Monday
20 November 2023

Volume 741
No. 8

HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY DEBATES

(HANSARD)

Monday 20 November 2023

HIS MAJESTY'S GOVERNMENT

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FOURTH SESSION OF THE FIFTY-EIGHTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 17 DECEMBER MAY 2019]

SECOND YEAR OF THE REIGN OF
HIS MAJESTY KING CHARLES III

SIXTH SERIES **VOLUME 741**

SECOND VOLUME OF SESSION 2023-2024

House of Commons

Monday 20 November 2023

The House met at half-past Two o'clock

PRAYERS

[Mr Speaker *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

UK Arms Sales to Israel

1. **Kim Johnson** (Liverpool, Riverside) (Lab): What assessment his Department has made of the potential impact of UK arms sales to Israel on (a) civilian deaths and (b) compliance with international humanitarian law in Gaza. [900146]

The Secretary of State for Defence (Grant Shapps): All export licence applications are assessed on a case-by-case basis against the strategic export licence criteria. This Government will not use any export licences to any destination where applications are not consistent with the criteria.

Kim Johnson: I thank the Secretary of State for that answer, but since the horrendous Hamas attacks on 7 October, 12,000 innocent Palestinian civilians have been killed; and two thirds were women and children. The UN Secretary-General has described Gaza as a "graveyard of children". Today an Israeli airstrike on a United Nations Relief and Works Agency school has killed 12 people. The Indonesian hospital in Gaza is currently surrounded by Israeli Defence Forces tanks. Can the Minister confirm whether arms sold by the UK have been used in violations of international humanitarian law, and will he explain why arms sales to Israel have not yet been suspended?

Grant Shapps: The hon. Lady is right to describe as terrorism the horrendous and heinous attacks by Hamas, without which this would not have started. We call on all parties—the Israelis included—to ensure that they act within international humanitarian law. It will interest her to know that our defence exports to Israel are relatively small—just £42 million last year—and, as I mentioned in my initial answer, they go through a very strict criteria before anything is exported.

Israel and Gaza

2. **Neil O'Brien** (Harborough) (Con): What steps he is taking to encourage de-escalation of the conflict in Israel and Gaza. [900147]

The Secretary of State for Defence (Grant Shapps): We are working with partners across the wider region, urging all sides to de-escalate tension, facilitate the supply of humanitarian aid, and tackle all forms of extremism.

Neil O'Brien: We are all absolutely heartbroken—*[Interruption.]*

Mr Speaker: Order. Members must sit down again once another Member is speaking. We cannot have two Members on their feet at the same time.

Neil O'Brien: We are all heartbroken by what is happening in the middle east. As Israel works to root out Hamas terrorists, will my right hon. Friend work to ensure that aid gets to civilians and that Israel works in a way that is compatible with international law? As the

Government work to get hostages freed, will they also work for increasingly long humanitarian pauses that can build towards a just and lasting peace?

Grant Shapps: My hon. Friend is right about trying to do everything we can in the region. That is why I sent a Royal Navy task group to try to de-escalate tensions, including RFA Lyme Bay and RFA Argus. Those facilities, along with others, are doing everything they can to help lower the tensions and certainly act as deterrents, and to ensure that we can get aid into the region. He will be interested to hear that we have had 51 tonnes of aid delivered so far, and there will be another flight later this month.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): There are thousands of orphans and displaced families amid an ongoing humanitarian catastrophe. What are the Government doing to ensure that unrestricted aid is reaching all the people who desperately need it, and, importantly, to ensure that Israel lifts the siege conditions?

Grant Shapps: As the hon. Lady will know, we are in favour of seeing pauses in the action. Some people, I know, call for a ceasefire, but I would point out that there was a ceasefire on 6 October; the problem is that it was broken by Hamas, who wrought this carnage on the middle east. We are doing everything possible to help get that aid in. With the Royal Navy taskforce, infantry, and other personnel in the region, we now have an uplift of about 600 personnel in the wider region, who are all helping to ensure that we get the aid in and across the border once we have got it to the region itself.

Mr Tobias Ellwood (Bournemouth East) (Con): I welcome the Defence Secretary to his place. Behind Hamas, sits Iran; behind Iran, sits Russia; and, increasingly, behind Russia sits China. That is the geopolitical backdrop that will define the next decade, with growing authoritarianism impacting on our security and our economy. Is it now time to increase the defence budget to 3%?

Grant Shapps: My right hon. Friend will know that we have indeed pledged to increase defence spending to 2.5%, as economic conditions allow. This year, it will probably be around 2.4%, so we are making good progress. Prior to getting this role, I talked about my own desire to see higher defence spending, because we are living in a much less certain world, with many more variables. He is right to point out Iran's action, with Hezbollah in Lebanon, Syrian militias in Iraq, and Houthis in Yemen very much driving the situation.

Andrew Gwynne (Denton and Reddish) (Lab): The reality is that neither the long-term security of Israel nor justice for the Palestinians will be found through bombs and bullets. As an international community, we need to be doing all we can to move to an enduring cessation of the violence, but while we are doing that, can the Secretary of State say how the UK armed forces will be utilising their capacity to help those getting aid into Gaza to get much bigger quantities in than is happening at the moment?

Grant Shapps: The hon. Gentleman is absolutely right about the UK's desire to do that, and I have talked about how we have deployed a large increase in personnel in the region to work with various Governments. I have personally spoken to most of the middle eastern Governments, and on those calls the first thing they have done is welcome our deterrent and the fact that we have brought such a large amount of aid—now £30 million—to help the Palestinians. It is not just the hostages themselves who are being held hostage; the population of Gaza are being held hostage by Hamas, and therefore the solution is to deal with Hamas themselves.

Mr Speaker: I call the shadow Secretary of State.

John Healey (Wentworth and Dearne) (Lab): After nearly three months, it is very good to finally welcome the Defence Secretary to the Dispatch Box for the first time. He reflects the deep concern about the humanitarian catastrophe in Gaza and the risks of wider escalation. Labour totally condemns Hamas terrorism. We back Israel's right to defend itself, but require it to meet its duties under international law and lift the siege conditions, and we want to see the breaks in fighting extended to get much more aid in and the hostages out. We back the military deployments to the region to support wider security, but with attacks against US personnel rising, what action is the Defence Secretary taking to increase protection for UK personnel in the middle east?

Grant Shapps: First, Mr Speaker, it is good to be at the Dispatch Box opposite the right hon. Gentleman. I thank him, as well as yourself and others, for their condolences when I was not able to attend the first Defence questions.

In terms of protecting our own personnel, I have asked the Chief of the Defence Staff to review their position. I made reference to the additional personnel who have moved to the region, but did not mention that several have been moved to Tel Aviv, Beirut and Jordan, all with the aim of protecting both British military personnel and British citizens in the region. We keep that matter under constant review.

John Healey: Would the Defence Secretary agree that over the past decade, there has been an international failure to pursue a Palestinian peace settlement and tackle the Hamas threat? Middle east escalation risks were not mentioned in the Government's defence Command Paper update, nor were Hamas or Palestine. With threats increasing, is the Defence Secretary pursuing that defence plan in full, including further deep cuts to the British Army?

Grant Shapps: The right hon. Gentleman is right to say that nobody, including the Israelis, saw what Hamas were about to do coming. That points to the need for much greater surveillance, but also—much wider than that—the need to pursue the two-state solution, which is official British policy and is something that the world must do as this conflict, we hope, comes to an end.

The answer to the right hon. Gentleman's question about being able to deploy British troops and, indeed, assets is that when I asked the question, the answer came back immediately: "Yes, we can do it, and there is more that we could do should we need to." I am satisfied that we cut our cloth in order to react to events around the world, which of course came on top of what

we are doing in Kosovo and elsewhere. We will certainly make sure that we maintain the resources to carry out those important missions.

Service Accommodation

3. **Chris Elmore** (Ogmore) (Lab): What recent assessment he has made of the adequacy of service accommodation for armed forces personnel. [900149]

8. **Helen Morgan** (North Shropshire) (LD): What steps he is taking to improve service accommodation for armed forces personnel. [900154]

The Minister for Defence Procurement (James Cartlidge): Currently, 96.5% of the service family accommodation meets or exceeds the Government's decent homes standard; only those properties should be allocated to service families. The Government continue to invest significant sums to improve the quality of UK service family accommodation. The Defence Infrastructure Organisation received an investment of £400 million over this financial year and the next as part of the defence Command Paper refresh, meaning that the forecast £380.2 million for this year is more than double last year's investment in maintenance and improvements.

Chris Elmore: The Minister will be aware that this time last year, almost 5,000 homes of armed forces personnel were affected by black mould and damp, which obviously included many properties that had children in them. A year on, too many of our service personnel and their families still have this problem. No matter whether it is one house or 5,000 houses, can the Minister set out how he is going to tackle this problem quickly? Our armed forces personnel and their families deserve better than what they have been getting to date.

James Cartlidge: The hon. Gentleman asks an excellent question. We are aware that what happened last winter was not good enough. Too many homes were affected, particularly by damp and mould. That is why we have prioritised getting the investment in, and it has more than doubled in the current financial year. I am pleased to confirm to him that last week I set out our winter plan. It shows that 4,000 homes in the defence estate would benefit from significant work on damp and mould, which is about 60% of the total number that require that work.

Helen Morgan: A constituent of mine who lives in Clive barracks at Tern Hill in Shropshire has reported that he lives in rat-infested accommodation, sometimes with two to six soldiers living in the same room. As a result, shipping containers have been placed in the grounds—about 40 at the end of August—and kitted out like budget hotel accommodation for those soldiers to live in. Can the Minister provide any reassurance that these servicemen will be provided with somewhere appropriate to live in the near future?

James Cartlidge: I am obviously sorry to hear about that case. I would ask the hon. Member to write to me with the details, and I will look into it with the DIO. The key thing is that, wherever we are talking about—whichever specific barracks or base—if we are going to get on with the works, we need the money there, and we have got that. We have put in place the extra £400 million, and as I set out in the winter plan, thousands of forces personnel will now benefit from that work.

Mr Mark Francois (Rayleigh and Wickford) (Con): The DIO is not fit for purpose, and the Future Defence Infrastructure Services accommodation contract has been a disaster, including completely unacceptable delays in issuing and checking gas and electricity safety certificates. No private landlord would get away with this without being sued. The Secretary of State had a good run out at the Defence Committee last week, and said he was potentially looking at radical reforms in this area. Can I urge the Minister and his boss to do precisely that to honour our service personnel and their families in a way they are not being honoured at present?

James Cartlidge: I am very grateful to my right hon. Friend. He knows that I share his passion for seeing genuine step change improvements in our accommodation. That is why we have announced the spending that we have. On the performance of the contractors, which the DIO ultimately oversees, one of the important aspects of the winter plan is a significant increase in staff manning the telephone service, so that we see better service to personnel. We expect the average waiting time for one of those calls to go from seven minutes to 29 seconds. It will be very important to service personnel that, when they make those calls, they get answered in good time.

Dame Caroline Dinenage (Gosport) (Con): The Minister may be aware that earlier this year one of the accommodation blocks in HMS Collingwood in my Gosport constituency was shut down all together because it just simply was not fit for human habitation. There are also some issues with the accommodation blocks in HMS Sultan. Could I invite the Minister to come to Gosport to have a look at some of the accommodation on offer for our service personnel? It is simply not good enough, and they deserve better.

James Cartlidge: I would be more than happy to do so.

Mr Speaker: I call the shadow Minister.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): There is a new Defence Secretary, but it is the same old story in service accommodation, with reports of broken boilers, black mould, leaky roofs and painfully long waits for repairs. Last Christmas, one service family told me that they went without a working boiler for three weeks and were forced to live in a hotel over Christmas and new year. Can the Minister assure me that no one who serves our country in uniform will go without heating, or be forced out of their home this winter because of the dire state of their military accommodation?

James Cartlidge: I am grateful to the hon. Member, and I repeat the point: we recognise that performance was not good enough last winter, which is why the Secretary of State made it an absolute priority to get the extra investment in. Having done that, I am pleased to say that the winter plan does include boiler and heating upgrades for about 1,500 homes.

Armed Forces: Non-combat Incidents and Jurisdictional Constraints

4. **John Mc Nally** (Falkirk) (SNP): What discussions he has had with his US counterpart on increasing awareness of (a) non-combat incidents and (b) jurisdictional constraints affecting the armed forces. [900150]

The Minister for Armed Forces (James Heappey): Defence Ministers have close relationships with our US colleagues and discuss such issues on a case-by-case basis.

John Mc Nally: I thank the Minister for his answer. It is fast approaching the sixth anniversary of Captain Dean Sprouting being killed, in a road traffic accident in 2018 while on operational duties, by US servicemen. The US guardsmen did not adhere to any standard operation procedures or health and safety regulations, driving unsuitable and poorly maintained vehicles on an unnecessary journey. Captain Sprouting's death was both avoidable and preventable, and it would not have occurred had the US servicemen involved adhered to the regulations. Despite the continuous efforts of his widow, Linda, for the Ministry of Defence to highlight the complicated jurisdictional procedures involved in blue-on-blue incidents, Linda and her boys continue to suffer the consequences on a daily basis. What I would like to ask the Minister is: given that the Defence Minister in the Lords—

Mr Speaker: Order. I think the Minister must have got the gist by now and be able to answer with something. *[Interruption.]* Just to help the hon. Member for Falkirk (John Mc Nally), I have to try to get through a list of what are meant to be questions. I gave him a long time to ask a question, and it was not forthcoming. If I do not do this, I will not get through the other people who wish to ask questions.

James Heappey: The hon. Gentleman raises a very complicated case and the widow, to whom I send my condolences, is obviously keen to see the matter resolved. I suggest that the hon. Gentleman and I meet to discuss the issue in appropriate detail.

