help us emerge from the economic crisis and meet our net zero ambitions at the same time. Labour has called for £30 billion of investment to be accelerated into the next 18 months to support the creation of 400,000 new green jobs, but, unbelievably, yesterday's Budget took us backwards. The Government have actually cut half a billion pounds of capital investment from their plans for the coming year, and the green homes grant, the flagship programme of the Chancellor's summer statement last year, seems to have disappeared from the face of the earth, after more than 75% of its funding was cut and it was found to have been costing jobs.

We needed a plan both to create the jobs of the future and to put in place employment programmes worthy of their name, to help get people into work. We got neither. So instead, the OBR predicts that we are on course to see unemployment rise to 6.5%, with more than 2 million people out of work. What is the Secretary of State choosing to do, just at the moment that the furlough scheme is set to end and joblessness peaks? She is going to cut £20 a week from social security, right when people need it most. She is going to take our out-of-work support back to the lowest level since the 1990s—to cut the lifeline. Is she happy with the Chancellor's decision to extend the uplift to universal credit by only six months? Does she believe that that is in the best interests of people in this country, both in and out of work, who rely on that money? Is she happy with the decision to give those on working tax credit a lump sum of £500 and then nothing further? I ask, because she has previously said that there were big downsides to a one-off payment, and that previous experience is that,

“a steady sum of money would probably be more beneficial to claimants and customers”.

While we are focusing on the holes that the right hon. Lady's Government have torn in our safety net, can she explain why her Government have chosen to cut statutory sick pay in real terms next year? It was already at one of the lowest levels in Europe, and her colleague the Health Secretary has already admitted he could not live on it. It has quite clearly acted as a major barrier to people's self-isolating when required, as the Government tacitly admitted by bringing in a whole new payments system, with its own problems. So why on earth would the Government cut that support back even further in the middle of a pandemic?

Sadly, that is of a piece with the Government's failure to understand what so many people are going through right now. The cut to universal credit that looms in six months' time is just one part of a triple hammer blow that the Government are hitting families with this year. They have also frozen the pay of our key workers for everyone earning above £18,000—a real-terms pay cut—and they are forcing councils across the country to hike council tax by up to 5%.

The Labour party is clear on this: this Budget was not the time for tax rises. That view is shared by a range of economic experts, from the International Monetary Fund and the OECD internationally, to the CBI here in the UK. A triple hammer blow of tax rises and pay freezes now and a social security cut later in the year is not only incredibly unfair on families who have gone through so much, but economically illiterate. It means that those families will be forced to tighten their belts, to spend less in small businesses and on their high

streets, and the recovery will take longer. Of course, that has all taken place while we have seen waste and mismanagement from the Government on an industrial scale—from £22 billion on a test and trace system that has not worked for months, to procurement rules being suspended, and those who have political connections being 10 times more likely to win contracts than those who have not.

Despite that profligacy for some, there is the prospect of further pain to come for others, with the Chancellor's decisions yesterday combining with others since the start of the pandemic to mean £14 billion-worth of cuts to planned public service spending starting next year, rising to £16.5 billion after that.

The Chancellor promised “openness” and “honesty” at this Budget. Well, let me ask the Secretary of State for some openness and honesty now. Where are those cuts going to fall? Will they be felt in fewer police officers, fewer further education opportunities for young people, poorer quality social care for the elderly? What action will the Government take to protect people when their income tax personal allowance is frozen next year, especially once the right hon. Lady's Department has taken away £20 a year from social security, when many of those in the public sector will have seen their pay frozen, when many other people's wages are continuing to stagnate, and when council tax has, of course, increased? Will her Government be ready to look at this issue again in the next Budget if required? Why are her Government scheduling the freezing of the personal allowance to take place before increases in corporation tax?

People have a right to know what is waiting over the horizon, because it looks an awful lot like what has come before. It looks an awful lot like a return to a failed economic model that saw us end up with 3.6 million people in insecure work, 4 million children living in poverty, and one in four families with less than £100 in savings. That economic model failed even by its own measures. Severe and repeated cuts to our public services did not result in the Government meeting a single one of their legally binding fiscal targets. They did not stop national debt rising and nearly doubling before the pandemic hit.

We cannot go back to that broken model, with its crumbling foundations. The British people will not accept it. That is why the Budget should have been a moment to lay the foundations for the long term, with a relentless focus on supporting new jobs across the entire UK, supporting our high streets to thrive, protecting family finances, and backing our key worker heroes, but here the Government were singularly lacking in ambition. Labour had called on the Government to support the creation of 100,000 new businesses over the next five years, to harness the UK's entrepreneurial spirit and set us on the path for growth. Instead, we got a so-called super allowance for investment.

We all want to see more investment in this country, not least because the Conservatives took us into this crisis with the lowest level in the whole of the G7, but the fact is that the new allowance is just the necessary consequence of the Conservative party finally acknowledging that its 10-year experiment with slashing corporation tax until we were an international outlier has failed. Two years ago, the Prime Minister said that “every time corporation tax has been cut in this country it has produced more revenue”.

[Anneliese Dodds]

Yesterday's Red Book told a more accurate story, predicting that the new rate would bring in £17.2 billion a year by the end of the forecast period. That is a damning indictment of a core tenet of Conservative economic policy making for the last 10 years. The fact is that by moving the rate back up in two years' time, aligning us with our international peers, as Labour has long called for, the Chancellor has created a cliff edge that might otherwise have prompted firms to delay investment and further damage the recovery. Action to incentivise and protect investment right now is essential; it is not innovative.

The Chancellor's grand plan for our future recovery had two further planks, of course: the levelling-up fund and freeports. On the first, we have once again seen the Government's true colours. They have ridden roughshod over the principle of devolution by taking away control from Wales and Scotland to determine how money can best be spent in their nations, and devised a rating system that miraculously sees the Chancellor's own constituency, and that of the Communities Secretary, placed at the front of the queue for funding. What people right across this country need is investment in their communities, based on local need, guaranteeing local opportunities and jobs and involving local businesses in the supply chain—not largesse handed out at the whim of Conservative Ministers in Whitehall.

Eight freeports do not add up to a grand plan for our economic future. They are not the silver bullet that the Chancellor would like them to be. There is a strong chance that they do not create new economic activity overall, but instead just move it around, which might be good news for those within a freeport area, but could be bad news for those who live nearby and see local economic activity drain away, and with it jobs and opportunities. We risk more regional economic inequality, which has already risen after 10 years of Conservative Government. On the subject of inequality, yet again the Government failed to provide an equality impact assessment alongside the Budget.

The British people deserve better than this. They deserved a Budget to put our country on the road to recovery; a Budget to rebuild the foundations of our economy; a Budget with the NHS and social care at its heart; a Budget that protected the finances of families across the country who have sacrificed so much over the last 12 months; and a Budget with a relentless focus on jobs, getting people back into work and supporting the jobs of the future—not a Budget from a Chancellor without a plan who has learned nothing from the last year, nor the last decade, and who did nothing more than paper over the cracks, with nothing more to offer than the same tired policies that have led to us suffering the worst economic crisis of any major economy.

1.5 pm

The Secretary of State for Work and Pensions (Dr Thérèse Coffey): It is a pleasure to respond to the hon. Member for Oxford East (Anneliese Dodds) in this Budget debate. I think it is fair to say that, since the start of the pandemic, our priority as a Government has been to protect the lives and livelihoods of people right across this country. That is why my right hon. Friends the Prime Minister and the Chancellor, over the last year and again in this Budget, have taken unprecedented

steps to support British people and businesses, including help for those who need it most. That includes further measures using our fiscal firepower to revitalise our economy, get people back into existing jobs and encourage investment to help create new jobs.

Let us remind ourselves of the steps we have already taken. Through the furlough scheme, we have supported more than 11 million jobs. This unprecedented cushion of support has helped millions of people to stay connected to their employers who could otherwise have been made redundant. Through the self-employment income support scheme, we have helped more than 2.5 million self-employed workers with grants and business loans, as well as targeted support for those on benefits.

Not everyone was fortunate enough to be furloughed, though, and through the £20 a week increase to universal credit, we ensured that those who faced a drop in earnings or were newly out of work received extra support during this difficult period. I am proud of our swift action at the start of the pandemic and throughout to support an extra 3 million people through universal credit and other benefits. That has been thanks to the hugely dedicated staff of the Department for Work and Pensions, which I consider to be the Department of Wonderful People, who delivered that support competently and compassionately.

Stephen Timms (East Ham) (Lab): The Secretary of State will have seen the evidence that disabled people have seen a big increase in their grocery costs during the pandemic, and yet people claiming employment and support allowance have had no extra help at all. Why have they not been supported?

Dr Coffey: As the right hon. Gentleman will be aware, and as the Chancellor has said repeatedly, there was a specific reflection at the time of introducing the extra £20 a week uplift to recognise the issues regarding people who were newly unemployed. I am conscious that the right hon. Gentleman's Select Committee is undertaking an inquiry on people with disability and employment, and we will provide evidence in due course, when we can perhaps discuss that matter further.

Sir Christopher Chope (Christchurch) (Con): I would like to reinforce what my right hon. Friend said about the fantastic work of her departmental officials. The fact that her Department has not been in the headlines much over the last months is due to the efficiency of her officials. When some of those officials are looking for a transfer, might she recommend that they go to the Driver and Vehicle Licensing Agency, to try to imbue that department with some efficiency?

Dr Coffey: I am grateful to my hon. Friend for highlighting the really good work undertaken by officials. I would also like to thank my ministerial team, because we have worked together to do this. Indeed, arm's length bodies such as the Health and Safety Executive have also done really good work in trying to ensure that workplaces are safe, helping employers to ensure that that is the case and minimising the transmission of this wretched coronavirus that we have endured. I will bear in mind his thoughts, but I do not think it is in the interests of the DWP to take on the DVLA as well.

Last week, the Prime Minister set out the road map that will lead us out of lockdown and back to the way of life that we are all eager to enjoy. As we all play our part in controlling coronavirus, and after a particularly wretched winter, we are ratcheting up for what I hope will be a spectacular summer. But we know that recovery will not be instantaneous for everyone, which is why the Prime Minister said explicitly that we would not just pull the rug out from under people's feet as we start to see light at the end of the tunnel. That is why yesterday my right hon. Friend the Chancellor set out targeted measures in the Budget that would deliver on that commitment to help people and businesses through these next few months as we open the economy and deliver on our plan for jobs, helping people who are still impacted by coronavirus to get back into work.

First, to support low-income households we will extend the temporary £20 increase to universal credit for a further six months, on a monthly basis, taking it well beyond the end of this national lockdown. Working tax credits are administered by Her Majesty's Revenue and Customs, and claimants will receive a one-off covid support payment of £500—this is largely driven by the way that system works operationally. That is in addition to all the other Government support for people on low incomes, be that support with some of the most expensive bits of the cost of living, through things such as the increase to the local housing allowance, which is going to be preserved in cash terms, or with other elements, such as through council tax support.

Stephen Timms: The Secretary of State said that the universal credit uplift would be extended on a monthly basis. Does that mean that if circumstances warrant it, the uplift will be continued beyond September of this year?

Dr Coffey: The clear intention is that this is an extension of six months, because that will take this well beyond the aspect of the national lockdown. I was particularly making the point about monthly payments because I have always been clear that this is about UC continuing on a monthly, rather than one-off, basis, and that would be the preferred approach. I am pleased that the Chancellor has agreed with me on that and on making sure we keep that regular payment uplift for the next six months.

Secondly, we have self-employed people on UC, and in addition to the further help through our self-employment income support scheme we will suspend the minimum income floor for a further three months. That means that hundreds of thousands of people will continue to receive financial support based on their current actual earnings, rather than on the assumed amounts we would normally undertake through the gainfully self-employed test.

Thirdly, the further extensions of the furlough scheme to the end of September represent a huge investment in people, keeping them connected to their current jobs and employers. I urge employers and employees to take full advantage of this additional time of furlough to get ready to return to work, and do the training and refresher courses, so they are ready to hit the ground running as their business fully reopens. Taken together, I believe that these temporary extensions will provide essential support as we move along the road map, restart the economy and transition to our full recovery.

Thanks partly to the extension of the furlough scheme, the OBR is now expecting a better jobs outlook than it was in its November forecast, with unemployment now expected to peak at 6.5% at the end of this year, instead of 7.5%, which was its previous forecast. Although that represents a third of a million fewer people than the OBR previously forecast, I fully recognise that the OBR is still predicting that, sadly, unemployment will rise by a further half a million people compared with now. As we have always said, we cannot, sadly, save every existing job, but my right hon. Friend the Chancellor set out yesterday extraordinary measures of support to help businesses stay in business and to create new jobs. The supercharged super-deduction on capital investment is exactly the kind of initiative that can stimulate businesses to invest here in Britain, leading to brand new jobs.

I am very conscious of what the hon. Member for Oxford East said, which is why we have undertaken significant work across government on our labour market sector plans in working through the opportunities we can create, not only by resurrecting some businesses and sectors that have been temporarily affected by the lockdowns but to bring in new jobs. I particularly commend initiatives such as the freeports, which we know will be creating tens of thousands of extra jobs right around the country. I was delighted that Freeport East was successful, as it covers the ports of Felixstowe and Harwich, one of which is in my constituency. It was a great pleasure to work with businesses across Essex and Suffolk to make that happen, particularly with the creation of a green hydrogen energy hub. That is really important investment that will be coming now thanks to the freeport initiative, and I know that the same will be happening right across the country. I can see people in this Chamber, such as my hon. Friend the Member for Thurrock (Jackie Doyle-Price), whose constituents will benefit from her ports coming together to be a freeport.

Jackie Doyle-Price (Thurrock) (Con): Perhaps I could advise the House that this affects not only the ports in my constituency; it is also a partnership with the Ford plant in Dagenham. My right hon. Friend will be aware that there are employment challenges in that borough—it has a very high unemployment rate compared with the rest of London—and the freeport initiative opens up the opportunity for Ford to breathe life back into that site, given the redundant diesel technology that it currently produces. That will attract new investment from a global player. Should that not be welcome?

Dr Coffey: My hon. Friend is absolutely right, and I know how much of a champion she has been for the people of Thurrock and the surrounding areas in making sure that they have that opportunity. Indeed, there are opportunities right around the country. We will hear contributions later from Members for the north-east, who will be championing, and are delighted by, not only the freeport in Teesside but the Treasury North campus in Darlington. I am sure that the Leader of the Opposition's campaign director, who is now in the other place, will also be thrilled that Treasury North will be in Darlington.

Right across the country we are laying the platform for businesses to create jobs, and my Department is ready and primed—indeed, we are already delivering—as we put our foot to the floor, our pedal to the metal, on our plan for jobs. Over this year, as our economy starts to recover, my priority, and that of the Government, is

[Dr Coffey]

getting people back into work, investing in skills and training, and helping people to get up the career ladder and increase their income.

We came into this pandemic with record high employment. That was down to successive Conservative Governments since 2010 focusing on supporting people in moving to and progressing in work, including by reforming the welfare system through universal credit, which is a conservative benefit. Unlike the legacy benefits, whereby people would often be worse off working under tax credits and similar, universal credit is a benefit that always makes sure that work pays.

I am truly astonished that the Opposition continue to want to scrap universal credit, when it has clearly done its job of getting money into people's pockets within days of their making a claim when newly unemployed, and remembering that 40% of UC recipients are working and it automatically puts extra money into people's pockets when their hours are reduced, never mind the £20 uplift for covid.

We know that we have a huge task ahead of us, but I am confident that we will deliver, fuelled by the firepower of our plan for jobs. Just as we have had the jobs army putting vaccines into people's arms, we now have the jobs army of our work coaches, with an extra 13,500 recruited to bolster our support to help get people back into work.

In the jobs market, sadly it is the hopes and prospects of our young people that have been affected more than most. That is why we launched kickstart, a scheme that helps to give young people that first key step on the jobs ladder and offers employers effectively free access to the next generation of talent, as long as they provide an additional real job and job support.

I am concerned that the hon. Member for Oxford East and the Opposition are giving kickstart a bit of a kicking. Instead of slamming it, they should be supporting it. The Chancellor and I launched kickstart in September, the first young people started their jobs in November, and since then I am pleased to be able to share with the House that around 4,000 young people have now started a job, with 30,000 vacancies to be filled in the next month, and there are more in the pipeline. More than 140,000 jobs have already been approved, with agreed funding, which is more than the 105,000 that the future jobs fund of the last Labour Government created over its entire lifetime—and we have achieved it more quickly.

This is not, however, a tit-for-tat on numbers; this is about real people and helping them with their lives, right here, right now. Take Cerys, for example, who is 19 and had sadly lost her job in catering last year. With the help of her work coach, Cerys has started a kickstart job with Northam Care Trust in North Devon as a care worker. In her own words, this has changed her life. With the ongoing interest from employers and our making it even easier for them to join kickstart with direct applications through DWP, I am confident that by the end of this year, we will have helped a quarter of a million young people become kickstarters, setting them up for a great future.

With kickstart getting into the fast lane, the rest of our plan for jobs is also firing on all cylinders. Recognising that some sectors may continue to struggle, we have doubled the number of places on our sector-based work

academy programme—SWAP—scheme to 80,000 this coming year. SWAPs help jobseekers to upskill, retrain and find a route into a new sector with a guaranteed interview for a real job. We are also supporting people in their job searches through our job entry targeted support—JETS—scheme and our job-finding support digital offer, which is now operating across Great Britain, helping those who need only light-touch support.

These schemes are working for people in every constituency. Take Marius from north London. He recently lost his job in the hospitality industry after 15 years and was worried about his future prospects. His local jobcentre referred him to a SWAP, and, after completing just a two-week course to build skills and experience, he was offered a job in the care sector.

This summer, as we restart the economy, businesses will get their restart grants, and we will also restart people's careers. The new £2.9 billion restart scheme will provide intensive help to over 1 million jobseekers who, sadly, have been out of work for over a year. But we are also helping our jobs army with further assistance by considering new tools to help them diagnose people's skills and help transform their lives. As part of the Budget, we are investing just over £1 million to pilot the use of new innovative technologies, such as artificial intelligence tools, to match jobseekers' skills to vacancies they may not otherwise have considered. Work coaches and test sites will start signposting claimants to these services from August.

Also in this Budget, we have brought forward some measures that we know will help people still on low incomes. In particular, we are bringing forward to next month a measure that will allow universal credit claimants who request a new advance to help them with their budgeting to spread the phasing of that support over 24 months rather than 12. That will allow them to retain, on average, £30 more per month up front. We are also bringing forward a reduction in the maximum amount that can be deducted from a claimant's standard allowance for debts such as rent or utility bills, from 30% to 25%. We expect that that will allow more than 350,000 families with the highest levels of debt to retain up to £300 extra per year.

On top of these measures, we are going further to help some of the most disadvantaged and vulnerable in society. We had already agreed to have exemptions on the shared accommodation rate for care leavers and people who have been in homeless hostels from 2023, but I am pleased to say—this is thanks particularly to the Minister for Welfare Delivery, my hon. Friend the Member for Colchester (Will Quince), who is here in the Chamber today—that we are bringing forward those exemptions by two and a half years, so that we will provide additional housing support for care leavers up to the age of 25, and for younger claimants who have spent at least three months in a homeless hostel, from next month. That will give them the stability and the foundation to take on the opportunities that work can provide, and will provide, to help them build their future.

We have also added a further £59 million of support for local welfare provision, so that the covid winter grant scheme will be extended into the Easter period, helping the most vulnerable families with the cost of food and bills.

My right hon. Friend the Financial Secretary to the Treasury will respond to some of the questions asked by the hon. Member for Oxford East, but it is fair to point out to the House that, among public services, we have already allocated an extra £55 billion of support; we have already initiated, or we are preparing for, the catch-up summer for children; and we will continue to invest in our public services. We are already increasing the number of nurses. We are increasing the number of police officers. I think the public pay uplift is for those people with salaries below £24,000, not the figure to which the hon. Lady referred. We are also making sure that the national living wage rises above inflation from next month.

The hon. Lady also pointed out aspects of statutory sick pay. She will be aware that that is the minimum rate required to be paid by employers; many pay a lot more than that. However, in recognising that universal credit supports people on low incomes, the Department of Health and Social Care introduced the self-isolation payment of £500 in order to help people who need to self-isolate and would otherwise be deprived, perhaps, of a lot more of their usual income. That is a sensible approach that we have taken.

It is important to say that, of course, in order to help control coronavirus infections, we had already changed the rules so that workers could receive statutory sick pay from day one rather than the eighth day of being off work, as well as extending it to people who are self-isolating rather than just sick themselves, so we have already taken measures in that regard to help others. In addition, I think it is an estimated £3 billion of extra support that has gone to local authorities next year to help manage the impact of covid-19 across their services and on their income. Of that, half is non-ring-fenced to ensure that they can adjust to what is needed.

The hon. Lady referred to some of the extra support that will be going in to support towns and other places around the country, with the new town deals that are coming, the community ownership fund—which is particularly interesting—to help communities to buy local assets such as pubs and theatres, and opening up as we get ready for the UK shared prosperity fund. We are already setting the scene with the community renewal funds and the levelling-up funds. I think those measures should be welcome.

Let us not pretend otherwise: as we reflect on 2020 as a wretched year when many people have lost family members, lost friends and lost colleagues, there is no doubt that the British spirit has been tested, but the response has been remarkable and, frankly, typical of the Britain I love. Our focus, with the successful vaccine roll-out, should be on giving hope and confidence to millions of families and businesses that there genuinely is light at the end of the tunnel. While the focus has rightly been on the jobs army, we are mobilising our jobs army to help people to get back into work as we speed towards our recovery.

This Budget builds on what is already one of the most generous and comprehensive economic packages in the world to provide further support and protection. We are ratcheting up our support. We will be super-charging skills. We will rebuild, revitalise and regenerate our economy and level up across the country. I am really looking forward on 21 June to toasting the victory of the vaccine over the virus, when we will get back to normal, building back better and building back fairer, with a brighter future for Britain.

Mr Deputy Speaker (Mr Nigel Evans): Before I introduce Alison Thewliss, who is joining us remotely, I have some practical notes for those who are also joining remotely. Whatever device you are using, you should have a band at the bottom of it that informs you of the time limit. Currently there is a six-minute time limit on Back-Bench speeches from speaker No. 4, who is the person following Alison Thewliss. Just to the side of that, there is a timer. Because the time limit is six minutes, which is a luxury in recent times, please try to resist the temptation to stretch it beyond that, as you will not be allowed to do so. If your speech happens to be in front of the timer, then please use another timing device. For those who are joining us physically, the timer will be shown in the usual manner.

1.27 pm

Alison Thewliss (Glasgow Central) (SNP) [V]: It is just under a year since I stood up and made a speech in response to the 2020 Budget in a Chamber packed to the gunnels with MPs. The notion of delivering a Budget speech from my front room was absolutely unthinkable, along with many things we have adapted to over this past year, when we have seen economic shocks as well as personal and social ones. Phrases we rarely, if ever, used before are now in constant use: face coverings, social distancing, extended households, and furlough.

I appreciate that the Government had to move quickly to provide support in a rapidly changing and deadly pandemic. Choices were constrained by the circumstances, and large sums of money were rapidly moved to protect businesses from the worst economic crash any of us, we hope, are likely to see in our lifetimes. There is great hope on the horizon with the advancement of the vaccination scheme, but we cannot tell how long this crisis will last. The Chancellor and the Prime Minister have form in telling the public it will all be over by the summer, then by the autumn, by Christmas and by spring, so we need to caw canny with what lies ahead.

As I have said consistently, arbitrary cut-off dates in the support schemes are deeply unhelpful. The last cut-off for furlough planned for last year resulted in people losing their jobs as employers just could not manage the additional costs. Six months on, the only thing that has changed for businesses is an additional burden of debt and bills, with VAT deferrals coming back online soon. Businesses' income has not increased, and adding to their employers' costs is not risk-free. We on the SNP Benches support an extension to the furlough scheme for as long as it is necessary, in all countries of the UK. We also support the extension to the self-employment income support scheme, as announced by the Chancellor, but it does not go nearly far enough, leaving millions of people still locked out of covid support. The cliff edge in the fifth SEISS grant for those above or beneath the 30% drop in turnover seems incredibly unfair and incredibly steep. The Chancellor said yesterday that he will do "whatever it takes" to rescue our economy. He said that a year ago too and it is cold comfort to those who are yet to see a penny piece in support from his Government. The excluded have been mentioned over 1,000 times in Parliament by the gaps in support all-party group and reports from the Treasury Committee and the Business, Energy and Industrial Strategy Committee. Solutions have been offered to this Government and it is unacceptable that the Chancellor continues to ignore these cries for help.

[Alison Thewliss]

The Chancellor made much of the Office for Budget Responsibility's forecasts of a quicker than anticipated recovery, but it struck me that the key considerations of the OBR's forecasts should not necessarily be the forecasted numbers themselves, but the uncertainty around those numbers. It is that uncertainty that the Chancellor needs to respond to. The OBR has been clear on the unrealistic nature of the Government's spending plans. The Treasury envisages only a 2% increase in spending after five years. That was already planned pre-pandemic and does not really capture the potential legacy costs of covid for our public services. The UK Government are planning further cuts of £3 billion to departmental budgets on top of the £12 billion cuts announced in November. The OBR describes the Government's ability to meet those cuts while dealing with the pandemic as "a significant source of uncertainty".

