PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

PROFESSIONAL QUALIFICATIONS BILL [*LORDS*]

First Sitting

Tuesday 18 January 2022

(Morning)

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not later than

Saturday 22 January 2022

sThe Committee consisted of the following Members:

Chairs: † Mark Pritchard, Hannah Bardell

Baynes, Simon *(Clwyd South)* (Con)
† Bell, Aaron *(Newcastle-under-Lyme)* (Con)
† Carter, Andy *(Warrington South)* (Con)
† Cummins, Judith *(Bradford South)* (Lab)
† Esterson, Bill *(Sefton Central)* (Lab)
† Fletcher, Colleen *(Coventry North East)* (Lab)
† Fletcher, Mark *(Bolsover)* (Con)
† Flynn, Stephen *(Aberdeen South)* (SNP)
† Higginbotham, Antony *(Burnley)* (Con)
† Leadbeater, Kim *(Batley and Spen)* (Lab)
† Onwurah, Chi *(Newcastle upon Tyne Central)* (Lab)
† Sambrook, Gary *(Birmingham, Northfield)* (Con)
† Saxby, Selaine *(North Devon)* (Con)
† Scully, Paul *(Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy)*
† Webb, Suzanne *(Stourbridge)* (Con)
† Whitley, Mick *(Birkenhead)* (Lab)
† Whittaker, Craig *(Lord Commissioner of Her Majesty's Treasury)*

Abi Samuels, Sarah Thatcher, *Committee Clerks*

† **attended the Committee**

Public Bill Committee

Tuesday 18 January 2022

[Mark Pritchard *in the Chair*]

Professional Qualifications Bill [*Lords*]

9.25 am

The Chair: Before we begin, I have a few reminders for colleagues. Will Members please switch off or turn their electronic devices to silent? No food or drinks are permitted during sittings except for the water provided. Members are expected to wear masks when they are not speaking, in line with current Government guidance and that of the House of Commons Commission. I remind colleagues that they are asked by the House to have a covid lateral flow test before coming on to the parliamentary estate. Please also give each other and members of staff some distance when seated and when entering and leaving the room. *Hansard* colleagues would be grateful if Members could send any speaking notes to hansardnotes@parliament.uk.

We will first consider the programme motion on the amendment paper. We will then consider a motion to enable the reporting of written evidence for publication. I hope that we can take those matters formally without debate.

Ordered,

That—

1. the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 18 January) meet—

(a) at 2.00 pm on Tuesday 18 January;

(b) at 11.30 am and 2.00 pm on Thursday 20 January;

2. the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Thursday 20 January.—*(Paul Scully.)*

Resolved,

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.—*(Paul Scully.)*

The Chair: Copies of written evidence that the Committee receives will be made available in the Committee Room and will be circulated to Members by email. We now begin line-by-line consideration of the Bill. The selection list for today's sitting is available in the room. It shows how the selected amendments have been grouped together for debate. Amendments grouped together are generally on the same or a similar issue, as colleagues will know. Please note that decisions on amendments do not take place in the order that they are debated, but in the order they appear on the amendment paper. The selection and grouping list shows the order of debates. Decisions on each amendment are taken when we come to the clause to which the amendment relates. Decisions on new clauses will be taken once we have completed consideration of the existing clauses of the Bill. Members wishing to press a grouped amendment or new clause to a Division should indicate when speaking to it that they wish to do so.

Clause 1

Power to provide for individuals to be treated as having UK qualifications

Question proposed, That the clause stand part of the Bill.

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Paul Scully): It is a pleasure to serve under your chairmanship, Mr Pritchard. The Bill will replace the interim system for the recognition of professional qualifications that was put in place when the UK left the EU. That interim system can give preferential treatment to professionals within the European economic area and with Swiss qualifications. It has not been reciprocated by the EU, and will be superseded by our recent trade agreement with the EEA and European Free Trade Association states. It must therefore be revoked.

Clause 1 sets out the substance of a new recognition approach. It means that regulations can be made that require regulators to consider applications from individuals with professional qualifications and experience gained around the world. Regulators will determine whether an individual with overseas qualifications or experience has substantially the same knowledge and skills to substantially the same standard as demonstrated by the relevant UK qualification or experience. Equally, other relevant regulatory criteria must also be met—for example, regarding language proficiency or criminal record checks. The regulations would not alter the standards required to practise professions in the UK. No regulator would be pressured into accepting qualifications that did not reach UK standards. My officials have worked with all regulators affected by the Bill, and I am happy to report that the regulators support clause 1.

Where clause 1 is not exercised, regulators will be free to continue recognising qualifications from overseas in line with their existing powers and any reciprocal agreements in place. As a result of the condition in clause 2, there are only certain conditions under which a Secretary of State, the Lord Chancellor or a devolved Administration would be able to make regulations under clause 1. Action can be taken only where there is a clear public interest to do so—in this case, unmet demand for services. I hope that my explanation has provided further clarity on why the Government believe that that approach is necessary and proportionate. I assure the Committee that the regulators support the clause.

Bill Esterson (Sefton Central) (Lab): It is a pleasure to see you in the Chair, Mr Pritchard. Having a skilled workforce is essential for the economic success of our country, and the Bill will promote mutual recognition of professional qualifications, which will in turn increase the opportunities for many professionals from abroad to work here in Britain. We also need our high-class professional services professionals to have the opportunity to work abroad. The Bill matters both in addressing access here and in creating a potential for mutual recognition agreements for professionals to work abroad.

Whether it is for the billions that qualified professionals contribute to our economy—such as the £60 billion of gross added value that legal services are worth and the £5 billion in the export of legal services—or the societal contribution that nurses, doctors, veterinarians and others make to the fabric of our country, it matters greatly that

we get the legislation right. Although the Bill has faced much scrutiny from colleagues in the Lords, there are areas where it could be amended to ensure that we in this House, as well as our colleagues in the devolved Administrations and the regulated professions, deliver the certainty that the Bill should provide to millions of professional workers.

We therefore encourage the Government to properly consult with the relevant regulators and professional bodies before making regulations, so that they can avoid the same shambolic approach that the Government took, for example, in the establishment of the Trade Remedies Authority, where the Secretary of State had to step in at the eleventh hour last year to prevent the disastrous removal of vital protections for our steel industry. Similarly, we encourage the Government to properly consult with the devolved Administrations, and provide appropriate reassurances to them that they will be appropriately consulted when regulations affect them, and that the Bill will not strip more powers from them when it comes into force. The relevance of the Trade Remedies Authority is that the Government opposed our amendment in Committee to then Trade Bill to include, among others, the devolved Administrations. Our amendments to today's Bill would reassure the devolved Administrations that this legislation will not be another attempt by Westminster to seize responsibilities that were previously devolved.

We have also tabled new clauses to strengthen certain aspects of the Bill. Having qualified professionals here in the UK contributing to our economy and social fabric is vital. It is therefore galling to see yet more shortages of skills across the country—shortages that, we hear today, are in the tens of thousands for nurses and carers. We know about the shortage of vets. All of those are covered by the Bill, as are driving instructors, who of course link to lorry drivers, where we have a significant and sustained set of problems. That is why we seek an obligation for the Government to provide a report to the House about what they are doing to tackle the skills shortages facing the country. We also seek additional certainty for workers who already have their professional qualifications recognised in the UK.

Finally, we seek certainty that a number of regulators and regulated professionals are covered by the Bill. When the Bill was in the Lords, it was clear how little effort and thought went into it from Ministers. It was truly shambolic. In fact, it was so shambolic that the Government's own Minister, Lord Grimstone, said that the deep errors had made him feel "uncomfortable" and that he had listened to the criticism

"with a certain lack of enjoyment."—[*Official Report, House of Lords,* 22 June 2021; Vol. 813, c. 160.]

Conservative peer Baroness Noakes said that

"it has all the hallmarks of being a Bill conceived and executed by officials with little or no ministerial policy direction or oversight."—[*Official Report, House of Lords,* 22 June 2021; Vol. 813, c. 149.]