Mr Speaker: I am happy to look at an Adjournment debate, if that helps, but we have to have short questions to get other people in.

Support for Veterans

5. **Patricia Gibson** (North Ayrshire and Arran) (SNP): What steps he is taking to support veterans. [900151]

7. **Selaine Saxby** (North Devon) (Con): What steps his Department is taking to support veterans. [900153]

The Minister for Defence People, Veterans and Service Families (Dr Andrew Murrison): The Ministry of Defence delivers a range of services to veterans and their families, including the administration and payment of armed forces pensions and compensation, and tailored advice and assistance through the Veterans Welfare Service, Defence Transition Services and integrated personal commissioning for veterans.

Patricia Gibson: When veterans and their families are compensated for the detrimental impact their service has had on their lives, that is unjustly classed as income when applying for means-tested benefits, rendering veterans and their families ineligible for welfare support under UK Government control, the most significant of which is pension credit. As a result, thousands of veterans miss out on almost £6,000 every year. Will the Minister pledge his support for the Royal British Legion's Credit their Service campaign? And will he work with the Department for Work and Pensions and his other Cabinet colleagues to ensure that compensation awarded to veterans is disregarded when applying for means-tested benefits?

Dr Murrison: Of course the MOD works with the DWP on a range of issues. Compensation is set in the full knowledge of how it will be dealt with under the benefits system in the UK. By most measures, the armed forces compensation scheme and the war pension scheme are felt to be sound and appropriate for awarding significant amounts of money to those who have served our country and who, unfortunately, have been disadvantaged as a result.

Selaine Saxby: Will my right hon. Friend join me in thanking The Veterans Charity in North Devon for their Poppies to Paddington operation, which saw 231 wreaths from the Great Western Railway region reach Paddington for Remembrance Day, and for their incredible work to help support our wonderful veterans across the UK?

Dr Murrison: I absolutely will, and I add my congratulations to my hon. Friend's in thanking The Veterans Charity in North Devon. I also congratulate her on the extraordinary support she gives to our veterans in her constituency and elsewhere, particularly as we come out of the season of remembrance, which I know you were heavily involved with too, Mr Speaker. It is important to reflect on those who give so much in the service of our country.

Mr Speaker: I call the shadow Minister.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): Over the past year, the number of veterans claiming universal credit has increased by 31.6%, which is nearly a third. Does the Minister recognise that the King's Speech failed to help veterans in receipt of universal credit to cope with the increased cost of living caused by his Government's economic failure? And does he further recognise that some of the long-term sick who his party has been attacking in the media over the last few days are veterans with physical and mental health challenges? What advice has he given his colleagues about the Conservative party rhetoric, and about lending their full support to our veterans and all those who have served?

Dr Murrison: The hon. Gentleman will know that universal credit is an in-work benefit. Within the system, there are allowances that we offer to our veterans that can be improved. As he knows, that is why we have instituted the quinquennial review and the independent review of veterans' welfare services, which we will be responding to shortly.

Trident Nuclear Programme

6. **Neale Hanvey** (Kirkcaldy and Cowdenbeath) (Alba): If he will make an estimate of the annual maintenance and running costs of the Trident nuclear programme. [900152]

The Minister for Defence Procurement (James Cartlidge): The Ministry of Defence co-ordinates a range of interdependent programmes to support, maintain and renew the nuclear deterrent. The expected cost of the combined defence nuclear enterprise will be set out at supplementary estimates in February.

Neale Hanvey: The estimated costs of Trident's renewal stand at the moment at £31 billion, with a further £10 billion earmarked for contingency. We know that containment of nuclear material is a problem for the Ministry of Defence, and we also know from recent reports that a Vanguard-class submarine nearly had a collision over the weekend. Our party put in a freedom of information request asking about transportation of nuclear material through Scotland, and that was rebuffed. The UK Government may be content to play second fiddle to the US on weapons of mass destruction, but can the Secretary of State explain the lack of transparency on WMD movement in Scotland, and justify Scotland's being kept in the dark? Is it not time to abandon this costly and dangerous bomb and get it out of Scotland for good?

Mr Speaker: Order. Let us help each other to get through the list, please.

James Cartlidge: I profoundly disagree about this being the time to abandon the deterrent. I could not think of a worse time. The policy of the hon. Gentleman's party is not just to abandon the deterrent but to withdraw from NATO. I could not think of a more reckless policy to undertake in the face of Russian aggression. We support the deterrent and we will continue to invest in it.

Sir Julian Lewis (New Forest East) (Con): Does the Minister share my relief that both main parties in the House of Commons support the retention and renewal of the nuclear deterrent? Did he also share my relief that, in July 2016 when the vote was held on whether to renew the nuclear deterrent, there was a massive majority of 355 in favour of doing that? That sends a message to the Scottish nationalists about how unrepresentative their views are.

James Cartlidge: I am extremely grateful to my right hon. Friend for that remark. I was delighted that those on the Labour Front Bench showed their agreement by nodding when I gave my previous answer. I am delighted that there is consensus. I think we all agree that, particularly at this time, the country needs the security of a deterrent to deter what would be the most aggressive threats to our nation's freedom.

Mr Speaker: I welcome the shadow Minister to her place.

Maria Eagle (Garston and Halewood) (Lab): May I confirm again that Labour's support for our nuclear deterrent, which we maintain on behalf of our NATO allies, is total? However, following reports in newspapers about a malfunctioning depth gauge on a Vanguard submarine at sea, can the Minister explain what steps he has taken to ensure that such an incident never happens again?

James Cartlidge: First, I am delighted to hear confirmation of Labour's total support for the deterrent. That sends a very powerful message to our adversaries about our national endeavour to support the deterrent and its renewal. On the specific story that the hon. Lady mentions, she will not be surprised to hear that we do not comment on operational matters in respect of our submarines.

Mr Speaker: I call the SNP spokesperson.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): This one will break the convention.

Let me also welcome the Secretary of State to their position. The nuclear enterprise has an uncapped budget, and, after the demise of HS2, is the largest single public procurement project on these islands. For those of us on the SNP Benches at least, that is money spent on a weapons system that is designed never to be used, which not only bleeds money from the conventional MOD budget but sucks it from hospitals, schools and social care. On a day when the preview of the autumn statement in the *Financial Times* reads,

"Stagnation nation: governing the UK when 'there is no money'",

can the Minister advise the House what steps his Department is taking to ensure that there are no further cuts to conventional forces or elsewhere because of the uncapped, runaway Trident budget?

James Cartlidge: The hon. Gentleman talks about budget and cost. I can be open about the figure that matters: 80 million. That is the combined death toll in the first and second world wars. We have not had a third world war and we are profoundly lucky, and I put it to the House that it is not a coincidence.

Martin Docherty-Hughes: We know from the official history of the submarine service by Peter Hennessy and James Jinks that, during the transition to Vanguard, contingencies were made in Whitehall for the possible alteration of the continuous at-sea deterrent to take account of the complete breakdown of one or more hulls. This involved diving a Polaris submarine into Loch Long to remain there on a quick reaction alert. Can the Minister advise the House on what discussions his Department is having on the contingencies that we now see arising from an almost 40-year-old Vanguard fleet?

James Cartlidge: The hon. Gentleman, too, will not be surprised to hear that we will not comment on that, other than to say that we have had a continuous at-sea deterrent since 1969. We should all be proud of that, and I am delighted to see that Members on both sides of the House who support our Union also support the nuclear deterrent.

RAF Aid Flights to the Middle East

9. **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): What steps he is taking to increase the number of RAF aid flights to the middle east. [900155]

13. **Janet Daby** (Lewisham East) (Lab): What steps he is taking to increase the number of RAF aid flights to the middle east. [900162]

The Secretary of State for Defence (Grant Shapps): Defence assets continue to be ready to supply humanitarian support to the region. As the hon. Gentleman knows, the delivery of aid is impeded by the many challenges around Gaza, but so far we have airlifted 51 tonnes of aid to the country.

Mr Dhesi: As I have said previously, I want to see an end to the violence in the middle east, although I acknowledge that neither Israel nor Hamas agreed to an immediate ceasefire. While negotiations to deliver an enduring peace are ongoing, we must urgently accelerate the delivery of aid via the RAF to alleviate human suffering on the ground. Can the Secretary of State explain why, within two weeks of the earthquake in Turkey and Syria, nearly 100 tonnes of aid was delivered there, yet since the Israel-Hamas war broke out more than a month ago, only 50 tonnes has been delivered by the RAF?

Grant Shapps: I can. The difference is a war zone. When I said that we had delivered "to the country", I meant, of course, to Egypt. From there we have to get the aid across the Rafah crossing, which, for all the reasons of complexity, is not always open or available. There are many restrictions to getting that aid in, but I am working very hard on that. The problem is not a lack of resource; we have put in £30 million, more than doubling the existing £27 million, and I can assure the hon. Gentleman that there are further flights leaving later this month.

Janet Daby: For more than a month we have witnessed a distressing humanitarian disaster unfolding in Gaza. It is welcome that the RAF is flying UK humanitarian aid to the region, but so far we have seen only three RAF flights. When will the Government increase the number of flights and the amount of aid given to Palestinians, who have suffered so much and who deserve, at the very least, the basic essentials to try to survive?

Grant Shapps: The issue is not getting the aid to the region; we could fly more aircraft. The issue is getting the aid into Gaza itself, and in that regard we have the problem of Hamas, a terrorist organisation not in the least bit interested in looking after the citizens of Gaza, and, of course, the problem of the Rafah crossing, which is opened and closed on a fairly arbitrary basis. However, I can assure the hon. Lady that we are working very hard with all the different bodies and Governments in the region to get more of that aid in as quickly as possible. The capacity constraint is not flying it to the region.

Afghan Relocations and Assistance Policy

10. **Dr Rupa Huq** (Ealing Central and Acton) (Lab): What steps he is taking to support Afghan citizens who are eligible for the Afghan relocations and assistance policy. [900157]

The Minister for Armed Forces (James Heappey): Some 13,000 eligible persons and their families are now in the UK under the ARAP scheme. We are determined to deliver on our commitments, with many hundreds more arrivals in the UK planned before the end of the year.

Dr Huq: In the light of Pakistan's brutal crackdown on undocumented and temporary visa-bearing Afghan refugees and its forcible deportation of those people back to Afghanistan, can the Minister confirm the security of those eligible for the Afghan citizens resettlement and ARAP schemes in Pakistan, including many whose claims have been unprocessed for two years? Can he expedite those claims to stop people being thrown back into the clutches of the Taliban?

James Heappey: May I gently encourage Members on both sides of the House to change their tone when describing the Government of Pakistan in relation to these matters? We would not have brought out thousands of people had it not been for the support of the Government of Pakistan, and we continue to enjoy their support and co-operation in our efforts to bring out many thousands more. As the hon. Lady well knows, because it has been well covered in the media, the Government of Pakistan have sought to accelerate the deportation of those whom they consider to be there illegally, but our excellent team in the high commission in Islamabad are working day and night with the Government of Pakistan to ensure that that does not happen to those who are in Pakistan under ARAP and ACRS. We are moving at our best pace to bring people back, with the full co-operation of the Government of Pakistan.

Military Support: Ukrainian Armed Forces

11. **Sir Bernard Jenkin** (Harwich and North Essex) (Con): What steps his Department is taking to provide military support to the Ukrainian armed forces. [900158]

The Secretary of State for Defence (Grant Shapps): We continue to support Ukraine—we provided £2.3 billion of military support in the last year—and will go on doing so, because Putin must not win in Ukraine.

Sir Bernard Jenkin: I thank my right hon. Friend for that answer and for the consistency of support the British Government have shown and the way they have led our NATO allies in support of the Ukrainians right from the start. How are we going to maintain that lead in the face of another war in the middle east, a certain amount of disarray in the Congress and indeed some visible wavering among our European allies?

Grant Shapps: My right hon. Friend is right that the UK has led, and we must continue to do so. I have visited Ukraine twice this year, I hosted a Ukrainian family for a year in my own home, and the Government have set up the British-led international fund for Ukraine, which is on its way to delivering, I think, nearly £800 million of support. We have also been first with tanks, with ammunition, with long-range missiles and with permissions, and we intend to be first with this war going forward.

Derek Twigg (Halton) (Lab): It is vital that we continue to give military aid to Ukraine and to show our steadfast support and leadership in Europe. Has the Secretary of State had a chance, since he came into office, to meet with representatives of the defence industry to talk

about how we maintain that level of military aid to Ukraine and, if he has had such a meeting, what was the outcome?

Grant Shapps: Yes, on several occasions, including in Kyiv and, more recently, last Thursday at the MOD, where I met with large, medium and small defence companies to discuss exactly that issue. There are a whole range of measures in place to increase the amount of arms, particularly arms replenishment, that can come through via UK companies. Having supported Ukraine from the beginning, we must support them all the way through to the end, and we intend to do so.

Armed Forces: Skills for the Future

12. **Andrew Jones** (Harrogate and Knaresborough) (Con): What steps his Department is taking to ensure that the armed forces have the skills required for the future. [900160]

20. **David Duguid** (Banff and Buchan) (Con): What steps his Department is taking to ensure that the armed forces have the skills required for the future. [900170]

The Minister for Defence People, Veterans and Service Families (Dr Andrew Murrison): In June 2023, the Ministry of Defence published the Haythornthwaite review of armed forces incentivisation. Multiple teams are being stood up across Defence to implement all 67 recommendations, working to establish a reward and incentivisation architecture that will attract and retain skills. Meanwhile, I am delighted to say that the Army has just been named the UK's No. 1 employer of apprentices for the third consecutive year.