I cannot stress enough how much I feel that the Chancellor cutting his way out of the crisis is the wrong way to go. The Chancellor said that once we are on the way to recovery we will need to begin fixing the public finances, but I object to that characterisation of the issue. Public finances are not something that get broken and need to be fixed; they should meet the needs of our population, not the other way around.

All countries around the world have stretched every sinew to save lives in this pandemic. As we see from the US and our European neighbours, the Chancellor ought to use the powers that he has open to him to stimulate growth and provide an investment-led recovery. The Scottish Government have outlined an ambitious five-year infrastructure plan with a particular focus on affordable housing. They are managing to do that even with a 5% cut to their capital budget. The Chancellor had an opportunity to reverse that and refused to do so yesterday. We have called on the Chancellor to provide a £98 billion fiscal stimulus to kickstart this investment-led recovery, with investment focused on creating jobs, boosting incomes and a green recovery. Instead, it looks like the Tories are returning to form and pursuing a contractionary policy against all better judgment. That approach did not help us to recover quickly from the 2008 recession and it certainly will not help us now. The risks of a long-term return to austerity are clear: we face stagnant productivity and years of lost growth. Public services have been cut to the bone. There is no doubt that without the previous 10 years of austerity our public services would have been in a much better position to deal with the impact of the pandemic.

The OBR's analysis of the Budget explicitly cites "higher rates of infection, hospitalisations, and deaths" in the UK as a driver of economy inactivity. Its figures are stark. The UK's GDP fell 9.9%, the worst in the G7. One in five UK residents contracted coronavirus. One in 150 were hospitalised. One in 550 died—the fourth-highest mortality rate in the world. Under this Government, the pandemic has hit the UK's economy harder than other major economies and yet the Chancellor continues to underfund our precious NHS, which is expected to return to its pre-covid spending plans after March 2022.

We in the SNP are calling for the Chancellor to look to Scotland for inspiration. The Chancellor should match the Scottish Government's £500 thank you payments to the NHS. He should prioritise a pay rise for health and care staff, and increase NHS funding to Scottish

levels per head, which would deliver an extra £35 billion for the NHS in England and an extra £4 billion for NHS Scotland in Barnett consequentials. We need to shockproof our NHS for the future and make sure that those who have served on the frontline of this pandemic know how much we value their contribution.

Throughout the pandemic, the voluntary sector has been instrumental in ensuring our communities are resilient enough to weather the many emerging challenges, including food security, tackling rough sleeping, combating loneliness, improving digital connectivity or finding safe places for those experiencing domestic abuse. Increasing gift aid temporarily from 20% to 25%, making it easier to claim for small donations, would be a real boost to the sector. I ask the Government to consider that for the upcoming Finance Bill.

A choice has been made in this Budget not to place the burden of the debt on those who can afford it the most. The Treasury said that this is not the time for new fiscal rules, but instead announced the intention to start a consultation at the end of the month. They have kicked the can further down the road. I think the Chancellor has done that for two reasons. First, by doing it outside the Budget process he will avoid the fiscal analysis and proper scrutiny a Budget would face. Secondly, he is giving high earners enough time to shift savings into ISAs or other tax-free schemes. We are already seeing financial advice cropping up on how people can avoid the coming tax hikes.

The Chancellor's message of fairness rings hollow if he is only buying time to protect himself from scrutiny and to give high earners a head start to hoard their wealth. Instead, we have seen a stealth tax rise for ordinary earners. The personal allowance, after which people start to pay income tax, will rise from £12,500 to £12,570 from 6 April, but will then be frozen until 2026 rather than rising with inflation. That is a tax rise in real terms—the OBR says that it will bring 1.3 million people into the taxation system, with households that earn least the hardest hit.

I want the Chancellor to bring forward measures to tackle child poverty and boost household incomes. As page 14 of the Red Book recognises:

"The economic impact of restrictions has not been felt equally. Staff in the hardest hit, largely consumer-facing sectors, such as hospitality, are more likely to be young, female, from an ethnic minority, and lower paid."

But the UK Government have done nothing in the Budget to tackle the problem they have identified.

Conditionality in universal credit is forcing people out to work and putting their health at risk unnecessarily. The Government could establish a real—not a pretend—living wage at the real Living Wage Foundation rate. They could end no recourse to public funds, increase statutory sick pay and match the Scottish child payment throughout the UK. They could ditch the Tory public sector pay freeze and make the £20 uplift to universal credit permanent.

The Chancellor could extend support to those on legacy benefits, including many people who are disabled and carers, who have been completely forgotten by the Tories. He could scrap the benefit cap and remove the two-child limit and the pernicious rape clause, which forces so many families into poverty and increasing numbers of women into making heartbreaking choices like terminating a third pregnancy. What a cruel, wicked Government this is.

As things stand, we face a six-month cut-off date for the uplift to universal credit that will coincide with the end of furlough, the end of mortgage payment holidays and a likely peak in unemployment. The Chancellor has accepted that the uplift is a lifeline for families through the pandemic, so why does he plan to rip it away at the worst possible time? If nothing else, I expected the Chancellor to understand the importance of the social security system as a safety net that allows for a flexible labour market. If he wants people to be able to retrain and equip themselves to face a post-pandemic world, he needs to provide the support to enable that.

We are seeing the Tories shy away from redistributive policies during the worst recession that we are likely to see in our lifetimes. History is reporting itself yet again, as we in Scotland watch with horror a Tory Government that we did not vote for trying again to balance the books on the backs of those who can afford it the least.

It is often the case that the people most affected by austerity policies are women. During the pandemic, women have shouldered the disproportionate burden of caring duties and are more likely to have switched to part-time work, and they are more likely to struggle in the scramble for jobs when things start to open back up again. They are more likely to have already been impacted by the welfare reform before the pandemic began. I had hoped to see some commitment from the Chancellor on the disproportionate economic impact that women have felt over the past year, but there was not even as much as a patronising pat on the head for mums in his speech yesterday.

It is undeniable that our labour market is heavily segregated by gender, and some of the sectors that are dominated by women have been the most affected by covid restrictions. For example, the childcare sector employs mostly women and is vital for ensuring that many more women can go back to work. It has been struck by lockdown restrictions to the extent that the Institute for Fiscal Studies has questioned the sector's long-term sustainability as demand changes and unemployment increases after the furlough.

The hair and beauty industry is also a large employer of women and is heavily supported by women's money. I have met staff from salons in my constituency, as have, I am sure, many others in the House. Hundreds of jobs for women are on the line if the Government provide no support. Chopping VAT for the sector, as demanded by the Save Our Salons campaign, would be a real boost to a sector where it is feared that many will not survive this crisis.

My colleagues and I have previously asked the Treasury to look at VAT reductions for specific sectors or economic areas. We have called for and welcomed the VAT cut for hospitality and tourism, and would have preferred the 5% rate cut to last longer so that the sector could really see its benefit. That is particularly true for the music and events sector, which has not been able to sell many tickets this past year.

VAT cuts for repairs to buildings would help to end the scourge of derelict buildings in my constituency and many others, and encourage investment in our built environment rather than demolishing and rebuilding. VAT cuts could also be used to boost investment in energy efficiency measures, thereby contributing to our net zero ambitions.

The Tories long claimed that all sorts of things would be possible after Brexit, but now that we have left the EU, Budgets are coming and going with no regard to those issues. Not only have Scotland's industries suffered after Brexit, but we are not even seeing the promised targeted tax cuts, which could lead to real benefits in our economy.

I am sure I was not the only one to notice that the Budget made scant mention of Brexit, which will be of little consolation to Scotland's shellfish industries and the countless others affected by delays to exports and charges applied to imports. The OBR did not miss this, though, and says that

"we now expect the temporary near-term disruption to EU-UK goods trade to reduce GDP by 0.5 per cent in the first quarter of this year. This reflects both that exports appear to have been hit harder than imports and that the trade disruption will affect UK supply chains."

It does not rule out further disruption either, as well as a long-run loss of productivity of 4%.

The SNP has called on the Chancellor to mitigate some of the damage done by Boris's botched deal by providing a Brexit compensation package for Scotland in line with the EU's €1.5 billion for Ireland. Scotland's community stands to be battered further by some of the impacts of Brexit. We have seen the end of EU structural funding, and the threat of a shared prosperity fund controlled from Whitehall, bypassing our democratically elected Scottish Parliament. There are madcap money-spinning schemes such as the Boris bridge through the Beaufort's dyke munitions dump, rather than schemes that our communities want and need, with local jobs focused on a green and sustainable recovery.

Scotland's ambitions to grow our tax base and maintain the long-term funding for public services are massively undermined by the hostile environment for immigration. Brexit and the pandemic have conspired to stop people moving to Scotland. The Tories are actively and brutally cutting migration to satisfy their own arbitrary targets, and Scotland's economy will suffer for it. I was absolutely furious to hear the Chancellor talk about attracting in highly skilled IT professionals, as outlined on page 62 of the Red Book, because he seems to forget that there are already many people here whom the Home Secretary has tried to deport for the heinous practice of making a legitimate amendment to their tax returns. Highly qualified migrants, many of whom work in IT already and who have made their home here, have been treated abysmally by this Government. Having heard how their friends and relatives have been treated, bankrupted and made to feel like criminals, many will not want to come here. The rule 322(5) scandal is still affecting people today, including my constituents. I urge the Chancellor to listen to organisations such as the Migrants' Rights Network, and fix this injustice once and for all.

On a whole host of issues, the economic illiteracy of this UK Tory Government knows no bounds. Further polling out this morning shows that 71% of people in Scotland believe that we would fare better outwith the UK, with 53% already backing independence. We face a choice of two futures in Scotland, and I hope that soon we will have the opportunity to take matters into our own hands.

Mr Deputy Speaker (Mr Nigel Evans): The time limit is now introduced.

1.42 pm

John Redwood (Wokingham) (Con) [V]: I have declared my interests in the Register of Members' Financial Interests.

I welcome the extension of help to individuals and companies. All the time people cannot go to work or businesses cannot trade and all the time that there are pandemic regulations and social distancing that impede people going about their normal business, it is vital that the Government offer alternative income and support. I am pleased that the Government came up with a big response originally, and it is necessary to carry it on for as long as these restrictive measures remain in place.

I also welcome the fact that the OBR has decided that we will be borrowing £39 billion less in the current year than in its recent November forecast. I think that serves as a reminder or a warning to all those trying to debate the economy based on a set of figures; these are very uncertain times. It is difficult for the official forecasters to come up with accurate figures, and we should be especially suspicious of ideas based on what the deficit might be in a couple of years' time. This deficit will fall very rapidly. Assuming the great success of the vaccines continues, and assuming that we can relax and get people back to normal work and normal business within a few weeks or months, we will then see the deficit come down because so much of the deficit has been caused by the special pandemic measures.

The figures confirm that around £250 billion of extra spending in 2020-21 was the direct result of the special pandemic measures, and that there will be another large figure in the first part of 2021-22. We want to see the end of all those special expenditures—because people have better-paid jobs to go back to, businesses are trading successfully, and there is turnover and profit coming back to our small and large businesses—and so much of that expenditure was a poor substitute for being able to do the thing itself. There was of course some loss of tax revenue, and again, we would expect to see tax revenue rise quite rapidly as soon as people can trade properly again, as soon as there are more transactions in the economy, and as soon as we are making more goods and providing more services to each other, as I am sure we will.

So the Chancellor is right to say that the crucial step to getting the economy back to health, the deficit down and the numbers back into shape is to promote a recovery. He is right to want more investment in our economy. The public sector numbers show public sector investment going up, and it is very important that good projects are chosen that will have a good payback. It is very important, too, that the tax incentives are correctly honed so that we get the boost in private sector investment that we want.

The Chancellor is also right not to rush out any new fiscal rules. We will need a new set of rules in due course, however, and they must be geared to a faster growth policy and a policy about levelling up and investing in great projects around the United Kingdom. That must be linked to sensible discipline on public finances and, above all, to keeping the good control of inflation that we have had for a number of years now. It is reassuring that the OBR and the Bank of England are very confident that inflation will remain low, which gives us a bit more flexibility, but we need to watch that inflation situation.

I note that the OBR thinks the balance of payments is going to be weak for two or three years, and that provides an opportunity. In the post-Brexit world there are huge opportunities that we can exploit more easily in import substitution. Why do we not, for example, with our great green policies, plant many more trees and make sure there is much more sustainable husbandry of trees so that we replace many of the timber imports? And while we are about it, can we replace the pelleted timber coming in to produce power at Drax with home-produced sustainable timber?

We should also put in sufficient electricity capacity, because if we want an electrical revolution we will need a lot more capacity, and while we are doing that we should get rid of the imported electricity through the interconnector, which we rely on more and more for no particular reason. We used to be able to have all our own power provided in the UK with a decent margin and I suggest we return to that.

We can do a lot more on food and fish, too. I urge the relevant Ministers and Departments to promote food and fish, and also to make sure that the grant schemes and regulations that are now under our control are used to increase our capacity so that we start to substitute many of the items that are coming in.

A recovery needs more orders and more investment in capacity; it requires excitement over new products and services and the restoration of old products and services. That must be the single thing that most motivates all the relevant Ministries and Government policy, because the only way to get this very big deficit down is to have more revenue and less expenditure, and the only legitimate expenditure to cut is all the spending we have been doing as a poor substitute for a decent economy with well-paid jobs and successful businesses.

So I say, let's go for growth; let's do everything we can to promote more things being made and grown and sold within the United Kingdom. There are huge opportunities, and that will be good economics.

1.47 pm

Stephen Timms (East Ham) (Lab) [V]: I expected the right hon. Member for Wokingham (John Redwood) to complain about the fact that this was a massively tax-raising Budget. I am not sure whether, perhaps in a coded way, he was doing so, but it did reverse policies on income tax thresholds and corporation tax rates that have been central to Tory policy for 10 years.

We all understand the reason why the Chancellor made these announcements, but I must say it was unedifying to watch him yesterday hand out funding on such a brazenly party political basis. However, the real criticism of yesterday, as my hon. Friend the Member for Oxford East (Anneliese Dodds) spelled out in her opening speech today, is the absence of vision. The *Financial Times* says this morning that

"the needed long-term vision for a country facing an uncertain future is absent."

We need much better than that.

I want to focus on points of particular interest to the Select Committee on Work and Pensions. I am relieved that the £20 uplift to universal credit will not be scrapped this month. That should have been announced weeks ago; I have no doubt that the Secretary of State for Work and Pensions was doing her level best to achieve that, but it should not have been left until yesterday.

However, the uplift is going to be scrapped in September. Tax rises are being delayed until next year, because, as the Chancellor recognised, we will not have a proper recovery until then. Why then is the universal credit cut not also being deferred for 12 months, as the Select Committee recommended? A total of £20 a week is to be cut from unemployment benefit in September, just as furlough ends and unemployment reaches its peak. The House of Commons Library tells me that the only precedent for that is the 10% cut in unemployment benefit introduced by the National Government in 1931.

There is no additional support in the Budget for people claiming legacy benefits. The Government should not simply ignore the needs of all those who, because of Government policy, claim benefits relying on outdated computer systems. Disabled people, above all, have lost out. They have seen big cost rises in the pandemic—I hope the Secretary of State, having told the Committee that she had not seen evidence of that, has now seen the clear evidence—through not being able to shop around as normal, but they have had no extra help. That is unforgivable.

The previous Work and Pensions Committee welcomed the commitment in 2019 to new statistics for measuring poverty based on work by the Social Metrics Commission. That has ground to a halt. The Secretary of State said last month that she has no plans to restart it. Baroness Stroud, the Social Metrics Commission chair, told the Committee that

“we are going into Budgets and Spending Reviews and we are spending £200 billion, but we have no sense at all as to the impact on poverty.”

The Committee has commissioned me to write to the Prime Minister to ask for an assurance that the Government remain committed to this work, and, if they are, for a timetable to restart it.

The DWP is investigating historic underpayments of the state pension to some married women, to widows and to people over 80, which were first highlighted by the former Pensions Minister Steve Webb. The OBR Economic and fiscal outlook report says that

“it will cost around £3 billion over the six years to 2025-26 to address these underpayments, with costs peaking at £0.7 billion”

in the coming financial year. Those are eye-watering numbers, which we look forward to hearing more about.

The Chancellor announced yesterday, as the hon. Member for Glasgow Central (Alison Thewliss) rightly reminded us, a new highly skilled migrants scheme. For that to work, problems faced by existing highly skilled migrants need to be addressed. Many have been left high and dry in the pandemic by the “no recourse to public funds” condition, as research published today by the Joint Council for the Welfare of Immigrants points out. As the hon. Lady correctly said, large numbers have been refused visa renewal on spurious grounds of historical tax discrepancies, long since corrected and sorted out. A new scheme will require a welcoming, not a hostile, environment, and that will require a major change at the Home Office.

I welcome bringing forward to April the increase in the period over which universal credit advances will be recovered to 24 months, and the reduction, as the Secretary mentioned, of the maximum rate of deductions to 25% of the standard allowance. The Committee had recommended that that should be done “no later than

April”, so I particularly welcome that. We also called for the cap on deductions to be reduced further, to 10%. The minimum income floor for self-employed people claiming universal credit will be suspended for a further three months until the end of July. Where is the evaluation of the minimum income floor first announced in 2018? The Red Book announced investment to tackle “welfare fraud and error.” Fraud and error is at the highest level ever recorded for a DWP benefit with universal credit. It will be very interesting for the Committee to see exactly how that new investment will be spent.

1.54 pm

Simon Jupp (East Devon) (Con) [V]: Much has been said in the press about a perception that this Budget would be focused on the north. It may make a predetermined headline work, but it does not reflect the package of measures that will help every corner of our country, including my home county of Devon.

I joined a conference call with local hoteliers in East Devon last night, hosted by the excellent Sidmouth Town Council. The extension of the furlough scheme will help keep staff on the books as the hospitality industry reopens its doors in May with restrictions still in place. Much praise was heaped on the new restart grants, providing up to £18,000 to hospitality businesses. That will give hotels, pubs and restaurants across East Devon a welcome boost before the tourism season kicks in.

When they fling open their doors, the support continues with a suitably Conservative flavour by keeping taxes low to help businesses thrive. The extension of the VAT cut to 5% for hospitality, accommodation and attractions is something I have been calling for over several months, alongside further business rates relief. Both those measures are game changers for an industry hit really hard by the pandemic. I am glad that my calls to extend that support were heard and delivered in this Budget. East Devon’s economy is heavily reliant on hospitality, and the feedback from the industry is positive. I look forward to visiting many businesses across the constituency as they reopen.

While the support for the hospitality industry is nationwide, it will particularly benefit Devon, and the whole county will reap the benefits of several other announcements too. I fought hard to secure support for regional airports after the huge loss of Flybe and the impact of the pandemic. Only one flight landed at Exeter airport in my constituency today, which is not a huge surprise in the circumstances, but the past year has been a bitter blow to the aviation industry. The airport support scheme that I campaigned for will be extended for six months, as work continues on the long-awaited aviation recovery plan. It will take the aviation sector longer than most to recover from the crisis, and taxes, including air passenger duty, need urgent reform to help the industry back on its feet.

On the ground, more than £40 million of funding was included in the Budget to reinstate passenger services on the Exeter to Okehampton railway line. That will encourage more sustainable journeys across Devon and improve connectivity across the county and the city of Exeter, which I am proud to represent.

Another warmly welcomed announcement for Devon was a freeport, which will help to create thousands of jobs across our county. Businesses in Devon will benefit from more generous tax relief, simplified customs procedures

[Simon Jupp]

and wider Government support, bringing investment, trade and jobs, which will help regenerate our county and our region. Meanwhile, the new future fund presents opportunities for businesses across Devon, including some based at the Exeter science park in my constituency. This £375 million fund will invest in highly innovative companies working in life sciences, quantum computing or clean technology.

The “rabbit out of a hat” Budget bonus was undoubtedly the new super deduction, which will cut companies’ tax bills by 25p for every £1 they invest in new equipment. To put that into perspective, it is worth around £25 billion to UK companies and will kickstart an investment-led recovery—exactly what our country needs.

It is not just our economy that will benefit from this Budget. Devon is home to many veterans, and I am proud to have the Royal Marines commando training centre in Lymestone. Those who risk their lives to protect our nation deserve our support. I was really pleased to see an extra £10 million invested in the Armed Forces Covenant Fund Trust, which will deliver projects to support veterans’ mental health.

There is continued extra support for the lowest paid and most vulnerable on universal credit, and the national living wage will rise again in April. We are also helping people back into work with our plan for jobs. Some 140,000 kickstart job placements have been approved in the first six months of the scheme, with many of those in Devon. Whether it is support for sectors hit hard by the pandemic or investment and new opportunities across my home county, this Budget delivers for Devon and our whole nation in exceptionally difficult circumstances.

1.58 pm

Mary Glindon (North Tyneside) (Lab) [V]: I speak today as a Member of Parliament representing an area of the country that the Chancellor seems to have forgotten exists. It is not just my constituency that he has forgotten about, or, even worse, chosen to ignore; it is Wearside and Northumberland too. I was particularly anxious, listening to the Chancellor speak yesterday, because I knew that he was going to make an important announcement. The announcement I was hoping for would create over 30,000 new jobs across Tyneside, Northumberland and Wearside and provide a further 31,000 jobs in construction. It would realise £2.7 billion in new regional private sector investment and £2.1 billion in additional UK exports over 10 years. It would drive innovation, boost trade and support our world-leading clean energy, advanced manufacturing and automotive clusters. It would mean that our part of the north-east could achieve its full economic potential through investment, trade and jobs.

As it turns out, it was the final announcement that the Chancellor made in his Budget—the announcement of eight new freeports. I hoped to hear that there would be a north-east of England freeport, but my hopes were dashed. I do congratulate the eight new freeports that the Chancellor listed, particularly the one on Teesside, which has fared very well in the Chancellor’s Budget. Like all areas of the north-east region, Teesside has seen many of its industries disappear and its people have suffered economic and social hardship over many years.

Although the establishment of freeports is somewhat controversial, like many of my north-east colleagues, I knew that the bid submitted for the north-east of England freeport was one that we could commit to supporting as Labour MPs and as a cross-party group. The bid was submitted by a business and public sector partnership that included the seven local and two combined authorities, the north-east local enterprise partnership, the universities, Nissan and the ports of Sunderland and Tyne. I firmly believe that it more than met the Government’s vision for the new freeports.

As if it was not enough to reject that bid, the Chancellor added insult to injury, as he also forgot about our part of the north-east when it came to his announcement on support for the offshore wind industry. It is good to see that Teesside again, and Humberside will get funding, but what about the Tyne? Our Labour council, under the leadership of our Labour elected Mayor, Norma Redfearn, has continuously worked to regenerate our coast and our towns as well as our riverside, with considerable success. Five years ago, the council worked hard to help bring to the Tyne, Smulders’ new facility for the production and assembly of foundations for the offshore wind farm. At its peak, it employed more than 400 highly skilled workers, and the company’s only ask of the Government now is that they help to create a level playing field in that very competitive market.

What news has the Chancellor for our other offshore industries on the Tyne, such as Shepherd Offshore, which at the start of the year bought the former Swan Hunter site to expand its offshore wind business? That is a good news story, when so many of our local businesses have taken a battering during the pandemic and lockdowns.

The Chancellor said:

“Our future...demands a different economic geography.”—[*Official Report*, 3 March 2021; Vol. 690, c. 260.]

It is clear from his Budget statement that anywhere north of the Tees does not figure in that new economic geography. He may have erased our area from his economic plans, but (*Inaudible*) I and my north-east parliamentary colleagues will be fighting hard for our corner of the United Kingdom, to get it firmly on that new economic map.

2.3 pm

Sir Christopher Chope (Christchurch) (Con): It is a privilege to be able to participate in this debate on the Budget, which is in a sense rather like an economic Olympics because so many records have been broken. The tax burden in 2025-26 will be 35% of GDP—the highest in over 50 years. The public sector net debt will reach 109.7% of GDP in 2023-24, which will be the highest in 60 years, and we know that the deficit in the current year, at 16.9% of GDP, is the highest in 75 years. As Allister Heath in *The Daily Telegraph* has reminded us today, it is the first time that there has been an increase in corporation tax since Denis Healey’s “pips squeak” Budget of 1974—47 years ago.

Let us also not forget that the proposed increase from 19 pence in the pound to 25 pence in the pound is an increase of more than 30% in corporation tax. The fact that 65 out of every 100 people questioned like the increase in corporation tax illustrates the extent of the economic illiteracy that sadly abounds. If that is really what the public want, the right hon. Member for

Islington North (Jeremy Corbyn) would have won the general election with a landslide with his promise of an even larger corporation tax rate of 26 pence in the pound.