I hope that today's Minister is giving a little more political direction and oversight than his colleagues have previously. How does he feel about the Bill? Is he, as his colleagues were, uncomfortable with it? Is he certain that the wrinkles have been ironed out?

This is an important piece of legislation, which will affect people's lives and livelihoods, and every effort must be made to deliver the system that those in scope need. Lord Grimstone had the decency to accept the shortcomings of the Bill and of the Government, and in collaboration with Labour made the necessary amendments to put the Bill into better shape. I hope that today's Minister will address the remaining concerns with us as we debate the amendments before us.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clause 2

Power conferred by section 1 exercisable only if necessary to meet demand

Bill Esterson: I beg to move amendment 2, in clause 2, page 3, line 2, at end insert—

"(2A) In determining whether the condition in subsection (2) is met, the appropriate national authority must have regard to the availability of professional services in the regulated profession by reference to such factors as appear to the authority to be relevant including, but not limited to—

(a) the extent of delays in accessing professional services,

(b) the level of charges for services,

(c) available workforce data, skills needs or workforce modelling forecasts,

(d) vacancy levels or recruitment difficulties,

(e) whether the profession is on the occupation shortage list, and

(f) the views of the relevant regulator and of professional representative bodies."

This amendment requires additional information to be taken into account by the appropriate national authority when deciding what regulations are to be made in accordance with the powers conferred under clause 1.

The reluctance to consult on matters of great importance to people's lives and livelihoods is a flaw and a hallmark of how the Government operate. The Bill does not provide any obligation to consult the relevant regulators and other professional representative bodies when determining to make recommendations that will no doubt affect them and their members. How can that be right?

The second report of the Lords Delegated Powers and Regulatory Reform Committee stated clearly that it was

"surprised and disappointed that neither the Memorandum nor the Explanatory Notes…explain why Ministers will have no duty to consult before making regulations."

The Minister should explain why not. As Conservative Baroness Noakes said to other peers, that

"goes to the heart of this Bill. BEIS did not consult on this Bill or any policy proposals. All it did was issue a rather strange call for evidence, some of the replies to which were really rather thin, and it then worked out its own policy and put out a statement of policy at the same time that it published the Bill."—[*Official Report, House of Lords,* 22 June 2021; Vol. 813, c. 167.]

Failure to consult the relevant experts will only lead to mistakes and time wasted in trying to rectify those mistakes.

Furthermore, while the Bill was in the Lords, the Minister in that place said:

"I fully agree that it is important for the relevant national authority to engage with a range of stakeholders before making regulations. Because of the complexity of these matters, it would be the height of foolishness not to do that."—[*Official Report, House of Lords,* 9 June 2021; Vol. 812, c. 1500.]

[Bill Esterson]

Does the Minister agree with his colleague that it would be "the height of foolishness" not to consult with the appropriate stakeholders? If he does, does he accept the need for the amendment?

Paul Scully: I thank the hon. Member for his amendment, which would alter the unmet demand condition in subsection (2). The amendment would require the appropriate national authority to consider a specific set of factors to determine whether that unmet demand condition had been met.

I agree that the appropriate national authority should be transparent when determining whether the unmet demand condition is satisfied. I also recognise that considering a combination of the factors set out by the hon. Member in the amendment would make a sensible determination of unmet demand. That is why the Government committed to publish specific guidance to support appropriate national authorities in their determination of unmet demand. Factors in the amendment would of course be part of that guidance anyway.

The other place agreed that that was appropriate, because setting matters out in guidance, rather than on the face of the Bill, will give the appropriate national authority the freedom to tailor its unmet demand assessment to the needs and circumstances of each profession. I expect that appropriate national authorities will be clear in showing how they have reached their determination. Their approach must withstand scrutiny.

For example, a devolved Administration is best placed to determine the factors relevant to assess whether there is unmet demand for a profession in an area of devolved legislative competence. It is important that they are able to decide how best to make such determinations, and are not forced to work through a list of prescribed factors in the Bill. I therefore hope that the Committee will agree that setting the factors out in guidance is more appropriate.

The amendment also refers to the gathering of views of interested parties. I agree that that is clearly of the utmost importance. Therefore, clause 15 sets out a duty to consult with regulators when appropriate national authorities are using the powers under clause 1. That will provide an opportunity for regulators to express their view on unmet demand and on the content of any resultant negotiations. Given that the Bill already legislates for that, I do not see the need to repeat such an obligation in clause 2.

The proposed amendment also extends the consultation to give regard to the views of professional bodies. I am sure that appropriate national authorities, as a matter of good practice, will look to liaise with such bodies where appropriate. I hope the Committee is reassured that measures are in place to guide the application of the clause and provide transparency of how decisions will be made, as the hon. Member rightly suggests is required, as well as appropriate engagement with key parties. There is no need, therefore, to set that out further in the Bill. As such, I ask the hon. Member to withdraw the amendment.

Bill Esterson: I am grateful for the Minister's response. I come back to the point that the Lords Delegated Powers and Regulatory Reform Committee made—that this part of the Bill does not contain the duty to consult. I take his point about it being later in the Bill, but the point is, if the Government are happy to put it in later on, why is it missing here? We have not really had an answer, so we will test the will of the Committee.

Question put, That the amendment be made.

The Committee divided: Ayes 7, Noes 9.

Division No. 1]

AYES

Cummins, Judith	Leadbeater, Kim
Esterson, Bill	Onwurah, Chi
Fletcher, Colleen	
Flynn, Stephen	Whitley, Mick

NOES

Bell, Aaron	Saxby, Selaine
Carter, Andy	Scully, Paul
Fletcher, Mark	Webb, Suzanne
Higginbotham, Antony	Whittaker, Craig
Sambrook, Gary	

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 2 restricts the use of power for an appropriate national authority to make regulations under clause 1. It does so by limiting the use of power to a specific set of circumstances and introducing the condition that the appropriate national authority can make regulations only where to do so would address an unmet demand for the services provided by that profession, such as by preventing unreasonable delays and charges.

The clause provides reassurance that both the UK Government and the devolved Administrations can exercise the power in clause 1 only when there is clear public interest and when it is in their competence to do so. That means that action can be taken where necessary to meet the demand for services, ensuring recognition for appropriately qualified professionals in demand areas. It prevents regulations from being made under clause 1 where regulators already have sufficient existing recognition routes in place. In those circumstances, the condition in clause 2 would not be met. Clause 2 does not prevent regulators from using existing powers to create routes to recognition; it simply ensures that where there is pressing need, the regulations can be made.

Question put and agreed to.

Clause 2 accordingly ordered to stand part of the Bill.

Clause 3

Implementation of international recognition agreements

Question proposed, That the clause stand part of the Bill.

Paul Scully: The UK is the second-largest exporter of services in the world. The clause is therefore needed to ensure that the UK can meet its international obligations, allowing appropriate national authorities to implement parts of international agreements relating to professional qualifications. Nothing implemented under the clause

can force regulators to recognise applicants who are unfit to practise, or materially adversely affect the knowledge, skills and experience of the individuals practising a profession.

As many professions in the UK are already subject to existing legislative frameworks, including primary legislation, amendment may be required to reflect the terms of international agreements on professional qualifications and to be consistent with our international obligations. Existing powers may not provide for the full implementation of international agreements, which is why clause 3 is so important.

Question put and agreed to.

Clause 3 accordingly ordered to stand part of the Bill.

Clause 4

AUTHORISATION TO ENTER INTO REGULATOR RECOGNITION AGREEMENTS

Question proposed, That the clause stand part of the Bill.

9.45 am

The Chair: With this it will be convenient to discuss new clause 1.

Bill Esterson: Encouraged by the closeness of the vote, we will have another go with new clause 1. The amendment provides additional reassurances to the devolved Administrations that the Bill does not affect the establishment or operation of common framework agreements, which are devolved matters. This amendment would—*[Interruption.]* Sorry, I am speaking to the wrong provisions. I am amazed that nobody noticed. *[Laughter.]*

The Chair: Oh, I assure you that I did.