Andrew Jones: I am aware that the MOD is the biggest single employer of apprentices, with more than 15,000 soldiers currently on the programme, and I have seen the excellent training and development that takes place at the Army Foundation College, which, as my right hon. Friend knows, is located in Harrogate. Does he agree that the apprenticeship scheme is not only bringing in future talent, but ensuring that those individuals have the skills for the remainder of their lives?

Dr Murrison: My hon. Friend is absolutely right, and I enjoyed my relatively recent visit to Harrogate. More than 95% of all non-commissioned recruits across the armed forces are offered apprenticeships mapped to their training. As he rightly says, that benefits not only Defence but the individual and the wider economy.

David Duguid: Given that the defence of our United Kingdom is reserved and education and skills are devolved, what discussions is my right hon. Friend having with the devolved Administrations to ensure that the skills needed by our British armed forces are being developed across our whole United Kingdom?

Dr Murrison: The Ministry of Defence actively engages with the devolved Administrations to align education, skills and development, and will continue to do so, using the UK-wide pan-Defence skills framework, which ensures that the armed forces skills requirements are met across the country and contribute to the wider economy that we share.

Jim Shannon (Strangford) (DUP): I thank the Minister for that response. Beyond the Battlefield, an independent charity in my constituency, does incredible work with veterans who are homeless, giving them accommodation and some skills. I have extended an invitation to the Minister to come to Northern Ireland to visit Beyond the Battlefield, so I will extend that again. I think he will be impressed—I know I am—and he will see that what we do in Northern Ireland can be done elsewhere in the United Kingdom.

Dr Murrison: It is always a joy to visit Strangford—one of the most beautiful places in these islands, if I may say so. I am grateful for the hon. Gentleman's invitation; I have it at the front of my mind and when I am in Northern Ireland I will ensure that I visit.

Armed Forces Personnel: Recruitment

14. **Rob Butler** (Aylesbury) (Con): What steps his Department is taking to recruit armed forces personnel. [900163]

The Minister for Defence People, Veterans and Service Families (Dr Andrew Murrison): We remain committed to maintaining the overall size of the armed forces and recognise the importance of recruitment to achieve that. We are responding to immediate challenges with a programme aimed at increasing the breath of potential candidates and driving efficiencies in recruitment. Meanwhile, the services continue to meet all their operational commitments, keeping the country and its interests safe.

Rob Butler: Since my election, I have met many new recruits during visits with the armed forces parliamentary scheme, and I have always been incredibly impressed by their sense of duty, their commitment to serve their country and their recognition of the great careers that lie before them, but we know that there are still shortages in recruitment. How can my right hon. Friend ensure that all parts of the armed forces recruit the right number of people, with the right mix of skills and experience to keep our nation safe in these increasingly dangerous times?

Dr Murrison: My hon. Friend is absolutely right that recruitment to the armed forces is mixed—some of it is good, some of it less good—across the western world. We are struggling to recruit people into our armed forces, and we must redouble our efforts. That is why we have had the Haythornthwaite review and the tri-service recruitment model, which I am convinced will plug the gaps that we have in skills and overall numbers.

Ministry of Defence Guard Service

15. **Sarah Dyke** (Somerton and Frome) (LD): What recent assessment he has made of the potential impact of the operational MGS employment contract on applications for promotion in the Ministry of Defence Guard Service. [900165]

The Minister for Defence People, Veterans and Service Families (Dr Andrew Murrison): There is no evidence—*[Interruption.]*

Mr Speaker: Order. Look, I do not need Members making signals to me on taking questions—it is quite obvious that I go from the Government side to the Opposition side.

Dr Murrison: There is no evidence that the operational MOD Guard Service employment contract has had a material bearing on workflow, recruitment and retention. However, it is not possible to conduct an accurate assessment of the impact that OMEC has had on applications from staff seeking promotion, because of the way applications are filed. That said, the MOD Guard Service is encouraged by the volume of applications received for vacancies through fair and open competition, no doubt encouraged by the fact that OMEC terms and conditions of service remain highly favourable when compared with private sector security companies.

Sarah Dyke: I thank the Minister for his response but, respectfully, I do not find it sufficient. My constituent has provided more than a decade's service within the Ministry of Defence Guard Service. He reports that he and his contemporaries are disincentivised to apply for promotion, because it would mean switching to the new OMEC contracts from their legacy contracts and an extra six hours' work a week. Many are leaving. Will the Minister promise to investigate this issue thoroughly?

Dr Murrison: I am grateful to the hon. Lady. The new way of working was passed through the trade union consultation process, of course, and in terms of pay, pension, leave and sickness benefits and working hours, the MOD Guard Service performs well, as I have said, against private security companies. That is why we appear to be recruiting and retaining well.

Indo-Pacific Region: Stability

16. **Richard Graham** (Gloucester) (Con): What steps his Department is taking to help ensure stability in the Indo-Pacific region. [R] [900166]

The Minister for Armed Forces (James Heappey): The tempo of our engagements and operations in the Indo-Pacific grows all the time on land, sea and air. We are also strengthening regional resilience among our partners to uphold freedom of navigation, deter security threats and build support for international law throughout the Indo-Pacific.

Richard Graham: I agree that relationships with several south-east Asian states have reached new highs as a result of partnerships in areas such as space and cyber as well as air and maritime capabilities. Does my right hon. Friend agree that we should do more to ensure that the United Nations convention on the law of the sea is maintained in the South China sea, working closely with our partners in the region?

James Heappey: My hon. Friend hides his light under a bushel, because as a trade envoy in the region he will have had much to do with the improved relationships we enjoy there. Furthermore, HMS Spey transited the Straits of Malacca only this weekend, demonstrating the UK's and the Royal Navy's commitment to upholding freedom of navigation in the South China sea and around.

Mrs Emma Lewell-Buck (South Shields) (Lab): Does the Minister believe the appointment of Lord Cameron as Foreign Secretary strengthens or weakens the Prime Minister's stance that China poses an "epoch-defining challenge" to global security?

James Heappey: It greatly strengthens the Prime Minister's position.

Medium-sized Helicopter Industry

17. **Chris Loder** (West Dorset) (Con): What steps his Department is taking to help support the medium-sized helicopter industry in the south-west. [900167]

The Minister for Defence Procurement (James Cartlidge): Helicopters form an important part of our integrated operating concept. Through past and current investment in rotary capability, the UK industrial base remains well placed to support existing and future helicopter platforms. Positive progress is being made towards the next stage of the competition with the three downselected suppliers: Airbus Helicopters UK, Leonardo Helicopters UK and Lockheed Martin UK.

Chris Loder: Can my hon. Friend confirm that the invitation to negotiate for the medium-sized helicopter will indeed be issued by the end of December?

James Cartlidge: I am grateful to my hon. Friend. We are keen to get on with this, and that is certainly our intention. At the moment, we are in the process of securing final cross-Government approval. As I said, that is our aim, but I cannot absolutely guarantee it.

Defence Jobs

18. **Mr Rob Roberts** (Delyn) (Ind): What steps his Department is taking to support defence jobs across the UK. [900168]

The Minister for Defence Procurement (James Cartlidge): The most recent estimate shows that MOD investment supports more than 200,000 jobs in industries across the UK, and continued investment in defence along with the changes we continue to make as part of our defence and security industrial strategy are contributing to further economic growth and prosperity across the Union.

Mr Roberts: I thank the Minister for his answer. As a Member from north-east Wales, I am interested in how we promote defence spending in all regions of the United Kingdom, meaning that there is some balance, with defence jobs and investment not concentrated in the same part of England every time. What can the Minister do to assure my constituents in Delyn that they will have as much opportunity as those in places such as the south-west of England?

James Cartlidge: My hon. Friend makes an excellent point. Obviously, we strongly want to see defence expenditure benefiting every part of the Union. I can confirm expenditure with industry in Wales amounting to about £744 million. Just to reassure him and show him how importantly we regard Wales, the week before last I heard I held my small and medium-sized enterprise

forum in Cardiff at Space Forge, a brilliant Welsh SME that we are supporting with half a million pounds of funding to develop in-space manufacturing of semiconductors. That is a strong example of how we are supporting Welsh SMEs in the defence sector.

RAF Surveillance Aircraft

19. **Richard Foord** (Tiverton and Honiton) (LD): What assessment his Department has made of the potential impact of RAF surveillance aircraft on UK strategy and operations overseas. [900169]

The Minister for Armed Forces (James Heappey): I thank the hon. Gentleman for raising the work of the slightly less glamorous part of the Royal Air Force that does long-distance surveillance missions. They are an important part of the UK's defence strategy and our ability to monitor and observe what our adversaries are doing. Their work over the past year above the north Atlantic and the high north, the Baltic, the Black sea, the eastern Mediterranean and across the middle east has been central to defence operations. The team at RAF Waddington and at Lossiemouth should be congratulated.

Richard Foord: We understand that UK surveillance assets such as Rivet Joint are providing surveillance support to Israel. I appreciate that, for reasons of operational security, the Minister cannot comment on the operational specifics of this activity, but will he rule out the possibility that these platforms are being used to support target acquisition?

James Heappey: While I was grateful to the hon. Gentleman for his initial question, he also gives me an opportunity to make an important clarification. Rivet Joint is not flying in support of Israel; it is flying to observe the risk of escalation in the region, to inform decision making in the UK MOD, and for nothing else.

James Gray (North Wiltshire) (Con): Is my right hon. Friend concerned about the volcanic activity in Iceland at the moment? The P-8 regularly uses Keflavik airport near Reykjavik. Could that be interrupted by the threatened volcanic activity?

James Heappey: To the relief of people everywhere hoping for a Christmas getaway, I am told that this particular volcanic ash is not the same as that of last time and thus does not pose such a threat to aviation. However, we are, of course, monitoring it carefully and have contingencies.

Topical Questions

T1. [900171] **Jonathan Gullis** (Stoke-on-Trent North) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Grant Shapps): My first months as Defence Secretary have strengthened my long-held belief that we need to strengthen our national defence as the world grows ever-more dangerous. With the challenges in Ukraine, the middle east and the Indo-Pacific, these are more contested times than any since the cold war. The servicemen and women of our armed forces are our greatest asset. As has been mentioned, as we ask them to do extraordinarily difficult things around the world and they do deserve comfort back home. That is why I have put service accommodation at the forefront of my mission.

Jonathan Gullis: I thank the Secretary of State for his answer. Will he add his thanks to volunteers such as Trevor Simcock, Mal Mullet and Chris Smith, who work with the Commonwealth War Graves Commission locally in Stoke-on-Trent North, Kidsgrove and Talke? Ahead of the Armistice Weekend, I was proud to join them at Burslem cemetery with my daughter Amelia to clean the headstones of 130 of our brave and fallen heroes. Will he add his thanks and come to visit those great volunteers?

Grant Shapps: I am delighted to add my thanks to my hon. Friend's brilliant volunteers. It is an opportunity to mention from the Dispatch Box the many thousands of people who turned out across the country on Remembrance Weekend to commemorate and remember those who bravely gave of themselves so that we can be here in freedom today.

Mr Speaker: I call the shadow Secretary of State.

John Healey (Wentworth and Dearne) (Lab): The Defence Secretary said recently that, despite middle east tensions, we must not forget about Ukraine. I welcome that statement, but the UK's leadership on support for Ukraine is flagging, so will Wednesday's autumn statement, as a minimum, confirm the commitment to match this year's £2.3 billion in military aid funding for next year?

Grant Shapps: I do not know when the right hon. Gentleman was last able to visit Kyiv himself, but when he does go, he will discover that the attitude there is that no country in the world has been more forward-leaning and progressive in its support, and that remains the same today as it was before this conflict began. We have trained 52,000 Ukrainian troops since 2014. Our support is not for today or tomorrow or the short term; it is forever.

T4. [900174] **Henry Smith** (Crawley) (Con): What assessment has the Defence Secretary made of the strategic importance to UK national security, and indeed that of the United States, of retaining British sovereignty over Diego Garcia?

Grant Shapps: It is essential that we maintain our position, to be able to assist ourselves and the United States, in Diego Garcia.

T2. [900172] **Alistair Strathern** (Mid Bedfordshire) (Lab): I am proud that my constituency is home to hundreds of armed forces personnel and their families and former families, but as Members on both sides of the House have mentioned, last winter far too many of them found themselves living in accommodation that simply was not fit for purpose. Can the Minister confirm how we will be getting tough with the contractors who are letting down our families this winter, and can we have

some clarity on when all armed forces families will finally be able to live in homes that are fit for their heroes?

The Minister for Defence Procurement (James Cartlidge): I commend the hon. Gentleman for raising this important matter for his constituency, and I am pleased to work with him on what we offer his service personnel. I have said that last winter was not good enough, but this year we are ramping up massively. We have at times withheld profit from contractors where they have not performed, but what I want to see from them above all is delivery. We have put in place the £400 million and I now want to see that delivered as improvements to houses, including work being done on boilers and on damp and mould. Thousands of homes will be supported this winter and hopefully we will be in a far better position.

T5. [900175] **Andrew Jones** (Harrogate and Knaresborough) (Con): Does my right hon. Friend agree that we are more secure as a country when the world is a safer and more peaceful place, and that a successful two-state solution for the Israel and Palestine question is therefore a part of our own national security too?

Grant Shapps: My hon. Friend is absolutely right about that. The way that we can start along that path is that Hamas could release the 242 innocent civilians that they are holding hostage, which includes some Brits. That would open the door to starting to be able to get a resolution. That is what they should do, but sadly, I doubt that they are about to.

T3. [900173] **Andrew Gwynne** (Denton and Reddish) (Lab): Labour Party research on waste in the Ministry of Defence shows that over £15 billion has been squandered since 2010, so when are the Government going to get a grip on defence procurement and secure value for money for the British taxpayer?