The Office for Budget Responsibility believes that the consequence of the changes in corporation tax will be an increase in the cost of capital and reduced business investments, and that that will, in turn, lead to lower productivity and lower wages. The question that I hope the Minister will answer later is why the Chancellor did not listen to people such as Sir Paul Marshall, an extraordinarily successful wealth creator, who sits on the Government's Industrial Strategy Council. He has argued for a post-Brexit corporation tax strategy that is globally competitive and attracts inward investment. He calls it an aspiration to create a "Dublin-on-Thames".

That is a reference to the success of Ireland, with its headline corporation tax rate of just 12.5%. Apple, Boston Scientific, Dell, Facebook, Ingersoll Rand, Merck, Oracle and Pfizer are all international companies that have put their headquarters in Ireland or that book their revenues through that country because of the Irish policy of attracting inward investment by having very low levels of corporation tax. Arthur Laffer popularised supply-side economics by drawing diagrams on napkins, one of which I have at home. The Laffer curve suggests that that works. When we had corporation tax at 28% in 2010, it delivered a yield of £43 billion, but when it was reduced to 20% in 2018-19, that yield had risen to as high as £57 billion. That is the supply-side effect—the Laffer curve—operating effectively.

This morning, the Chancellor of the Exchequer was challenged on the radio about why he believes that the dynamic effect of lower taxes no longer applies. I have to say, the Chancellor equivocated in his answers. He said that higher yields from lower taxes are more likely due to cyclical effects. He also said that there had not been the step change in capital investment due to lower corporation tax over the last three years, but he omitted to make any reference to the uncertainty over Brexit.

The Government say that they have to ask the taxpayer to pay to repair the damage caused by the economic car crash of the pandemic, but as everyone ought to know, those seeking compensation for such crashes have a duty to mitigate their loss. My concern is that the Government are not mitigating their loss. Why should taxpayers pick up the cost of accommodating, as the Chancellor put it, the "most cautious approach" to restoring social and economic freedom? UK Hospitality estimates that the costs of not reopening to hospitality on 1 April is £9 billion, and that does not include such things as weddings and so on.

My concern, which I hope will be addressed in the Minister's response to the debate, is this. Allister Heath in *The Daily Telegraph* today said:

"This was an avoidably bad Budget that will haunt the Tories for years to come."

The key word is "avoidably". One way in which we could have avoided this Budget would have been to create the end of the public health emergency and, as a result, restore economic and social freedom. The public health emergency is officially open, but it does not seem to have been recognised yet by the Treasury.

2.9 pm

Clive Lewis (Norwich South) (Lab) [V]: As we know, the context of the Budget yesterday was a debilitating global pandemic. It was also the last Budget before the UK hosts the COP26 climate conference. It was therefore arguably the most critical Budget since the second world war. I say "critical" because my friends, my family and my community matter to me, and having a viable future for them and myself matters to me. I saw so many of them struggling before the pandemic because of this Government, and now even more are struggling because of this Government.

What the people of this country needed from the Chancellor's Budget yesterday was so much more than simply a reaction to the crisis at hand. What the people of this country needed was a strategy that would support all people and businesses struggling amid the pandemic, tackle the rising epidemic of inequality and debt, initiate a massive programme of decarbonisation, invest in local authorities and public services—the backbone of the successful part of the pandemic response—and rebuild our town and city centres as the vibrant hubs of sustainable communities and community activity. By those measures, the Chancellor's Budget has failed on every single metric.

What I have seen in the pandemic is the best of the British people and the worst of this Conservative Government. In my constituency of Norwich South, I have seen care and compassion in the face of adversity, and I have seen the power of collective action in public services such as our NHS and schools, which stepped up to carry this country through extreme circumstances. In this Conservative Government, I have seen corruption and cronyism as well as indifference to growing inequality and climate change. That is ingrained in the detail of this Budget, which is going to punish the public and our public services, instead of taking the transformative action needed to support the livelihoods of all people and businesses, not just today but for generations to come.

What we needed from the Budget was a massive green economic stimulus on the scale of that in the United States, if not larger. We did not get it. Instead, we got the decision to freeze fossil fuel duty. What we needed was investment in the very public services that have seen us through this pandemic, such as our NHS, which is delivering a world-leading vaccine roll-out, and our schools, which have set up virtual learning under extreme pressure and with their resources cut to the bone. We did not get it. Instead, the Chancellor buried a £30 billion cut to the health and social care budget while local authorities such as Norwich face a collective £10 billion black hole that will mean yet more cuts to vital jobs and services. What we needed was a remedy to the crisis in our privatised and failing social care system. We did not get it. Instead, we got platitudes about needing a cross-party consensus.

The Conservatives have had 10 years to sort this out. We got nothing on our broken social security system, and nothing on statutory sick pay so low that it has helped to fuel this pandemic. A nothing Budget from a nothing Government with nothing of worth to say about the future of this country. As my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) said in his Budget response:

[Clive Lewis]

“That is not levelling up; it is giving up.”—[*Official Report*, 3 March 2021; Vol. 690, c. 265.]

The Chancellor said he would do “whatever it takes”, so why did he do nothing for those in rent arrears and nothing to deal with the inequality and the 4 million children living in poverty? He paid only lip service to tackling mass youth unemployment. He told the people of this country he was being honest with them, so why did he choose to hide billions of pounds of cuts to our frontline NHS services?

We came into this pandemic with an economy akin to a dilapidated house built on collapsing foundations. Ten years of Conservative austerity have delivered the UK’s worst decade for improvements in living standards in 200 years, and now our house has been hit by an earthquake and turned to rubble with 130,000 dead because the Government failed to invest in resilient foundations. So why on earth does the Chancellor now want to rebuild the same rubbish house on the same shaky foundations? If he wanted to protect the livelihoods of people and businesses in this country and in my city of Norwich, he could and should have made different choices yesterday. It is far better to invest in new design with stronger foundations.

The Chancellor must listen to the public consensus forming on the back of the pandemic, provide support for a universal basic income and universal services and prioritise our health and wellbeing over GDP, with direct intervention to make society fairer. He could have taken the public’s lead yesterday. He could have forgiven the debts of people in rent arrears and students burdened by high interest rates. We got none of that yesterday. Now 130,000 people are dead and the UK has the highest per capita death rate from covid-19 in the world.

This Budget will entrench inequality and it failed to tackle the climate crisis. It will be the job of those of us on this side of the House to remind the public in the years to come that these were the choices of this Government and this Chancellor.

Madam Deputy Speaker (Dame Rosie Winterton): I am very keen to ensure that we get everybody in, so after the next speaker I will reduce the time limit to four minutes.

2.14 pm

Harriett Baldwin (West Worcestershire) (Con): Unlike the hon. Member for Norwich South (Clive Lewis), I think that this was a Budget that put in place the genesis of a strong recovery. It is one that supports people and businesses through the pandemic, and puts the economy in the best possible position to bounce back strongly in the second half of this year. Every vaccination is boosting the chances of a vigorous recovery with strong job creation. I put on record my thanks to everyone who is helping with the blistering pace of vaccination roll-out across the country, and say, “Please, when you’re offered your vaccination, have one right away.”

The Chancellor’s Budget also began the process of repairing our public finances. The Treasury Committee report, which we put out this week, on tax after coronavirus stated that the public finances are on an unsustainable path and even a strong recovery may not be enough to bring current spending back into balance. Every expert

we heard from some said that the economy still needs both loose monetary and fiscal policy now, but it is right that the Budget put in place fiscal tightening that comes down the road. It is not right away, but it needs to be there for the year after next.

There are some really innovative measures in the Budget. The super deduction on capital investment is a huge signal to business and should shift the long-standing under-investment by businesses in our economy. The future fund breakthrough will tackle another challenge: the difficulty that small businesses find scaling up capital to go from being a small business to being a big, high-growth businesses. The Help to Grow initiative offers business education, and will help the long-standing challenge in our country of low productivity in the small business sector. The Budget gives the great entrepreneurs and business owners in this country the very best chance to rebound from the lockdown.

We all know that economic forecasts are bound to be wrong, and I hope that the OBR’s forecasts will prove to be far too pessimistic; however, I was also struck by one of the Chancellor’s phrases about the sensitivity of the UK Government debt to interest rates. He said that a 1% increase in rates would add £25 billion to current spending because of the size of the debt. That is a truly startling statistic. It reminded me of a phrase from James Carville, the US political strategist of the 1990s, who said that, when he died, he wanted

“to come back as the bond market”

because it intimidates everyone.

Rates are low today because the Bank of England is buying £895 billion through quantitative easing. The Bank of England is doing that because of the deflationary shock in the economy, but that could change. The Bank is independent. It is possible that the economic rebound leads it to conclude that current rates are too low to keep inflation under control. I am a fiscal conservative above all. A budget deficit is simply a tax increase or a spending cut that we are not prepared to do today, but are prepared to pass on to another generation.

I know I sound a bit like Cassandra, but I worry about the bond market and that it might decide to reprice. I am probably one of the few MPs in this House who traded bonds during the markets of 1994. I assure Members that yields can rise very fast, which is why personally I would have preferred to see a lower budget deficit next year—not the 10% planned and the £234 billion deficit budgeted for. There are measures that could have been implemented, such as freezing income tax allowances immediately, reactivating the fair fuel stabiliser, widening the sugar tax to tackle obesity, adding a small surcharge on online deliveries, and raising the cost of carbon.

All those things would have been practical, and I think we could have brought the public with us. Given the unpredictable character of the bond market, it could have been a prudent decision. It would also have meant that the big cut to the UK aid budget would not be needed. As the Chancellor knows, I personally am ashamed that we are breaking our manifesto pledge to the world’s poorest. I would be interested to hear from the Minister when the vote on this measure is likely to come before the House because, as things stand and given that we have 0.7% in statute, the Government are currently planning to break the law next year, and I am sure they will want to rectify that before long and test the opinion of the House.

I am confident that this Budget puts in place the best conditions for a strong recovery for jobs and the livelihoods of the British people. I add that note of warning that we should not be bouncing back on the backs of the world's very poorest. As a former bond vigilante myself, I add that further message of caution that the Chancellor may need to take some further tax measures next year if the growth rebound alone is not bringing the current budget deficit down fast enough.

2.20 pm

Allan Dorans (Ayr, Carrick and Cumnock) (SNP) [V]: The Chancellor's Budget is one of missed opportunities. In his speech yesterday, he made no mention of increases for public sector workers who have made such sacrifices and paid such heavy costs to protect us all in this time of crisis. The Chancellor also missed the opportunity to recognise and reward those on the frontline of the pandemic who have given so much. I am referring to the NHS staff and emergency or blue light services who have kept us safe.

I will illustrate the dangers and difficulties with just one example from the police service, but similar examples can be found across the NHS and all of the emergency services. At the peak of the pandemic, one in three police officers in England and Wales reported that they had been threatened by someone they believed had covid who said they would breathe or cough on them. Almost a quarter reported that a member of the public had attempted to do so. The very least that the Chancellor could have done, even as a token gesture on behalf of the public, was to recognise their dedication, professionalism and courage by matching the Scottish Government payment of £500 to NHS workers and extending it to include all emergency workers.

While I welcome the new measures of support for up to 600,000 self-employed people, the Chancellor missed the opportunity to include the 2.4 million people who have been and continue to be excluded from any Government support. I also welcome the provision of £40 million for the care and support of those affected by thalidomide, but the Chancellor missed the opportunity to support families affected by the less well known, but equally damaging drug Primodos, which over a number of decades has caused a range of devastating birth defects in thousands of children, leaving them with serious deformities and disabilities, including missing limbs, cleft palates, brain damage and damage to internal organs. At this point, I take a moment to pay tribute to Mrs Marie Lyon, who has worked tirelessly and led the campaign for justice for those tragically affected by Primodos for more than 40 years.

The Chancellor also missed the opportunity to significantly reduce poverty among older women and to right a significant Government injustice with the plight of the 3.8 million WASPI women—Women Against State Pension Inequality—including 6,800 in my constituency of Ayr, Carrick and Cumnock. They have seen a loss of up to six years of their state pension entitlement without proper notice or time to make alternative arrangements.

On behalf of those women, I ask the Chancellor to consider two issues that would at least help some of those affected by this state-inflicted injustice. The Chancellor should give WASPI women early access to pension credit and give those due to reach state pension age this

year early access to their pensions. That would not by any means resolve the issue, but would go some way to redressing the cruel injustice suffered by these women.

In conclusion, the Chancellor has the option to review these missed opportunities and transform them into positive outcomes that recognise the contribution of the NHS and the emergency services during the pandemic and address the lack of support for significant sections of our communities, and I urge him to do so.

2.24 pm

Yvonne Fovargue (Makerfield) (Lab) [V]: As chair of the all-party parliamentary group on debt and personal finance, I welcome many of the measures to alleviate people's income problems during this time. However, the question remains: what happens when the support ends and millions of people potentially face a cliff edge?

Although some people have been able to increase their savings and have paid off debt, poorer households always suffer disproportionately during hard times, and the pandemic has widened that gap. People on lower incomes pay more for essential products—including energy, credit and insurance, to name just three—and are also likely to pay more to access their cash. I will return to that shortly.

I welcome the retention of the £20 weekly uplift to universal credit, but I believe it should be made permanent and extended to legacy benefit payments. The pandemic has raised awareness of the relatively low level of benefits, and it is not just charities and faith groups that believe that the amount should be increased; it is also the general public. There are other issues, including the five-week wait, the two-child limit and the benefit cap, and I also urge that loans be converted to grants, because paying back from an already low income causes great hardship.

The level of the self-isolation payment of statutory sick pay has also caused problems. Many people are unable to afford to self-isolate in order to limit the spread of the coronavirus. They want to do the right thing, but they have to balance that with the cost to their family, and that can prove to be an impossible decision.

I am pleased that the Chancellor has brought in and is going to pilot the no-interest loan scheme. I will follow it with great interest and I hope that it will be implemented as soon as possible. However, there are many people who will have little or no chance of paying any loan in the medium or long term and who are already deeply in a spiral of debt. More research should be done on the effects of this on individuals and families, and on ways in which they could be helped, which may include debt write-offs. These are unprecedented times and we will need unprecedented solutions.

I also believe that private renters have been disproportionately hit. They need a targeted financial package to help them pay off arrears built up during the first lockdown. It would help people stay in their homes and keep away the human and financial cost that evictions would bring.

In his last Budget statement, the Chancellor promised to protect access to cash by introducing legislation. We now hear that he believes that the matter is best dealt with by the Financial Conduct Authority. If I may mix my metaphors, he is both washing his hands of it and kicking it into the long grass. A considerable minority

[Yvonne Fovargue]

of the public prefer to use cash. It is impossible for them to overspend if they use just the money in their purse. On Monday, we learned that half of Britain's cash machines could close unless banks are forced to support them. The Chancellor must step in and show the Government's commitment to cash by forcing the banks to pledge to a five-year deal to allow the Post Office to invest in its banking service and to allow Link to manage its national network.

The pandemic was like an earthquake, disrupting the finances of millions of people. What we now have to do is ensure that it is not followed by a tsunami of debt that will engulf the most vulnerable.

2.28 pm

Mark Fletcher (Bolsover) (Con): I think yesterday's hugely important Budget has been warmly welcomed across the country. Many dozens of constituents have already written to me in support of the measures outlined yesterday. Of course, the difficult backdrop that we have faced over the past year sets the tone. This once-in-a-lifetime event has been incredibly difficult, but with last week's road map and yesterday's Budget, underpinned by our world-leading vaccine programme, it is clear that we have a plan to get out of this very difficult situation. We are walking towards normality, but rightly maintaining a cautious eye for obstacles.

Yesterday, we provided certainty for 11,500 of my constituents in Bolsover who are on the furlough scheme, and 2,500 self-employed people know that they will continue to get support as the economy opens up. Crucially—this is incredibly welcome—that has been extended to those people who are newly self-employed. They have struggled so much and I have spoken to so many of them. Individuals were supported by the freeze in fuel duty, which will help massively with the cost of living; there was help for people who want to get on the housing market; and, of course, I warmly welcome the temporary universal credit uplift continuing until we are out of the woods.

More than 600 businesses in my constituency have benefited from the various grants administered on the Government's behalf by Bolsover District Council and North East Derbyshire District Council. May I take a moment to pay tribute to all the staff at both those councils, who have helped many businesses and helped to roll out these schemes incredibly quickly and efficiently? I have spoken to these staff on a continued basis and found them nothing but helpful.

For the most impacted sectors and those that have struggled so much to trade in the past few months, be they in hospitality, personal care or non-essential retail, there were so many wonderful things in yesterday's Budget, from the restart grants through to the extension of the VAT cut, business rates holidays extensions and the new recovery loans. For pubs, and probably every single Member of Parliament and person in the country, the freeze in alcohol duty is incredibly warmly welcome—I think we all want to get back to the pub.

The heart and soul of our communities are our entrepreneurs, who put everything into their business and have had such a stressful year. I think in particular of Nikki Clifford, who runs a beauty business in Clowne,

in my constituency, and of how she has struggled over the past year and done everything by the book. Yesterday showed that we have got their backs. We are talking about £400 billion of support overall—an unprecedented backing to deal with an unprecedented situation.

Yesterday's Budget was also, however, about restructuring our economy, laying the groundwork for a higher-skilled, more innovative and greener economy. I massively welcome the super deduction, which will give a turbo-charge to business investment across the country and lead us to a greener future. Locally, we had the great news of the Clay Cross towns deal, which will help many of my constituents, but the biggest and best announcement was on the East Midlands freeport, which is a game changer for our region. That major economic project will create 60,000 direct jobs and new industries, and give a massive shot in the arm for the supply chain and for firms across the region, including in Bolsover. It is a triumph of working together, involving MPs, council leaders, the local enterprise partnership and various private companies. In my final few moments, let me pay tribute to Elizabeth Fagan at D2N2 and Barry Lewis, the leader of Derbyshire County Council for their invaluable leadership on this scheme.

2.32 pm

Fabian Hamilton (Leeds North East) (Lab) [V]: I would like to begin my remarks by welcoming the Chancellor's announcement that the national infrastructure bank will be based in Leeds. Although that is good news for the Leeds economy, and for jobs in the city and its region, the Government really need to provide clarity on how they will ensure that the bank cannot be used to fund highly polluting projects and that it will fund only renewable-energy based infrastructure that will boost green jobs and ensure it directly addresses the imbalances between the north and the south in that sector. Sadly, yet again, there was no new investment for green recoveries in key industries, including automotive, aerospace and steel. After the mishandling of the pandemic and the economic disaster that accompanied it, a £30 billion green economic recovery fund is now vital in order to create at least 400,000 secure jobs in clean industries.

It is also disappointing that the green homes grant did not feature in the Chancellor's remarks yesterday. With more than two thirds of homeowners said to be interested in the grant, the Government have squandered the chance to send a message to the world that we are a leading force in the battle against climate change. If they were serious about global Britain, they would start by throwing their weight behind initiatives that lower people's bills and save the planet at the same time. We have an unprecedented opportunity in this country for a post-covid green revolution, which could generate thousands of jobs across the whole of the United Kingdom, but, once again, this Government have offered more of the same short-term fixes; it is business as usual and it is simply not good enough.

While it is most welcome that the furlough scheme is to be extended, we should not have had to wait for Budget day to give businesses the certainty that they needed months ago. Our bars, pubs and restaurants are particularly dependent on the furlough scheme, and to leave them in this kind of purgatory is unacceptable, as people's livelihoods are on the line.

Before the pandemic, the night-time economy was the UK's fifth largest sector. It contributed £66 billion per annum to the economy, equalling 6% of the UK total, and provided 1.3 million jobs alongside a vast supply chain and a number of creative freelancers, sole traders and skilled workers. With no meaningful expansion to eligibility to access the culture recovery fund, and no action on spiralling commercial rent arrears, businesses have made it clear that the loan solutions outlined by the Chancellor simply will not save those hospitality businesses that are already overburdened with debt.

Sadly, many jobs in our hospitality sector will have been lost already, but it is not too late to act. I urge the Chancellor to listen to the needs of the businesses that are the beating heart of the Leeds economy, as well as so many other large cities' economies.

Following the last decade of cuts to our public services and a crippling lack of investment, the very foundations of our economy have been weakened. Yet again, this Budget does nothing to resolve the concerns of those working in two or even three jobs just to make ends meet, and it does nothing to solve the housing crisis. The pandemic has shown us what happens when we do not properly fund our NHS. We simply cannot afford to make the same mistakes again, whether in social care or housing, or on the climate emergency.

How can we trust this Government on the economy? They spent £22 billion on a test and trace system that did not work for months, £2 billion on outsourced contracts that did not deliver, and £7,000 a day on management consultants. After the past year, the NHS and social care should have been at the very heart of the Budget. There are no plans for jobs, no plans to tackle the climate emergency and no plans for the future. The people of our country have sacrificed so much over the last year. They deserve far better than this wretched Government.

2.36 pm

Jo Gideon (Stoke-on-Trent Central) (Con) [V]: This Budget provides the right balance, reflecting both the need to continue to protect those struggling the most and the recognition that, with the phenomenal success of our vaccination programme, the Government are right to focus on building back better, stronger, fairer and greener.

In Stoke-on-Trent, we have high hopes for the coming year, and last Friday we launched our city prospectus, "Powering up Stoke-on-Trent". The Potteries has a proud heritage of pots and pits, and a bright future of advanced manufacturing, digital and creative industries, tourism and many other industries that are drawn to our geographical location and agile workforce. However, we cannot ignore the health inequalities that are a challenge to living productive lives and to productivity at work. Our residents have the lowest average life expectancy and poorest health in the region. Stoke-on-Trent is the national litmus test for the Government's levelling-up agenda, and we believe that new opportunities should be available to all in our community.

Between February and November last year, the number of people on universal credit doubled, so the £20 uplift has been a lifeline for many, and I am glad that the Chancellor has recognised the need to keep it on for the next six months while investing in the comprehensive plan for jobs. Yet the Opposition are still talking about

replacing universal credit, a crisis-tested system that is working well, which suggests that the leader of the Labour party is not so very different from the last one—ideology first; what works later. I will always support pro-work benefits and the widest range of measures to address the urgent and immediate challenges during these difficult times.

As brownfield sites across my constituency are repurposed for modern housing and new employment opportunities, confidence and aspiration grow in our local communities. I welcome the Treasury and the Department for Work and Pensions providing essential pathways out of unemployment and poverty, with both universal credit and the implementation of the Chancellor's plan for jobs.

In addition to the kickstart scheme and extra work coaches, I welcome the additional investment in apprenticeships and traineeships, the new restart grant scheme, and the lifelong skills guarantee, which will ensure more opportunities for new and higher paid jobs, while the Help to Grow scheme will give small businesses the tools to flourish and create more jobs.

I thank the Chancellor for listening to my plea for support for capacity building in Stoke-on-Trent, with the allocation of £150,000 to help us develop bids for the levelling-up fund. I look forward to this fund unlocking major regeneration proposals in our prospectus, such as the East-West site in the city centre, which provides a mixed-use development including residential, leisure, an arena and a conference centre, as well as a possible tram service connecting the city centre. Our designation as a priority place for the community renewal fund recognises our city's desire to grow our social infrastructure and empower our community to take ownership of unused or at-risk community assets.

Stoke-on-Trent is a city that is powering up. Before the pandemic hit, our city was on the up, and the pandemic has not stopped our ambitions. This Budget will create the right levels of confidence and the economic recovery that we all wish to see and encourage investment in our cities and regions. Stoke-on-Trent is a bellwether city for the success of levelling up, and my message today is: we are open for business.

2.40 pm

Peter Dowd (Bootle) (Lab) [V]: Yesterday I was fortunate enough to have my first dose of the Oxford vaccine. I had it in a pharmacy that is just yards away from the house where I lived as a child. Davey's Chemist, one of a number in Merseyside owned by Mary Davey, is at the heart of the community. In fact, I managed to have a quick chat with her after my jab because she happened to be in the pharmacy. The vaccination centre is being run efficiently, effectively, professionally and personably. How she and her staff managed to set it up so quickly and smoothly, I really do not know, but they did. It took hard work, effort, commitment and dedication, and I was impressed but not surprised, because pharmacies get on with it. They were asked to do a job. They said yes and delivered, and despite the stresses and strains on the pharmacy sector, they deliver time after time. So I was disappointed to find that there was not, as far as I can tell, anything in the Budget statement that in any way sent a message of support to the pharmacy sector, let alone any practical or financial support for it. A key sector in the fight against covid through the vaccination

[Peter Dowd]

programme has been cut adrift, yet the Government still ask a sector that is under strain to pull out all the stops.

As a member of the all-party parliamentary pharmacy group, chaired by the hon. Member for Thurrock (Jackie Doyle-Price), I want to highlight some of the concerns and recommendations identified in the APPG's report of December 2020 and the themes brought out in it that are affecting the sector. First, the Government should review the response from pharmacies during the pandemic and re-evaluate a clear vision of what we need from these undervalued frontline healthcare workers.