Bill Esterson: Given your vast experience, Mr Pritchard, and given my experience of debating with you over a number of years, I know that you were about to intervene to stop me. We will speak to new clause 1, but we will not test the will of the Committee on the matter; we will come back to it on amendment 3.

The new clause would place an obligation on the Secretary of State to provide guidance to regulators concerning mutual recognition under the EU-UK trade and co-operation agreement. The Bill provides a framework to allow mutual recognition of professional qualifications between regulators and professional bodies in the UK and the equivalent organisations overseas. The provisions in clauses 3 and 4 will allow for the implementation of regulator-to-regulator mutual recognition agreements, and of the recognition arrangements in new international trade agreements.

Importantly, the Law Society advises that the Bill will enable the mutual recognition agreement provisions in the EU-UK trade and co-operation agreement to be implemented, but it raises concerns about the arrangements. The Law Society says that the provisions for mutual recognition agreements in the TCA are largely based on the EU-Canada comprehensive economic and trade agreement. No mutual recognition agreements have been signed between the EU and Canada in the three years since CETA came into force. The concern is that the lack of mutual recognition agreements using similar provisions may indicate that the arrangements in the TCA are not sufficient for setting up such new agreements as are needed to encourage professionals to make up the shortages of nurses, vets or other professionals.

The Law Society and the Labour party want assurances that additional support, co-ordination and guidance will be available if needed by regulators and professional bodies on how to make the most of the provisions in the trade and co-operation agreement, not least in case they are to form the benchmark for future free trade agreements. More than assurances, the new clause would oblige the Secretary of State to provide guidance to regulators on how to make the most of the provisions in the trade and co-operation agreement.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I will not detain the Committee for long, but I will speak briefly in support of the new clause in my name and that of my hon. Friend the Member for Sefton Central, who made some excellent comments.

I declare a slight interest as having a professional qualification myself—that of a chartered engineer. That qualification is not part of the list of qualifications that will be subject to the legislation, but professional qualifications are an important part of many sectors, such as engineering, in our economy and our public realm. They are a significant factor in the protection of service users. Think of the many professions that have such an impact on service users, from the legal profession to chartered engineering, medical professions and nursing. It is important that those professions are well regulated, and the Bill is important to all our constituents. Newcastle, for example, has many professionals who benefit from the recognition of their qualifications.

We want the UK to be the best place in the world to live and work. That means being able to attract those with professional qualifications. We must recognise the importance of the autonomy of the regulators, provided for by Labour amendments during the passage of the Bill, and the importance of appropriate guidance, for which the new clause seeks to provide, for professional qualification regulators, particularly when it comes to the impact of trade deals. Many of us in this House—I bow to my hon. Friend the Member for Sefton Central with his extensive experience, however—might find the intricacies of the many trade agreements somewhat difficult to master, so it is critical that the regulators of professional qualifications have the support and guidance that the new clause seeks.

I note, for example, that in the EU-UK trade agreement we have not achieved any reciprocity of professional qualification recognition, so we are in a worse position than we were before leaving the European Union. For many with professional qualifications in this country—lawyers, engineers—being able to work abroad is an important part of their training. I myself worked in France, the US and Nigeria for some time, bringing skills back to this country. Not having reciprocal agreements in many areas leaves us worse off with regard to, say, the European Union, where there is a system of automatic recognition of professional qualifications for seven sector professionals—nurses, midwives, doctors, dentists, pharmacists, architects and vets—and a general system that enables workers to have their professional qualifications recognised.

[Chi Onwurah]

Given the challenges of negotiating a mutual recognition agreement, surely the Minister understands that many of the professional qualification regulators could benefit from the advice and guidance of his Department and, more broadly, of the Government, with all their experience. Therefore, in providing for an obligation on the Secretary of State to provide guidance to regulators concerning mutual recognition—specifically under the European Union-UK trade and co-operation agreement—and in supporting regulators, the new clause would protect all our constituents by ensuring the quality and professionalism of the services that they very much enjoy now and hope to continue to do so.

Paul Scully: I thank hon. Members for the new clause, which seeks to place the obligation on the Secretary of State to provide additional support, co-ordination and guidance to regulators on mutual recognition agreements under the trade and co-operation agreement. Noting the importance of regulatory recognition agreements in supporting professionals who are qualified in one jurisdiction to work in another, I will also explain the benefits of the clause standing part of the Bill.

On the new clause, the hon. Member for Sefton Central was right to acknowledge that, since the end of the transition period, the process by which UK-qualified professionals seek recognition in the EU has changed. Professionals are now subject to the relevant rules in EU member states.

The hon. Member for Newcastle upon Tyne Central talked about the negotiations and about mutual recognition and reciprocal arrangements. The UK proposed ambitious arrangements on professional qualification recognition during the negotiation of the TCA, but regrettably the EU did not engage with them at that point. Instead, we agreed provisions based on existing EU precedent. The TCA provides a mechanism for the UK and EU to discuss the potential for mutual recognition of professional qualifications, where that is in both parties' interests to do so.

Regulator recognition agreements can make it easier for professionals to navigate that landscape, as we heard, and agreements can be reached independently between regulators or under the TCA. Article 158 of the TCA provides a framework for the UK and the EU to agree arrangements to facilitate recognition of professional qualifications. Using that process, regulators and professional bodies may develop joint recommendations for professional recognition arrangements to be adopted. Annex 24 to the TCA contains guidelines to help them to do so. My officials are holding discussions with their counterparts in the European Commission to clarify the detailed process for making the best use of this framework.

I turn to the support available for regulators. Last year, BEIS established a dedicated recognition arrangements team to provide the support, guidance and co-ordination to regulators of professional bodies that the hon. Members have asked for. There is considerable experience there. That team supports them to pursue recognition arrangements through the framework of the TCA and other trade deals, and on an independent, regulator-to-regulator basis.

Bill Esterson: I am grateful to the Minister for describing the dedicated support team that the Department has set up. Will he give us some examples of the advice it has been able to give already? How many inquiries has it had from regulators or professional bodies?

Paul Scully: I will happily write to the hon. Gentleman with that detail. I have not been directly involved in that advice. None the less, we are here to talk about the amendment. The debate for today is whether we put that experience and advice on the face the Bill or have the existing structure, whereby that team is already offering that advice, is available and is stepping up with its experience to do so. That team regularly engages with regulators of professional bodies. It has published technical guidance on gov.uk. It is obviously going to be hard to quantify how many people have read and used that information, but information on how to seek recognition arrangements inside and outside the TCA is there.

The Department has also provided limited, targeted financial support to regulators seeking to agree recognition arrangements for a pilot recognition arrangements grant programme. I hope the hon. Member is therefore assured that the Government share the priority highlighted by his amendment and have already instituted support for regulated and professional bodies to make the most of the provisions in the TCA.

Clause 4 is part of our support for regulators as they pursue recognition agreements, ensuring that all regulators can take full advantage of international opportunities and enter recognition agreements at their discretion. Some regulators believe that they can already do so with their overseas counterparts and seize those opportunities. For example, the Financial Reporting Council has entered into a memorandum of understanding with the Irish Auditing and Accounting Supervisory Authority. If they can already enter recognition agreements, no further action is needed, but many regulators are currently considering recognition arrangements for the first time, and not all regulators have clear powers to enter them. Clause 4 can help. The Government are committed to supporting regulator recognition to fit legal agreements with the EU and beyond, and have taken action with that aim.

Bill Esterson: I am grateful to the Minister for his answers, which I will come back to. I commend my hon. Friend the Member for Newcastle upon Tyne Central for what she said about the importance of different professions, including her own, as part of the UK's economic success, exporting around the world, gaining experience and returning it to this country. It is clearly in all our interests that we have good trade in services and facilitate that by supporting our professional services to trade internationally. She gave some excellent examples from across the professions of exactly why that matters and why it is a concern that we are relying on a clause that has not seen after three years any mutual recognition agreements signed up to in the corresponding EU-Canada agreement. That is the reason for the amendment and why we are raising this concern.