James Cartlidge: On all the key metrics there has been a significant improvement since the hon. Gentleman's party was in office. If you were to ask, Mr Speaker, what the key test was for a procurement system, I would say it is wartime. Of course we are not ourselves directly at war, but in supporting Ukraine, we have seen excellence in procurement, particularly at Defence Equipment and Support, getting equipment—

Mr Speaker: Order. I call the Chair of the Select Committee, Robert Courts.

Robert Courts (Witney) (Con): May I take this opportunity to formally welcome the Secretary of State to his position? I am grateful for his comments on military accommodation being a priority for him. The Select Committee is undertaking an inquiry into that as well. One of the issues that has come up is the absence of a military uniformed accommodation officer who is responsible for continually inspecting accommodation and then liaising with the contractors to ensure that the repairs take place. Is that something my hon. Friend the Minister will consider?

James Cartlidge: I strongly congratulate my hon. Friend on becoming Chair of the Defence Committee and I look forward to working with him. I know that, predating his appointment, he had a strong interest in accommodation, and I enjoyed visiting his constituency to look at the accommodation for Brize Norton. I will consider his point and write to him.

T6. [900176] **Kirsten Oswald** (East Renfrewshire) (SNP): In 2022, 11.2% of British Army recruits were women. That is down from 12.6% in 2020. In 2021, 9% of British Army recruits were from ethnic minority backgrounds, and that is down from 11.7% in 2020. What is the Secretary of State doing to urgently remedy this reduction in the diversity of recruits?

Grant Shapps: I want to make it absolutely clear that I think everyone working within the civil service as part of the Ministry of Defence and, indeed, working in the UK armed forces should feel able to be represented and be a part of it. I want to challenge the hon. Lady's figures: the numbers I have for female representation between last year and this year are 10.4%, rising to 11.5%—it has actually gone up, not down—and civilian representation at SCS level stands at 45%. None the less, I accept the overall point that we need to see a far more balanced armed forces in the future.

Sarah Atherton (Wrexham) (Con): Two years ago, the Defence Select Committee undertook an inquiry into the experiences of women in the armed forces. While progress has been made, the culture within defence remains unacceptable. We now understand that 60 female senior civil servants at the MOD have made allegations of sexual assault, harassment and abuse. Would my right hon. Friend like to comment?

The Minister for Defence People, Veterans and Service Families (Dr Andrew Murrison): I am very grateful to my hon. Friend for her question, and I reiterate once again my thanks for all the hard work she has done on behalf of women in defence. She is quite right: it is unacceptable. Today, the permanent secretary has written to the Department with an action plan on how to deal with the specific issue my hon. Friend has raised, in particular asking our non-executive directors to conduct a review, so that we can ensure that what we are doing stands up to muster against the norms in other large organisations.

T7. [900177] **John Spellar** (Warley) (Lab): The Ukraine conflict has reinforced the need for a thriving defence industry to underpin our security. Will the Secretary of State now take the opportunity to revisit his predecessor's policy of placing so many orders abroad, rather than in British industry with British workers, and in particular, the building of the fleet solid support ships in foreign yards?

James Cartlidge: The right hon. Gentleman talks about the fleet solid support ships being built in foreign yards. I can assure him that recently, I had the great pleasure of visiting Harland & Wolff at its Appledore yard in north Devon. That is in the UK, and it is where a significant part of the FSS contract will be made.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Rock Barracks in my constituency is home to the excellent 23 Parachute Regiment. I know the Government have invested a lot of money in new accommodation, but

people are being let down. We know that Pinnacle is the problem, but it also worries me that people feel they cannot approach their MP directly because of retaliation if they make a complaint. I encourage the Minister to come and visit so that we can fix this problem properly.

James Cartlidge: I am alarmed to hear that. It is a pleasure to take a question from my right hon. Friend, who is my constituency neighbour; it is not far for me to travel, and I would be delighted to do so.

T8. [900178] **Helen Morgan** (North Shropshire) (LD): I welcome the Minister's statement last week that 60% of homes with damp and mould will be receiving support, because that has been such a big issue at RAF Shawbury in my constituency. Can he explain what is going to happen to the other 40% of homes that have damp and mould, and will he commit to a minimum standard for service accommodation for military families?

James Cartlidge: The hon. Lady asks a very good question. To be clear, the figure of 4,000 homes with damp and mould is for this winter: we have put in place £400 million of additional spending. Of course, as we move into next year, we will look at what further work can be undertaken so that we can deal with all the other properties.

Sir Edward Leigh (Gainsborough) (Con): Will the Minister confirm that the Ministry would never put serving personnel at risk by putting an open camp for illegal migrants in a serving base, and therefore any undertaking about that is worthless—that the most we will get at RAF Catterick is a closed detention centre?

The Minister for Armed Forces (James Heappey): I am well aware of my right hon. Friend's concerns. I am happy to meet him and discuss them further.

T9. [900179] **Mr Kevan Jones** (North Durham) (Lab): Has the MOD made any further payments in addition to the £480 million it paid to General Dynamics in March of this year? I understand that subcontractors on the programme are not being paid, or are not being paid the amounts they expected. Is there any reason why General Dynamics should not be paying its subcontractors on this programme?

James Cartlidge: The right hon. Gentleman is very knowledgeable on these matters, and I am more than happy for him to write to me about them. The Ajax contract is a firm price contract, and I am very pleased to say that we are getting very positive feedback from the Household Cavalry about that platform's capability, its sensors and its cannon. I do not know the answer to the right hon. Gentleman's specific question about payments to subcontractors, so he is more than welcome to write to me.

Jack Lopresti (Filton and Bradley Stoke) (Con): Will my hon. Friend meet me to discuss a British company, Christy Aerospace and Technology, which has the capability to dramatically reduce the time it takes to train Ukrainian pilots on F-16s, and does he agree that we need to do everything we can to accelerate the rate at which we can get those pilots trained?

James Cartlidge: It is always a pleasure to meet my hon. Friend.

James Cartlidge: It is always a pleasure to meet my hon. Friend. He has been an absolute champion on the Ukraine issue, and I would be delighted to meet him to see what more we can do.

T10. [900180] **Ronnie Cowan** (Inverclyde) (SNP): Ian Bernard is a constituent of mine who served in the Royal Air Force and witnessed the nuclear tests on Christmas Island. Ian is still to receive his nuclear veteran's medal, and he has asked me to ask the Minister whether that omission could be rectified.

Dr Murrison: I am disturbed to hear that the hon. Gentleman's constituent has not received his medal, because they have been minted and distributed. If he would like to write to me with the details, I will chase it up.

Mark Logan (Bolton North East) (Con): Local mosques in Bolton are collecting donations, yet there seem to be major problems in getting those donations and aid into Gaza. What discussions is the Department having with the Foreign, Commonwealth and Development Office and the Israeli Government about ensuring that those donations get to those most in need? Not doing so will only escalate the conflict.

Grant Shapps: As I have described, it is a complex position on the ground to get the aid all the way through, but I am happy to either meet or take details from my hon. Friend to ensure that those donations get where they are intended.

Tony Lloyd (Rochdale) (Lab): Defence Ministers will be aware that the situation in Kosovo is deteriorating dramatically. Can the Secretary of State give us an assurance that the current international military presence there is sufficient to counter any threat from Belgrade?

Grant Shapps: When the Supreme Allied Commander Europe asked us for additional support for the Kosovo-Serbian border, the answer was immediately yes, that weekend, and we have a battalion there now, which is doing a great job. That has contributed to a lessening of tensions, and we are keeping a close eye on it in our conversations, to ensure that we do not see the situation erupt.

Dr Matthew Offord (Hendon) (Con): This weekend we witnessed the third attack in a year on a commercial vessel in international waters. The cargo ship Galaxy Leader has been described by the Israeli Government as British owned and Japanese operated. What actions will the Minister take to prevent such acts of terrorism on British vessels?

James Heappey: We are very aware of the incident that my hon. Friend describes. The US navy has a presence in the Red sea, and the Royal Navy always keeps under review options to deploy there too.

Matt Rodda (Reading East) (Lab): Gurkha soldiers who retired before 1997 receive a lower pension than other British soldiers. Will the Minister update the House on the current negotiations between the UK and the Government of Nepal to solve that difficult issue?

Dr Murrison: I am grateful to the hon. Gentleman, and I am seeing a bilateral committee with veterans and the Nepalese ambassador on Wednesday. This is an ongoing process. The hon. Gentleman will be aware that pension schemes are extremely complicated, and in many cases the Gurkha pension scheme and offer to transfer subsequently represents good value for many of our brave Gurkha veterans. I am certainly in discussion with the interested parties. I am afraid that I cannot offer any promises at all, but nevertheless discussions are ongoing.

Simon Jupp (East Devon) (Con): The great south-west region is home to cutting-edge defence companies such as Supacat, which makes military vehicles for our armed forces. The Jackal 3 is an incredible vehicle that is being put to good use in Ukraine. What steps is my hon. Friend taking to ensure that more defence jobs come to the south-west?

James Cartlidge: It is brilliant to see south-west colleagues standing up for the defence sector in their constituencies, and my hon. Friend is right about Supacat—it is a brilliant platform. In February 2023 Supacat was awarded a £90 million contract by the MOD for 70 high-mobility truck vehicles, to be delivered by the end of the financial year, securing 100 jobs in the UK. Supacat already has two other direct contracts with the MOD for the Jackal military enhancement programme, which is valued at a total of £4.5 million.

Sir Chris Bryant (Rhondda) (Lab): We must ensure that Putin does not win. We must co-operate and help with the reconstruction of Ukraine. Is it not time that we started seizing Russian state assets to help pay for the reconstruction of Ukraine?

Grant Shapps: A long time ago, when the war started, I was Transport Secretary. We seized quite a lot of yachts and aircraft, which have still not been released, to ensure that they did not benefit from their closeness to Putin. The hon. Gentleman is right that over time we must keep cranking up the different ways by which we ensure that money is not flowing to that regime, and we will continue to keep that under review.

Holly Mumby-Croft (Scunthorpe) (Con): I believe that the ability to make virgin steel is crucial to the UK's defence capabilities. Does my right hon. Friend the Secretary of State agree?

James Cartlidge: My hon. Friend makes an excellent point. She has been a long-running champion of the steel sector and its importance to her constituents. Of course, we want a smooth transition between blast furnace and electronic arc steel making technology. Steel remains incredibly important to the defence sector. Take the Type 26: almost 50% of that is British steel. That is 1,400 tonnes per ship. That underlines why it is so important that, in constituencies such as my hon. Friend's, we continue to support the steel sector.[1]

Dave Doogan (Angus) (SNP): The Secretary of State and his predecessors rightly called out the wanton and unlawful destruction of civilian infrastructure in Ukraine—homes, hospitals and schools. Why can they not show equal uproar at what is happening to civilians in Gaza?

Grant Shapps: There is a principle in international law that a country can defend itself. Ukraine was attacked for absolutely no reason whatsoever. While we call on Israel, both privately and publicly, to protect civilians in whatever way it can, Hamas are using civilians as human shields, and deliberately using the infrastructure on top of them to hide behind. I would have thought that the hon. Gentleman could see the difference.

Sir Julian Lewis (New Forest East) (Con): Does the Secretary of State agree that it is vital that his counterparts in the US Administration realise that if Putin does not lose in Ukraine, the peace and security of the whole of Europe is called into question, so it is in their short and medium-term interests to make sure that Putin is seen to fail?

Grant Shapps: My right hon. Friend is characteristically correct about this, but I would widen that point: we are talking about the security of not just Europe, but the Indo-Pacific, and indeed the entire world. Putin must not win.

1. *[Official Report, 27 November 2023, Vol. 741, c. 6MC.]*

Levelling Up

3.36 pm

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Jacob Young): With permission, Mr Speaker, I would like to make a statement on levelling up. This Government are committed to levelling up and creating opportunities across all regions and nations of the UK. Last year, we set out our 12 levelling-up missions in the levelling-up White Paper, all principally aimed at tackling regional inequality, because we believe that people's opportunities should be the same wherever they live, be it in a city or town, on an island, or in a rural or coastal community. I am proud to say that since 2019 this Conservative Government have committed over £13 billion of local growth funding to levelling up. Through the levelling-up fund, the town deal, the UK shared prosperity fund, the future high streets fund and much more, we are regenerating town centres and high streets, improving local transport, funding heritage assets and boosting productivity, jobs and living standards.

Our recently announced long-term plan for towns is providing long-term investment for 55 towns, and the money is to be spent on local people's priorities. We have launched our investment zone programme: 12 investment zones across the UK will grow key industries of the future and increase jobs. That includes west Yorkshire's investment zone, announced earlier today, which will focus on life sciences.

We have also made excellent progress on freeports. All freeports in England are now open for business, and we have announced a further four in Wales and Scotland. As levelling-up Minister, I have been lucky enough to see at first hand how we are using this transformative funding to unlock the potential of local economies and improve the everyday life of people across the UK. We recognise the good that this funding can do, so we have embarked on an ambitious plan to simplify the funding landscape for local authorities, led by my right hon. Friend the Secretary of State.

Our simplification plan describes how this Government will deliver our levelling-up White Paper's commitment to streamlining funds in three phases of reform. First, there will be an immediate simplification of existing funds. Secondly, we will establish a funding simplification doctrine, by which central Government will abide. Finally, we will implement further reforms at the next spending review. We have already delivered much of the first phase. For instance, we have given local authorities greater freedom to adjust their town deal, future high street and levelling-up fund projects. We have also invited 10 local authorities to become part of the fund simplification pathfinder pilot, which will give them greater flexibility to move money between different funds. By increasing local flexibility, we will reduce bureaucracy and inefficiency within the delivery process.