Secondly, the NHS and Government should enable pharmacists to do more by giving this vital sector additional resources for training and support. Thirdly, a reassessment by finance teams in the Department of Health and Social Care and the NHS of the value of pharmacies would be welcome. Fourthly, the Government should write off the advance payments as an immediate way of providing relief. In addition, they should re-evaluate the financial implications of asking pharmacies to pay back the—

Madam Deputy Speaker (Dame Rosie Winterton): I am sorry, but we seem to have lost Peter Dowd, so we will go to Gagan Mohindra.

2.43 pm

Mr Gagan Mohindra (South West Hertfordshire) (Con) [V]: The Treasury team's ability to be dynamic in a quickly changing environment has saved many people up and down the country, including in my constituency, from financial ruin and job loss. The previously predicted job losses have not materialised, and credit must partly lie with the Government's unprecedented support. The covid debt burden of £407 billion, with the largest borrowing levels outside wartime, is significant. I would argue that we are fighting and winning a world war against an invisible enemy: the covid-19 pandemic. There may be an argument similarly to use a war bond as a way of financing this significant debt, and I will leave that thought with my Treasury colleagues.

This pandemic has not been fair, and this Government have continued to be pragmatic and target support broadly in the right areas. Support like universal credit has succeeded, and I commend the Secretary of State for Work and Pensions for its successful implementation, especially with the significant increase in demand during the pandemic. It is a sign of its success that no one has really mentioned it. The scary predictions of job losses at the start of the pandemic have not materialised, but I know my right hon. Friend will continue to focus on getting the 700,000 people who have lost their job through no fault of their own back into work. We must continue to provide the tools to allow our people to get back on their own two feet.

When I spoke to my constituents, they were clear that they wanted two things from yesterday's Budget, namely certainty and financial prudence. This Budget has done both, with certainty about VAT cuts and the furlough extension, so that businesses are best placed to ride the wave of our recovery. The restart grants and business rates holidays are also well worth mentioning. This does not mean a magic forest of money trees, and the honesty

shown by the Chancellor gives all people the respect they deserve by not hiding difficult financial decisions. Outside of business support, I welcome the extension to the stamp duty holiday and the new mortgage guarantee for homebuyers. As a recent first-time buyer myself, I know how life-changing home ownership can be. It is right that we give more people the opportunity to buy if they choose. The proactive policies mean that generation rent will quickly become generation homeowner.

May I take this opportunity to add to the Treasury's homework? Things I would like the Treasury to look at in future include the wholesale reform of business rates, as this will be critical to ensuring our businesses do not all leave our city centres and high streets and revert to an online-only or virtual presence. That, in my humble view, is not a legacy we would be proud of. Covid-19 has accelerated the change in our working and buying habits. I urge the Chancellor to grasp this opportunity for tax reform to ensure that all businesses have a level playing field.

There are some who have benefited from the new rules and guidance offered during these difficult times, but some have chosen to take advantage instead of doing the right thing. Specifically, I would query why blue-chip and cash-rich companies are delaying payment of commercial rent. It is worth noting that savers up and down the country have a vested interest, as many pension funds are the ultimate landlord. This is not a victimless act and may be a ticking time bomb we should be looking to defuse before it is too late.

I applaud the Chancellor's approach to supporting wealth creators, as this will accelerate our recovery and ensure sustainability. I thank the Government for being so proactive and reactive to the pandemic.

2.47 pm

Ellie Reeves (Lewisham West and Penge) (Lab) [V]: The Budget was an opportunity to repair our economy and provide the support needed by so many. Instead, it is just a sticking plaster that will continue to leave many of my constituents behind.

For example, I represent a large number of enterprising self-employed people working across multiple sectors, but many have been completely excluded from support for nearly a year. While the Budget means the newly self-employed in 2019-20 will no longer be excluded, those changes could have been made months ago to help to protect livelihoods. Meanwhile, those who previously earned more than £50,000 a year or who operate through limited companies remain completely excluded from support. When I asked the Chancellor in November, ahead of the second lockdown, what he would be doing to fix those gaps in support, he made it clear it was a deliberate policy decision to exclude them, which, frankly, is shocking. The cliff edge of £50,000, rather than a tapered approach, has caused considerable issues in constituencies like mine. One of my constituents, a talented musician who earned over £50,000 before the pandemic, told me: "Raising a young family of four in London as the main earner when work stopped in March caught us in a very compromised position. Now, a year later, we are deep in £30,000-worth of debt. In January, I paid over £14,000 for my tax bill despite receiving no money from the self-employed income support scheme, which, had I not been excluded, would have alleviated a level of anxiety and stress I did not

realise was possible. As the months tick by, we become increasingly desperate and I have had to sell a number of my instruments.”

Meanwhile, another constituent of mine has received no support because she is a limited company director. She now faces having to wind up her successful business of eight years amidst the demands of home schooling and caring for her elderly, shielding mother. These are real-life issues affecting my constituents and the Budget does nothing to help and support them. It is clear that the Chancellor’s decision to exclude certain people is having a huge and lasting impact on families. The Government should be fixing this rather than ignoring the matter.

I also represent a large number of independent businesses. Sadly, support to date has not been enough to see many of them through the crisis. The much-loved Alexandra pub in Penge is a brilliant, independent community pub that is a very special place to many, myself included. It is reduced to having to crowdfund, otherwise it faces permanent closure. The news of restart grants is welcome, but for many viable businesses this has come too late in the day, and for others, they may not be able to wait until April to apply for the grant.

We needed an ambitious Budget that sought to support all those who have fallen through the cracks and to rebuild the foundations of our economy for the long-term. Instead, we have a Budget that continues to exclude many from support and only offers a return to the same insecure economy that allowed this virus to cause so much damage in the first place.

2.50 pm

Jane Hunt (Loughborough) (Con) [V]: Yesterday’s Budget came at a critical time for our country. The Chancellor placed a strong emphasis on jobs and livelihoods, announcing schemes and programmes to help people get back into work. Simultaneously, the Budget focused on keeping businesses alive, with a forward view of getting them working again, introducing restart grants—something that I had previously raised with the Chancellor—providing additional discretionary funding to ensure that businesses have the vital capital needed to kickstart operations, as well as further funding to support their employees until they are back at work.

I have previously discussed social mobility and the issue of people staying in low-paid employment in my constituency with the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Mid Sussex (Mims Davies) who shared with me the ABC concept of improving social mobility: any job, better job, career. To that end, we are using advanced town deal Government funding to establish a careers and skills hub with Loughborough College, which will be the vessel for skills, courses and training, delivering apprenticeships, traineeships, kickstart, and the lifetime skills guarantee. Working with work coaches and youth workers from Jobcentre Plus and the Department of Wonderful People, of course, it will help local young people looking for their first employment help and the unemployed of any age, giving them the ability to get back into work. It will also help the already employed who are looking to upskill or reskill, so that they can advance in their careers. My own life skills project, working with Barclays, Communities that Work and

East Midlands Housing, will support the unemployed and low earners in work to gain additional skills locally, feeding local people into the hub.

The careers and skills hub will run alongside the Government-funded T-level centre at Loughborough College, which will also help to provide local residents with the skills needed by local businesses, leading to better-paid jobs. In addition, we hope to gain funding for an institute of technology shortly as well as to secure the £25 million of town deal funding to provide the infrastructure for businesses, jobs and growth in the town. This is a shining example of local organisations and experts capitalising on a matrix of support from the Government, creating a foundation for skills and enterprise and increasing social mobility at a local level.

Speaking of job creation and growth, I was delighted by the announcement yesterday that our bid for a freeport at East Midlands Airport was successful. This will create a centre for business and promote jobs and growth not only at the site itself, which is easily accessible to my constituents, but in local business clusters in my constituency, such as the science and life science businesses at Charnwood Campus and the Science and Enterprise Park. What a massive opportunity for the whole region and, importantly, what great news for Loughborough.

I call on businesses thinking of expanding or even starting up to please consider coming to Loughborough. Not only is it a fantastic place in which to live and work but it has the infrastructure and highly skilled workers that they need to succeed.

2.54 pm

Wendy Chamberlain (North East Fife) (LD): Over the past year, more people than ever before will have come into contact with our social security system. In March 2020, around 3 million people were on universal credit; in January, it was 6 million. They will have discovered that what is billed as society’s safety net is, in fact, full of fairly large holes. That has been the experience of my constituents in North East Fife, and it will be the same for hundreds of thousands of people throughout the UK.

A year ago, Liberal Democrats welcomed the Chancellor’s move to help to fix the net via the £20-a-week uplift in universal credit—that money was needed even before the pandemic began—but as time went on, it became clear that further support was not going to come. We called for an uplift to legacy benefits, which are disproportionately received by people with disabilities, but after initially being told that the universal credit uplift was a first step because its computer system was easier to change than the systems operating legacy benefits, it turned out that no uplift would be forthcoming.

We asked for extra support for unpaid carers—a group of people who are under-appreciated, overworked and absolutely need our further support—yet rather than the £20 a week that they need at the very least, the increase the Chancellor is giving in the Budget is a derisory 5p a day.

The decision to create another cliff edge by ending the universal credit uplift in six months means taking away £1,000 a year from those who need it the most. Freezing the personal allowance is a stealth tax that simply means that the poorest will pay an increasing

[Wendy Chamberlain]

proportion of their income in tax as many begin to make the transition from universal credit to employment as the economy recovers.

Last week, my team and I undertook a virtual visit to the jobcentre in Cupar. It was great to meet the fantastic team there, who have coped brilliantly with the required changes to working practices and are clearly making a difference to many who access their support. Despite that North East Fife team's efforts, I have real concerns about how the Government plan to get people back into work.

Take-up of the kickstart scheme has so far been sluggish. To some extent, that is understandable, given the current restrictions, but when the scheme was launched I asked the Government to reconsider the requirement for businesses to be able to participate directly only if they had 30-plus vacancies, and although I am pleased that they eventually changed that decision, the initial decision prevented businesses in my constituency from moving forward more quickly with the scheme. The pandemic has hit the job prospects of those aged 18 to 24 most heavily; kickstart needs to succeed.

Tourism and hospitality are two key sectors in North East Fife, and I have previously raised in this place many examples of small businesses that are struggling because of covid-19 and lack of support. I welcome the continued 5% VAT rate for hospitality, which many Members from all parties called for, along with the furlough extension, but the reality is that the Budget offers very little for the cafés, shops and sports clubs at the heart of the local economy. Hairdressers such as Alex Thaddeus in Cupar also need a VAT reduction, which the hair and beauty industry has called for. The data tells us that women are also paying a disproportionate economic price during the pandemic.

The furlough extension is useful, but when I have spoken to businesses such as the Ship Inn and the Dory in the East Neuk, they tell me that it now comes with costs—it is not the same scheme that it was a year ago. That means that the small business owners who are currently unable to open face painful choices—accruing more debt, laying off staff or, indeed, closing altogether.

Many Members have raised the self-employed. I can think of many constituents who have found themselves excluded. Beneath the Chancellor's rhetoric, there is no real change to the self-employment support; it is just that more people qualify now because they have 2019-20 tax returns.

Some of the Scottish Government's support schemes are problematic. There are Barnett consequentials sitting on the desk of the Cabinet Secretary for Finance right now, and in Scotland we have been in harder lockdown for most of the past year. Just this morning, I spoke to my team regarding bed-and-breakfasts such as Lillian May in Newport-on-Tay, which is still waiting—and has been since December—for Fife Council to get further guidance from the Scottish Government on the administration of funding for bed and breakfasts.

2.58 pm

Paul Howell (Sedgefield) (Con) [V]: Over the past year we have seen state intervention on a scale not dreamed possible by a Conservative Government. However,

this perfectly reflects our approach. Our core belief is that the state should intervene only when necessary, and it has certainly been necessary this year. The state should help when help is needed, but otherwise it should not interfere and should let people get on with their lives.

Economically speaking, the only way for us to grow and build back better is for our private sector businesses to pull the economy back to health, creating jobs and wealth for all. I therefore welcome the six-month extension to the universal credit uplift, the extended furlough scheme, the self-employment extensions and the inclusion of the newly self-employed. The super-deduction on investment in plant and machinery will rocket-boost capital spending and make inroads into the productivity conundrum. If I had a request, it would be to extend it to other businesses, such as farmers. I particularly like the support for our hard-hit hospitality and leisure businesses, and to do all this while supporting a green industrial revolution is just amazing.

As our smaller businesses are the real engine, I also commend the Help to Grow scheme and digital skills support, which will deliver opportunities for better growth. All our lives have changed dramatically over the past year, some financially or emotionally; some will revert as the lockdown eases, but some will take many years to recover—if, indeed, they ever do.

The support offered comes in many guises. The short-term financial support I have already touched on, but livelihoods are about more than that; they are about a belief in a better future, about believing that society is fair, and I see key levers for that. The restart programme, the kickstart scheme, the Prime Minister's lifetime skills guarantee, the £3,000 incentive for all hires and £126 million to triple the number of traineeships are all building blocks that give people a hand-up and the opportunity to grow or retrain.

Members representing constituencies such as mine in Sedgefield were elected on a promise of levelling up well before covid-19 arrived, and to do so requires Government intervention to create the stimulus for change. A key part of that is opportunity. Decisions like a freeport for Teesside and funding for new port infrastructure to build offshore wind projects are transformational for the Tees valley, and I hope that the Chancellor and his colleague the Transport Secretary will continue to recognise the importance of local infrastructure to support access to the jobs created and educational opportunities. Ferryhill station, the Leamside line and the Dar-link northern bypass are critical for the people and businesses of Sedgefield to share in this opportunity.

I welcome the opening of the levelling-up fund and look forward to utilising that for the benefit of the people of Sedgefield. When it comes to levelling up and supporting left-behind communities, I could not be further from the Leader of the Opposition's comments yesterday. In my maiden speech, my suggestion that the Treasury could relocate to Sedgefield was met with some humour. But for those who do not know, the Sedgefield constituency wraps around Darlington town, with the long-held Conservative wards of Hurworth, Sadberge and Heighington and Coniscliffe, so that is close enough for me. I have been delighted to campaign for that with my Conservative colleagues along the Tees valley, in particular the Tees Valley Mayor, Ben Houchen, who has been indefatigable.

This is a transformative step for Sedgefield; it delivers opportunities for careers that were previously only found in London. It is important to have decision makers based outside of cities. For the Labour leader to say yesterday that moving those Departments from his London-focused world to Darlington was “giving up” was an insult to the people of our area. I look forward to the local Labour politicians in Durham, Darlington and the Tees valley distancing themselves from those comments—or maybe they will toe the party line and wait for the electorate to speak for them. I await May with interest.

It is clearly only the Conservative party, through this Prime Minister and this northern Chancellor, who care about and will deliver for the north-east.

3.2 pm

Colleen Fletcher (Coventry North East) (Lab): Listening to the Chancellor yesterday, I was surprised by the tone that he took. He seems to have forgotten that his Government’s shambolic handling of the covid pandemic has seen the UK suffer both the worst death toll in Europe and the worst economic crisis of any major economy. As we move towards recovery, I share the concerns of many of my constituents, who feel that the confused policy making of the last year means that this is not a Government who can be trusted to deliver the recovery that the UK needs.

Following the financial crisis, the Tories responded with austerity. Labour warned against cutting too far and too fast, and we ended up with soaring rates of poverty, threadbare health and social care services and one of the most unequal economies in the western world—a situation that no doubt exacerbated the impact of the covid pandemic. Now the Government’s failure to recognise the role that poverty and inequality play in holding our nation back means that they are once again risking the economy. In particular, it is noteworthy that, despite countless charitable organisations arguing that the £20 universal credit top-up should be made permanent, the Chancellor could commit to it for only a further six months. Indeed, there are almost 16,000 individuals in Coventry North East who could do with that extra £20 per week, yet this Government seem determined to find a way to take it off them. The Chancellor has said that the increase is only temporary and that it is unaffordable in the longer term. Yet we only have to look at how easily and freely they hand out Government contracts to their friends and close associates to see that when it comes to the question of affordability, it helps to be a personal friend of a Minister. Sadly, for the 16,000 recipients of universal credit in Coventry North East, this means that this much needed increase may soon be ripped away from them. With many of those people already on furlough or in insecure work, there is a real danger that when this is taken away from them, they will become even more dependent on the state for support, which is not what anybody wants.

A society that is built on shaky foundations will not be able to tackle the challenges this country faces, nor take advantage of the opportunities we are presented with. The Government’s plan for the post-pandemic recovery does nothing to tackle the poverty and inequality that resulted in the worst death toll in Europe and the worst economic crisis of any major economy. We all want a strong and resilient country, but unless the

Government start to take these issues seriously, they will once again leave us vulnerable to the future challenges we will inevitably face.

3.6 pm

Bob Stewart (Beckenham) (Con): It is a pleasure to speak in the second day of the Budget debate.

This Budget has one overriding aim—to kick-start our economy, which shrank by 10% last year. We are now set to borrow a peacetime record of £355 billion this year. This is jaw-dropping, I agree, as is the fact that 700,000 people have lost their jobs since the pandemic started. The Government’s primary duty is to do what they can to help the people and our economy. On the face of it, such huge borrowing does not look Conservative in any way, but it is. What is proposed by the Chancellor is pragmatic, sensible and bold. He has accepted the reality of the situation and has taken realistic action to remedy the problem. Needs must, and such action is crucial now. This is a very Conservative approach. Such pragmatism is why the Conservative party has been the most successful political party in history. Conservatives are not ideologically driven to the extent that they do not adapt to a situation that requires change, and that is certainly the case at the moment.

Now is not the right time to hammer the economy or the people, who are already on their knees. Today is the time to succour and support our recovery after the traumas we have had to sustain over the past year or so. That is our top priority. Luckily, borrowing is at its cheapest rate ever, and we should use that situation as a tool to help us in the recovery. I totally support this rather canny Budget. I agree with the Government that they are determined to do their best for everyone in the country—everyone, whether in Northern Ireland, Scotland, Wales or England.

Let me turn to a few matters coming directly from the Budget that I am very pleased to mention. I like the fact that the furlough scheme has been extended to September. I am also delighted that the benefits for the self-employed have been extended. I am particularly happy that about 600,000 more people who are self-employed will be able to claim assistance. This has been a matter of great concern in my constituency, where a large number of people determine their living very much on their individual wits and hard work. Some of them have had a really hard time. Far too many of my constituents have fallen through the gaps in the support that has been extended to date. Lots of them have been unable to demonstrate, in particular, that they were self-employed on their tax returns, and I hope this anomaly has now been resolved. It is also good news that the £20 uplift in universal credit, worth £1,000 a year, has been extended. It saddens me, though, that the Budget does not seem to help leaseholders with the remedial costs of cladding. I reckon the Government are going to do something about that in due course, but it is not part of the Budget; in a way I wish it was.

In truth, I consider this to be a very professional, necessary Budget in these extraordinary times, and I am delighted to say I fully support it.

3.10 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (Ind): It is a pleasure to speak in this debate. Pandemics by their very nature offer an opportunity for reflection

[Jonathan Edwards]

about the sort of society we want to develop for the future. If the aftermath of this dreadful pandemic is not an opportunity for a reset, when will there ever be one? It is not as if the structural or economic deficiencies of the British state are not obvious to all, with chronic geographical, sectoral and individual wealth polarisation and an over-reliance on one economic sector.

I welcome the Chancellor's commitment to underpinning public health strategies with economic support, and extending furlough to September seems sensible. However, if for whatever reason the Welsh Government are required to implement a different strategy to control the virus—for instance, as the result of a new autumn wave—will measures such as furlough be extended, or does the unionist talk about the broad shoulders of the British state only apply to Wales if it also benefits England?

On corporation tax, I support the proposed increase to 25%. The Washington-based thinktank the Tax Foundation estimates that the global average corporation tax rate is just over 25%. France and Germany have rates of 30%, and the Biden Administration have announced plans to increase the rate in the US from 21% to 28%. Therefore, it is difficult to make the case that a 25% rate in the UK would be uncompetitive. Of Biden's three-year \$1.4 trillion extra taxation plan, according to Moody's Analytics, well over half—\$822 billion—comes from corporate taxation. Equally important is the Biden Administration's determination to target firms that offshore jobs and those that shift profits overseas.

The Chancellor's income tax proposals are far too timid. He should have followed the new US Administration by increasing income tax directly on incomes above \$400,000—about £300,000—by introducing a new pandemic tax band. However, the redistributive zeal required to tackle the UK's inequalities should also look at taxation on held personal wealth, as is the case in Norway, Switzerland, and Spain.

I hope the Treasury's tax day on 23 March will signal a full-scale review of how wealth in the UK can be taxed more fairly and justly in the long term. It will also be an opportunity to finally introduce much needed reforms of capital gains tax and to investigate the possibility of varying corporation tax within the UK. This would be one way to help redirect investment to those less productive parts of the British state. Considering that only three of the UK's regions and nations are in surplus, this might be one way to address the geographical wealth disparities that exist in a far more coherent manner, I suspect, than sporadic freeports.

It is also imperative that the UK find an answer to the question of how to tax the digital world. I appreciate that the G7 will be a key forum to discuss a global digital tax regime, and I welcome the tentative first steps taken by the UK Government with the introduction of the digital services tax. However, now is time for the UK to go further and faster, leading by example and setting global standards. This is crucial, given the pandemic-induced shift to online retail, with online sales accounting for a record 35% of total retail spending in January 2021, up from 20% in February 2020.

The political choice facing electors as we emerge from this pandemic is between the forces that want to return to the old normal and those that believe the pandemic must result in the creation of a new economy

that works for all, not just for the select few. The Chancellor nailed his colours to the mast in the Budget as the former. I will be arguing forcefully for the latter as a key part of a prospectus for an independent Wales.

3.14 pm

Nadia Whittome (Nottingham East) (Lab) [V]: Thank you, Madam Deputy Speaker—[*Interruption.*] Gosh, I am really sorry, Madam Deputy Speaker; we have building work going on in the house at the moment.

The pandemic has shown us the impact of a decade of austerity forced on us by Conservative Governments. We have seen that a cocktail of poverty pay, job insecurity and cutting public services to the bone has resulted in one of the worst death rates and the worst recessions in the world. This was not inevitable and the Budget was the Chancellor's opportunity to put it right with a programme that meets the scale of the challenges we face. Instead, this Budget is filled with half-measures and wrong priorities.

There is a rise in corporation tax in 2024 but a huge £25 billion giveaway to big businesses before that. The wealth of British billionaires has already soared by a third in the last year. The Government talk of a green industrial revolution but they are slashing green homes grants, freezing fossil fuel duty and continuing to back coal mining. There is a lot of talk about looking after Brits, but the Chancellor did not mention the NHS once in his speech. He had no plan for the crisis in social care and he is freezing public sector wages instead of giving our key workers the pay rise that they deserve.

The Chancellor has taken the rhetoric of Labour's policies but none of the substance. The centrepiece of yesterday's Budget was the switch to fiscal austerity in April 2023, which will involve around £68 billion of spending cuts and tax rises until 2026. Make no mistake, this Budget has paved the way for more misery, more austerity and more hardship just over the horizon.

Today, the Joseph Rowntree Foundation and the Resolution Foundation said that the cliff-edge cut in universal credit will bring down incomes to levels that we have not seen since the early 1990s. It is set to plunge 500,000 people into poverty. Does the Minister consider those people, including many of my constituents in Nottingham East, to be collateral damage?

We all want a secure job, healthcare we can rely on and a good home in a community that we can be proud of, but poverty pay, underfunded hospitals and catastrophic climate change threaten our lives and our futures. This Budget should have tackled the root of these problems—our rigged economic system—but instead, it rearranges the deckchairs on the Titanic. We need a permanent transfer of wealth and power from billionaires profiting from the pandemic to workers who have got us through it, but this Government do not want to tackle a broken economy that works for their super-rich friends instead of for my constituents. They have failed catastrophically during the pandemic and this Budget shows that they will fail to deliver the recovery that we need.

3.17 pm

Bob Blackman (Harrow East) (Con) [V]: It is a pleasure to follow the hon. Member for Nottingham East (Nadia Whittome). The Budget obviously has to be set against the situation in which we found ourselves in

recovering from the pandemic, and the Chancellor and his team are to be congratulated on ensuring that we have balanced the position between encouraging industry and commerce to reopen but, at the same time, supporting people who are going through the pandemic in a difficult fashion. I strongly support all the measures that the Chancellor announced in the Budget.

There are four areas, however, that need to be explored yet further. On the position on remediating cladding, when the Secretary of State for Housing, Communities and Local Government announced the new scheme for dealing with high-rise blocks, it was said at the same time that the loan scheme would be announced by the Chancellor during the Budget process. At the moment, we have not heard that, and clearly, a large number of leaseholders will want to know the details. Personally, I take the strong view that leaseholders should not have to contribute a penny and I reserve my position on where we stand until we hear the details of the loan scheme. So, clearly, that is a matter of concern.

The estimate of the number of private tenants in rent arrears has soared during the pandemic and, clearly, a day of reckoning is coming. It is not clear what the Government's strategy will be to ensure that those rent arrears are cleared to the benefit of either tenants or, indeed, landlords who depend on that income for their ability to finance themselves. That needs further explanation, and I hope that my right hon. Friend the Financial Secretary to the Treasury will be able to answer that during the wind-up to the debate.