I am given a degree of assurance by the Minister that the dedicated support team is in place. I just gently say to him that, as the Minister, he really should have anticipated my question and probably pre-empted it by

giving us some examples. I hope he is not going to blame his officials, because he should have asked for that information before, so that he could give us examples of the team in operation and told us how many inquiries there had been.

Chi Onwurah: I thank my hon. Friend for giving way and for his kind comments earlier. Is he concerned, as I am, that the Minister considers the lack of any negotiated reciprocal agreement under the Canada deal as some sign of success, and that that is why he is so complacent when it comes to providing proactive advice to our professional regulatory authorities for the EU trade deal?

10 am

Bill Esterson: A large degree of complacency and a lack of preparation characterise the whole way that the legislation has been brought forward, as Lord Grimstone and a number of Conservative peers acknowledged in the Lords. I think my hon. Friend is certainly on to something. The key thing is how we can ensure that mutual recognition agreements can be entered into by professional bodies and regulators in this country in a timely fashion that supports the kind of activity that she mentioned and maximises the benefit to our professional services that want to work abroad, as well as to employers who need access to staff in this country.

I will take the Minister at his word that a dedicated support team is up and running. In that spirit, we will not press the amendment to a vote.

The Chair: I remind the Committee that, as I set out in the preamble, the Question that is about to be put relates to clause 4, not to new clause 1. The debate on both has just taken place, but the decision on new clause 1, on which the shadow Minister has indicated his thinking, will come later.

Question put and agreed to.

Clause 4 accordingly ordered to stand part of the Bill.

Clause 5

REVOCATION OF GENERAL EU SYSTEM OF RECOGNITION OF OVERSEAS QUALIFICATIONS

Question proposed, That the clause stand part of the Bill.

Paul Scully: To clarify for the record, the team has taken steps forward, because there is already advice and guidance on gov.uk and a pilot grant programme is working. As I said, I will write to the hon. Member for Sefton Central with the specifics that he asked for.

Clause 5 revokes the European Union (Recognition of Professional Qualifications) Regulations 2015, which implemented the EU's general system to facilitate the recognition of professional qualifications from the EEA and Switzerland, as set out in the EU directive on the mutual recognition of professional qualifications. The regulations were retained temporarily to provide certainty to businesses and public services at the end of the transition period, but the time has come to change our approach now that the UK is an independent trading nation, free of the obligations of the EU single market. Several such modifications will be made to various pieces of legislation, and the most practical means to make those changes is by taking the power to do so through regulations, rather than by attempting to amend various regulations through the Bill.

Chi Onwurah: The Minister spoke about revoking the European Union provisions. With regard to mutual recognition for qualifications, does he think that British professionals are in a better position now than they were before?

Paul Scully: Many regulators will continue to be able to make their own determination in those areas, but the Bill will create a wider framework. The Architects Registration Board and the General Dental Council, for example, will be able to take wider views as a result of the Bill.

The Government remain committed to international agreements, including the EU withdrawal agreement, the EEA EFTA separation agreement, and the Swiss citizens' rights agreement, all of which the Bill upholds. We gave effect to those agreements in regulations in 2019 and 2020, and there are protections in place for existing recognition decisions, which the Bill upholds.

Clause 5 does not affect those agreements or professionals who have already had their qualifications recognised in the UK, who will continue to be able to practise, provided that they continue to meet any ongoing practice requirements. The clause simply ends the legacy of EU qualification recognition in UK law.

Question put and agreed to.

Clause 5 accordingly ordered to stand part of the Bill.

Clause 6

REVOCATION OF OTHER RETAINED EU RECOGNITION LAW

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 6 complements clause 5 by providing a power for modifications to be made to other retained EU recognition law in order to cause it to cease having any effect. It enables the UK Government and the devolved Administrations to bring an end to the legislation for specific sectors that continue to implement EU qualification recognition law.

Question put and agreed to.

Clause 6 accordingly ordered to stand part of the Bill.

Clause 7

ASSISTANCE CENTRE

Paul Scully: Clause 7 provides a statutory basis for the continued delivery of an assistance centre. It is an inquiry service that provides support to overseas professionals seeking to practise in the UK, as well as to UK professionals seeking to practise overseas.

Question put and agreed to.

Clause 7 accordingly ordered to stand part of the Bill.

Clause 8

DUTY OF REGULATOR TO PUBLISH INFORMATION ON REQUIREMENTS TO PRACTISE

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 8 is about increasing transparency by requiring regulators of professions in all parts of the UK to publish information on entry and practise requirements. Our evidence gathering found that the complex regulatory landscape is sometimes difficult for professionals to navigate, including in relation to transparency of information regarding entry into professions and application fees, so the clause requires regulators to make available the information about what qualifications or experience are needed, application processes, registration processes, how to continue to practise, ongoing training units and fees.

Question put and agreed to.

Clause 8 accordingly ordered to stand part of the Bill.

Clause 9

DUTY OF REGULATOR TO PROVIDE INFORMATION TO REGULATOR IN ANOTHER PART OF UK

Bill Esterson: I beg to move amendment 3, in clause 9, page 8, line 12, at end insert—

"(6) Nothing in this section affects the establishment or operation of a common framework agreement relating to professional qualifications.

(7) A "common framework agreement" is any agreement between a Minister of the Crown and one or more devolved authorities as to how devolved or transferred matters previously governed by EU law are to be regulated."

This amendment provides additional reassurances to devolved administrations that the Act does not affect the establishment or operation of common framework agreements which are devolved matters.

The amendment provides additional reassurances to devolved Administrations that the Bill will not affect the establishment or operation of common framework agreements, which are devolved matters—that is to say any agreement between a Minister and a devolved authority as to how devolved matters previously governed by EU law are to be regulated—relating to professional qualifications. It is important that when divesting powers to a devolved authority, we allow those powers to remain and do not seek to revoke them on a whim, buried in a Bill such as the one we are debating.

The position of the Labour Government in Wales is that assurances by Ministers in Westminster that they will not use powers granted to them without consultation with devolved Administrations is not good enough. If Ministers say they will do something, they should be prepared to put their commitments on the face of the Bill. Indeed, as the Welsh Government say, although the UK Government have stated that they do not intend to use the concurrent powers in the areas of devolved competence without the agreement of the relevant DAs, the provisions in the Bill do not reflect that, and the Secretary of State and Lord Chancellor would be able to exercise these powers in devolved areas without requiring any consent from Welsh Ministers. As representatives of the devolved Administrations are telling the Government, matters that were previously the preserve of the devolved Administrations, such as common framework agreements, should remain so.

Paul Scully: I thank the hon. Member for the amendment, which seeks to ensure that clause 9 does not affect the establishment or operation of a common framework. A framework for the regulation of professional qualifications is under development between the UK Government, the Scottish Government, the Welsh Senedd and the Northern Ireland Executive, to ensure a common approach on powers that have returned following our exit from the European Union and that intersect with devolved legislative competences. Those discussions are well advanced, and they are a testament to the collaborative and collegiate working between Administrations.

Although the amendment relates specifically to clause 9, let me reassure the Committee that we are committed to ensuring that the provisions in the Bill work alongside the common framework programme, and we will consider this as we develop the framework further. However, the common framework is a separate entity. The Bill does not constrain it in any way, and a reference to that effect on the face of the Bill is entirely unnecessary. I hope that reassures the hon. Member and that he will withdraw his amendment.

Bill Esterson: Well, that is not the view of the Welsh Government. *[Interruption.]* We could go into the support that the Welsh Government have given the UK Government recently on tests, but you might tell me to move on rather quickly, Mr Pritchard.

The point that the Welsh Government are making is that it is very important that confidence is retained and that there is no indication of the UK Government going into areas of devolved competence without agreement. The Bill is going through Parliament now. There is no indication of a final date on the wider negotiations and discussions that the Minister referred to. It would therefore be prudent to ensure that in areas such as the common framework, which the Government have committed to, they intend to follow such an approach. If so, they should have no concerns about the provision being in the Bill. On that basis, I would like to press the amendment to a vote.

Question put, That the amendment be made.

The Committee divided: Ayes 7, Noes 9.