The second phase of our funding simplification plan will see the Government launch a new funding simplification doctrine, which will change how central Government give funding to local authorities. It is clear that funding competitions can drive value for money and help identify the best projects for certain programmes, so we will continue to deploy competitions where they make sense, but we also recognise that bidding into multiple competitions, especially in parallel, can place a disproportionate burden on local authorities. The new Government doctrine will therefore ensure that we consider fully the impact on local authorities when designing new funds. Finally, we have committed to further reforms at the next spending review, including giving our trailblazer mayoral combined authorities in Greater Manchester and the west midlands single Department-style, multi-year settlements.

Of course, our work to give local authorities the right levers to spend funding efficiently is only one part of the picture; of equal importance is the funding itself. As I mentioned earlier, since 2019 we have made more than £13 billion available to local places. As part of that, across rounds 1 and 2 of the levelling-up fund we committed £3.8 billion to 216 projects across the country. We have listened to feedback from the first two rounds of the fund, and my right hon. Friend the Secretary of State announced in July that we would take a new approach to round 3. As a result, we decided not to run another competition for this round. Instead, we have drawn on the impressive pool of bids that we were not initially able to fund through round 2.

Today, I am delighted to confirm the allocations of the levelling-up fund's third and final round. We are investing £1 billion in 55 projects across England, Scotland and Wales. Copies of the successful allocations have been made available in the Vote Office. The sheer number of high-quality bids is testament to the enthusiasm for levelling up across our country and the hard work of so many hon. Members in supporting their local areas to develop strong plans for renewal. From Chorley, Mr Speaker, to Elgin, and from Doncaster to Rhyl, these local infrastructure projects will restore pride in place and improve everyday life for local people.

We have targeted funding at the places most in need, as identified through our levelling-up needs metrics. We have also ensured a fair geographic spread across Great Britain, including £122 million across six projects in Scotland and £111 million across seven projects in Wales. That means that across all three rounds we have invested more than £1 billion in Scotland, Wales and Northern Ireland, exceeding our original funding commitments. It also means that across all three rounds of the fund, the north-east and the north-west will have received more per capita than any other region in England. They are followed closely by the east midlands and by Yorkshire and the Humber.

Our round 3 investments double down on two of our key levelling-up missions—pride in place and improving transport—but we also recognise the key role that culture plays in levelling up. We invested £1 billion on projects with a cultural component in rounds 1 and 2, and as part of this round we are setting aside a further £100 million for culture projects to be announced in due course.

We want to get delivery happening quickly. We will work closely with local authorities to confirm that their projects remain viable, and we will provide ongoing support to ensure that local places are able to deliver. We are committed to giving local areas the funding and power they need to deliver transformative change within their communities. We have committed more than £13 billion of local growth funding for communities the length and breadth of our country. We have invested in pride in place and reversed decades of decline. We are taking long-term decisions for a brighter future for our country. I commend this statement to the House.

3.43 pm

Justin Madders (Ellesmere Port and Neston) (Lab): I thank the Minister for advance sight of his statement. I start by congratulating all those areas that have been successful in their bids—including Chorley, Mr Speaker. Commiserations to all those areas that have missed out once again, although the truth is that even the areas that have won will find that this money is a drop in the ocean, compared with the £15 billion cut from local government funding since 2010. Only six weeks ago there were reports that councils face a £3.5 billion shortfall in their budgets for this year alone. How does today's announcement help them face that existential threat?

At least the Government appear to have finally accepted that local authorities were forced to spend disproportionate sums in previous rounds to get bids prepared, although we appear to have lurched from one extreme to the other: this time, councils have not been involved in any dialogue on the bids and were possibly not even aware that their bids were being considered. Will the Minister tell us what discussions have taken place with local authorities before decisions were made? Given that the proposals are approaching being a couple of years old, what assurances will he give us that they still reflect local priorities?

The Government's methodology notes say the Department capped bids for regeneration projects outside priority areas by local authority and region. Did any projects that met the Department's threshold not get funded for that reason, and which ones were they?

Please do tell us what on earth is meant by a "funding simplification doctrine"—is it an elaborate way of saying sorry? Does it apply to all Government spending decisions, or just to this Department because it has so patently failed to get a grip on spending that it has to have its own doctrine? Is it being done to address the concerns of the National Audit Office and the Public Accounts Committee that billions of pounds are being wasted because the Department has engaged in a programme without any understanding of its impact? As the IPPR North said, levelling up has been a

"litany of missed deadlines, moving goalposts and dysfunction"

although, to be fair, it could have been talking about any Government project when it said that.

Does the Minister accept that the new approach announced today means that the concerns levelled against the Department are, in fact, valid? With this latest iteration, how does the Minister expect anyone to keep up with what this Government want when they flit around so much? The Prime Minister announced five new priorities this morning. Were the projects selected in line with those priorities, or will they all be changed again to reflect this week's prime ministerial thinkin

Of course, where does this leave the hundreds of projects that still have not been successful? There was no mention of any future rounds in the statement; in fact, I think the Minister said that this was the final round of bidding, so where does that leave all the places that have been unsuccessful so far? What is the plan to address those communities that are crumbling and those high streets that are emptying? Is this the end of any hope of levelling up for them?

Even in those areas that have attracted funding, we know that these crumbs from the table are not enough to reverse 13 years of neglect. Streets that were once bursting with pride are shutting down, rents are rising, mortgages are soaring, and insecurity is still baked into the workplace. Tackling those things would be genuine levelling up, and Labour believes in giving those communities the power, resources and flexibility to tackle such issues in the way they think best. That is a true way of allowing people to take back control.

The statement offers no path ahead to deal with those issues; it just rearranges the deckchairs of what has gone before. We have been left with a failed experiment—an illusion that lasted as long as the press release. It has not gone unnoticed that the number of Conservative MPs standing down at the next election has gone past 50. They know that after 14 years of stagnation, they do not have a record to defend. They are not levelling up; they are giving up.

Jacob Young: The hon. Gentleman misjudged the mood of the House. He talks about local government finances. Last year, we gave local authorities an uplift of more than £5 billion. He asks whether any projects were axed by the methodology that we used—no, they were not. As I say, we set out the methodology online, and I will ensure that there is a copy in the House of Commons Library.

The hon. Gentleman asked what conversations there were with local authorities ahead of any announcement. We have area teams on the ground in all local authority areas, which confirmed with councils that projects were still a priority. They also confirmed with councils whether projects could still be delivered by the deadline. No projects were identified through those conversations that did not qualify this time around.

Further to that, the hon. Gentleman asked about funding simplification and why we are embarking on that. He mentioned the NAO's concerns. Some of its concerns are legitimate, but we looked at its report and many of the figures dated from March. We have spent £1.5 billion on local places since March. We announced the funding simplification plan in July, in response to the commitment we made in the levelling-up White Paper to simplify the funding landscape.

Finally, the hon. Gentleman described £13 billion of levelling-up funding as "crumbs". That says it all about the Labour party. It does not recognise the value of anything. We are investing £13 billion in local priorities, and Labour describes that as crumbs. I leave it to the House to determine what it thinks of that.

Anthony Mangnall (Totnes) (Con): I am well accustomed in this place to rejection, and after rounds 1 and 2 of the levelling-up fund, it was disappointing not to see Brixham and Paignton recognised. However, I am delighted today to see that Brixham harbour and the EPIC centre in Torbay business park have been recognised with £20 million of support, which will make a huge difference. Can the Minister reassure me that that money will come in good time and good order, so that we have the ability to deliver as quickly as possible in our coastal communities?

Jacob Young: Absolutely. We are delighted to be funding high-tech fish and chips in Brixham. This announcement comes on top of additional funding pots that we have been able to give Torbay, including the levelling-up partnership, on which I am working well with my hon. Friends the Members for Totnes (Anthony Mangnall)

and for Torbay (Kevin Foster). The funding will come in due course and we will work with local authorities to ensure that they can still deliver the projects on time and to plan.

Mr Speaker: I call the SNP spokesperson.

Peter Grant (Glenrothes) (SNP): Some Members may have an advantage on me in that they have seen the details of the allocation, which I have been handed just this second, so I will give a completely constituency-neutral response to the Minister's statement.

However hard the Tories try to hide the truth, the fact is that these days, the word most people will apply before Britain is "broken". Most people support genuine levelling up—who could argue with it?—but when the Prime Minister's constituency got more than the whole of Glasgow last time around, and when most people think their high streets are getting worse rather than better, we have to ask what the real agenda is.

Will the Minister confirm how much of the money he boasts has been committed since 2019 has actually been spent? How does it compare to the overspend on HS2, for example?

The Scottish Government have decades of experience—Scottish Governments of various political persuasions, by the way—in successfully allocating EU funding, for example, in true partnership with local authorities. What discussions did the UK Government have with the Scottish Government, given their statutory role in culture and transport, and their role in pride in place, before he made today's announcement? What discussions did they have with the Convention of Scottish Local Authorities to get a consensus view on what Scottish local authorities need? Or is this decision just being made by somebody in a ministerial office in Whitehall who is as out of touch with Scotland today as they will be out of office next year?

Jacob Young: The hon. Gentleman describes being out of touch with Scotland; he also mentions Glasgow. I should tell him that Glasgow has received £15 million in this round, so I suggest that it is he who is out of touch with Scotland. The Government have a responsibility to all people, businesses and communities across the whole United Kingdom across all three rounds of the funds. As I mentioned in my statement, we have invested £1 billion of levelling-up funding in local authorities in Scotland, Wales and Northern Ireland. The hon. Gentleman should consider his argument: it seems somewhat bizarre that he is frustrated at the funding that we are spending in Scotland. He should focus on what the cash is delivering, rather than on who is delivering it.

Jane Stevenson (Wolverhampton North East) (Con): I am thrilled that the Department for Levelling Up, Housing and Communities has funded the green innovation corridor in my constituency. The Government have invested tens on tens of millions of pounds in Wolverhampton, which was desperately needed. However, speed of delivery is an issue. Will the Minister meet me to discuss how the council can be encouraged to deliver the projects quickly?

Jacob Young: I commit to meeting my hon. Friend to discuss that matter. She is a fantastic champion for her constituents in Wolverhampton, which is a key place where we are seeing levelling up in action, including the relocation of DLUHC's offices to Wolverhampton. I am pleased that we have been able to fund my hon. Friend's project in this round, and I am delighted to be working with her on it.

Mr Speaker: I call the Chairman of the Select Committee.

Mr Clive Betts (Sheffield South East) (Lab): The Minister has said a lot about inputs, but what is important, in the end, is outputs and the changes that are made. Will the Minister say which indicators have shown a reduction in inequality between the south-east and the north since this funding began, and in particular whether the productivity gap has reduced at all?

Finally, I am surprised there is no mention of the trailblazer projects in Manchester and Birmingham and their roll-out to the other mayoral combined authorities. I understand that they will be rolled out but with reduced powers for the rest of the combined authorities. Will the Minister tell us exactly what the situation is? Please do not ask us to wait for Wednesday's statement. I read about it in the *Financial Times* on Saturday, and if the *Financial Times* can be told on Saturday, I am sure this House can be told today.

Jacob Young: I am very grateful to the Chair of the Select Committee. As I said in my statement, across all three rounds of the fund, the north-east and the north-west have received more per capita than any other region in England. He asked about the specifics on productivity improvements and so on, and I will write to him and his Committee about that. Regarding the trailblazer deals, I have not read the piece in the *Financial Times,* but I will do so as soon as the statement is finished. I would encourage him to wait until Wednesday.

Steve Double (St Austell and Newquay) (Con): The Mid Cornwall Metro is a levelling-up infrastructure project to upgrade railway connectivity across Cornwall. It will bring huge benefits both economically and socially. I was pleased to hear the Minister say that the Government are keen to get on with delivering the project. I ask him to use his offices to work with the Department for Transport, the Treasury and Cornwall Council to get the final business case over the line and the funding released, so that we can get on with the project.

Jacob Young: Absolutely. There are few greater champions for Cornwall in this House than my hon. Friend, and I shall work with him to ensure that the business case is signed off as soon as possible and that we are able to see levelling up in Cornwall. I am delighted that I will be visiting Cornwall in the very near future to sign a devolution deal.

Mr Kevan Jones (North Durham) (Lab): I am not sure whether the Minister lives in some parallel universe, but he came to the Dispatch Box today to talk about the simplification of the process—a process that both he and the Secretary of State have been implementing—as though it is nothing to do with them.

County Durham had one successful bid in the first round, which happened to be in Bishop Auckland—surprise, surprise—the constituency of the former levelling-up Minister. In round 2, Durham County Council was asked to put in bids and spent hundreds of thousands of pounds of taxpayers' money doing so. Once the bids were in, it was told that they would not be considered because it had had a successful one in round 1. Will the

[Mr Kevan Jones]

Minister compensate Durham County Council for the money it has wasted, not through its own inefficiency but because he seems to chip, chop and change the rules when he likes?

Jacob Young: The right hon. Member talks about the processes that are owned by my Department. As I said, we are embarking on this ambitious funding simplification agenda purely on the basis of some of the points that he has raised. Local authorities, Members of this House and the Select Committee were concerned about the number of competitions that were involved in various Government funds. We are addressing that through our funding simplification doctrine.

The right hon. Gentleman talks about Durham. I simply say to him that the international territorial level region for the Tees Valley in Durham has received eight projects across the rounds of the levelling-up fund. That equates to £128 per capita in the region, which is one of the highest amounts. I would ask him to welcome that.

Chris Green (Bolton West) (Con): Bolton is opening its new £40 million Institute of Medical Sciences, which followed an earlier £50 million levelling-up fund investment. Will my hon. Friend confirm that the latest £20 million of funding for Bolton town centre, for which I am very grateful, is not the end of his commitment to the people of Bolton?