Another vital issue is pensions. The Chancellor has chosen to freeze the lifetime allowance. There are concerns in a number of professions, including our medical professions. Doctors are saying that they have saved all the money that they can under the lifetime arrangements, so there is no incentive for them to continue working. That is a potential loss of skills that we can ill afford, particularly at a time when we are approaching a need for more doctors, nurses and medical professionals in our national health service.

Equally, of course, I am disappointed that the Chancellor has not announced any more funding to compensate the victims of the Equitable Life scandal. The reality is that those individuals saved for their retirement and intended to ensure that they had a decent income. They have been short-changed, I am afraid, as a result of the compensation scheme by the Government thus far. I look forward to the Chancellor coming forward with further funding. At the moment, £2.6 billion is owed. It is quite clear that the Chancellor has been able to find funding when it is necessary. These people are among the most vulnerable in our society and deserve our backing and support.

Equally challenging, I think, is the fact that our economy and savings regime have been shown to be extremely fragile. The pandemic has revealed that many people do not have money saved up to support themselves through difficult times. In future Budgets, I hope the Chancellor will bring forward incentives for people to save, not only for a rainy day but for their retirement and when they will need it next. In summary I strongly applaud what he and his team have been able to do to get us out of the pandemic, get employment back and get the economy working once again.

3.21 pm

Richard Burgon (Leeds East) (Lab): The Budget should be judged on one key issue: whether it improves the living standards of the vast majority of people in this country. On that, I am afraid, it has failed, with a pay freeze for key workers, the poorest families facing universal credit cuts, 1 million lower-paid workers having to now pay income tax, and council tax rises. Living standards have faced an assault over the past decade, and that is set to continue. Average wages will be no higher in 2026 than in 2008: almost two lost decades.

The Government's disastrous handling of the virus has caused one of the world's deepest economic collapses, yet they expect the vast majority to pay for it—including through further cuts to public services of £15 billion per year compared with last year's plans. Despite the need to treat a huge backlog and to fund ongoing vaccine and test and trace schemes, the Government would also cut the national health service budget back to pre-pandemic levels. That will also mean an axe to unprotected areas, such as local government, which is already cut to the bone.

The Government may counter that they are fixing the economy and that a higher tide will lift all boats. That is simply a lie. The Budget will see Britain continuing as a low-growth—just 1.7%—economy once the end-of-lockdown boost wears off. We have low growth, falling living standards and hollowed-out public services. For most people, I am afraid that it will feel very similar to the last decade, but it does not have to be. This should have been the Budget to invest massively in growth, in tackling inequality, in jobs, in tackling the climate crisis, in rebuilding our public services, in social housing and in moving us to a high-skill, high-wage economy.

Instead, public investment will remain pathetically low, and the main stimulus is a £25 billion corporate handout that may bring business investment forward but, as the Government's figures show, will not increase overall investment levels. Those funds should instead have gone into a huge state investment programme also funded by record low borrowing costs and taxes on the super-rich, starting with a 50% rate on those on over £125,000. That could spur a shift to net-zero with a green new deal, build modern transport and infrastructure fit for the 21st century, lead to a mass house building programme, and renew our public services, all boosting growth, which is the best way to pay off the debt, but also creating decent jobs and helping to rebuild communities left behind for far, far too long.

That should have been the legacy coming out of this crisis, and that is what we on this side of the House will need to fight for.

Madam Deputy Speaker (Dame Rosie Winterton): I call Jerome Mayhew by video link.

I am afraid I am going to have to stop Jerome Mayhew and come back to him.

3.25 pm

Florence Eshalomi (Vauxhall) (Lab/Co-op) [V]: There is much to welcome in the Chancellor's Budget. The extension of the furlough scheme, the business rates holiday, his long overdue new support for the self-employed, and the £300 million for the culture recovery fund are a step in the right direction. These measures will help some

[*Florence Eshalomi*]

of my constituents get through the next few months of this crisis, but what about the longer term? I wanted to see a Budget that puts us firmly on the road to recovery and rights the wrongs of the last decade by rebuilding our economic foundations, but this Budget just papers over the cracks with short-term giveaways.

There was no pay rise for the key workers who have cared for us through this pandemic, including the hard-working staff at St Thomas' Hospital in my constituency, who cared so diligently for the Prime Minister when he was ill; no recovery plan for our NHS after a decade of cuts; no mention of schools or teachers, who have worked tirelessly to educate our children in such challenging circumstances; and no mention of help for the thousands of leaseholders paying extortionate costs for temporary safety measures while still living in unsafe buildings.

The Chancellor assumes that household spending will help fuel growth, but not everyone has managed to save through this pandemic. In September, unemployment will rise when furlough ends, and without the £20 uplift to universal credit the poorest households in my constituency in Vauxhall will be facing a significant fall in income in the second half of this year.

This Budget was full of missed opportunities. The pandemic has exposed structural vulnerabilities and inequalities, and this Budget was an opportunity to reflect on how our economy works, what we value most and what our priorities should be as we start to recover from this nightmare. The Chancellor missed an opportunity to help the co-operative movement in leading a recovery to a fairer and more inclusive economy. He should have shown real ambition by committing to double the size of the co-operative sector to help build a fairer and more resilient community.

This Budget offers none of the ambitions, values or vision that my constituents in Vauxhall had hoped for and needed to see, and it fails to answer some of the bigger questions about protecting household incomes and coping with the squeeze on our public services. The Chancellor had an opportunity to push the reset button with this Budget; he must explain why he did not take it.

3.28 pm

Jackie Doyle-Price (Thurrock) (Con): It was a real pity that the hon. Member for Bootle (Peter Dowd) was cut off in his prime earlier as he was embarking on a very good defence of our pharmacy sector and its contribution, and I want to associate myself with his comments. There is a real issue with regard to the moneys advanced to pharmacies to deal with the consequences of the pandemic; it now needs to be clawed back and that is going to hit our pharmacists, who have been at the front end of the fight against the pandemic. I just remind Ministers to get together with the NHS to come up with a solution to this. Notwithstanding the fact that pharmacists are independent providers, they are very much part of our NHS and should be treated as part of the NHS family. I hope that the House will indulge me in finishing the hon. Gentleman's speech off for him.

I commend the Treasury team and my right hon. Friend the Chancellor for the Budget presented yesterday. It has to be said that they were not dealt the best set of cards to start with. As Conservatives, we know that everything has to be paid for by taxpayers, whether they

are the taxpayers of today or the taxpayers of tomorrow, and we have to balance our responsibilities to all taxpayers when we make these decisions.

Notwithstanding that, the Budget showed great imagination. It took it on the chin that we need to continue the support until we really can release the restrictions that we are working under. It also laid some foundations to encourage investment—particularly imaginative ones, I would add. In that regard, let me celebrate the fact that the Thames freeport has been given the go-ahead by the Chancellor. Clearly, that will benefit my constituents, but it takes in not just the port of Tilbury but that at London Gateway, the Ford site at Dagenham and what used to be the Petroplus oil refinery in Stanford-le-Hope.

Far from the freeport just displacing activity from elsewhere in the economy, the Ford site and the Petroplus site are redundant industries. Ford manufactures diesel engines for export, and Petroplus, where, clearly, the demand came from petrol-fuelled cars, went into receivership a few years ago. That land is ripe for development, and this is a perfect opportunity to encourage inward investment from overseas to take advantage of the freeport policy. I very much look forward to seeing Ford's plans to use the Dagenham site, which has been with us for so many decades, to invest in new technology to deliver autonomous vehicles and electric vehicles, because that is the future. This very action will do so much to facilitate that and to breathe economic growth into an area of east London that really deserves it.

It has been very tiresome hearing Opposition Members say, "Oh, all the help's going to Tory-held seats." I just remind them that Barking and Dagenham are very much not Tory-held seats, and that Tilbury, which I represent, is the poorest of the 100 poorest towns. I am really grateful that this Government are showing faith in Tilbury and making those investments. Let me also say to those on the Opposition Benches that they could have done it when they were in power, but they chose not to. The Government are doing the right thing, and I commend the Budget to the House.

3.32 pm

Mick Whitley (Birkenhead) (Lab) [V]: I draw the House's attention to my entry in the Register of Members' Financial Interests.

I represent one of the most deprived constituencies in the country. My constituents have suffered thanks to both the Government's mismanagement of this pandemic and the decade of brutal austerity that preceded it. Their incomes have been slashed, their jobs thrown on the scrapheap, and their hopes for the future dashed by poverty.

Instead of laying the foundations for an economic recovery by investing in the high-skilled green jobs of the future, the Chancellor presented a Budget that barely papers over the cracks. Secure and well-paid work is the catalyst of any economic recovery, but successive Conservative Chancellors have done nothing to address the scourge of precarious employment and low pay.

When presented with the opportunity to rectify the mistakes of his predecessors and ensure that work really does pay, the Chancellor refused to do so. While Ministers shed crocodile tears for the one in 10 British workers who have been told to accept worse pay and conditions or face the sack, the Government have done nothing to crack down on the use of deplorable fire and rehire tactics.

We need to be putting money in the pockets of consumers, yet the Chancellor plans to freeze the pay of over 2 million key workers, force councils in the poorest parts of the country to raise council tax by up to 5%, and plunge up to 1 million universal credit claimants into poverty by cutting the £20 uplift at the very moment that unemployment is set to peak. That is not just economically illiterate; it is downright cruel.

Yesterday the Chancellor had a real chance to secure economic prosperity and tackle the existential threat of climate breakdown by creating thousands of high-quality green jobs. He spurned that chance and exposed the Prime Minister's pledge of a green jobs revolution as a sham. By investing in electric vehicle production at the Vauxhall car plant, guaranteeing funding for the Mersey tidal project and the north-west hydrogen cluster and putting the green homes grant back on track, we could create vital jobs in a region that has been devastated by decades of economic vandalism and Government neglect. But the Budget contains a meagre £20 million for floating offshore wind production and no new investment for a green recovery in the automotive, steel or aerospace sectors.

The Government's national infrastructure bank will provide less than half the funding we received through the European Investment Bank and falls far short of the £30 billion recovery package that Labour is calling for. This makes a mockery of the promise to level up towns like Birkenhead and leaves the UK far behind our European friends in the year that we are due to host COP26. The Government's shambolic handling of the covid-19 pandemic has plunged the UK into the deepest recession of any advanced economy. The Chancellor's failure of ambition, foresight and leadership means that the road to recovery will be uncertain, but the path into hardship for many is a certainty.

3.35 pm

Richard Drax (South Dorset) (Con) [V]: I refer to my entry in the Register of Members' Financial Interests.

It was an impressive and assured performance by the Chancellor. Rightly, it was a no-harm Budget, aimed at steering us through treacherous waters, a light hand on the tiller essential. It has been heartbreaking for me and, I am sure, all colleagues to hear from so many businesses of their dire circumstances. They are run by men and women who have worked hard and taken risks, often having to mortgage their homes, all to make a living for themselves, their families and, of course, their staff. It is this industrious activity that pays for the public sector, not least the NHS and our schools. To raise taxes now would be the straw that broke the camel's back, so I applaud the Chancellor for not listening to one or two commentators who used to frequent this place.

The Chancellor's upbeat speech rightly called on enterprise and innovation to reignite our economy, both internally and from abroad. Global Britain requires low taxes, less state and a lithe public sector. Bureaucracy and red tape still afflict progress, but now that we are out of the EU, there is no excuse not to pursue Conservative values and philosophy, and that includes low taxes.

"Levelling up" is an expression frequently used by the Government, and nowhere is that more needed or deserved than South Dorset. At or near the bottom of every source of funding for decades, it is our turn to be nurtured. I shall soon be presenting a business plan to the Prime

Minister and Treasury drawn up by business leaders in my seat. To ensure that we attract businesses and investors, we need help to improve our infrastructure. Our over-reliance on tourism and hospitality does little to boost incomes and raise living standards.

I also compliment the Chancellor on extending help to those who are struggling, many through no fault of their own. However, this staggering level of borrowing cannot go on forever. The way out of this financial meltdown is to work our way out. The Chancellor is right to warn that repairing our finances will take the work of many Governments over many years, and that is not taking into account the dual spectres of inflation and rising interest rates. One or both could easily put the ship on the rocks.

Nothing is more important now than to support and nurture the private sector. I welcome the extension of the business rates holiday, the VAT cut, the new restart grants and the recovery loan scheme. However, it should be noted that some businesses will not be able to repay the loans that they have already taken out. On a positive note, the Budget will give reassurance to business, with restrictions lifting and the economy reopening. Let me repeat: we must never forget that it is the tax paid by these businesses that funds our NHS, schools and more besides. The country getting back to work is crucial, and the sooner the better.

With an eye-watering debt of £2.8 trillion, the Chancellor is right to promote growth, growth and more growth. That is not a licence to splurge money now and hike taxes later. The former is necessary in the short term but clearly cannot go on indefinitely. Cutting this support is going to cause pain. Dishing out money is easy, but taking it away is another matter. That is why everything must be done to support those in the private sector, because it is they, not the politicians, who create the jobs. We create an infrastructure within which business thrives. My concluding message to the Chancellor is this: watch the spending and do everything you can to help those who generate our prosperity and jobs.

3.39 pm

Paula Barker (Liverpool, Wavertree) (Lab) [V]: The Chancellor has claimed that the hard choices made by his predecessors over the last 10 years have served our economy well going into this current crisis. A decade-long squeeze on living standards, the rise in insecure and precarious work, and beleaguered public services have in every sense made his unenviable task every bit harder than it needed to be. Our economy has been shown to be particularly vulnerable and less resilient than other comparable economies of similar size, and the much deeper contraction in our own demonstrates exactly that. Alongside this, chaotic decision making and the poor timing of restrictions, all to appease Tory Back Benchers, meant that there were very real economic consequences to the Government kicking the can down the road—that is, until they eventually ran out of road.

The eye-watering sums being spent by the Treasury mean that, for the time being, the taps are on, and the Chancellor is right when he says that we need an investment-led, jobs-rich recovery. While the measures embarked on last year and this year may have just averted devastation for many, I remain unconvinced that the measures announced yesterday will secure a recovery that, crucially, all our people can share in.

[Paula Barker]

The think-tanks are alive with the chatter of levelling up, and yes, there were piecemeal announcements about moving part of the Treasury to Darlington, about the investment bank in Leeds and about the collection of freeports across the land, including one in my own city of Liverpool. But despite the odd headline to help fill Tory election leaflets in marginal seats across the north, it is the poverty of ambition that will perpetuate the poverty that we see in our towns day in and day out. I have to ask: do Conservative Members think that moving the odd civil servant out of London or a one-off fund to help a struggling high street in the midlands will match the requisite scale of ambition to address the deep underlying structural inequalities that exist in modern British society between people and places and between my own north-west region and the south-east of England? If we do not fundamentally address those inequalities of opportunity and outcome, the levelling-up rhetoric will remain exactly that: rhetoric.

There was very little in yesterday's Budget in respect of targeted sectoral support for our manufacturing base, despite the potential job losses for skilled workers at Vauxhall in Ellesmere Port. There was even less on public sector spending, as the public sector workers who have kept this country going during the pandemic once again get only insulting claps from this Government and are again bracing themselves for the continuation of pay freezes. And disgracefully, there was not a jot on social care.

Priorities are the bedrock of our politics, and it is those priorities that tell us what life looks like for people, their families and their communities. While we remain a society defined by spiralling household debt, insecure work and fire and rehire tactics, and a nation where it is normal to hand over vast amounts of your income to your landlord; where life expectancy is falling in parts of the country and the retirement age continues to rise; where the forgotten and excluded are ignored again; where the queues at food banks are getting ever longer; where children are going hungry and where our elderly are selling their homes to cover the cost of their care, we will never be the happy, confident, outward-looking nation the Government claim to be building. Importantly, this tells us that the priorities of this Tory Government are the wrong ones.

3.43 pm

Chris Clarkson (Heywood and Middleton) (Con): It is always interesting to get a lecture on economic probity from a member of the Liverpool Labour party.

I will start by saying that I am chuffed to bits. I am very pleased indeed. I might not have got my bid for HS4 between Heywood and Middleton, but there is still time for that, and this is a very good Budget indeed. The past year and a bit has been exceptionally challenging for the country as a whole, but now we are on the path back to normality. We are looking forward to a future, and we have a Budget that supports our ambition to get the country back on its feet.

Yesterday, the Chancellor laid out a fiscal plan not just to help larger companies and the structures of our economy but to support SMEs, the self-employed and those in low-wage employment. We want to get our high streets and local businesses back on track soon and nowhere can that be more true than in Heywood and Middleton.

I am pleased to see that the uplift in universal credit remains until October. I thank the DWP and its team for the inestimable amount of support they have given my constituents and many others who face very real hardship as a result of the difficult but necessary decisions the Government had to take to combat the pandemic. Universal credit has been one of the quiet success stories of the pandemic response. Without its flexibility and agility, many would have found themselves in a precarious position as a result of a legacy benefit system that was still far too complex and clunky to cope.

Because of the importance of safeguarding livelihoods, I also welcome the extension of the furlough scheme and the self-employed income support scheme as part of a package of measures to get people back to work safely. The vast majority of people sat at home on these schemes want to get back to their jobs and their normal lives, and allowing the scheme to run until the end of September will give businesses the headroom they need to get their workforce back safely.

There are a large number of announcements for businesses and job creation in the Budget, one of the most unprecedented being the super deduction, which does exactly what it says on the tin—it is actually super. For companies in Heywood and Middleton, it will be one of the biggest tax cuts in their history and it will get them investing, creating jobs and driving our economic recovery.

Reopening the economy will also need to take account of the fact that some jobs and businesses simply have not been able to survive the economic uncertainties of the pandemic. So, with the launch the restart scheme, hundreds of thousands of long-term unemployed people will be supported back into work. The doubling of the number of work coaches, the introduction of the lifetime skills guarantee to fund level 3 qualifications for all adults and the launch of kickstart to help 250,000 young people into jobs will provide a comprehensive framework for our future prosperity. I welcome the doubling of the incentive payment to SMEs to take on apprentices of any age to £3,000 and the £126 million to triple the number of traineeships next year. With excellent further education providers such as Hopwood Hall College and Rochdale Sixth Form College supporting my constituents, I am confident that they will be well placed to take up these opportunities.

It takes vision and courage to respond to a world crisis with optimism and ambition. The right hon. and learned Member for Holborn and St Pancras (Keir Starmer), the Leader of the Opposition, responded with nothing but doom, gloom and a comedy routine that was, ironically, the least funny bit of a pretty poor performance. Rubbishing freeports, deriding world-leading employment support and talking down the north—maybe it is just the way he tells them, Madam Deputy Speaker.

Madam Deputy Speaker (Dame Eleanor Laing): Before we go to Sarah Jones, I should say that, after Sarah Jones, the time limit will be reduced to three minutes. But with four minutes, I call Sarah Jones.

3.47 pm

Sarah Jones (Croydon Central) (Lab) [V]: Thank you, Madam Deputy Speaker. I would like to focus my brief remarks on how the Chancellor could deliver growth in south London.

Over many years, as house prices have risen in inner London, people have moved to outer London where house prices are marginally more affordable. Croydon exemplifies that shift. We love having new people, but we are now an outer-London borough with inner-London costs. As our demographics have shifted, so has the need to fund more social care, health services and education.

We have now reached the worrying situation where Croydon receives £200 less per person compared with some inner boroughs, even though it faces the same and in many cases higher levels of deprivation. Other boroughs often place looked-after children in Croydon. We have a high number of unaccompanied asylum seekers, whom we support. We have a lot of old people's homes. We welcome them all, but we do not receive the funding to support them.

The first item on my list for the Chancellor is that we need a level playing field, so that we can tackle the challenges we face and give every area the same chance. Funding for local authorities must be rebalanced and we must be supported to deal with the additional costs other areas do not have. Of course, the chronic overall underfunding of local government must stop and we must have proper funding for our services.

Secondly, a quick look at major transport and capital investment shows that south London has actually missed out for decades. We know London is a wonderful area. West London has a well-established economy. North London has seen several recent infrastructure developments, such as the hugely successful King's Cross development and the start of High Speed 2. The Olympics signalled a shift east for some of our economy on the back of the growth of the stadium, housing and businesses there.

What is south London's equivalent investment? Many parts do not have the Tube, we do not have bike infrastructure and I cannot remember the last time the Government invested significantly in our transport system. I therefore ask the Chancellor to look at investing in our transport system. East Croydon station and the Windmill bridge outside it require major transformation to keep moving the hundreds of thousands of people who every day travel through East Croydon from the south coast to London. Of course, the number of people using the train has slowed during covid, but it will go back up again and that funding will have to be found, so I ask the Chancellor to do that. Perhaps he can also support our call to move Croydon to zone 4. That could be funded by the rail companies in the new bidding rounds. We need all kinds of infrastructure. Either we should have a Transport for London supported by the Chancellor, or he should give more powers to the Mayor of London so that we can do these things ourselves.

Thirdly, we have high streets that are really struggling. Westfield was due to come to Croydon and build the largest shopping centre in Europe, but because of the insecurities of the high street now, and the unfairness between the business rates paid by our physical businesses and those paid by our online businesses, that has not happened. The insecurity of Brexit did not help. So we need the Chancellor to speed up, review and reform the business rates system, so we can have a level playing field. We want to grow our high streets in Croydon and we will, but we need him to create the climate in which that can happen.

Fourthly, we have the very best, talented people in south London, particularly in Croydon, but Croydon College, a wonderful resource, has had its funding cut

by a third. We have to invest in skills and education. Finally, small businesses are the backbone of Croydon and south London, and we need to do more and go further to support them as we build back after covid. It is time for south London to be invested in. I hope the Chancellor will support us.

Madam Deputy Speaker (Dame Eleanor Laing): We will now try to go back to the hon. Member for Broadland (Jerome Mayhew). Sadly, he has to be audio only.

3.51 pm

Jerome Mayhew (Broadland) (Con) [V]: Thank you, Madam Deputy Speaker. Yesterday's Budget had to support people and businesses through this moment of crisis, begin to fix the public finances and build our future economy. The Government's support for employees and businesses has been nothing short of monumental—we all know that. It has saved millions of people from losing their jobs and prevented hundreds of thousands of businesses from going bust—businesses that are now up and running and able to repay that support as they drive our economic recovery.

My right hon. Friend the Secretary of State for Work and Pensions described just some of the myriad support that her Department continues to provide to people in need of additional support. In my constituency, I have seen the kickstart scheme being adopted by local employers, who are keen to take advantage of the support for new employment for young people. I have to refer to my entry in the Register of Members' Financial Interests, because my former business has also joined the kickstart programme. It has done so because kickstart is a great programme that works for business and for young people at risk of long-term unemployment alike. I have visited my local jobcentre in Fakenham and seen the plans to double the number of job coaches across the country, in order to get people who have lost their job back to work as soon as possible. I welcome the Chancellor's decision to continue his massive support for employment, the self-employed and business right through to September, some months after we should be fully out of lockdown and all our businesses should be back up and running. This Chancellor is focused on jobs above all else and he is absolutely right to take that approach.

However, the immediate recovery is only the first challenge. The Chancellor also needs to lay the ground for our fiscal recovery and the structure of our future prosperity. The British people understand and accept that the massive payments from the Treasury over the last year have to be paid back. The Chancellor acknowledged that that will be a long task, for many Budgets, but it is right that he should be frank with us about the scale of the challenge and where we have to start. Nobody normal likes tax rises, but we get it. Our incomes have been supported by tax money over the last year, so a gradual clawback via the freezing of income tax thresholds is a fair way to start the job; it is a sensible, gradual approach, where the better-off pay more. Likewise, businesses accept that it is fair to start to repay the huge support they have received. The increase in corporation tax on profits of larger companies starts in two years' time, after a huge boost to investment through the £25 billion super deduction tax cut. It makes sense.

[Jerome Mayhew]

This is a Budget for recovery and growth. The former Labour Member for Birkenhead, now Lord Field, said yesterday

“To be successful in politics, you have to ride two political horses simultaneously. Rishi has done a budget for the hour and made the possibility of long-term prosperity...Best budget in my 42 years in politics.”

He was not wrong.

3.54 pm

Peter Gibson (Darlington) (Con) [V]: Yesterday, my right hon. Friend the Chancellor delivered a Budget that responded to the continuing needs of this country, navigating our route out of lockdown and supporting growth and those in need. I do not mind telling the House that yesterday for me was a very good day—the kind of day you will always remember. Everyone in this House comes here for a reason and a motivation. Mine has always been that the Labour party has always let the north down, and that the north-east, where I was born, raised and educated, and where I grew a business, could achieve so much more, given just half a chance. I know that that belief and vision are shared completely by our Chancellor.

Yesterday, my right hon. Friend helped to realise not just my hopes, dreams and ambitions for Darlington, but those of our council, our Tees Valley Mayor and, most importantly, the community I serve. A child growing up in Darlington, attending a local school and gaining a degree from a local university can now aspire to a career in the civil service and achieve that without having to leave their hometown. Indeed, thanks to the lifetime skills announcements, there will be people in Darlington who left school at 16 and never studied again who can gain a level 3 qualification and secure employment at Her Majesty's Treasury. That is levelling up. That is putting opportunity in a town in the north-east of England that Governments of the past have overlooked. The Chancellor has listened, understood and taken action, making a real difference to the town I represent that will last beyond a generation.