Division No. 2]

AYES

Cummins, Judith	Leadbeater, Kim
Esterson, Bill	Onwurah, Chi
Fletcher, Colleen	Whitley, Mick
Flynn, Stephen	

NOES

Bell, Aaron	Saxby, Selaine
Carter, Andy	Scully, Paul
Fletcher, Mark	Webb, Suzanne
Higginbotham, Antony	Whittaker, Craig
Sambrook, Gary	

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 9 ensures that regulators in one part of the UK share information with a regulator in another part of the UK. It places a duty on UK regulators, when requested, to provide information that they hold to another regulator. The information must relate to individuals who are entitled to practise the relevant profession in part of the UK.

In many cases, information sharing between regulators is already done on a voluntary basis. The clause will ensure that good practice continues across professions in the UK. It means that when an individual applies to practise a profession or moves between jurisdictions within the UK, the regulators have the necessary information to assess that individual's entitlement to practise. It is limited to information held by the UK regulator about the individual and would not require a regulator to obtain information that it does not already hold. It makes sure that information sharing takes place if the practice does not already exist, and where it does exist, the clause ensures that it continues in the unlikely event that voluntary co-operation breaks down.

That approach supports co-operation between regulators across the UK to help protect consumers and public health. Information sharing can inform regulatory action, for example if there is evidence of malpractice, because regulators are best placed to determine whether they require further information about an individual to inform their decisions on entitlement to practise. The clause therefore provides flexibility to regulators on whether they want to ask a counterpart regulator in another part of the UK for that information.

I will also take this opportunity to reassure the hon. Members whose amendment has failed to gain approval in this place that commitments were made at the Dispatch Box in the other place that we would work with our counterparts in the DAs to complete the common framework. We will continue to work towards that. We have offered to revisit whether the Bill's provisions should be referenced in the framework itself. With common frameworks, including regulated vocational qualifications, there has always been a shared sentiment between the UK nations that there should not be legislative underpinning; that they are more successful when entered into voluntarily, with the focus on collaboration, information sharing and good practice.

Question put and agreed to.

Clause 9 accordingly ordered to stand part of the Bill.

Clause 10

Duty of regulator to provide information to overseas regulator

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 10 places a duty on UK regulators, when requested, to provide information to overseas regulators relating to individuals who are or have been entitled to practise the relevant profession in the UK, assisting professionals practising in the UK who are seeking to practise their profession abroad by ensuring that overseas regulators have the information to assess an individual's entitlement to practise.

Question put and agreed to.

Clause 10 accordingly ordered to stand part of the Bill.

Clause 11

Amendments to the Architects Act 1997

10.15 am

Question proposed, That the clause stand part of the Bill.

Paul Scully: This clause relates to the recognition of internationally qualified architects in the UK and the administration of the system by the profession's regulator, the Architects Registration Board. It is designed to facilitate a new system that will replace the interim recognitions system, which gives EU qualification holders an expedited route on to the UK register.

Question put and agreed to.

Clause 11 accordingly ordered to stand part of the Bill.

Clause 12

Crown application

Question proposed, That the clause stand part of the Bill.

Paul Scully: This clause ensures that regulators that are part of the Crown or act on its behalf are bound by the provisions in the Bill, and regulations made under it, in the same way as other regulators. That includes executive agencies of Government Departments, such as the Health and Safety Executive.

Question put and agreed to.

Clause 12 accordingly ordered to stand part of the Bill.

Clause 13

General provision about regulations

Question proposed, That the clause stand part of the Bill.

Paul Scully: The clause details the extent and limits of the powers to make regulation provided to appropriate national authorities in the Bill. It is a framework Bill. The clauses are essential to ensure that the Bill works in practice and can carry out its intended functions. It details new powers that can be used to make supplementary, incidental or saving provisions. It also sets out where the Bill does not allow powers to make regulations to modify legislation. That ensures that the use of the Bill stays within its remit.

Question put and agreed to.

Clause 13 accordingly ordered to stand part of the Bill.

Clause 14

Protection of regulator autonomy

Bill Esterson: I beg to move amendment 4, in clause 14, page 11, line 13, at end insert—

"(6) Subsections (7) to (9) apply where the Secretary of State makes regulations as the appropriate national authority under this Act which extend to the whole of England and Wales, Scotland and Northern Ireland.

(7) Before making such regulations, the Secretary of State must—

(a) consult such persons as the Secretary of State considers appropriate, and

[Bill Esterson]

(b) following that consultation, seek the consent of the Scottish Ministers, the Welsh Ministers and a Northern Ireland department.

(8) If consent to regulations is not given by a relevant authority set out in subsection (7)(b) within the period of one month beginning with the day on which consent is sought from that authority, the Secretary of State may make the regulations without that consent.

(9) If regulations are made in reliance on subsection (8), the Secretary of State must publish a statement explaining why the Secretary of State decided to make the regulations without the consent of the relevant authority."

This amendment obliges the Secretary of State to consult the devolved administrations where regulations affect a regulator that covers the whole of the United Kingdom.

The amendment obliges the Secretary of State to consult the devolved Administrations where regulations affect a regulator that covers the whole of the United Kingdom, and we will be pushing it to a vote. The amendment is important because there are some regulators that operate on a devolved basis—the Law Society, for example, because of the different legal systems across the nations of the United Kingdom. Another example is the Institute of Chartered Accountants in England and Wales, which is separate from the Institute of Chartered Accountants of Scotland. Those are two regulators covering different areas of the country.

In those cases the relevant devolved Administration must be consulted before regulations that affect that nation are made. There are also regulators that govern the whole of the United Kingdom, such as the Civil Aviation Authority or the Royal College of Veterinary Surgeons. Just as the Government should consult the devolved Administrations when making regulations that affect the individual nation, so too should they consult the devolved Administrations when a regulation is made that affects the whole of the United Kingdom.

The amendment does not give the devolved Administrations the power to overrule the Secretary of State. Withholding consent does not mean new regulations will not be introduced. Instead, it allows those devolved Administrations to make their representations, and it gives them a statutory right to argue their case to the Secretary of State and try to change his or her mind. If the Secretary of State still believes their course of action is the correct one, despite representations from the appropriate devolved Administration, in their authority as Secretary of State they will, of course, still be empowered to make regulations.

The amendment adopts the formula that was adopted in the United Kingdom Internal Market Act 2020, so we are asking for the Government to follow their own lead.

Stephen Flynn (Aberdeen South) (SNP): I perhaps do not share the hon. Member's view that the UK Government should have the ability to override the devolved Administrations in respect of the concerns they have. He has mentioned that the content of the amendment is based on the United Kingdom Internal Market Act 2020. Will he be cognisant of the fact that the devolved Administrations were against the 2020 Act? Does the amendment go far enough?

Bill Esterson: The hon. Member is right, of course. We may not agree entirely, but we are trying to hold the Minister and the Government to consistency with their own measures through our amendment. That is the spirit in which it is intended, with the one-month period in the amendment in which consultation should take place. It is an attempt to improve on a wholly inadequate and unacceptable situation, putting in some degree of consultation. I accept the difference of opinion between us on the ideal, but that is what we are trying to do with the amendment. His colleagues could have tabled an amendment to go further, but they have not done so in this case. Our amendment is what we can vote on.

It might seem odd for the Government to be inconsistent—now I come to think of it, perhaps it is not odd at all—and, in a rational world, we might expect them to take the same approach that they obligated just over a year ago, applying that consistently across post-Brexit legislation. That seems like a good idea to me. I wonder what the Minister thinks.

Paul Scully: I thank the hon. Member for the amendment, which seeks to require the Government to consult with appropriate persons and to seek the consent of the devolved Administrations when making regulations that extend to the whole of the UK, even when legislating in a reserved area. As the Government have set out repeatedly, it is absolutely not the Government's intention to make regulations in relation to matters on which the devolved Governments could legislate without seeking their view.

Lord Grimstone has put that assurance on the record many times in the other place, including in correspondence with ministerial counterparts in the devolved nations. We are therefore not convinced that the amendment is preferable to the Government's own, more flexible proposals, which Ministers of all four nations are now discussing.