Jacob Young: It could not be the end of the levelling-up commitment in Bolton, because of the efforts of my hon. Friend, who works so hard for his constituents. I am delighted that Bolton is receiving money in this round, and I will work with him to ensure that levelling up continues in his part of the world.

Richard Foord (Tiverton and Honiton) (LD): In his statement, the Minister referred to Scotland, Wales, Northern Ireland, the north-east, the north-west, the east midlands, and Yorkshire and the Humber. There was no mention of the south-west. How can this Conservative Government claim that they want to level up communities when Conservative-run Devon County Council cannot even level up the potholes?

Jacob Young: I am delighted to confirm for the hon. Member that the south-west region has received 20 projects across the rounds of the levelling-up fund to a total value of £409 million. That works out at about £71 per capita. I thank the hon. Member.

Dame Caroline Dinenage (Gosport) (Con): May I warmly welcome the announcement of over £18 million to regenerate Gosport's historic waterfront? It will drive jobs, attract visitors and drum up a huge amount of economic prosperity for the area, which has such a rich cultural heritage but has been overlooked for so long. This excellent bid was, of course, submitted under the previous Conservative-led administration. The council has since changed hands and it will be for the Liberal Democrat leadership to deliver on it. This is a Lib Dem leadership that has already paid back £1.3 million of brownfield land release funding to the Government because it was unable to spend it. What message does the Minister have for the council to ensure that the money is spent in a timely way to level up Gosport and drive prosperity for the region?

Jacob Young: I am delighted that Gosport was able to receive funding in this round. The funding in Gosport must be spent on the project priorities. The council is unable to reallocate that funding to some other random Lib Dem project that it has in mind; it has to deliver on the priorities that my hon. Friend mentioned. There is an adjustment process that local authorities can work on with my Department to ensure that challenges around inflation, for example, can be met. However, the project aims must still be met, and I shall work with my hon. Friend and her local authority to ensure that they are.

Tony Lloyd (Rochdale) (Lab): Can the Minister confirm that Rochdale received no funding in this round, in either path? Can he also explain to my constituents why, even if we had a successful bid, which we would have welcomed, it would have been dwarfed by the cuts made to health, education and, of course, our local authority? Those are the things, ultimately, that are destroying the quality of life in my constituency.

Jacob Young: I would not accept the hon. Member's synopsis. As I said earlier, we gave councils an uplift of £5 billion last year to meet priorities in their area. I cannot answer the hon. Member's question today on Rochdale, but I shall write to him as soon as this statement is over.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): I particularly welcome the £4.1 million for the Chambers Institute in Peebles, the £6.8 million for walks and cycleways in Clydesdale and the £13.8 million for transport in Dumfries and Galloway, but I pay particular tribute to the trustees of the Annan Harbour Action Group for its compelling bid, which secured £11.9 million to regenerate Annan Harbour. These are all essentially rural projects. Does my hon. Friend agree that rural areas across the United Kingdom must be at the core of levelling up?

Jacob Young: There is no greater champion for levelling up in rural areas than my right hon. Friend. I am delighted that we have been able to give Dumfries and Galloway a chunk of money in this round, and I am sure that he will work to ensure that his local authorities put it to good use. I am delighted to be working with him on doing just that.

Sir Chris Bryant (Rhondda) (Lab): I confess that I am very disappointed by today's announcement, because we have been trying to get some money for the Rhondda tunnel, which would be an enormous enhancement to the top end of the Rhondda Fawr. Successive Government Ministers have told me personally that we should apply under round 2, and then told the local authority that it could not apply under round two. I was then told personally that we should apply under round 3, and now it turns out that there is no such thing as a round 3, so we never had an opportunity to make a bid at all—of any kind whatsoever. I am hopeful that the Minister will now say that the Government are not closing the door on the Rhondda tunnel, and that there will be another

chance for us to make an application to the Government for the £20 million that we need for one of the poorest areas in the country.

Jacob Young: I understand the hon. Member's concerns. To be absolutely clear, I have not made any such commitments to him. Levelling up is an agenda that the Government are focused on; this is not the end of the road for levelling up, and I would be delighted to come to Rhondda, not least because Rhondda received money through round 1 of the levelling-up fund—a total of £3.6 million.

Philip Davies (Shipley) (Con): The Minister knows full well how much Bingley has been neglected and let down by Labour-run Bradford Council, largely because I keep telling him about it. Bingley needs regeneration, and it particularly needs a new swimming pool, so can he tell me what the Government will do to help Bingley receive the swimming pool and the regeneration that it desperately needs? I am afraid that the people of Bingley cannot trust Bradford Council to deliver those for them.

Jacob Young: I understand the plight of the people of Bingley because, as my hon. Friend says, he raises it with me at every possible opportunity. I will work with him to see what funding streams are available to tackle the mess left behind by Labour-run Bradford Council, and to fund Bingley swimming pool.

Sammy Wilson (East Antrim) (DUP): People in Northern Ireland will be angry tonight that not one penny of a fund that the Minister describes as creating opportunities across all regions and nations of the UK, and aimed at tackling regional inequality, is allocated to Northern Ireland. He gives the flimsy excuse that it is because the Northern Ireland Executive are not up and running. The Northern Ireland Executive did not have any input into the previous rounds, and would not have had any into this round. Of course, they would not even have needed to seek new allocations, because no new applications were needed. Is this not a case of blatant, pathetic, transparent economic blackmail to try to get the Assembly up and running again, without addressing the reasons why it fell, and of pouring the money into key Conservative marginal constituencies to bolster party support?

Jacob Young: I share the right hon. Gentleman's frustration that we have been unable to fund projects in Northern Ireland this time around. As I indicated to him, that is because of a lack of an Executive in Northern Ireland. I assure him that we have set aside what Northern Ireland's allocation would have been in this round, and I commit to working with him and his colleagues to ensure that Northern Ireland receives the full benefit of levelling up.

Mrs Heather Wheeler (South Derbyshire) (Con): I thank my hon. Friend for his statement. I have lost my voice cheering for the £1.1 million for Swadlincote town. This is the first time in 50 years that Government money has been put into regenerating that area, which is the heart of South Derbyshire, and I thank him very much indeed. I have had a word with the chief executive of the new Labour council, and I will sit on the board that ensures we have spades in the ground. I thank the Minister very much.

Jacob Young: I am delighted to be able to give my hon. Friend's constituency the funding this time around. She is an extremely efficient champion for the people of Derbyshire, and I am delighted that we have been able to fund the project.

Andrew Gwynne (Denton and Reddish) (Lab): I can be one of this Government's sharpest critics, often justifiably, but today I thank the Minister and his predecessor, the hon. Member for Bishop Auckland (Dehenna Davison), whom I harassed relentlessly since the round two bid for Denton was rejected. I am so pleased that today "Destination Denton", the project that we put forward, will receive nearly £17 million. Given that I am the constituency Member of Parliament, and was involved in putting the bid together, what assurances can the Minister give me that I will be involved in ensuring that the project comes to fruition?

Jacob Young: I am grateful to the hon. Gentleman for his kind words. We expect local authorities to work with their Members of Parliament, who are key community stakeholders, in delivering the bids. A project adjustment request process is available to local authorities if projects need to be adjusted because of changes in inflation and so on; a key thing that I asked for is that Members of Parliament be consulted in that process, and I will ensure that the hon. Gentleman is consulted at all turns.

Richard Graham (Gloucester) (Con): I congratulate the new Minister on the energy and purpose that he has brought to the vital task of levelling up the country, and particularly small cities and large towns, which were largely overlooked by the Labour Government during 13 years of focus on metropolitan cities. The £11 million award to the Greyfriars and Eastgate project in Gloucester will deliver a new shopping centre, indoor market and much more besides, as well as put a roof for the first time in 60 years on the beautiful 13th-century Greyfriars friary. That will make a huge difference, alongside the King's Quarter projects that have already been funded by the local council and the Government. Does the Minister agree that if the shadow levelling-up Minister, the hon. Member for Ellesmere Port and Neston (Justin Madders), wants to see an example of giving up in this country, he is welcome to visit the car park bought by a previous Labour administration for £11 million and later sold for £1? That is why Gloucester, like the rest of the country, needs to keep regeneration in the right hands.

Jacob Young: Gloucester could not have a better champion than my hon. Friend; he is a fantastic champion for it. When I took on this job, one of my first conversations was with him about the urgent need for levelling-up funding in Gloucester. I am delighted that we have been able to fund his project this time around. As he said, it is important that we keep Gloucester in Conservative hands.

Ian Blackford (Ross, Skye and Lochaber) (SNP): My goodness, what a con this is. Earlier this year, we heard from the National Audit Office that of the £9.5 billion allocated in the first round, only £1 billion had been spent. Perhaps the Minister can say how much has been spent now. Is this not much like any other Tory slogan—meaningless in reality? Once again, there is nothing for Ross, Skye and Lochaber. We heard from the right hon.

[Ian Blackford]

Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) about the importance of rural areas, but there is nothing for the Portree harbour bid, which would have made such a difference.

I invite the Secretary of State and his ministerial team to my constituency. We will drive around and look at all the sites of the projects that were funded by the European Union—roads, bridges, harbours, sports facilities. That money would have come if we had stayed in the European Union, as Scotland voted to do. We are missing out on €750 billion that the EU was investing in regeneration, and once again we are getting nothing—zip—from this Tory Government.

Jacob Young: The right hon. Gentleman is wrong. I shall write to him following the statement on exactly how much UK shared prosperity funding his area has received, and I hope that when I do, he will come back to the Chamber to update the House on the facts of the matter. He asked how much money has been spent since the National Audit Office released the figures in March: £1.5 billion has been spent since then, but I would be delighted to come up and visit the humble crofter's constituency.

Sir Edward Leigh (Gainsborough) (Con): Pardon me for having an unfashionable Thatcherite point of view, but much better than Government, taxpayer-funded levelling up is private sector levelling up. Although I thank the Secretary of State for having released some money for Gainsborough, £300 million of private sector levelling up, namely for RAF Scampton, is at risk in my constituency. Will the Minister meet me after the court case to ensure that, whatever its result, we get on with levelling up? For instance, the roof of the officers' mess alone will cost half a million pounds. The roofs of the hangars are decaying. The site will not be viable unless private sector investment is unleashed and the Home Office gets on with it.

Jacob Young: I would be delighted to meet my right hon. Friend, but one of the key ways to unlock private investment in the Greater Lincolnshire area is to progress with the devolution deal. I shall be delighted to meet him to discuss that further.

Grahame Morris (Easington) (Lab): What consideration has the Minister given to the formation of development corporations to deliver specific projects? As he may be aware, I represent a Durham constituency that includes one of the poorest communities in the country. There has been a failure to leverage investment into the county, most notably in round 2 but also in round 3, and to resolve some very serious structural problems. I can identify lots of problems in the ABC streets in Easington, and the numbered streets in Horden and Peterlee town centre. We had two very successful development corporations. May I remind the Minister that Durham is run by a coalition of Conservatives, Lib Dems and independents that is failing to deliver?

Jacob Young: I hear the hon. Gentleman's plea for more development corporations. We are obviously on an ambitious journey with the north-east to devolve further through the new mayoral North East Combined Authority. That will be a key way to help ensure levelling up in his part of the world.

Kevin Foster (Torbay) (Con): It was welcome to hear the news about Torbay today—taking the total regeneration funding available up to £100 million, which will hopefully be matched by a similar amount coming in from the private sector. We are of course in the process of negotiating the levelling-up partnership, and some of the schemes in that are now being dealt with via the levelling-up fund. What implications are there for the levelling-up partnership and will there be an opportunity to re-look at other schemes that can now form part of it?

Jacob Young: I am grateful to my hon. Friend for highlighting just how much levelling-up investment Torbay is getting under this Conservative Government. We are working with the local authority, as he knows, on the levelling-up partnership, and with local Members of Parliament and key stakeholders. Projects have been addressed by this funding today, but we will look at other projects to fund through the levelling-up partnership.

Chris Elmore (Ogmore) (Lab): It is deeply frustrating to hear the Minister say that round 3 was done by reviewing round 2 projects, which meant the Pencoed level crossing in my constituency was rejected again. That means my constituency has received zero levelling-up funding. There is a wider concern in local authorities across the UK that level 2 rounds, which may not start until the next financial year, will not have continuation of funding into 2026, because the Minister has said that this will potentially all end in 2025. Will he confirm that any project that starts next year from round 2 funding will be funded fully for completion of projects, even if it goes beyond the Minister's confirmed funding for 2025?

Jacob Young: I will write to the hon. Gentleman on the specifics of his question. Without reading my notes, my understanding is that round 2 has to be spent by the end of March 2025, but I shall write to him to confirm after this session.

James Morris (Halesowen and Rowley Regis) (Con): I welcome the Minister's statement, and in particular the £20 million that is announced for Halesowen town centre. Halesowen has recovered well from the pandemic, not least because of the work of the local business improvement district. This further investment will be a secure investment in the future of Halesowen, and I very much welcome it today.

Jacob Young: I am delighted that Halesowen is receiving funding in this round of the levelling-up fund. My hon. Friend is a fantastic champion for his constituents in Halesowen and I look forward to working with him to ensure that the project is delivered as quickly as possible.

Stephen Farry (North Down) (Alliance): Northern Ireland is missing out on this. It would be nice if we had a devolved Executive working with the Department, but that has not been the case in the past anyway, even whenever the Executive was sitting, so the Minister's rationale simply does not stack up. Can he confirm that the money for Northern Ireland, which has been denied today, will be ringfenced, and what sort of timescale he

envisages—including without a restored Executive—for spending that? Will there be a fresh round 3 in Northern Ireland, or will it too be a continuation of round 2?