The announcement of the freeport for Teesside will also have a long-lasting impact for Darlington. I know, too, that the employed, the unemployed, the self-employed and the employers of my constituency will welcome everything that my right hon. Friend announced yesterday, continuing and extending the support to our nation.

Yesterday, the Leader of the Opposition said that delivering Treasury jobs to Darlington was giving up. What an insult. What a lack of understanding. Labour has not learned. It no longer understands, and no amount of fake Union Jack waving or consultants dressing them in smart suits will teach them that the British people have rightly given up on them.

Yesterday, this Tory Government and this northern Chancellor achieved more in one Budget for my region than 13 years of Labour ever did. To celebrate this amazing news for Darlington, I am looking forward to welcoming Sir Humphrey to the town he will affectionately call Darlo.

3.57 pm

Bill Esterson (Sefton Central) (Lab) [V]: This was a Budget for politics, not economics—a way of polishing the Chancellor's image and that of his party. In the real world, key workers face the real-terms cut of a pay freeze.

Households face a council tax hike, and businesses with zero revenues face loan repayments when they needed an overhaul of business rates.

The OBR has confirmed that the UK had the worst economic performance of any major country and that the approach to the public health crisis made the economic crisis worse. We have had longer lockdowns because of delays going into lockdown; £22 billion on the failed outsourcing of test and trace; cronyism in contracting for unusable self-isolation protective equipment; hopelessly inadequate self-isolation payments and sick pay; delays in announcing and extending furlough and self-employment support; and repeatedly slow decision making by the Government. Those things have played their part in the scale of the dual health and economic crises we face.

Shamefully, yesterday's Budget offered precious little to the millions of people—owner-managers, pregnant women and freelancers—excluded from support throughout, including Alison Powell in my constituency, who was denied support because her tax return showed £10 more income in employment than while self-employed. Meanwhile, countless others who filed tax returns for 2019-20 had to wait a whole year to qualify for any support. Unfortunately, previous Conservative announcements have not matched the price of the headlines: only 13 jobs are created by kickstart each day, while 292 are lost; just 2,500 homes benefit from green housing grants, against the stated target of 600,000; and self-isolation payments are denied to seven out of eight people. It is no wonder that only three in 10 people self-isolate when asked to do so. Work on rail for the north has been announced 60 times, and 60 times it has been forgotten.

Will the announcements from yesterday deliver on Conservative promises? Will they be more than headline-grabbing gimmicks, which will be quickly forgotten when the Chancellor's shiny caravan of self-promotion moves on? The country needed a Budget for jobs and recovery. The planet needed investment in low-carbon industries. Instead, the Government showed their lack of commitment by scrapping the industrial strategy council. The Chancellor is ambitious, yes, but he is ambitious for himself. Yesterday's Budget promises may have given the Chancellor's brand a short-term boost, but the lack of long-term investment does not match the scale of the challenge that we face.

4 pm

Paul Bristow (Peterborough) (Con) [V]: Yesterday, the Chancellor gave us a Peterborough Budget. It was exactly what my city needs to restart and to grow. There are no easy decisions in a pandemic, but this Budget is the basis of a swift and sustained recovery, and, as the Chancellor has said, the recovery will be swifter and more sustained than had previously been thought. That is great news for the country, yet, as I am sure you will understand, Madam Deputy Speaker, I am keenest on great news for Peterborough and that news came when the Chancellor spoke about the new levelling-up fund.

Even before the Budget, my city has benefited enormously from this Conservative Government: £16 million for our new science and technical university and research hub; £23 million from the towns fund to revitalise our city centre; extra police officers patrolling the streets of Bretton, Dogsthorpe, Ravensthorpe and beyond; and all the additional funding for Peterborough City Council to tackle covid-19 while getting tough on

fly-tipping and antisocial behaviour. In other words, there was enough to be satisfied with. Regrettably for Ministers, though, I am never fully satisfied. I am always asking for more because I know the scale of Peterborough's potential.

The Chancellor gets my requests regularly. Before this week, we knew that there would be a £4.8 billion levelling-up fund, but what we did not know was where it would be spent. I am thrilled that Peterborough is at the top of this bidding list in priority category 1.

The reality was a Budget that put Peterborough first: the restart grants to help businesses reopen and get our economy moving; the extensions to the furlough scheme and the top-up of universal credit; additional help for the self-employed; and further help for businesses on business rates and VAT. I had written to the Chancellor about that, too, noting how it would give my local businesses the shot in the arm that they so desperately need and they are delighted.

Perhaps it is at the pumps that my constituents will be most grateful. Thanks to successive Conservative Chancellors, we are saving a fortune when we fill up our tanks, with a 10-year freeze on fuel duty. The beer freeze means that we also save when our glasses are filled at the pump. I know to whom I shall raise my first post-lockdown pint; it is to a Chancellor who is delivering for my city.

4.3 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): Yesterday's Budget was littered with betrayals. Public services were betrayed: unbelievably, there was nothing additional to fund the NHS and social care, but, worse, hidden in the small print was a plan to take a further £4 billion from Government Department budgets every year. Workers were betrayed: there was nothing to raise the lowest level of sick pay in the OECD and, despicably, no pay rise for nurses and care workers, after everything they have done for us in this crisis. They are exhausted, and some even feel suicidal.

Then there is Salford—betrayed. As the 18th most deprived area in the UK, rather than a package of support we saw the Chancellor handing over 90% of new town funds cash to Conservative seats, some affluent. For those facing financial hardship, there was again betrayal. Extending the £20 universal credit uplift and furlough schemes is certainly welcome, but to remove that support just as unemployment is likely to spike is economically and morally bankrupt. Further, the burgeoning household debt crisis was ignored. Those still facing devastating costs as a result of the building safety crisis were ignored, and more than 2 million remain excluded from any covid support at all.

Finally, on climate change, there was gross betrayal. I must admit that I was intrigued when the Government stole our green industrial revolution tagline, and I secretly hoped that they would adopt Labour's programme too. It would have been to all of our benefits, with 1.9% invested each year on energy and homes alone, which would have provided over £800 billion across the UK by 2030, and 850,000 new jobs. That would have been a true green recovery, but so far in comparison we have seen pitiful levels of investment. Yesterday, we saw a paltry £12 billion for a new green infrastructure bank, the green recovery bonds, shiny retail savings products, and some distant report into carbon offsetting, all amounting to very little.

If the Government were serious about tackling climate change, they would grab the opportunity to reverse decades of de-industrialisation with a bold green regional investment strategy. Instead, they have betrayed us in the fight against climate change, betrayed our recovery and betrayed our financial security.

4.6 pm

Dean Russell (Watford) (Con): Just to be on the safe side, I will refer to my entry in the Register of Members' Financial Interests. Nobody starts a business with anything other than a dream of what they want to achieve. Many leave a secure job to start a job in something that they adore, to start their own business and to grow it into something that may change their lives and those of many others over the years.

This past year, the pandemic has hit us in a way that has not so much dashed many of those dreams but paused them. The Budget has shown a deep understanding of how small businesses run, and the need to support them through furlough schemes and different initiatives that will enable them to restart and kickstart in the coming weeks and months and for the next few years so that those dreams become a reality.

One of the truths of the past few months has been the brilliant initiative of the kickstart scheme itself. I was very fortunate recently to have a Zoom meeting with Chris Luff and Saffron from our local Watford and West Herts chamber of commerce. They put me in front of a bunch of inspirational young people who are all part of a new kickstart scheme that they are running. They told me not just about the economics and the finances, and all the stuff that we like to talk about in this place, but their dreams, how it was changing their lives, and how it was giving them hope for their futures.

The Budget gives us the opportunity to look not just inward, but outward. I have seen the hope around education. During the past year, we have seen through such things as the Oak Academy the ability to use education to teach people not just the facts but how to inspire themselves to be better and to be different. One of the bits in the Budget that was not picked up on massively was the investment in infrastructure and skills—business skills and business leadership.

I am sure you will be too young, Madam Deputy Speaker, to remember the adverts that used to talk about teaching the world to sing, but I think that global Britain will be able simply to teach the world. Our ability to invest in business leadership, to invest in our young people and, as we have proven in the Budget, to deliver on that means that we can export those skills around the world. We can export leadership around the world, and I am really proud that we can look on yesterday as a way to look forward. The Prime Minister gave an excellent speech on the road map to recovery, but this Budget is not just for the next six months or the next year; this is a Budget for decades to come, and I back it wholeheartedly.

Madam Deputy Speaker (Dame Eleanor Laing): I am afraid I do remember the adverts about teaching the world to sing.

4.9 pm

Hywel Williams (Arfon) (PC) [V]: The extension of the £20 uplift to universal credit is welcome, but why is it to be snatched away in September? What will have

[Hywel Williams]

changed by then for the nearly 5,000 universal credit claimants in Arfon—a number that has doubled in a year; for the 47,000 households in Wales that depend on universal credit; or for the 53,000 children in Wales who have benefited from this modest increase? Their needs will be the same and they will have become accustomed to being better able to meet those needs—although providing a decent standard of living for children, even on the enhanced level of universal credit, is a huge challenge.

It is not the poverty that blights the lives of so many children that will have changed; rather, it is the Chancellor and this Government's chosen policy—their response, which denies people's real lived experience and deliberately increases poverty. That is the charge against them: generating, not alleviating, poverty. I have listened to the Chancellor and his friends trying to justify this cut to the incomes of the very poorest and trying to avoid the question, and I have not heard a single half-plausible answer, other than that the modest improvement to universal credit was always meant to be temporary and so is temporary.

The justification is: "The poor will always be with us". Well, I reject that contention, as do so many other people—those who depend on universal credit; those who have had to claim it for the first time and are appalled by the meanness of the system; and those who have seen their friends and relatives lose their jobs through no fault of their own and whose families are now experiencing poverty as the deliberate policy of this Government. The ancient ploy of deliberately imposing poverty on the workless has never been justified, and that is even more true now, when circumstances throw people on the mercy of an inadequate system. We are all victims of covid-19, but some are more victimised than others.

Over the past year we have seen this Government rectifying their many failures, one after another, with one policy reversal after another, with catastrophic consequences not only for their credibility but, more importantly, for those who suffer from the initial policy decisions. The decision to cut universal credit is just one such failure. I have no care for this Government's credibility—they are already busted in my eyes; what concerns me is not their credibility but the welfare of families and children throughout the UK. My one call today, then, is for the Chancellor not to punish poor people, and certainly not to punish their poor children.

4.12 pm

Tom Hunt (Ipswich) (Con): I was very pleased with the Budget yesterday. I signed a few letters, with colleagues, to call for various things, with a sort of 70% or 80% success rate. Universal credit has been extended for another six months and fuel duty has been frozen for the 10th year in a row. I called for beer duty to be cut; I do not think it was cut, but it was frozen, and there is other support for hospitality, which is very much welcome.

We heard a lot yesterday about levelling-up and what it means for the north of England and the midlands, but we also saw yesterday a demonstration from the Government that when they talk about levelling-up, they are not just talking about the midlands and the north of England. My own constituency of Ipswich has

pockets of real deprivation; what did we get yesterday? We got the maximum £25 million from the towns deal fund, for 11 projects that will be a key boost for our town. What else did we get? We got Freeport East. Some 6,000 of my constituents are employed either directly or indirectly by the port of Felixstowe, so the success of that port matters for my constituency and for my constituents.

Let me look at the town deal and what it means in terms of skills and jobs. The health and social care academy, which the town deal will fund through £2 million to £3 million via the University of Suffolk, will train the next generation of nurses and social care workers in our town. The maritime skills academy will be on the Island site in Ipswich, where we have some of world's most elegant yachts, which are made in Ipswich and exported around the world. With this academy, they will now be made and developed by craftsmen trained in Ipswich and from Ipswich. That is very much to be welcomed. There has been a bit of a hoo-hah and debate about these town deals over the last day. In some senses, Labour politicians in other parts of the country are a little bit bitter that they have not got a town deal like Ipswich has—for £25 million—but what is slightly surprising is the reaction of Ipswich Labour party, who surely, you would think, would be jumping for joy at the fact that it got this £25 million. I remember when the Secretary of State for Housing, Communities and Local Government visited Ipswich before the general election and the town deal was dismissed as an election bribe that would never happen. I am glad to see that the leader of Ipswich Borough Council has now changed his ways and welcomes it, but it is a shame that not all of his councillor colleagues do, and they continue, even after yesterday's news, to refer to it as a bribe and negatively.

The reality is that there are parts of the town that long supported the Labour party, but felt let down by it—I am talking about areas such as Chantry and Gainsborough. It was myself and my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) who actually fought for a town deal to include a project to be entirely about investing in those communities—investing in local shopping parades in Chantry and Gainsborough and investing in keeping community assets. This is a Budget for the country and it is also a Budget for Ipswich, and it is to be welcomed.

4.15 pm

Lilian Greenwood (Nottingham South) (Lab) [V]: When people ask me why I became an MP, I explain that I got tired of shouting at the radio. This morning, I found myself shouting at the Chancellor on Radio 4, so this afternoon, I am speaking up for my constituents, because the Government's decisions are failing them. They have been failing them for more than a decade and it has to change. After all the pain and sacrifice of the last year, we cannot afford to go back to austerity and insecurity.

As the shadow Chancellor, my hon. Friend the Member for Oxford East (Anneliese Dodds), said in opening the debate, the OBR has confirmed that this Government's failure on the covid crisis has left our country facing the worst economic crisis of any major economy. They have been too slow to act, they have wasted billions of pounds of taxpayers' money on contracts with their cronies that did not even deliver, and they have failed to put in place the financial support that is needed to help people to self-isolate.

Now, instead of putting the UK on the road to recovery and fixing the mistakes of the past, they are repeating them. There is nothing in the Budget for the NHS, even though we know that extra resources are desperately needed to tackle the waiting lists that have grown during the pandemic. There was not even a mention of social care in yesterday's speech, and the Chancellor's claim that he is pursuing cross-party consensus is not credible. There was no extra money to help children to catch up on lost schooling, and we know what that means: widening inequalities, hitting kids from low-income families hardest. Yes, there was finally that uplift in universal credit, but the Chancellor is still not helping those on legacy benefits and the cliff-edge cut will hit precisely when unemployment is expected to peak.

And there is worse to come. Now is not the time to raise taxes or cut household spending power, but that is precisely what the Chancellor is doing, forcing councils to implement a 5% hike in council tax, freezing the pay of key workers, taking money out of people's pockets, cutting the money that they have to spend with local businesses and on our high streets, damaging the recovery. There are further tax rises to come next year alongside £14 billion of cuts to public services.

Local government has already been hit by 10 years of cuts. Adult social care makes up nearly half of Nottingham City Council's budget. Demand for services is rising and, in more deprived cities such as ours, the social care precept leaves a growing gap. Will the Chancellor apologise to my constituents who have seen their much-needed local services under threat, the families who rely on Summerwood day centre, those who use John Carroll leisure centre and those whose local bus service is set to disappear? Where is the investment that we need to support the recovery and set us up for a successful green future? It simply is not there.

This a terrible Budget. It is a shocking indictment. None of it was inevitable; it is the result of Tory mismanagement. I will not shout, but it makes me want to scream.

4.18 pm

Joanna Cherry (Edinburgh South West) (SNP) [V]: This Budget is a missed opportunity. There is no vision, no long-term economic plan and no Biden boost. While I welcome the extension of furlough and the universal credit uplift, yesterday's announcement simply shunts the cliff edge down the line and does nothing to tackle the fundamental problems that families and business face. The Chancellor has failed to build the bridge to the future that the economy needs. Businesses such as the Edinburgh Beer Factory, a brewery in my constituency, will see their costs balloon before demand returns. They need tapered reliefs and long-term solutions.

I welcome the increase in corporation tax, because businesses in profit can most afford to pay up. In Scotland, we have provided certainty and stability to business with a further 12-month extension of 100% non-domestic rates relief for retail, hospitality, leisure and aviation. The Chancellor has failed to do the same in England, and he needs to up his game for English business. Where is the promised online tax? Many high street retailers are frustrated when they see how companies such as Amazon and Apple have benefited from the pandemic, but still somehow seem to avoid taxation. The way retail is operating now has completely changed,

and we need to think about how we tax the new reality. Too much focus on business rates for revenue raising could prevent the much-needed revival for small businesses on our high streets and in our city centres.

Some of Edinburgh's biggest financial services employers operate in my constituency, and there was a vibrant community of independent local businesses serving their offices. One of these is the Wee Coffee Bar, run by my constituent Sharon Miller. Yet with most offices closed, footfall in our business district has dropped to almost zero, and successful popular businesses such as Sharon's are struggling to make ends meet. Lockdown has had a big impact on our mental health and wellbeing. Hot Yoga Edinburgh, owned by Allison Harrison, adapted to the best of her ability to meet online needs, but she is suffering real financial hardship as the cost of rent and other overheads exceed the money coming in. She needs the certainty of longer-term support and a credible plan for the recovery of our business districts to help her stay afloat.

Many of my self-employed constituents, including creatives, freelancers and company directors, remain excluded from covid support, and as in so many aspects of this pandemic, women are disproportionately affected. This crisis offered us the opportunity to change our economy and invest for the future. An independent Scotland would take this opportunity and carefully plan a way forward. Constrained in this Union, we are locked into more of the same from this Chancellor for the time being.

4.21 pm

Paul Blomfield (Sheffield Central) (Lab) [V]: The Chancellor rightly set this Budget in the context of the economic damage of covid-19, but he failed to mention the bigger impact from his Government's Brexit deal. That is perhaps unsurprising because the former was beyond their control, while the latter is of their creation. Hidden in the figures is an admission that Brexit will hit GDP by 0.5% in the first quarter alone, and the OBR has of course said that there will be a long-run hit of 4%. These are the inevitable consequences of erecting barriers to trade with our biggest economic partner, but the Chancellor should do what he promised and

"be honest with the country about the challenges we face".—[*Official Report*, 3 March 2021; Vol. 690, c. 256.]

Last month, the CBI, the Institute of Directors, Make UK, the Federation of Small Businesses and the British Chambers of Commerce warned the Government to remove obstacles to trade or face a "significant loss of business". Frankly, it is time that they listened and acted.

A startling omission yesterday was the NHS. We need a proper inquiry into the Government's handling of the pandemic to understand why we have one of the highest death rates in the world. However, one factor is clear: a decade of running our health service on a knife edge, expecting maximum delivery from minimum funding, left us with too few nurses, doctors and beds. The crisis demanded capacity we lacked, and catching up on the treatment backlog will demand more. But instead of the funding that was needed, the Chancellor is proposing a £30 billion cut. What an insult to the NHS staff he was so happy to be photographed clapping! It is a cut for the system that has stretched them to the limit, and no

[Paul Blomfield]

money for the sort of pay rise they deserve, while other key workers on whom we have depended face a pay freeze.

Social care was also forgotten yesterday. On taking office, the Prime Minister promised that

“we will fix the crisis in social care once and for all with a clear plan we have prepared”.

In this Budget and in his interviews this morning, his would-be successor, the Chancellor, has acknowledged there is no plan. So much for honesty with the British people. We do need that plan, and we need it soon.

The Chancellor did of course bow to pressure on maintaining the universal credit uplift. It should continue beyond October and it should be extended to legacy benefits. The Disability Benefits Consortium says that costs for 95% of disabled people have increased during the pandemic. The Budget gave nothing to them or to others who have been affected, letting down the most vulnerable.

Beneath the Chancellor’s expensive PR that is the real signature on the Budget. It fails too many people, and it lacks the ambition that the country needs.

4.24 pm

Janet Daby (Lewisham East) (Lab) [V]: I am grateful for the opportunity to speak on the second day of this debate.

Our country had high hopes for this Budget at a time when we need it most; not only are we experiencing a pandemic crisis but we are still in a climate crisis, and the Government seem to have forgotten this. After a year of economic devastation, the gap between richest and poorest in our society has become wider. We needed long-term investment in our public services and our communities, but the Government were silent on the matter.

Yesterday’s Budget statement will provide relief to some, but it is a grave disappointment to others. The Budget promised no emergency funding for the NHS to clear backlogs and reduce waiting times. There was no mention of mental ill health support post-pandemic, no support for social care after the sector has faced severe challenges during the pandemic in both children’s and adult services, no mention of green home grants, and only a £20 million spend on floating offshore wind technology, when Labour has called for £30 billion of capital spend to be brought forward to power a green recovery and support over 400,000 jobs. There was no help for our teachers and no additional investment to help children and young people catch up on the lost months of education; and no rise in statutory sick pay, which is so low that people are falling into severe debt and some are considering working because they cannot afford not to.

I wonder if the Secretary of State for Housing, Communities and Local Government and the Chancellor and their offices communicate and work together, because on 12 February the Housing Secretary announced £3.5 billion to fully fund the cost of addressing unsafe cladding in the tallest buildings. Details were promised in the Budget. What happened to this information? Did the Chancellor miss out reading a page of his notes? I was hoping to see a fairer approach from the Government,

to protect leaseholders living in buildings under 11 metres in height with fire defects and unsafe cladding, to protect them from costs when the problems are no fault of their own. Instead, there was no such information. I ask the Chancellor again to consider this and to be fair to leaseholders and their families, as no one wishes to live in a home with negative equity.

The success of the Government, or indeed any Government, will be achieved when the need for food banks decreases, but under this Government it seems that they are here to stay.

This Budget also lets down our local authorities, and through them all our communities. My borough of Lewisham is having to make a further £28 million in cuts; hard-working and caring Labour councillors will receive the blame for cutting services, but their hand has been forced by a 63% reduction in Government funding since 2010. The whole country needs rebuilding, but for this to happen we need to build our local councils.

4.28 pm

Mary Kelly Foy (City of Durham) (Lab) [V]: Cutting through the fanfare, this Budget was devoid of imagination and substance. It may see Britain through to the end of the Prime Minister’s road map, but it does not come close to addressing the social, economic and climate crisis we face.

From this Budget, we can assume that the Conservatives intend to increase poverty, rather than end it. The Joseph Rowntree Foundation says that the Chancellor has created “a perfect storm” by planning to cut universal credit just as unemployment peaks, while he has also continued the Conservatives’ hostile environment for disabled people by ignoring legacy benefits. I dread to think what it will be like for the families who will be forced to use food banks because of his cruelty.

What was there for Durham’s NHS workers, teachers, prison staff and the rest of our public-sector key workers? There were a few claps and a pay freeze. That is not levelling-up; that is a slap in the face.

I cannot have been the only one who was shocked by the absence of any reference to our NHS and social care from the Budget speech. These sectors have been stretched to breaking point, held together only by the determination of those who staff them, yet instead of a recovery plan the Chancellor chose to slash NHS spending, with no strategy to tackle the backlog or the mental health crisis.

The Chancellor also seems to be clueless when it comes to the challenges facing our communities over the coming years, with a £14 billion cut to public services over this Parliament. In Durham, our council and schools have led the way in their pandemic support for residents, but they simply cannot continue on minimal funding. The Government’s council tax rise serves only to deflect blame for Tory cuts while making our local communities pay for the crisis. Durham’s public sector is desperate to lead our local recovery. The Chancellor just needs to give it the resources to do so.

The Chancellor’s remedy for businesses seems to be to help them to limp along until after the pandemic and then leave them at the mercy of the upcoming economic crisis. Durham’s high streets were struggling before the pandemic started. Where is our fightback strategy? This Chancellor is no friend of the independent businesses that are the heartbeat of our high streets.

This Budget called for vision and ambition that met the challenges of the pandemic head on with a bold plan for our recovery—a Budget that learned the lessons of a decade of austerity, deregulation and the eradication of workers' rights. Instead, the Chancellor came up short yet again. Rather than rebuild, we got a sticking plaster designed to tide us over. Our health services were ignored, our key workers abandoned, our environment forgotten and our economy failed. Britain needs and deserves better.

4.31 pm

Sarah Olney (Richmond Park) (LD) [V]: In common with so much of what we have seen from this Government during their handling of the pandemic, this was a Budget for selected beneficiaries. Carefully picked groups are going to do well, but it was quite clearly not a Budget for the nation as a whole.

We could have had, for example, a bold move on business rates. Real reform in this area to level the playing field between high street and digital retail has been long overdue. Consumer behaviour is changing, and that change has been accelerated by the pandemic. What is the long-term future for our town centres? How will our communities thrive without the retail businesses that traditionally provide the heart of our towns? We need to lower the barriers to entry to retail and other town centre businesses, and invite new entrepreneurs to try new ideas.