Working with the devolved Administrations is the way to make the Bill operate best for all our UK nations. That is why I and Lord Grimstone wrote to our ministerial counterparts in the devolved Administration ahead of Second Reading, offering to put a duty to consult with devolved Administrations in the Bill. Thus far, Ministers in the devolved Administrations have rejected our offer, but our discussions are ongoing.

I hope that we will be able to reach an outcome that maintains the policy integrity of the Bill while giving all four nations of the UK the assurances that they need about the operation of the powers.

Bill Esterson: I wonder whether the Minister will clear something up for me. If he gets an indication from the devolved Administrations, is it his intention to come back on Report with a Government amendment to put that duty to consult into the Bill?

Paul Scully: That is exactly why we continue to discuss ahead of further stages of the Bill. As I say, we offered an amendment to provide for the duty to consult and to publish the outcome of the consultation. That was rejected by the Scottish and Welsh Governments. A rationale for the inclusion of the current powers and the reasons why a consent mechanism would not be possible on the face of this Bill were shared with the Welsh Government on 22 September. However, we will continue

to work with the Welsh and Scottish Governments and the Northern Ireland Executive on that basis, to try to do everything we can to secure an agreement.

Stephen Flynn: I take cognisance of what the Minister says, but the reality of the situation is that we have seen Bill after Bill introduced by the UK Government delving into devolved areas of competence. If the UK Government really had a respect agenda, they would try to solve those problems before such Bills came before the House—although the Bill has a number of other issues as well. How confident is he that he will be able to get agreement with the devolved nations in this regard?

Paul Scully: In terms of confidence, all I can say to the hon. Gentleman is that I will continue to try. I am keen that we do everything we can as a UK Government to stretch our arms out and to say, "We want to work with the Scottish and Welsh Governments and the Northern Ireland Executive to get the skills list."

Stephen Flynn: I thank the Minister for giving way again; he is being very generous. Just for clarity, is he saying that he will try incredibly hard, but if the devolved Administrations are not happy, he will ultimately override them and force through his views?

Paul Scully: I think we have made it clear with the devolved Administrations that we want to get as many agreements as we can, but we need to press on with this legislation. However, that is not the same as closing down the conversation. It is important that we do everything we can to work with them.

This amendment has some similarities to the Government's own position, in that it advocates consultation. However, as with some of the other proposals that we have discussed, the amendment is somewhat less flexible and therefore less satisfactory than the Government's own approach.

For example, the amendment is limited to regulations that extend across all four nations. What if the Lord Chancellor wished to make regulations under the Bill, or the regulations extended to only two or three nations of the UK? The amendment would oblige the Government to seek the consent of the devolved Administrations even when legislating in the reserved area that I have talked about.

Hon. Members will be aware that the Bill now includes a duty to consult regulators, which extends to regulators in the devolved nations. In addition to the consultation that we would normally undertake with devolved Administrations, wherever appropriate we will engage directly with those closest to the issues before making regulations.

I will continue to engage, as I have said, with my counterparts in the devolved Administrations to persuade them of the merits of the Government's approach. I do not believe that the amendment is preferable to the Government's approach, so I ask the hon. Member to withdraw it.

Bill Esterson: We have had an interesting series of exchanges. The hon. Member for Aberdeen South made the point well that we see this approach in Bill after Bill; indeed, we see it in clause after clause in Bill after Bill. We have already seen it in more than one clause today.

We have hit the nail on the head with the amendment, because we are calling for consistency. In the absence of a formally agreed commitment to wider consultation, if it was good enough 13 months ago to provide for a one-month period of consultation, with the Secretary of State having the final say after listening to representations or if representations were not forthcoming, why is it not good enough today? On that basis, I will press the amendment to a vote.

Question put, That the amendment be made.

The Committee divided: Ayes 6, Noes 9.

Division No. 3]

AYES

Cummins, Judith	Leadbeater, Kim
Esterson, Bill	Onwurah, Chi
Fletcher, Colleen	Whitley, Mick

NOES

Bell, Aaron	Saxby, Selaine
Carter, Andy	Scully, Paul
Fletcher, Mark	Webb, Suzanne
Higginbotham, Antony	Whittaker, Craig
Sambrook, Gary	

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 14 protects regulators' autonomy with regard to their ability to prevent individuals who are unfit to practise from doing so. The autonomy of regulators in determining those who can practise professions and maintain standards is paramount. The regulators are the experts and they are best placed to determine who should practise in their professions.

The Government added this clause during proceedings on the Bill in the House of Lords, recognising that enshrining this commitment provided important legislative reassurance and support to regulators to deliver their core function. Peers and regulators welcomed the addition of the clause and were content that it protects the regulator's autonomy. It places two conditions on regulations made under clauses 1, 3 and 4, which are the clauses most relevant to regulator autonomy.

The first condition is that the regulations cannot remove the regulator's ability to prevent unfit individuals from practising a profession, and the second is that the regulations cannot have a material adverse effect on the knowledge, skills or experience of individuals practising a regulated profession. The effect is that the regulations cannot lower the required standards for an individual to practise a profession in the UK or part of the UK.

Taken together, these two conditions make sure that regulators will retain the final say over who practises in their profession and that the standards of individuals practising professions are maintained.

Question put and agreed to.

Clause 14 accordingly ordered to stand part of the Bill.

Clause 15

CONSULTATION WITH REGULATORS

Question proposed, That the clause stand part of the Bill.

10.30 am

Paul Scully: Clause 15 places a duty on appropriate national authorities to consult regulators who are likely to be affected by, or are otherwise considered appropriate to consult on, regulations made under clauses 1, 3 and 4 of the Bill. They must do so before such regulations are made. The Government added the clause during proceedings on the Bill in the House of Lords, recognising that enshrining this commitment provided important legislative reassurance and support to regulators to deliver their core function. Peers and regulators welcomed the addition of this clause.

Question put and agreed to.

Clause 15 accordingly ordered to stand part of the Bill.

Clause 16

AUTHORITY BY WHOM REGULATIONS MAY BE MADE

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 16 sets out who is an appropriate national authority for the purpose of this Bill. Appropriate national authorities may make regulations where specified for the purposes set out under this clause. In addition to the Secretary of State, the Lord Chancellor is also considered an appropriate national authority and may make regulations under the Bill.

Question put and agreed to.

Clause 16 accordingly ordered to stand part of the Bill.

Clause 17

PARLIAMENTARY PROCEDURE

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 17 sets out the parliamentary procedure for how regulations under the Bill should be made, including the situations in which legislation must be subject to the affirmative resolution procedure or may be subject to the negative resolution procedure. The clause also sets out how this works for all nations of the UK.

Question put and agreed to.

Clause 17 accordingly ordered to stand part of the Bill.

Clause 18

INTERPRETATION

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 18 provides interpretation of the terms used in the Bill. It includes clear definition so that there is no ambiguity over the meaning of the Bill's provisions and how they apply.

Question put and agreed to.

Clause 18 accordingly ordered to stand part of the Bill.

Clause 19

EXTENT

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 19 details the territorial extent of the Bill. The regulation of some professions is devolved. The Bill respects the devolution settlement and the fact that professions have different regulators in different parts of the UK. It covers regulated professions and regulators across the United Kingdom and extends to England, Wales, Scotland and Northern Ireland.

Question put and agreed to.

Clause 19 accordingly ordered to stand part of the Bill.

Clause 20

COMMENCEMENT

Question proposed, That the clause stand part of the Bill.

Paul Scully: Clause 20 sets out procedural detail for the commencement of the provisions of the Bill. It stipulates the timings at which, and conditions under which, the various sections and sub-sections will come into force.

Question put and agreed to.

Clause 20 accordingly ordered to stand part of the Bill.

Clause 21

SHORT TITLE

Amendment proposed: 1, in clause 21, page 15, line 11, leave out subsection (2)—*(Paul Scully.)*

This amendment removes the privilege amendment inserted by the Lords.