Jacob Young: I do not believe it is accurate to say that Northern Ireland is not benefiting. As I have already outlined, we have spent £120 million across the levelling-up fund in Northern Ireland, and we will continue to work with Northern Ireland communities on the delivery of those projects. With regards to the hon. Gentleman's other questions, I will be happy to write to him after this session but, as I say, the £30 million that would have been spent in this round has been set aside for levelling up in Northern Ireland.

Nick Fletcher (Don Valley) (Con): I welcome the £18 million for Mexborough and Moorends in my home city of Doncaster, but it does mean that Edlington in my constituency has missed out again. My constituents are missing a leisure centre, a decent shopping high street and decent quality housing. This needs to be addressed, because unfortunately we have had decades and decades of neglect from the socialist Labour council, which I know is playing party politics. Will the Minister and the Secretary of State, who on his visit promised he would help fund this, meet me to find out what we can do for my constituents in Edlington? It is not fair that they have not at least got a leisure centre.

Jacob Young: I think both you, Madam Deputy Speaker, and my hon. Friend know how amazing a community Doncaster is. We want to do what we can to help level up in Doncaster, which is why we have been delighted to fund bids there in this round. I appreciate my hon. Friend's concern that Edlington is not getting its swimming pool, and I shall meet him at the earliest possible opportunity to look at different ways that we could fund a pool in Edlington. I know that he is a fantastic champion for constituents in that community, and I will continue to work with him to do what we can to level up there.

Alex Sobel (Leeds North West) (Lab/Co-op): I was here 10 months ago after the conclusion of round 2; none of Leeds—a city of 800,000 people in eight constituencies—was successful. Today, one bid was successful. What about the six constituencies in Leeds that have not received levelling-up money? We have five bids from round 2 that are on the table, and councillors and council officers have worked hard on them. What is their status? Is there going to be another round? Where can we go to deliver that project, including transport and employment land in my constituency, which would deliver thousands of jobs?

Jacob Young: As the hon. Member mentioned, we are funding Leeds in this round for the "Heart of Holbeck" scheme, with almost £16 million of funding. As I said in my statement, Leeds is also the beneficiary of a new investment zone announced earlier today. This Government have continued to focus on levelling up, and I will work with him to ensure that the benefits of that can be felt in Leeds and across West Yorkshire.

Bob Seely (Isle of Wight) (Con): I am delighted that the Isle of Wight's bid has been accepted, and I am grateful to the Minister for pushing it through. Our cycle group—CYCLEWight—has raised with me the condition of current cycle routes on the Island. As well as this funding delivering new routes—especially the west Wight cycle route, which is incredibly important—when we are reconfirming the bid, will we be able to tweak elements of it so that we can spend some of that money on improving and repairing the existing cycle routes, namely Sandown to Newport?

Jacob Young: I apologise to my hon. Friend that I am not able to give him that assurance today. We have an adjustment process where we work with local authorities to ensure that the projects that they have received funding for can still be delivered. If that is not the case, we will work with them to see what can be delivered through the bid. I am happy to work with my hon. Friend to do just that.

Jason McCartney (Colne Valley) (Con): It is a really positive day for my beautiful part of West Yorkshire: £16.6 million for Huddersfield open market regeneration; and £48 million for the Penistone line rail upgrade, with stations in Honley and Brockholes in my constituency—and it continues through the patches of my hon. Friends the Members for Dewsbury (Mark Eastwood) and Penistone and Stocksbridge (Miriam Cates). Also today we have had the announcement of the West Yorkshire investment zone, which is anchored around the national health innovation campus at the University of Huddersfield. Will the Minister ensure that his excellent officials continue to work with the really hard-working officers at Kirklees Council, led by David Shepherd, to ensure that those transformative projects are delivered on time to the benefit of my communities?

Jacob Young: I am really pleased to hear a positive voice for West Yorkshire in this House and to see some of the investment that we are making in my hon. Friend's community. I know how important the Penistone to Stocksbridge line upgrade was to him and to my hon. Friend the Member for Dewsbury (Mark Eastwood), and I am delighted that we have been able to fund it through this round. I will of course work with him to ensure that its benefits are felt right across West Yorkshire and that it is implemented as soon as possible.

Sarah Dyke (Somerton and Frome) (LD): I thank the Minister for his statement. I am disappointed that that levelling-up fund bid submitted by Somerset Council for the much-needed regeneration works in the rural market towns of Frome and Wincanton has not been successful. In the Somerton and Langport area, we have been without a train station since the 1960s. The Langport Transport Group's joint proposal with Somerset Council has not received an update to their bid to the restoring your railway fund since July 2022. Will the Minister provide an update and support me to bring much-needed rail connections to the area?

Jacob Young: I am responsible for many things, but not the restoring your railway fund; I ask the hon. Lady to contact the Department for Transport for assurances on that. However, I assure her that across the Dorset and Somerset region, we have been able to fund five projects to the tune of £87 million.

Douglas Ross (Moray) (Con): I warmly welcome the UK Government confirming Moray's levelling-up bid of over £18 million today. When the Minister wrote to me, he said project adjustments may need to take place. One reason that there may need to be an adjustment in Moray is because the announcement follows hot on the heels of Moray receiving £20 million in the towns fund just last month. Will he work with me and the excellent local council leader, Councillor Kathleen Robertson, to look at the proposals for Moray leisure centre? There is an opportunity to also unlock private sector investment, which would mean more resources coming to Moray for people across the region. Does he also agree that local SNP politicians who were very negative when we were not successful in round 2 will surely be extremely positive in welcoming this investment from the UK Government?

Jacob Young: I hope every politician is as positive about Moray and its future as my hon. Friend. It is fantastic that we are funding Moray's bid today. As he said, it builds on its success with the long-term plan for towns. I am happy to work with him to ensure that the priorities of the local people in Moray are met through both funds. I will work with him and his excellent Conservative council leader to ensure that that happens.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): The communities of Devonport and Stonehouse are some of the poorest in the country, so it felt like a punch in the gut when our round 2 bid was rejected. I thank the Minister for agreeing to the project in round 3. However, the bid we put together was delivered 10 months ago. Since then, Plymouth's ambition has not stopped. We have part-funded elements and changed other parts. Will the Minister set out what the adjustments mean? For a community like Plymouth, which is trying to create more jobs and bring in private sector investment, how can the adjustment mechanism ensure that we get all the £19.9 million we bid for, and not just part of it, because our bid has changed, quite reasonably, because of inflation and other economic challenges and opportunities over the last year?

Jacob Young: I am delighted about the work we are doing in Plymouth to level up, whether that is the Plymouth freeport or the further investment we are giving Plymouth today. The hon. Gentleman asks specifically about the project adjustment request process. A local authority can amend its bid by up to 30%. The bid is £19.9 million, so it will have flexibility on about £6 million. If any adjustments need to be made to a project, his local authority should contact my officials as soon as possible. We will work with them to reprofile the funds and ensure that his constituents and people across Plymouth are able to benefit properly from the funding.

Holly Mumby-Croft (Scunthorpe) (Con): I thank my hon. Friend for his work. As soon as I heard the good news, I was straight on the phone to our excellent council leader, Rob Waltham, duly confirming that we are absolutely positioned to bring these projects forward. I hope the Minister can find time to visit Scunthorpe and see some of the projects. I would be very happy to show him around and I know that the good people of Scunthorpe would give him a very warm welcome.

Jacob Young: I am very grateful to my hon. Friend. I have had many conversations with her council leader about devolution in Greater Lincolnshire. I look forward to visiting Scunthorpe very soon, hopefully with further good news on that front. I would be delighted to be shown around by my hon. Friend.

Mrs Emma Lewell-Buck (South Shields) (Lab): Here's a first: I would like to thank the Minister. At last, after over two years of waiting and at significant cost to our council, the Government have eventually granted South Shields a piecemeal sum of money. He also knows that, thanks to Tory economic failure, the cost of delivering our bid is now much higher. I have just heard his response to my hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard), but can he confirm whether it means that in South Shields we are getting more or less money now?

Jacob Young: I am delighted to be able to give the hon. Lady the good news for South Shields today, building on the future high streets fund, which I know she is aware of, in her constituency. The money we announced today for South Shields—£20 million—will be given to South Shields to spend on the bids it outlined. There will not be additional funding coming in on top of that, but the project adjustment request allows the council in her constituency to move money around within the bid to account for inflation and other things. I am delighted that we are able to be levelling up in South Shields, with £20 million today on top of the future high streets fund that we have already given to her constituency.

Mark Logan (Bolton North East) (Con): Today is a very happy day for Bolton, with £20 million going to the Bolton town centre north regeneration project. That means that Bolton, across all its three constituencies held by both Tory and Labour MPs, has had almost £100 million since 2019. May I extend an invitation to the Minister to visit Bolton when he goes next door to Chorley, as part of his visit to the north? Today is a very happy day for levelling up. The shadow Minister, the hon. Member for Ellesmere Port and Neston (Justin Madders), of whom I am very fond, spoke about giving up, but I say that today is a day for us all to cheer up.

Jacob Young: I quite agree with my hon. Friend. He is a fantastic champion for his constituents in Bolton, and I am delighted that he has been able to get this funding for them today. I would be delighted to visit Bolton at the earliest opportunity to see him in action in his community.

Mike Kane (Wythenshawe and Sale East) (Lab): The £20 million announced for Wythenshawe town centre today is testament to the hard-working leadership team at Manchester City Council. However, my personal thanks goes to Gavin Taylor from the Far East Consortium, who helped me kickstart this project just over two years ago. My thanks also go to the Minister. The money unlocks, with all the other things, the potential for 2,000 much-needed homes. Without sounding like Oliver Twist, may I ask the Minister to talk to his colleagues at the Department of Health and Social Care and request that

they look again at the exciting plans at Wythenshawe Hospital just up the road, which could deliver an extra 1,000 homes on top?

Jacob Young: I am pleased that the hon. Gentleman has been successful. He is quite right to praise his council officials, because his bid was one of the highest scoring bids that we have been able to afford money to in this round. I am pleased to be able to grant it, and I am happy to work with him on how we can level up further in Wythenshawe and elsewhere across Manchester.

Peter Gibson (Darlington) (Con): I welcome my hon. Friend's statement, with the investment for Billingham in the Tees Valley and the extension to our freeports. However, Darlington narrowly missed out in rounds one, two and three of the levelling-up fund. The Minister, who is from the north-east himself, will be familiar with the phrase "shy bairns". What advice can he give me in respect of the Darlington projects that still need funding?

Jacob Young: My hon. Friend is an amazing champion for Darlington. Without him, the great work that we are doing in levelling up in Darlington would not be happening. That includes: the investment that we are making into Darlington rail station; the investment that the Treasury has made, bringing new civil service jobs to Darlington; the buying back of Teesside airport by Tees Valley Mayor Ben Houchen; and the Darlington town deal. All those things are dependent on my hon. Friend, who is a fantastic champion for Darlington, and his former council leader, Councillor Jonathan Dulston, who has done an amazing job. I will continue to work with him and others to level up across the Tees Valley.

Michael Shanks (Rutherglen and Hamilton West) (Lab): My first correspondence to the Government since being elected was to ask the Secretary of State to look again at the levelling-up bid for Shawfield in my constituency. I am delighted that, after only a month in this place, he has awarded £14 million to that project. It will be a challenge to keep that up, I suspect. This is a really important project, which not only unlocks huge investment in my constituency but clears up a toxic legacy where, in the 19th century, the world's largest chemical factory once was. It will make a huge difference to my constituency.

The Minister has been asked a number of times to reflect on the costs for local authorities in coming up with these bids, and I do not think that we have had an answer yet. As part of his review, will he look at those significant costs? I know that organisations in my constituency such as Clyde Gateway and South Lanarkshire Council spent huge amounts of time, expertise and money pulling together bids, which they then thought were dead; now they realise that the project has a second chance. Will he think about the total costs involved and reimburse local authorities for them?

Jacob Young: I am grateful to the hon. Member for welcoming this funding. I am sure his letter to the Secretary of State had a key decision-making role in that. We are making capacity funding available within the Department to help local authorities where they come up against further challenges in the delivery of these projects. As he has rightly identified, these projects were submitted some time ago, so adjustments will need to be made. I cannot give refunds, unfortunately, but our funding simplification programme is all about ensuring that we step forward to a simpler version of funding that meets councils' needs, rather than asking councils to meet the needs of various funding streams.

Matt Vickers (Stockton South) (Con): I am delighted to see Billingham awarded £20 million of levelling-up money, which comes on the back of £16.5 million for Stockton, £20 million for Yarm and Eaglescliffe and £23.9 million for Thornaby. For years, Stockton's Labour council said that it did not have the money to sort out the eyesore that is the Golden Eagle Hotel in Thornaby, but for three years it has had the Government money to sort it out and it has made no progress whatsoever. Does the Minister agree that it needs to pull its finger out, and will he meet me to see if there is any way we can make that happen?

Jacob Young: What an amazing champion for the people of Stockton my hon. Friend is. In Stockton, we are delivering towns funding in Thornaby, future high streets funding in Stockton High Street and levelling-up funding in Yarm and Eaglescliffe, and today we have confirmed levelling-up funding in Billingham. There is no place in this country that is receiving such love and attention from this Government, and it is thanks to the hard work of my hon. Friend, as well as people such as the Tees Valley Mayor, Ben Houchen, and local councillors in Stockton such as Councillor Niall Innes, who I know was particularly keen on seeing this bid delivered. I shall be happy to work with my hon. Friend to ensure that the Golden Eagle Hotel is sorted out as soon as possible and to deliver on his priorities through the town deal.

Hywel Williams (Arfon) (PC): It would help the House to come to a judgment on the funding simplification plan and the funding simplification doctrine if we understood the complexity of the current system of assessments of need. Try as I might, and I have looked at the White Paper and various other documents, I cannot find a single concise explanation. Could the Minister write to me, and perhaps place a copy of his reply in the Library, to explain how the current system has got us to this position?