But instead of business rates reform or devolution of power to local authorities, which could have allowed for real change across the whole country, a select few high streets, mostly in Tory-supporting constituencies, get a cash bung. The Chancellor's bold new plan is for a super deduction that will enable cash-rich firms to get an extremely generous tax deduction on expenditure on plant and machinery across the next two years before being hit with a corporation tax hike. I can tell the Chancellor that after 12 months of little to no trading, many firms in my constituency simply do not have the cash in the bank to make these kinds of investments. Many of them will be burdened by a great deal of debt and unable to take on any more, and will face a long, slow road back towards profitability. Demoralised and exhausted after the effects of the past year, their reward will be a huge hike in corporation tax rates. I am concerned that many will consider it not worth their while. It would have been better to have a windfall tax now on the companies that have continued to prosper during the pandemic and then cut rates again in a few years to encourage those who are rebuilding. Again, only a select number of businesses will benefit from these changes.

We need to see policy for real stimulation and growth in the green economy. We know that we need to transition from carbon-emitting industries if we are to achieve net zero, so we must grasp the nettle of investment in green jobs. There is real opportunity for growth there, but the private sector is waiting for Government strategy and policy to set a direction. The Chancellor could have set that direction yesterday with promises to invest in green technology or to come up with a bold new plan for retrofitting to replace the green homes grant, but he did not.

What is the Chancellor's plan for investing in sectors that will create jobs in the future? It is freeports, in selected sites, yet there is little evidence that they create

economic activity rather than displace it. Again, we see the benefits concentrated in preferred areas of the country rather than a strategy for the country as a whole. The one advantage of freeports, of course, is that they can avoid customs duties and paperwork, currently creating such a barrier to trading thanks to the Government's terrible deal with the EU. I find it extraordinary that the Chancellor made no mention of how he plans to offset the OBR's projected 4% hit to the UK's GDP as a result of leaving the EU. The Chancellor is bringing forward planned economic activity or concentrating it in specific areas of the country rather than investing in new sources of wealth and future jobs. This Budget ignores the real needs of our economy, both for the immediate challenges of the pandemic and for its long-term future.

4.34 pm

Steve McCabe (Birmingham, Selly Oak) (Lab) [V]: I am not sure that people will think the Chancellor is being straight about stealth taxes, resulting in the largest tax burden since 1969; that they will applaud pension taxes, as doctors leave the NHS or cut their hours; or that they will support a 50p rise for statutory sick pay. Almost 2.5 million excluded self-employed are still going to be left high and dry. In response to my survey, 85% of constituents said that they wanted help for those excluded.

The support schemes sound impressive, but they involve complex applications and administration. The fear is that they will not reach the right people in time. Small businesses need easy access and affordable help, especially with rent and cash flow, which are real impediments to survival.

My constituency has large numbers of young unemployed and many self-employed people at risk. Some 94% of my Selly Oak constituents said in response to my Budget survey that they wanted action on unemployment to be a priority. How will that happen unless programmes are simplified and better targeted? We need training for the young unemployed—not sluggish, dead-end schemes—as well as rapid reskilling for those who lose their livelihoods and joined-up training.

Why does the super deduction policy take no account of whether investment would have occurred anyway, the areas that will benefit, or if it might end up costing rather than saving jobs? It would be better to tie it to research and development. We could have a targeted plan to shift support to parts of the country other than Oxford, Cambridge, London and the south-east. The number of R&D jobs in London and the south-east is already three times greater than in the midlands, not because it is more creative, but because it has access to greater funding. If the Chancellor wants electric cars built in the midlands, new jobs in climate change adaptation, machine learning in medical technology and food security, he needs to direct resources to those areas that can deliver. If the uplift in public R&D was linked to a targeted policy and focused on projects outside the golden triangle, that could mean a further £9 billion boost.

The Chancellor could also establish a fresh round of technology institutes, build on the Catapult network by announcing long-term funding, and expand university enterprise zones. That is how to level up, and that is how to create new jobs and a thriving economy.

4.37 pm

Rachel Hopkins (Luton South) (Lab) [V]: Yesterday's Budget needed to do two things: first, support communities and businesses through the economic crisis created by the pandemic; and secondly, outline a comprehensive strategy to kick-start the UK's recovery. However, the Chancellor failed to deliver on both counts.

All I can draw out from the Chancellor's Budget speech is that, rather than meaning redistributing wealth and investment and giving working class people a real stake in their economy, "levelling up" seems to mean moving part of the Treasury to Darlington, creating a few freeports and rehashing old funding. It is smoke and mirrors to cement the status quo—policies that fail to provide a vision for a more prosperous, fairer society and that will not improve people's day-to-day lives.

There is nothing for the NHS, social care, schools or local council services, and no meaningful plan to tackle the housing crisis. Rather than levelling up living standards, the Budget has downgraded them, with a public sector pay freeze, forcing councils to increase council tax, and announcing a £20-a-week cut to universal credit in six months' time.

My Luton South constituents needed to see plans for a more secure, equal and sustainable future, with the Chancellor committing to a new green economy based on full employment and a strong public sector. By choosing to adopt a half-baked, unambitious version of Labour's commitment to a green investment bank, the Chancellor failed fully to comprehend the scale of the climate emergency we face. The funding made available to the bank offers only a fraction of that recommended by the National Infrastructure Commission, and no new investment has been announced for green recoveries in key industries such as automotive and aerospace.

The free market is incapable of addressing the climate crisis—in fact, I would say that it was market failure that created the crisis—so policies that weaken the state's role in the market, such as the super deduction tax, only reduce the Government's ability to incentivise and direct investment towards a green transition. Instead, the UK needs an innovative, Government-led industrial strategy that stimulates green growth and job creation, ensuring that the transition is equitable and that everyone has the opportunity to have a well-paid, skilled job—something that the market is incapable of delivering.

Last week, Unite the union highlighted seven shovel-ready projects that would help the UK to develop as a modern manufacturing nation. Investing in those projects would have wide-ranging benefits. For example, building gigafactories and rapid charging infrastructure would help Vauxhall in Luton South transition to manufacturing electric vehicles. Labour has repeatedly called for a £30 billion green economic recovery to create 400,000 secure, unionised jobs in clean industries. We must not return to the same insecure, unequal, unsustainable economy that preceded the pandemic.

4.40 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I am grateful to be called to close the second day of the Budget debate. Budget debates are, in my view, one of the very best parts of our parliamentary process. They are a chance to talk about the big picture—a chance to raise the things that must be said—and nearly 50 Members of Parliament have done so in this debate today. To be

able to speak and vote on the measures in any Budget is a great privilege and responsibility for us all, and in closing the debate, I will talk about what I believe the Chancellor needed to do and reference the many good speeches we have heard.

However, we need to start with the big picture. What the Chancellor presented yesterday was a Budget of high taxes, high unemployment and low growth. I do not think that is in dispute. In fact, if the forecasts are right, the historically low levels of growth we saw going into this crisis are now the norm. That, combined with our serious productivity and business investment problem and the challenges caused by our leaving the single market, shows that the scale of the challenge is very significant indeed.

That means that there were two things I wanted most of all from this Budget. First, I wanted to see a clear road map to economic recovery, with a relentless focus on jobs, jobs and jobs again; and secondly, I wanted to see some recognition from the Chancellor that the terrible impact of the pandemic on the UK has been partly due to the state the country was in going into the crisis. Whether on NHS capacity, insecure work or child poverty, this crisis has taken the fraying social fabric of the UK and torn it apart. My hon. Friend the Member for Coventry North East (Colleen Fletcher) made that point very well.

The objective for us all should be to promise not to return to the country we had going into the pandemic, but to do better than that—to promise opportunity, prosperity and resilience far greater than we had in the decade leading into covid. After all, is that not what previous generations who sat on these Benches did after the crises that they faced? They turned their crises into a better future.

The starting point in any debate about protecting the British people in this crisis has to be a recognition of the inequality in how the pandemic has been felt. Yes, we have all been affected by covid in some way, but a person who, for instance, has been able to work from home on full pay, perhaps with a study and a garden, has been in a fundamentally easier position than those who have had no income for over a year. Men and women have been affected differently, with the majority of home schooling falling on women, and different parts of the country have been hit worse than others. That is why I was genuinely disappointed with the ambition, the scope and the policies of the Chancellor yesterday. The Budget did not have that big vision that we needed. I will address that and say what I would have preferred to see.

I will start with jobs. At least the Chancellor saw sense, listened to Labour and the unions and business, and did the right thing by extending the furlough scheme. It is remarkable to me that the Chancellor originally thought it could end last year. But even with furlough mitigating the rise in unemployment, a forecast of unemployment at 6.5% is very high. That means over 2 million people out of work. While furlough protects those in work, we need to do more for the 1.7 million already unemployed. We have lost 700,000 jobs in this crisis. Long-term unemployment is nearly half a million. Half of all disabled people are out of work. Kickstart is not delivering, and restart has not started. Crucially, even if kickstart worked as well as Ministers hope, the scale of the challenge is already greater than the full capacity of the scheme.

I wanted the Government to live up to their rhetoric and offer young people a real guarantee. Young people have suffered so much in the crisis, so let us take the action needed and make sure that no young person is out of work or education for longer than six months. We should promise young people an offer of education, employment or training and link those jobs and training to the challenges the country faces on social care, the NHS, schools and climate change. Time spent on furlough should count towards that limit, so that we do not see the long-term scarring that we know comes from periods of sustained economic inactivity. We could use the money already allocated to employment programmes. We could reform the apprenticeship levy to complement that and spend the money this year and next, when it will be most needed.

That brings me on to universal credit, which many Members have understandably mentioned. Cutting universal credit and working tax credit by £1,000 this year would have been unthinkable and unforgivable, and I make no apologies for how hard we have fought the Government on this issue. The Chancellor could and should have done the right thing and the responsible thing many months ago, yet, as with free school meals, the Government have once again been dragged kicking and screaming to do the right thing. But what we heard yesterday was a half-measure—a £500 cut this year, with £1,000 cut the year after that.

Because of the way that Ministers have behaved, 6 million families have faced months of uncertainty about whether they would continue to get the support they need to cover the costs of the pandemic. These people deserve certainty, and all the Chancellor has done is inflict another cliff edge. On 1 October this year, furlough will end, the self-employment income support scheme will end and universal credit will go down to its lowest level in real terms in 30 years. How can that be right?

What is going on with working tax credit, which the Government are instead offering as a £500 lump sum? The Secretary of State for Work and Pensions was absolutely right when she said to the Work and Pensions Committee earlier this year,

“Previous experience would be that a steady sum of money would probably be more beneficial to claimants”

than one-off lump sums. I believe she reiterated that position in her introductory speech. She is right, but the Chancellor was not listening.

I have to raise again the plight of those people on legacy benefits such as jobseeker’s allowance and employment and support allowance, which my right hon. Friend the Member for East Ham (Stephen Timms), the Chair of the Work and Pensions Committee, did so very well in his speech. These people never had the uplift to begin with. The Government said that it was because it would take too long to do, and as the crisis has gone on, the Government have chosen to ignore them. They know it is not possible for many of those people to transfer on to universal credit because they might be worse off due to the design of universal credit. That is appalling.

What we needed was for the Chancellor to take his own advice on honesty, because the honest take on this situation is that we do not have a social security system that is fit for purpose. That is why keeping the uplift is so contentious. It is why those people on legacy benefits

feel so strongly. It is why the excluded exist, and it is why the Government had to make so many changes to the system at the beginning of the crisis.

Although, hopefully, we will not have another pandemic, the impact of technology and trade adjustments on the labour market will become only more acute, and the sooner the Government recognise that, the better. The decision to lift the rate of universal credit was an admission that the level of support was not good enough to help families through this crisis. The uplift should remain until it is finally replaced with a system that provides genuine security for all. The Secretary of State said in opening that she is frustrated by that position. If the Government have been able to accept our arguments on corporation tax, a national investment bank and the minimum wage, perhaps in time they will accept this argument too.

This was a Budget that did not address the challenges facing our country today and offered very little for the future. That focus on the future should have run through the whole Budget, but it simply was not there. There was nothing on schools or education at all, even though, like so many, I have sleepless nights worrying about my children and how they will ever catch up from what they have lost. There was nothing serious for town centres, which are already grappling with changes and facing huge challenges as retail moves more and more online. There was nothing on the future of work and how we harness the change in working patterns to spread prosperity across the country. There was nothing even for our incredible NHS except a £30 billion cut from April this year and no mention of how we will get through the huge backlog of surgeries and check-ups or deal with the impending mental health crisis.

It is not enough. It is not good enough, and it is not the future that British people deserve as the reward for their sacrifice and hard work. I put it to the Government that they cannot fix the problem that the country faces, because they are the ones responsible for creating so many of those problems in the first place. That is why this Budget fails to protect the jobs, the livelihoods and the wellbeing of the British people to the degree that they deserve.

4.50 pm

The Financial Secretary to the Treasury (Jesse Norman):

The hon. Member for Stalybridge and Hyde (Jonathan Reynolds) was absolutely right to highlight the second day of a Budget debate as a moment when we can discuss these bigger issues. I join him in thanking nearly 50 colleagues for their contributions, but I am afraid I disagree with him on some of his diagnosis; perhaps, in the course of my remarks, I can explain why.

The hon. Gentleman claimed that the Budget had no ambition. You do not have to listen to me or the Chancellor, Madam Deputy Speaker, if you want to know whether the Chancellor’s Budget had ambition; you can simply listen to the Resolution Foundation, which said:

“This was a big, policy focused, budget. It rightly sought to boost the recovery before turning to fix the public finances, in both cases with a large (potentially too large) focus on Britain’s firms.”

That, I think, is pretty clear. It also said:

“Continuing furlough to September will reduce the rise in unemployment ahead, with the Office for Budget Responsibility (OBR) expecting it to peak at just 6.5 per cent (down from 7.5 per cent). If realised, this would be”—

[Jesse Norman]

I am quoting—

“by far the lowest unemployment peak in any recent recession, despite this being the deepest downturn for 300 years.”

That would include the Labour recession of 2008. So we can only hope and pray that these measures may have something like that effect, but to suggest that they are short of ambition is quite wrong.

If I may, let me just remind the House of the scale of what we are attempting. There are three great themes to the Budget. The first is the need to support people and businesses through this crisis; the second is the need to begin to fix the public finances; and the third is the need to lay the foundations of our future economy. Those are all big issues. As the hon. Member for Stalybridge and Hyde rightly pointed out, those are big matters which we are grappling with, and gripping, from the Dispatch Box and from the Chancellor’s own Budget.

Let us just touch on those. Supporting businesses and people—that would be extending furlough to the end of September. It would be the further grants we have made to the self-employed: the restart grants, a new set of grants designed to help the retail, hospitality, leisure and personal care businesses—I emphasise personal care businesses, such is the very important role they play in our economy—to get going again. The business rates holiday, which has been extended for three months before tapering for another nine months. Extending the VAT cut to 5% for a further six months before tapering it for another six. Continuing our stamp duty cut. Extending universal credit and working tax credits by six months. More money for apprenticeships. New recovery loans. A large package for the arts, culture and sports.

That is one component of this Budget, but of course, as the Chancellor has rightly emphasised, we must engage with the work of fixing the public finances, and that is why we are asking the largest and most profitable firms to pay more in two years’ time by increasing corporation tax. But of course we are giving at the same time, in the shorter run, a super-deduction. I think that is a very thoughtful policy. What that essentially says to those businesses—something like £100 billion is held on corporate balance sheets at the moment in the UK—is that we need to get away from the patterns of underinvestment by business, and this is a way of attempting to move corporate Britain in that direction. It may succeed, it may fail, but it is a very worthwhile attempt to kick-start that business investment that will be foundational, not just to recovery from the pandemic but to our long-term prosperity. Of course we have taken a variety of other measures to support the public finances and then to build the future economy.

The suggestion was made by some colleagues across this Chamber that the Budget was a piecemeal effort; that could not be further from the truth. Forty-five new town deals. The £150 million community ownership fund. The freports in England. The infrastructure bank. I have been very closely involved with the infrastructure bank, and I can tell you that it will potentially be a very significant institution. It has, of course, its starting capital, but it also has firepower of up to £40 billion. That is not a trivial amount of money, and placing it in Leeds could not be a more emphatic demonstration of the Government’s commitment to levelling up, as the move by not just the Treasury but other Government

Departments—the Department for International Trade, BEIS and the MHCLG—to join in a new campus in Darlington has been. As my hon. Friend the Member for Darlington (Peter Gibson) said, that will transform that town, but it also sends a much wider signal: “By their fruits shall ye know them.”

It is all very well talking about these things. Those towns and areas could have been supported by the Labour party over decades and they were not. This Government are stepping forward to make that difference. Of course, the difference will not be just in the investment—the pounds, shillings and pence that are spent there. It will be in the lifting of expectations, the career opportunities, and the possibility of framing a new narrative based on different assumptions about how the world works than just those to be found in London. That is profoundly exciting and important.

Of course, we are talking also about the levelling-up fund, Help to Grow, and a very important development on future breakthrough. I love the fact that we will support not just levelling up but our green investment through the UK infrastructure bank. That will be a very important part of the picture. Let me turn to some of the comments made by colleagues, because they were very well taken. There are many areas where I am not sure that I always agree with my right hon. Friend the Member for Wokingham (John Redwood), but when he said, “Go for growth,” he was absolutely right to emphasise the growth aspects of the Budget.

My hon. Friend the Member for East Devon (Simon Jupp) pointed out, rightly, that the Budget delivered for Devon. He was absolutely spot on about that. I disagreed with my hon. Friend the Member for Christchurch (Sir Christopher Chope) about corporation tax. He needs to understand, if I may say so, that the rise in corporation tax was the result of many aspects of things. What is noticeable about it, though, is that it did not trigger an enormous increase in business investment. That is one of the reasons why we have adopted this slightly different approach.

I agree very much with the words of my hon. Friend the Member for Bolsover (Mark Fletcher), who pointed out the importance of the start-up grants that will support beauty and personal care businesses. He was absolutely right about that. He mentioned the town deal and the east midlands freeport, and rightly so. I agree with the hon. Member for Leeds North East (Fabian Hamilton), who said he was pro our UK infrastructure bank being located in Leeds. He was right to say that. That was not by any means the picture taken by the hon. Member for Leeds East (Richard Burgon), who also spoke, but I think that the hon. Member for Leeds North East was right in saying that.

The point that my hon. Friend the Member for South West Hertfordshire (Mr Mohindra) made in praising the Chancellor’s honesty and directness when engaging with us struck a chord with me. I think it strikes a chord with many people across the House and in the wider public. My hon. Friend the Member for Loughborough (Jane Hunt) pointed out the importance of skills—absolutely right. My hon. Friend the Member for Sedgfield (Paul Howell) pointed out the value of the super-deduction plan. Again, I thoroughly agree with him.

It was nice to hear my great friend, my hon. Friend the Member for Thurrock (Jackie Doyle-Price), talk about the importance of her Thames freeport. That is right.

I was surprised that the hon. Member for Liverpool, Wavertree (Paula Barker) did not welcome the Liverpool city region freeport, which I think will be a tremendous boost to that area. I think she was wrong to say that. I think it will be widely welcomed, particularly as it gets up and running. I share the view of my hon. Friend the Member for Thurrock on that.

I respected very much the hon. Member for Croydon Central (Sarah Jones) as she sang the glories of Croydon. That was a beautiful moment in our debate. I very much liked the possibility that you, Madam Deputy Speaker, might, as my hon. Friend the Member for Watford (Dean Russell) invited you, teach the world to sing. I look forward to that very much. Perhaps in a future debate we can be treated to a yodelling intro in the style of the late New Seekers—or am I betraying my age?

My hon. Friend the Member for Ipswich (Tom Hunt) was absolutely right. He pointed to the town deal that existed for Ipswich. He pointed to Freeport East, and said, or implied—I am sure he would say—that this is a Government who do what they say. I am very pleased that, in that regard at least, we have been able to deliver for him in a way that we have delivered for many other places across the country that historically have been ignored.

Let me end by thanking hon. Members for their comments. We are trying to do something big here. We are trying to respond to the big issues that the hon. Member for Stalybridge and Hyde rightly flagged. He is wrong about what he claims are cliff edges. There is, in each of the cases I have described, a tapering effect in the major reliefs, which is designed to return us to something akin to normality if we can follow the road map and get out of the position we are in. The fact of the matter is that, as the Resolution Foundation pointed out, we are in the worst crisis, the deepest downturn, for 300 years. That is not a fact we can ignore, and it is a fact that it is incumbent on us, across the House and in this Government, to address.

Ordered. That the debate be now adjourned.—(*Tom Pursglove.*)

Debate to be resumed on Monday 8 March.

5 pm

Douglas Ross (Moray) (Con): On a point of order, Madam Deputy Speaker. Earlier today, the International Trade Secretary announced that the UK Government and the US Administration have reached an agreement to suspend tariffs on UK products, including Scotch whisky and cashmere. Moray is home to more Scotch whisky distilleries than any other constituencies, and Johnstons of Elgin, which produces outstanding cashmere products. I wonder if there is a way I can put on record how well that decision and announcement have been

received in Moray, in Scotland and across the UK, and ask whether the Government have made any representations to Mr Speaker to come to this House to explain what will be done over the next few weeks to get rid of those tariffs not just for four months, but completely.

Madam Deputy Speaker (Dame Eleanor Laing): I can understand why the hon. Gentleman wishes to draw attention to his delight at that announcement and indeed to the great attributes of his constituency. I could tell that many Members showed enthusiasm and their fondness for the products of the distilleries he mentioned. Personally, I am much more of a fan—indeed, an enormous fan—of Johnstons of Elgin.

The hon. Gentleman asks how he might take the matter further here in the House. First of all, obviously, he has succeeded in drawing attention to it through his point of order, which, although not a point of order for the Chair, contained a question to which I can give him a very simple answer. The debate on the Budget continues, as the Whip has just announced, on Monday, and then on Tuesday. On Tuesday 9 March, the title of the debate is “Investment-led recovery and levelling up”. I expect that that debate will be led by the Secretary of State for Business, Energy and Industrial Strategy. That would be an appropriate time, if not for the hon. Gentleman then for some of his colleagues, to raise the matters he wishes to draw to the attention of a wider public.

Business without Debate

BUSINESS OF THE HOUSE

Ordered.

That

(1) the Order of the House of 16 January 2020 (Business of the House (Private Members’ Bills)), as amended by the Orders of the House of 25 March, 22 April, 12 May, 10 June, 1 July, 3 November and 30 December 2020 and 13 January 2021, is further amended as follows: at end, insert “and 12 March 2021”;

(2) the Order for Consideration of the Forensic Science Regulator Bill on Friday 5 March be read and discharged;

(3) the Orders for Second Reading of Bills on Friday 12 March be read and discharged and that no Second Readings of Bills be taken that day;

(4) that the following bills be set down for Friday 12 March, and in the following order:

Education (Guidance about Costs of School Uniforms) Bill

British Library Board (Power to Borrow) Bill

Education and Training (Welfare of Children) Bill

Forensic Science Regulator Bill

Botulinum Toxin and Cosmetic Fillers (Children) Bill

Prisons (Substance Testing) Bill

Registers of Births and Deaths Bill

Animal Welfare (Sentencing) Bill.—(*Tom Pursglove.*)

British Council and the Integrated Review

Motion made, and Question proposed, That this House do now adjourn.—(Tom Pursglove.)

5.3 pm

Mr John Baron (Basildon and Billericay) (Con) [V]: I am grateful for the opportunity to raise the British Council and the integrated review. I thank Mr Speaker for granting the debate and the Minister for responding. I should declare my interest as chairman of the British Council all-party group.

The UK is often termed a soft power superpower, with recent research showing that the UK is presently the most attractive country in the G20. That is down to our country's extensive and impressive assets of attraction and influence, which include world-renowned arts and cultural bodies, world-class universities and research—the Oxford-designed vaccine is saving lives in this country and worldwide—and our sporting prowess and ability to put on fine spectacles, such as the 2012 Olympics and, no doubt, the 2022 Commonwealth games, but it is also down to our respected national and international institutions.

I know that the Foreign Secretary and the Minister are aware that the British Council is one of those great institutions. Since the 1930s, it has been promoting British culture and the English language abroad, as well as facilitating cultural exchanges and building trust between the UK and other countries. Along with the BBC World Service, it is one of the jewels in the crown of British soft power, and few Departments do not directly benefit from its work. Indeed, research shows that participation in cultural relations activity with the British Council increases the proportion of people who say they trust the UK by more than a quarter—26%. Those who say they trust the UK are twice as likely to trade, visit, study or do business with our country than those who do not.

Soft power is usually defined as the art of persuading and attracting people to “want what you want”, but despite the consensual approach it requires, it is becoming an increasingly contested area. In order for the UK to retain its lead in this important arena, and in the competition for global influence, it is crucial that we act strategically and also strengthen our soft power assets and offering. The integrated review, which is due to report shortly, is considering all aspects of our international relations—foreign policy, defence, security and international development. As an ex-soldier with the Royal Regiment of Fusiliers, a regiment that Mr Speaker knows well, I fully appreciate the need for strong defence. Despite the recent welcome increases in the defence budget, I believe we need to spend even more in this uncertain world and certainly not reduce our infantry numbers, but proper financial support for our soft power assets is also vital. The Ministry of Defence agrees. It understands that:

“The best way to not get into a conflict is to avoid one in the first place by understanding each other's issues”.—[*Official Report*, 1 February 2021; Vol. 688, c. 674.]