Bill Esterson: This poses the question of why the Government are proposing this amendment. Perhaps the Minister will explain why they are removing the provision which says that nothing in the Act will impose any charges on the public or on public funds. Does he expect that the Act will, indeed, incur costs to the public purse, perhaps to the regulators or those professionals working in the regulated sector? Will he provide assurances around what costs they now expect?

Paul Scully: The House of Lords maintains the approach that when a Bill is introduced in the Lords, it does not involve taxation or public spending, deal with non-domestic rates or council tax, or otherwise infringe financial privileges. The House of Lords does that via the privilege amendment. There is no equivalent for Bills that start in the Commons. We believe that it is appropriate—this is a technical move—to remove that privilege.

Amendment 1 agreed to.

Question proposed, That the clause, as amended, stand part of the Bill.

Paul Scully: Clause 21 gives the short title of the Bill for references to it in future papers or bodies of work. The short title is the Professional Qualifications Act 2021.

Question put and agreed to.

Clause 21, as amended, accordingly ordered to stand part of the Bill.

New Clause 2

SKILLS SHORTAGES REPORTING

"In relation to any regulated profession falling under the provisions of this Act, the Secretary of State must lay before Parliament an annual report detailing any workforce shortages, including what measures are being taken to resolve the shortages."—*(Bill Esterson.)*

This new clause obliges the Secretary of State to produce an annual report setting out which sectors are facing skills shortages and what measures are being taken to resolve the shortages.

Brought up, and read the First time.

Bill Esterson: We have serious shortages of skilled workers, so the new clause obliges the Secretary of State to produce an annual report setting out which sectors are facing skills shortages and what measures are being taken to resolve those shortages.

As the Royal College of Nursing notes, we went into this pandemic with 50,000 nursing vacancies in the UK, and we are likely to have lost far more nurses throughout. The British Medical Association has estimated a shortage of around 49,000 doctors and doctors in training across primary and secondary care. The Royal College of Veterinary Surgeons has identified a shortfall of nearly 1,000 vets. Meanwhile, professional services firms in the UK have warned of a growing shortage of white-collar workers as companies fight for top talent amid a global economic recovery from the coronavirus crisis.

There are shortages across the economy. HGV drivers have been given an enormous amount of attention because of their impact on supply chains—including, at times, with fuel suppliers, but more commonly with food. We have all noticed that our favourite food has sometimes not been available on supermarket shelves. I talked to the manager of a store in my constituency on Friday. He said that that is week to week, and it is down to shortages, including of drivers.

The role of driving examiners is covered in this Bill; there is an interdependency between what is in the Bill and what is not. It is essential that the Bill gets that right so that our country has the skills it needs, today and in the future. By requiring the Secretary of State to produce an annual report setting out the areas in which we face skills shortages, we will be able to see some of the more obvious shortages in advance, giving the Government some chance of mitigating the problems before they become a crisis.

Paul Scully: I thank the hon. Member for his new clause, which introduces a reporting requirement to set out the professions facing workforce shortages and the measures that are being taken to resolve those shortages. I would like to make it clear from the outset—much as Lord Grimstone, my colleague in the other place, has done—that the Bill is not solely about addressing UK workforce shortages, but about ensuing that professional qualification recognition works for the UK.

Clause 1 allows appropriate national authorities to act where there is unmet demand, ensuring that regulations have the processes in place to assess overseas professionals who might help to alleviate that. That is not a replacement for the Government's skills strategy. In this instance, the Bill is one part of a means to meet unmet demand or shortages. The Bill does not undercut, nor will it replace, the work that the Government are undertaking to support home-grown skills.

The Government already publish information on workforce shortages. For example, the shortage occupation list is a publicly available document comprising professions and occupations that experts at the Migration Advisory Committee deem to be in shortage. Given that workforce shortages are already documented in such a way, with expert input, and with the next shortage occupation list review taking place this year, there is no need for the Secretary of State to also publish a report on professions in shortage.

I turn to the request to report on the measures that are being taken to address workforce shortages. The Government have set out an ambitious reform programme in the "Skills for jobs" White Paper, focusing on giving people the skills that they need in a way that suits them. For example, the lifetime skills guarantee is already being delivered through a wide range of activities, from short, flexible, employer-led bootcamps to the skills accelerator, and by enabling providers to have more control over budgets and funding levels. As Members can see, the Government are already undertaking a great deal of work on both identifying workforce and skills shortages and developing approaches to tackling them. A requirement in the Bill for the Secretary of State to publish a report on workforce shortages would be unnecessary, and it would result in the duplication of work that was being undertaken elsewhere in the Government. I therefore ask that the amendment be withdrawn.

Bill Esterson: The Minister referred to skills development. When I meet businesses around the country, as he does, that is often the first item on the agenda. There is great concern about the shortage of technical skills, some of which are covered by the Bill and some not. Parity of esteem within that wider skills agenda is at the heart of what businesses are calling for. Any measure that can be taken to improve understanding, address shortages and find a long-term approach to developing skills—by training people in this country in technical and vocational areas, and by valuing technical learning and the development of skills as much as we do academia—is key.

Where we have shortages, it makes sense to have a systematic approach to addressing them. I read out the figures earlier for what things were like before the pandemic. They have become worse as a result of the pandemic, and they have been exacerbated by the gaping holes that the Government have left in the trade and co-operation agreement with the EU. The Government have belatedly acknowledged some of that, including by adding care workers to the shortage occupation list, which I asked about in a written question a few months ago. There is clear recognition of the need to address these skills shortages. The amendment would put in place a system for the professions covered by the Bill to put that the Government in the strongest possible place to identify and address the shortages. It seems to me that that would be a valuable tool, rather than the Government's

[Bill Esterson]

more fragmented approach—the Minister explained it very well—which is one reason why we have shortages. We will press the amendment to a vote.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 7, Noes 9.

Division No. 4]

AYES

Cummins, Judith	Leadbeater, Kim
Esterson, Bill	Onwurah, Chi
Fletcher, Colleen	
Flynn, Stephen	Whitley, Mick

NOES

Bell, Aaron	Saxby, Selaine
Carter, Andy	Scully, Paul
Fletcher, Mark	Webb, Suzanne
Higginbotham, Antony	
Sambrook, Gary	Whittaker, Craig

Question accordingly negatived.

New Clause 3

PROTECTION FOR EXISTING RECOGNISED QUALIFICATIONS

"Nothing in this Act prevents, qualifies or otherwise affects the ability of those with existing recognised qualifications to continue practising the profession to which the qualifications relate in the United Kingdom or any part of the United Kingdom."—*(Bill Esterson.)*

This new clause provides additional certainty for workers who already have their professional qualifications recognised in the UK that this legislation will not affect them negatively.

Brought up, and read the First time.

Bill Esterson: I beg to move, That the clause be read a Second time.

For workers whose professional qualifications are already recognised in the United Kingdom, this new clause provides additional certainty that the legislation will not affect them negatively. There is a clear need to give those whose qualifications are already recognised here that certainty and confidence. In many cases, those professionals already live in our communities and have decided to call the UK their home. They are people on whom we all so often rely, particularly in our vital public services.

The explanatory notes to the Bill state that

"nothing in the Bill prevents, qualifies or otherwise impacts the ability of those with existing recognised qualifications from continuing their areas of practice in the UK".

If it is in the explanatory notes, why is it not in the Bill? That is a fundamental gap in the Government's approach, because without this simple amendment, how can the Minister provide the reassurance that these workers, their employers, their families and their communities so desperately need? Enshrining the Government's own promise from their explanatory notes in the Bill would achieve what those people, and those who rely on them, are looking for.

10.45 am

Paul Scully: I thank the hon. Gentleman for the amendment. It has been previously considered in the House of Lords, both in Committee and on Report; we turn to it once again. I can confirm that professionals who have already had their qualifications recognised in the UK will be able to continue to rely on those recognition decisions. The revocation of the EU-derived system for recognising qualifications will not impact on the ability of professionals with existing recognition decisions to continue practising in the UK. Nothing in the Bill, nor the regulations anticipated under it, will interfere with or reverse such decisions. Professionals with recognition decisions will need to meet any ongoing practice requirements, but that is for the relevant regulator to determine, so the Bill does not make commitments in those areas.

Regulations commenced in clause 5 will include saving and transitional periods, to ensure that professionals' existing recognition decisions continue to be valid, and applications made before revocation comes into effect through the commencement regulations will continue to be assessed under the relevant EU-derived recognition laws. It is possible to make similar provisions in regulations under clause 6, so we believe that this matter is best dealt with through the saving provisions in the secondary legislation. That is consistent with the approach that the UK Government and devolved Administrations took when amending EU legislation on recognition of professional qualifications in order to prepare for leaving the EU in the first place. As I have assured the Committee, the Bill also respects the protections in place for existing recognition decisions that are born from the UK's international agreements. I therefore ask that the amendment be withdrawn.

Bill Esterson: There was an interesting admission from the Minister that he thought that secondary legislation could achieve what we are aiming for with the amendment. My concern is that a significant part of our professional workforce have a recognition of their qualifications in the UK. Hearing his words, I doubt that they would feel particularly confident or certain of their future, because although he may have no intention to use the lack of confirmation in the Bill, one of his successors may take a rather different view. That is why professional workers and their employers want confidence. We all know the importance of confidence and certainty for our economy, let alone for the individuals who are subject to the amendment and on whom everybody relies, which is why we will press the amendment to a vote.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 7, Noes 9.

Division No. 5]

AYES

Cummins, Judith	Leadbeater, Kim
Esterson, Bill	Onwurah, Chi
Fletcher, Colleen	
Flynn, Stephen	Whitley, Mick

NOES

Bell, Aaron	Fletcher, Mark
Carter, Andy	Higginbotham, Antony

Sambrook, Gary	Webb, Suzanne
Saxby, Selaine	
Scully, Paul	Whittaker, Craig

Question accordingly negatived.

New Clause 4

LIST OF CURRENT REGULATORS

The Secretary of State must maintain a list of current regulators of regulated professions and must publish that list on the Government's website.—*(Bill Esterson.)*

This new clause requires the Secretary of State to publish and maintain an up-to-date list of regulators on the gov.uk website.

Brought up, and read the First time.

Bill Esterson: I beg to move, That the clause be read a Second Time.

This new clause requires the Secretary of State to publish and maintain an up-to-date list of regulators on the Government's website. The *Financial Times* reported the way in which the Government introduced this Bill as the

"chaotic handling of a post-Brexit regime for recognising the qualifications of foreign professionals".

Remarkably, the Government admitted introducing the Bill to Parliament without knowing which professions were in scope of the legislation. Labour argued in the Lords that we had to know who and what was in the scope of the Bill. It stands to reason that the relevant regulators and professions need to be aware of these changes. Having initially listed 160 professions and 50 regulators affected by the legislation, the Government twice published a revised list, ultimately increasing the numbers to 205 professions and 80 regulators.

Chi Onwurah: As I said earlier, I am a chartered engineer with the Institution of Engineering and Technology. In order to find out whether my profession was affected by the Bill, I had to write to the Institution of Engineering and Technology. Does my hon. Friend think that is acceptable? Does it not make sense that professionals, wherever they are in the world at the time, should be able to easily find out whether their body is affected by this legislation?

Bill Esterson: I am grateful to my hon. Friend, who has explained very neatly with that example why the new clause is important. Due to the increased number of regulators in scope of the legislation, the Government also had to publish an updated impact assessment, with the total cost to regulators increasing by nearly £2 million. That is hardly the way to inspire confidence that the legislation will help businesses or skilled workers.

The Government were criticised from all sides in the Lords, including by those on their own Back Benches. Baroness Noakes said that

"it has all the hallmarks of being a Bill conceived and executed by officials with little or no ministerial policy direction or oversight...we learn that the Bill was drafted with a far-from-perfect understanding of the territory that it purports to cover. This is no way to legislate."—[*Official Report, House of Lords,* 22 June 2021; Vol. 813, c. 149.]

My Labour colleague Baroness Hayter said of the list:

"I understand that it has taken BEIS a little time to get it right. I think we have had two updates of the list, with some regulators added and some gone. I see that the pig farmers have gone from the latest list and the aircraft engineers have also disappeared, as have analytical chemists. However, we have in their place chicken farmers, schoolteachers and waste managers—so it seems that the Government can turn flying pigs into chickens."—[*Official Report, House of Lords,* 9 November 2021; Vol. 815, c. 1696.]

I thought that was a good line then, and I still think it is a good line today—and so do the Government!

How can regulators and regulated professionals know whether they have equivalence when the Ministers who are responsible for the Bill do not even know themselves? At Committee stage in the Lords, my Labour colleagues Baroness Hayter and Baroness Blake tabled amendments to encourage Ministers to remove any suggestion of doubt as to which professions were covered by the Bill by placing a list of such professions and their regulators in the Bill and giving Ministers the authority to amend that list as necessary. The Opposition realise that Ministers have subsequently published a full list on the gov.uk website. However, there is no duty on the Minister to regularly maintain and update that site. The new clause places an obligation on the Secretary of State and his Department to maintain the website and, as necessary, update it, giving professions and professionals the certainty they need.

Paul Scully: As I rise for the final time, I thank you for your chairmanship, Mr Pritchard. I thank the hon. Member for the new clause. The Government recognise the need for clarity on who meets the definitions in the Bill. It is for that reason that officials carried out a comprehensive exercise last year across Government, as well as with the devolved Administrations and with the regulators, to determine who the Bill applies to. That extensive engagement culminated in the list of regulators and professions affected by the Bill being published on gov.uk on 14 October 2021—officials are now maintaining that list. We spent a lot of time over that period saying that we were going to publish the list. We have had a series of webinars to which all regulators were invited, and we continue discussions.

The amendment seeks to commit the Government to maintain and publish a list of regulators. Although I understand the desire for transparency, I have reservations about enshrining a list in the Bill. A list of regulators alone does not provide clarity on which regulated professions are affected by the Bill. It might be that organisations that meet the definition of regulator for one or more regulated professions also have responsibilities and functions for professions that do not meet the definition. Listing the regulators would leave it open to interpretation whether it is all or just some of those professions that are affected. If it was some, it would be unclear which were affected.

For example, the Institute of Chartered Accountants in England and Wales regulates statutory audits and is a profession to which the Bill applies. It also regulates chartered accountants, a profession to which the Bill does not apply. The proposed amendment would not provide clarity in regard to which of the professions is a regulated profession in the Bill. As a result, publishing the list of regulators in such a way risks confusion. That is why the Government have committed instead to maintaining a list of regulated professions and regulators to which they consider the Bill applies, and to keep that list readily accessible and in the public domain. I hope hon. Members are assured that the Government are already delivering that action. It is on the record that

[Paul Scully]

the list of regulators and regulated professions will be maintained, so there is no need to further state it in the Bill. I hope the new clause can be withdrawn.

Finally, as well as thanking you, Mr Pritchard, I thank the officials, the Clerks, the Doorkeepers and the Whips, and indeed Opposition Members for the way that they have engaged in the process.

Bill Esterson: I am grateful to the Minister; I shall accept his assurances. And I thank you, Mr Pritchard. It is a shame that we will not get to see the other Chair in action; we have denied Ms Bardell her moment in the Chair.

I thank the officials, the Doorkeepers, and the Government Members who sat there quietly and dutifully maintaining their Trappist vows—with the exception of the hon. Member for Calder Valley, who had to be woken up earlier in the proceedings. I thank the Minister and Opposition Members for attending. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

Question proposed, That the Chair do report the Bill, as amended, to the House.

The Chair: The final Question I must put is that I do report the Bill, as amended, to the House. I thank all colleagues for turning up so early in the morning. I thank our extraordinary Clerks, *Hansard,* the Doorkeepers, and our hidden broadcasting team who make it all work for us and the public, who I am sure are tuning in to this rather than to GB News.

Question put and agreed to.

Bill, as amended, accordingly to be reported.

10.58 am

Committee rose.

Written evidence reported to the House

PQB01 General Medical Council

PQB02 Nursing and Midwifery Council

PQB03 Universities UK