Those were the words of the Defence Secretary when I raised the issue of the British Council with him recently during Defence questions. War should always be the measure of last resort.

In our report of October 2020, the all-party group made clear our recommendation that there should be a soft power strategy at the heart of the integrated review, providing

our assets of influence parity with other hard power assets, so that they are able to complement one another. The report also recommended that our soft power assets should continue to operate independently, as assets of influence are most effective when the engagement they deliver has a value for its own sake. Allowing these assets to act independently and authentically boosts their effectiveness—their efficacy; everyone knows that Russia Today and the Confucius Institutes are instruments of Russian and Chinese state power, and they lack effectiveness, value and credibility as a consequence. While alignment with Britain's foreign policy objectives is essential, operationally, soft power assets such as the British Council should be free to develop and implement their own strategies, drawing on their skills, insight and expertise derived from decades of experience.

Inevitably, there is also a need to sustain and enhance our international engagement with appropriate funding. In recent years, the British Council has ensured its grant-in-aid funding from the Government stretches far, and has used the surplus from its commercial activities to support and maintain its activities abroad. Members may not be aware that in normal times the British Council receives only 15% of its income from the state, whereas its French, German and Japanese equivalents receive 48%, 62% and 65% respectively.

The coronavirus pandemic has been hard for the British Council, as almost all of its commercial activity, and its associated income, has understandably come to a halt and will not restart substantially for some time. As in other areas, it must be said that the Government have been supportive, and my understanding is that the British Council is now on firmer footing than was feared even a few months ago when insolvency was a very real risk. Nevertheless, I also understand that discussions are ongoing and that many options are on the table. Therefore, as the Government consider our international engagement in the integrated review, I urge them to think strategically about our soft power and take the long view rather than short-term decisions, which, in coming years, we may regret. In particular, the Government and the Foreign, Commonwealth and Development Office especially should reflect on the fact that if the British Council ceases to have a presence in a given country, it is not only unlikely that a presence would be easily re-established, but that such a move also leaves space for other countries which will be sure to notice and fill the vacuum, and not all those countries may be friendly to our own.

I am confident that Members across the House, especially those active in the all-party group that I chair, will be deeply concerned by a decision to reduce the British Council's network, which is a vital part of building the close long-term relationships in which the organisation specialises and from which the whole UK profoundly benefits. Furthermore, a retreat on the global stage is difficult to square with the Government's ambitions for global Britain, and quite rightly so. Overall, I agree with the Defence Secretary's assessment that there is not enough of the British Council around the world. I am sure that the Foreign Secretary and the Minister will also share that opinion, and I look forward to hearing their confirmation of this when the Minister responds to this address and debate.

Once again, I urge the Minister to do all he can to ensure that soft power is at the heart of the integrated review. In this year of UK leadership of the G7 and the

COP26 environmental talks, the Government should enhance and capitalise on our soft power strengths to preserve our role as a global leader and broker on the world stage and fully realise the ambitions of global Britain.

5.12 pm

The Minister for Asia (Nigel Adams): I am incredibly grateful to my hon. Friend the Member for Basildon and Billericay (Mr Baron) for securing this debate on the British Council and the integrated review. May I use this opportunity to pay tribute to him for his work as chairman of the British Council all-party group, particularly as he referenced the recent report on influence and the integrated review?

For more than 85 years, the British Council has been the UK's international organisation for education and cultural relations. It is a crucial part of the UK's presence overseas and it is a key soft power asset. It has work in more than 100 countries, reaches 790 million people annually, promoting UK education, arts and culture and, as my hon. Friend referenced, the English language. He also referenced in his excellent speech that the United Kingdom is a soft power superpower. We have huge strengths from sport, culture and creative industries to our world-class higher education system, and the important role that we play internationally in addressing whatever the major issues of the day are. We rank consistently in the top three in leading soft power indices, and we ranked as the most attractive country for young people in the G20 in the British Council's recent soft-power perception study.

The British Council promotes UK influence and attraction overseas by building long-lasting connections between people. It acts as a force for good—for example, through its work to empower young women in south Asia through English language teaching. It encourages cultural understanding through programmes such as its fantastic seasons of culture and through educational exchanges.

The British Council also fosters connections between higher education institutions and students in the UK and in other countries. I am pleased to note that the council will use the expertise it derived from delivering Erasmus+ to administer the new Turing scheme from September. This will enable a new generation of international students to benefit from the UK's world-class education system.

Jim Shannon (Strangford) (DUP): I thank the hon. Member for Basildon and Billericay (Mr Baron) for his presentation. It is always a real nice pleasure to see him again; we look forward to renewing friendships shortly.

It has been said that a state's credibility and capacity to effect change depends as much on diplomacy and the social and human capital of international networks as it does on gross domestic product or military might. Does the Minister agree that it is essential that our diplomacy should be used to make a difference—as I often ask for—to the lives of those who are oppressed throughout the world?

Nigel Adams: The hon. Gentleman is absolutely right: it is important that, through our network and posts and through what we do in our embassies and high commissions around the world, as well as through our British Council offices, there is a huge diplomatic effort going on. I appreciate that that is not the principal object of the

British Council, but it does add to the UK's strength of diplomacy. If there are emergencies or crises around the world—sadly we have seen a number of them—the United Kingdom has a strong part to play, and he is absolutely right to raise that.

To continue the theme of that intervention, the council also contributes to our global prosperity and helps to develop favourable conditions for new trade and investment links. My hon. Friend the Member for Basildon and Billericay rightly raised the integrated review. The Government want our foreign policy to deliver for the British people and to be rooted firmly in our national interests, which is why the commitment to deliver a review of foreign, defence, security and development policy was announced in the Queen's Speech in December 2019.

The integrated review will define the Government's ambition for the UK's role in the world and the long-term strategic aims for our national security, foreign and development policy. It will outline the way in which the United Kingdom will be a problem-solving and burden-sharing country, and it will set a strong direction for recovery from covid-19, both here and overseas, so that together we can build back better.

The full conclusions of the integrated review will be published later this month. My hon. Friend the Member for Basildon and Billericay will understand that I do not want to pre-empt the findings, nor how the British Council will feature in the final report, but I would be surprised if soft power does not play a part in it. It is absolutely certain that the FCDO will continue to value the British Council's role as a contributor to our long-term foreign policy and our development ambitions.

As I set out, the integrated review will map out the UK's direction for recovery from covid-19. It is important to acknowledge that the British Council has been acutely affected by the pandemic, as my hon. Friend said. At the pandemic's peak—at its worst—more than 90% of the British Council's teaching and exam centres were forced to shut, with a huge impact on the organisation.

We have worked hard to provide the British Council with additional support at a time of strain on public finances. Last March, the Department provided £26 million of emergency funding, as well as providing half of the council's grant-in-aid funding up front. We will also provide up to £145 million in loans to ensure that the British Council is able to continue to operate through this exceptionally difficult time. We will provide further financial support for future restructuring plans to enable the British Council to rebuild its commercial surpluses.

Dr Julian Lewis (New Forest East) (Con): I am extremely grateful to the Minister and am very encouraged by everything he has said so far. Does he agree that, despite the covid-19 pandemic forcing us all to move into the virtual world, the physical footprint of organisations such as the British Council must be maintained and restored, because in international competitive environments, where we leave a vacuum, other countries with less benign intentions will be all too ready to fill it?

Nigel Adams: My right hon. Friend is right to raise that issue. The footprint of the British Council is huge globally. If he is referring to potential office closures, no decisions have been taken. Clearly, the British Council is operationally independent in that regard. We will work

[Nigel Adams]

and are working extremely closely with the council to ensure that any negative impact on its work is minimised as much as possible.

Despite the hardship endured throughout the pandemic, the British Council has continued to innovate and it has adapted to digital delivery. I understand the point of my right hon. Friend's intervention. Previously, the digital footprint was nowhere near what it is now in terms of delivering the English language. Currently, more than 80,000 students are learning English online.

The British Council has also been able to deliver events online. An example of that is the UK-Italy season of culture, which was the first of its kind. Fifty virtual events have been held for hundreds of cultural professionals. I was delighted to take part in the UK in Japan season earlier this year, although very sadly I was unable to get to Japan for obvious reasons. I was able to visit digitally, and I had the pleasure of taking part in an online discussion with leading figures from the UK and Japanese cultural sectors. It is a credit to the British Council that it has been able to continue its vital work throughout this period. It demonstrates the resilience of our soft power institutions.

We have ensured that the British Council will be on a steady footing for the future, so that it can continue delivering core work across arts and culture, the English language and, importantly, education. As part of the spending review settlement for 2021-22, the Foreign,

Commonwealth and Development Office will provide £189 million of grant-in-aid funding, of which £150 million is official development assistance.

The British Council delivers key soft power benefits for the UK, as I have said, through its networks and expertise. It ensures UK influence through its programming. It attracts students and visitors to the UK and, through its work on the ground with communities and young people, it helps to secure global co-operation, as referenced in the intervention by the hon. Member for Strangford (Jim Shannon).

The full conclusions of the integrated review will set out the UK's vision for the next decade. It will be based on our values and grounded in the UK national interest. I have no doubt that the British Council will continue to play a vital role, and the FCDO will continue to support it as one of our most valuable soft power institutions.

Madam Deputy Speaker (Dame Eleanor Laing): I appreciate that the hon. Member for Basildon and Billericay (Mr Baron) finds it difficult to be isolated behind his screen. I am afraid that it is just not possible for him to come back in or to intervene on the Minister as he normally would, were he here in the Chamber. As a consolation prize, I am going to give him the prize for the best background, because it is closest to the colour of the Chamber.

Question put and agreed to.

5.24 pm

House adjourned.

Written Statements

Thursday 4 March 2021

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Magnox Decommissioning Contract: Holliday Inquiry

The Secretary of State for Business, Energy and Industrial Strategy (Kwasi Kwarteng): On 27 March 2017, the then Secretary of State for Business, Energy and Industrial Strategy, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), informed the House of the defective procurement between 2012 and 2014 of the contract for the clear-up of the 12 Magnox sites, of the decision taken to settle with unsuccessful bidders following a successful legal challenge, and the Nuclear Decommissioning Authority's decision to terminate the contract on the grounds that a material change had arisen to the specification on which bidders were invited in 2012 to tender.

The Secretary of State undertook to investigate fully and expose the reasons behind these failures so as to avoid the same mistakes being made in the future. In order to achieve this, he appointed Mr Steve Holliday to chair an independent, non-statutory inquiry. Mr Holliday's report, copies of which have been laid in the House today, delivers on that commitment.

I am grateful to Mr Holliday and his team for the comprehensive and rigorous work of this inquiry, which is reflected in this report. The team has reviewed tens of thousands of documents to get to the truth, and it is only through this diligence that we can now confidently learn from the mistakes of the past.

The Nuclear Decommissioning Authority is charged with the delivery of a range of challenging, complex and safety-critical activities, across Magnox and the other sites in its estate. Since it was established under the Energy Act 2004, the Nuclear Decommissioning Authority has driven a significant step-change in the decommissioning of the UK's legacy nuclear sites.

The Nuclear Decommissioning Authority has already acted upon the inquiry's interim findings that were published in October 2017 and significant improvements have been put in place. This includes strengthening of its commercial and legal capabilities and the introduction, with Government support, of a board-level programme and projects committee. My Department has already taken action to improve its own oversight of the Nuclear Decommissioning Authority by strengthening the capacity and capability of the team in BEIS that provides the sponsorship function and also by appointing a director from UK Government Investments on to the board as a Government shareholder representative.

The Nuclear Decommissioning Authority will need to continue to develop to become a more efficient, effective and resilient organisation that continues to drive transformation on the ground and to deliver value for money for the taxpayer. I will be looking to the organisation's chair, chief executive and the other board members to demonstrate that, where they have not already done so, they will respond fully, effectively and in a timely manner to the findings of this report. There are also findings and recommendations for my Department

and UK Government Investments as well as for the Government more widely which we will consider with great care.

It is my intention that the Government and the NDA will publish formal responses to the inquiry chair's recommendations later this year.

[HCWS820]

HEALTH AND SOCIAL CARE

Covid-19 Update

The Minister for Covid Vaccine Deployment (Nadhim Zahawi): The lockdown has reduced social contact and, as such, the numbers of covid-19 cases, hospital admissions and death rates have reduced significantly but continue to remain high across the country. As of 25 February, the weekly case rate for all ages in England is on average 97.1 per 100,000, and 65.2 per 100,000 for people aged 60 and over. Overall positivity for England is 4.3%, with rates continuing to remain higher than desired across the whole country. These figures remain high indicating that we are not yet ready to ease further restrictions immediately from an epidemiological perspective.

Data indicates that the number of patients in hospital with covid-19 across England has reduced to 10,765 and mechanical ventilation bed occupancy is 1,658 (as of 1 March). Sadly, between 15 February and 21 February there have been a total of 2,421 covid-19 related deaths in England, within 28 days of a positive covid-19 test. The number of deaths within 28 days of a positive test has fallen and now reflect levels seen at the end of October. The coronavirus England briefing, 4 March 2021, is available here:

<https://www.gov.uk/government/publications/coronavirus-england-briefing-4-march-2021>

The vaccine rollout continues to be a success for the UK. As of 2 March, over 20.4 million people across the UK have now received their first dose of a covid vaccine—equal to over a third of the adult population, and over 840,000 people have now received their second dose of a covid vaccine. Daily updates on vaccines doses are available here:

<https://coronavirus.data.gov.uk/details/vaccinations>

On 22 February, the Prime Minister announced a four-step roadmap to move England out of the current national lockdown. The Government will take a cautious approach to easing restrictions which is guided by data. The measures set out for 8 March prioritise the return of face-to-face education in schools and colleges.

The full roadmap publication can be found at the following link: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/963491/COVID-19_Response_-_Spring_2021.pdf

Progression to the next step of the roadmap will be guided by data, and not dates. There will be at least five weeks between the steps in the roadmap: four weeks for the data to show the impact of the previous easing; and one week's notice for the public and businesses ahead of future changes.

Before taking each step, the Government will review the latest data on the impact of the previous step against four tests.

1. The vaccine deployment programme continues successfully
2. Evidence shows vaccines are sufficiently effective in reducing hospitalisations and deaths in those vaccinated.
3. Infection rates do not risk a surge in hospitalisations which would put unsustainable pressure on the NHS
4. Our assessment of the risks is not fundamentally changed by new variants of concern.

[HCWS825]

Healthy Weight Inquiry

The Parliamentary Under-Secretary of State for Health and Social Care (Jo Churchill): Last year, in response to growing numbers across the country living with excess weight and obesity, the Government published our new strategy, “Tackling obesity: empowering adults and children to live healthier lives”. Worryingly, during the covid-19 pandemic, evidence has shown that people with obesity are more likely to be admitted to hospital, to an intensive care unit and, sadly, to die compared to those of a healthy body weight. This is as well as being at a heightened risk of other diseases such as diabetes, heart disease and some cancers.

So today I am delighted to announce that the Government are committing an additional £100 million over 2021-22 to support people living with obesity, to lose weight and maintain a healthier lifestyle.

More than £70 million will be invested in weight management services available through the NHS and local authorities. The funding announced today will mean up to 700,000 adults have access to support that can help them to lose weight, from access to digital apps, weight management groups or individual coaches, to specialist clinical support. This funding will also support GPs and other health professionals to help make weight management an integral part of routine care. It will encourage clinicians to have conversations about weight with their patients and enable them to refer patients to new services.

£30 million will be used to fund a variety of initiatives that will help individuals maintain a healthy weight. This includes providing access to the free NHS 12-week weight loss plan app and continuing the successful Better Health marketing campaign to motivate people to make healthier choices. Some of the funding will go towards improving services and tools to support healthy growth in early years and childhood. This will assist up to 6,000 children, and their families, to grow, develop and maintain a healthier weight whilst providing many more with advice on lifestyle changes to promote a healthy weight.

Evidence suggests that people who have access to structured weight management services are more successful in losing weight than people who try to manage alone. Losing weight reduces the risk of developing diabetes, high blood pressure, heart disease and some cancers. This funding will support a breadth of new services so that people can find an approach that works for them.

I am also very pleased to announce that Sir Keith Mills, who has pioneered reward programmes through Airmiles and Nectar points, has been appointed to advise on developing a new approach, “Fit Miles”, to support people to eat well and move more, using incentives and rewards.

Drawing on a wealth of experience and best practice from around the world, Sir Keith will support the Government to develop and test innovative approaches with public and private partners that use incentives and rewards to help people make healthier choices.

This additional funding will complement other policies announced in last year’s obesity strategy that will change the wider environment and empower people to make the healthier choices. From restricting advertisements for food and drinks high in fat, salt and sugar, banning unhealthy promotions and consulting on alcohol calorie labelling, to requiring large businesses to provide calorie information—these actions are helping us all make healthier choices.

The Department of Health and Social Care is working closely with NHS England and Improvement and Public Health England to ensure this programme of funding helps those who need it most. This funding will support people across the country achieve a healthier lifestyle. The Department of Health and Social Care will provide further detail on this programme of work in the coming weeks and months.

[HCWS823]

HOME DEPARTMENT

Home Office Funding: 2020-21

The Secretary of State for the Home Department (Priti Patel): Net cash requirement for the year exceeds that provided by the main estimate, and is within that provided by the supplementary estimate. The supplementary estimate has not yet received Royal Assent.

The Contingencies Fund advance is required in order to meet commitments until the supplementary estimate receives Royal Assent, at which point the Home Office will be able to draw down the cash from the Consolidated Fund in the usual way, to repay the Contingencies Fund advance.

Parliamentary approval for additional resources of £1,250,000,000 will be sought in a supplementary estimate for the Home Office. Pending that approval, urgent expenditure estimated at £1,250,000,000 will be met by repayable cash advances from the Contingencies Fund.

[HCWS821]

Changes in Immigration Rules

The Parliamentary Under-Secretary of State for the Home Department (Kevin Foster): My right hon. Friend the Secretary of State for the Home Department is today laying before the House a statement of changes in immigration rules.

We have made a change to the immigration rules which will open the new graduate route to enable international students to remain in the UK to work, or look for work, for two years (three years for doctoral students) after they have completed their studies. The route will open on 1 July 2021. All international students who have successfully completed a degree (or other qualifying course) at undergraduate level or above at a higher education provider with a track record of compliance, and who have valid student (or tier 4) permission, will be able to apply. The doctorate extension scheme (DES) will close when the graduate route opens. The introduction

of this route, which was announced in September 2019, will significantly improve the UK's offer to international students.

We are making changes to accommodate the launch of the new graduate route. The first change is to expand the definition of a new entrant to include those switching from the graduate route. Time spent in the graduate route will count towards the maximum period of four years for which a person can be considered a new entrant. We are also making a change so those previously on the student or graduate routes, who make a short visit to the UK, do not disqualify themselves from being considered a new entrant.

We are also giving effect to some of the recommendations made by the Migration Advisory Committee in its review of the shortage occupation list (SOL) in September 2020. We are adding eight occupations in the health and care sector as well as modern language teachers to the UK-wide SOL. We are removing chefs from the SOL, although they will continue to be eligible for the skilled worker route due to the expanded skills threshold.

In addition, we are accepting the recommendation to add deck hands on large fishing vessels and vent chicken sexers, where those occupations meet experience requirements, to the list of occupations which are eligible for the skilled worker route.

We are updating the salary thresholds to include a minimum hourly rate to safeguard against employers who may require employees to work longer hours to make up for the lower rates of pay. We are including a transitional arrangement for those already on the skilled worker route in a job paying less than the minimum (£10.10 per hour) to avoid anyone losing their job as a result of the change.

We are making a change to prevent employers from reducing their skilled worker salaries below the level of tradeable points which have been assessed and awarded by the Home Office. If a sponsor wishes to reduce a salary based on a different set of tradeable points, a new application will be required. This ensures the Home Office has assessed and confirmed that the skilled worker continues to meet the requirement of the route.

We are expanding the academic technology approval scheme to include those coming to the UK under a sponsored work route to work in an occupation which includes postgraduate research in an academic environment, in certain sensitive subjects where an individual's knowledge could be used in programmes to develop advanced conventional weapon technology, weapons of mass destruction (WMD), or their means of delivery. This change is designed to protect UK research from exploitation and from inadvertently supporting the proliferation of WMD or advanced conventional weapon technologies.

Some adjustments are being made to the EU settlement scheme (EUSS) and the EUSS family permit. These will ensure their continued operability and the full implementation of the citizens' rights agreements beyond the 30 June 2021 deadline for applications to the EUSS by those EEA citizens and their family members resident in the UK by the end of the transition period. By 31 January 2021, more than 5 million applications to the EUSS had been received and more than 4.5 million grants of status had been issued.

We are making changes to the global talent route to enable applicants who have reached the pinnacle of their careers to bypass the endorsement requirement

and instead qualify if they have received a prestigious prize. An initial list of prizes have been identified and agreed by the endorsing bodies for the route based on their expert opinion and represent the leading awards in their respective fields.

Applicants meeting this requirement will not be required to apply for endorsement, which should expedite the application process. In all other aspects, the requirements and conditions applying to individuals relying on a prestigious prize will be consistent with those who qualify using an exceptional talent endorsement, including having a three year qualifying period for settlement and identical conditions applied to their permission.

There are currently two separate schemes to assist current and former locally employed staff (LES) in Afghanistan: the ex-gratia scheme (EGS) and the intimidation policy. The existing intimidation policy is available to any current or former Afghan LES who have been employed directly by the UK Government in Afghanistan since 2001, from the first day of their employment, regardless of their role, job or length of service. This is being replaced with the Afghan relocation and assistance policy (ARAP) for current and former Afghan LES to reflect the changing security situation in Afghanistan and the risk faced by current and former LES there. The EGS will continue to operate without change until the closing date of 30 November 2022 already set out in the immigration rules.

The ARAP moves away from the present policy model which is based on the investigation of alleged cases of intimidation and requires discrete evidence, and into an assessment-oriented approach. This will be grounded in a recognition that the situation in Afghanistan has evolved and poses a latent threat to many current and former LES in particular roles. Other assistance, e.g. internal moves in-country and bespoke security advice, will still be available where appropriate and reflects that not all LES are able or willing to relocate.

An amendment is being made to clarify the grounds for refusal policy intention that permission may only be refused or cancelled on the basis of rough sleeping where the person has repeatedly refused offers of support and engaged in persistent antisocial behaviour.

Finally, a change is being made to Appendix Hong Kong British national (Overseas) which will allow those on the British national (Overseas) route to apply to vary their conditions to have their no recourse to public funds condition lifted where they are able to demonstrate they are destitute or at imminent risk of destitution.

[HCWS822]

WORK AND PENSIONS

State Pension Correction Exercise

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): This statement provides an update to the House on uplifts to the state pension, which has been a matter of parliamentary interest since 2020.

We are committed to making sure that those people found to have been underpaid state pension receive the money they are rightly entitled to.

We became aware of issues with state pension underpayments in 2020 and we took immediate action to investigate the extent of the problem. This is an issue that dates back many years across successive Governments.

Rectifying these cases is a priority for the Department and we will do it as quickly as possible.

From August 2020 to January 2021 the Department carried out a number of complex scans of legacy computer systems that analysed many millions of state pension records. The scans identified cases requiring further investigation.

These cases can be categorised into the following groups:

People who are married or in a civil partnership who reached state pension age before 6 April 2016 and may be entitled to a category BL uplift based on their partner's national insurance contributions.

Following a change in the law in 2008, when their spouse became entitled to a state pension, some people should have had their basic state pension automatically reviewed and uplifted. Underpayments occurred in cases when this did not happen.

People who have been widowed and their state pension was not uplifted to include amounts they are entitled to inherit from their late husband, wife or civil partner.

People who have not been paid category D state pension uplift as they should have been from age 80.

For each group of individuals affected, DWP IT systems produce an electronic prompt to consider if an individual's state pension amount should be increased. The prompt requires DWP staff to take further manual action and, in some cases, this did not take place.

Following the scan activity, the Department formally commenced a correction exercise on 11 January 2021, clerically examining each of the cases identified through the scans. We have already reallocated a number of staff onto this work and are exploring urgently what else we can do to speed up the process.

Given the complexity of the work, it can take time to assess the most complex cases. This work involves a thorough examination of the state pension payments, and consideration of any changes to the individual's circumstances since the original state pension award was made, to establish if an underpayment has occurred.

Where underpayments are identified, the Department will contact the individual to inform them of the changes to their state pension amount and of any arrears payment they will receive in accordance with the law.

The Department's current estimate of the total costs of repaying these arrears is £2.7 billion. There will also be increased expenditure on corrected live cases of around £90 million per year on average in the coming years. This estimate is based on the system scans and analysis of DWP administrative data. As more information becomes available from the correction exercise, we will refine our estimates.

In addition to the formal correction exercise, the Department is continuing to review thoroughly all state pension records where an individual has contacted the Pension Service.

The Government are fully committed to ensuring that any historical errors, unaddressed by previous Governments, are put right as quickly as possible.

I will update Parliament as the correction exercise progresses.

[HCWS824]

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