Jacob Young: I would be happy to do that, but we currently operate more than 70 different local growth funds across 17 different Departments. I think that demonstrates the complexity that local authorities and other stakeholders, community groups and so on must navigate to try to get cash for their area. That is why we are embarking on this funding simplification plan, and I am happy to work with him to ensure that it meets the needs of his constituents.

Dr James Davies (Vale of Clwyd) (Con): Today's announcement of nearly £20 million for the Vale of Clwyd through the levelling-up fund is fantastic news for redevelopment projects in Rhyl, Prestatyn, Denbigh and elsewhere, and I look forward to working with the local authority on that. By my calculation, Denbighshire is set to receive £63.7 million through local growth funds. Will my hon. Friend visit the area, as I think he hopes to do, and will he provide an update on levelling-up partnerships in Wales?

Jacob Young: On levelling-up partnerships in Wales, I would ask my hon. Friend to watch this space, but he is a fantastic champion for his constituents in Denbighshire. I visited Rhyl earlier this year for the wedding of another Member, but I would be delighted to visit again to see the work that my hon. Friend is doing and to see how we can ensure his constituents feel levelled up.

Jim Shannon (Strangford) (DUP): I thank the Minister for his enthusiasm in his answers to questions. Ards and North Down Borough Council has a project about mining in Conlig, which goes back to the early 19th century; it also has the Somme centre, which commemorates and runs a programme about the first world war; and part of another project was to do something on the second world war. The Minister has kindly indicated that moneys that would have been going to Northern Ireland will be ringfenced or kept aside. Can he give me and other Members from Northern Ireland a direction for what we should do to ensure that the chief executive of Ards and North Down Borough Council, Stephen Reid, can pursue, and get the moneys for, this tourism project?

Jacob Young: I would be delighted to meet the hon. Gentleman to discuss the project further. I would say to him and his colleagues in Northern Ireland that the key thing is that the UK Government and, I think, everyone in this House want to see the Northern Ireland Executive restored. When they are restored, we can discuss how best to implement levelling up in his constituency and across Northern Ireland.

Scott Benton (Blackpool South) (Ind): I thank the Minister for the further funding award for Blackpool, meaning that we have now received well over £400 million of additional Government investment since 2019. The Minister will be aware of the partnership work between Blackpool Council and his Department to deliver a levelling-up project in Revoe and Bond Street in my constituency. Is he able to meet me to see how we can get this project over the line and delivered for those communities?

Jacob Young: I am delighted to confirm that more than £15 million of investment is coming into Blackpool from round 3 of the levelling-up fund, announced today. That builds on the other investments we are making in Blackpool, which my hon. Friend mentioned. I will work with him on the projects he has outlined, to see what can be done to ensure they are delivered in a timely manner.

Mark Eastwood (Dewsbury) (Con): I echo my hon. Friend the Member for Colne Valley (Jason McCartney), who said that today is a positive day. Like him, I thank David Shepherd of Kirklees Council.

After campaigning for an upgrade since 2018, the £48 million for the Penistone line is fantastic news for me and my constituents. This is on top of the £44.8 million secured for Dewsbury town centre and the £318,000 for Shelley football club. Will my hon. Friend agree to come to visit the Penistone line user groups, the Dewsbury town board and the team at Shelley FC to celebrate these amazing levelling-up successes?

Jacob Young: What an amazing champion for the people of Dewsbury— I am not sure that any Member of Parliament for Dewsbury has ever delivered as much investment as my hon. Friend. I would be delighted to visit his constituency to see some of those projects, and I will do so as soon as I am available.

Mr Rob Roberts (Delyn) (Ind): Greenfield, around which the Delyn constituency bid was structured, is in the top 10% of areas of deprivation in Wales. As the constituency bid has again been unsuccessful, making a total of seven unsuccessful bids across both Delyn and Alyn and Deeside, which together make up my county council area of Flintshire, can the Minister explain to the people of Greenfield and Flintshire why, just like the Welsh Government, the UK Government do not seem to care about their future prosperity? If they do, will he at least take this opportunity to approve the joint Flintshire and Wrexham investment zone bid?

Jacob Young: As I said in my statement, we have delivered more than £1 billion of funding in Wales, Scotland and Northern Ireland across all three rounds of the levelling-up fund. I am disappointed to hear my hon. Friend's question, as he knows all too well that this Conservative Government care about the people of Wales.

DIGITAL MARKETS, COMPETITION AND CONSUMERS BILL: PROGRAMME (NO. 2)

Motion made, and Question put forthwith (Standing Order No. 83A(9)),

That the Order of 17 May 2023 in the last session of Parliament (Digital Markets, Competition and Consumers Bill: Programme) be varied as follows:

(1) Paragraphs (4) and (5) of the Order shall be omitted.

(2) Proceedings on Consideration and Third Reading shall be taken in one day in accordance with the following provisions of this Order.

(3) Proceedings on Consideration—

(a) shall be taken in the order shown in the first column of the following Table, and

(b) shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

Proceedings	Time for conclusion of proceedings
New Clauses and new Schedules relating to, and amendments to, Part 1	Three hours before the moment of interruption
Remaining proceedings on Consideration	One hour before the moment of interruption

(4) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption.—*(Mr Gagan Mohindra.)*

Digital Markets, Competition and Consumers Bill

Consideration of Bill, as amended in the Committee

New Clause 5

COLLECTIVE SUBMISSIONS

"(1) Where the CMA considers that—

(a) the conditions in section 38(2), (3) and (4) are met in relation to a single transaction between the designated undertaking and two or more third parties, and

(b) the third parties are capable of acting jointly in relation to final offer payment terms relating to the transaction,

the CMA may exercise the power in section 38(1) to invite the third parties (the "joined third parties") to make a single submission to the CMA of final offer payment terms that the joined third parties collectively regard as fair and reasonable for the transaction.

(2) Where the CMA proceeds in reliance on subsection (1), sections 39 to 43 apply as if—

(a) in section 39(4) references to "the third party" were to any one or more of the joined third parties;

(b) all other references to "the third party" were to the joined third parties.

(3) Where the CMA considers that—

(a) the conditions in section 38(2), (3) and (4) are met in relation to two or more transactions between the designated undertaking and two or more third parties,

(b) the same terms as to payment are capable of applying to the transactions, and

(c) the third parties are capable of acting jointly in relation to final offer payment terms relating to the transactions,

the CMA may exercise the power in section 38(1) to invite the third parties (the "grouped third parties") to make a single submission to the CMA of final offer payment terms that the grouped third parties collectively regard as fair and reasonable for the transactions (the "grouped transactions").

(4) Where the CMA proceeds in reliance on subsection (3), sections 39 to 43 apply as if—

(a) in the following provisions, references to "the third party" were to any one or more of the grouped third parties—

(i) section 39(4);

(ii) section 40(2)(b);

(iii) section 41(1)(b);

(iv) section 42(2);

(b) all other references to "the third party" were to the grouped third parties;

(c) in section 42(1) and (2), the reference to "the transaction" were to any one or more of the grouped transactions;

(d) all other references to "the transaction" were to the grouped transactions."—*(Saqib Bhatti.)*

This new clause (which would be inserted into Chapter 3 of Part 1 of the Bill) provides for two or more third parties to make a single collective submission of final offer payment terms.

Brought up, and read the First time.

4.43 pm

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Saqib Bhatti): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dame Rosie Winterton): With this it will be convenient to discuss:

Government new clause 6.

New clause 23—*Digital Markets Unit and CMA: annual statement to House of Commons—*

"(1) The Secretary of State must, once a year, make a written statement to the House of Commons giving the Secretary of State's assessment of the conduct and operation of—

(a) the Digital Markets Unit, and

(b) the CMA as a whole.

(2) The first statement must be made by 1 February 2024.

(3) A further statement must be made by 1 February each subsequent year."

This new clause would require the Secretary of State to make a written statement about the conduct and operation of the DMU and CMA.

New clause 27—*Appointment of senior director of the DMU—*

"The senior director of the Digital Markets Unit must be appointed by the Secretary of State."

This new clause provides that the senior director of the DMU must be appointed by the Secretary of State.

New clause 28—*Duty of the CMA: Citizens interest provisions—*

"(1) The Enterprise and Regulatory Reform Act 2013 is amended as follows.

(2) After section 25(3) insert—

"(3A) When carrying out its functions in relation to the regulation of competition in digital markets under Part 1 of the Digital Markets, Competition and Consumers Act 2024, the CMA must seek to promote competition, both within and outside the United Kingdom, for the benefit of consumers and citizens.""

This new clause would give the CMA a duty to further the interests of citizens – as well as consumers – when carrying out its digital markets functions under Part 1 of the Bill.

Amendment 176, in clause 2, page 2, leave out lines 20 and 21 and insert—

"(b) distinctive digital characteristics giving rise to competition law concerns such that the undertaking has a position of strategic significance (see section 6)."

This amendment is linked to Amendment 182.

Amendment 206, page 2, line 25, after "Chapter" insert ", taking account of analysis undertaken by the CMA on similar issues that have been the subject of public consultation."

This amendment aims to ensure that the CMA are able to draw on previous analysis on issues relevant to the regulatory regime.

Amendment 177, page 2, line 25, at end insert—

"(5) The CMA must publish terms of reference setting out a summary of the evidence base for making a finding of substantial and entrenched market power or of a position of strategic significance.

(6) The terms of reference must include a detailed statement of the competition law concerns arising from these characteristics and the relationship between the designated digital activity and other activities.

(7) Activities with no reasonable prospect of adverse competitive effects linked to digital activity must be referred to as unrelated activities and the terms of reference must expressly state that unrelated activities are not covered by the designation."

This amendment would require the CMA to publish terms of reference summarising the evidence base for a finding of substantial and entrenched market power or a finding of strategic significance.

Amendment 178, in clause 3, page 2, line 28, after "service" insert "predominantly"

This amendment clarifies that the provision of a service predominantly by means of the internet would be a digital activity.

Amendment 179, page 2, line 34, leave out subsection (2)

This amendment is linked to Amendment 178.

Amendment 180, in clause 5, page 3, line 28, at end insert—

"(c) are not assuaged by evidence of competition arising beyond the activities of the undertaking, and

(d) demonstrate that the perceived market power will be improved compared with the scenario in which the designation does not occur."

This amendment makes additions to the definition of substantial and entrenched market power.

Amendment 181, in clause 6, page 3, line 31, leave out "one or more of" and insert "both"

This amendment is linked to Amendment 182.

Amendment 182, page 3, line 33, leave out paragraphs (a) to (d) and insert—

"(a) significant network effects are present;

(b) the undertaking's position in respect of the digital activity would allow it to extend its market power."

This amendment changes the definition of the term "position of strategic significance".

Amendment 183, in clause 7, page 4, line 17 at end insert "arising from the designated activities"

This amendment limits the turnover condition in relation to UK turnover to turnover arising from designated activities.

Amendment 184, page 4, line 19, at end insert "to account for inflation on the CPI measure"

This amendment ensures that the sums used to determine whether the turnover condition has been met can only be amended to account for inflation on the CPI measure.

Amendment 194, in clause 11, page 6, line 36, at end insert—

"(c) give a copy of the statement to those undertakings that have not been designated as having SMS that are most directly affected."

This amendment ensures that challenger firms are able to access information about the regulatory framework on an equal basis to designated firms.

Amendment 195, in clause 12, page 7, line 9, at end insert—

"(5) As soon as reasonably practicable after giving a notice under subsection (2), the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 196, in clause 14, page 7, line 36, at end insert—

"(5A) As soon as reasonably practicable after giving an SMS decision notice, the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Government amendments 2 and 3.

Amendment 197, in clause 15, page 8, line 41, at end insert—

"(6) As soon as reasonably practicable after giving a revised SMS decision notice, the CMA must give a copy of the revised notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Government amendments 4 to 7.

Amendment 193, in clause 19, page 11, line 15, at end insert—

"(9A) A conduct requirement must be imposed within 3 months of an undertaking being designated as having SMS under section 2."

This amendment ensures that a time frame of three months is imposed for the CMA to enforce conduct requirements on designated SMS firms.

Government amendment 8.

Amendment 190, in clause 20, page 12, line 9, after "to", insert "harm competition in the relevant digital activity or the other activity,"

This amendment would ensure that the CMA can tackle anti-competitive conduct in a non-designated activity, provided that the anti-competitive conduct is related to a designated activity.

Amendment 191, page 12, line 11, after "activity", insert ", provided that the conduct is related to the relevant digital activity"

See the explanatory statement to Amendment 190.

Government amendments 9 and 10.

Amendment 192, in clause 25, page 14, line 7, at end insert—

"(e) whether to take action in accordance with Chapter 4 (Pro-competitive interventions) in respect of the extent to which it is complying with each conduct requirement to which it is subject and the effectiveness of each conduct requirement to which it is subject."

This amendment would ensure that the CMA considers the efficacy of existing Conduct Requirements when considering whether to make Pro-Competitive Interventions.

Government amendments 11 and 12.

Amendment 198, in clause 26, page 15, line 3, at end insert—

"(7) As soon as reasonably practicable after giving a conduct investigation notice, the CMA must give a copy of the conduct investigation notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 187, in clause 27, page 15, line 8, at end insert—

"(2) The CMA may have regard to any significant benefits to users or potential users that the CMA considers have resulted, or may be expected to result, from a factor or combination of factors resulting from a breach of a conduct requirement."

This amendment would ensure that the CMA considers any significant benefits to users resulting from the breach of a Conduct Requirement when it is considering representations from designated undertakings as part of a Conduct Investigation.

Amendment 199, in clause 28, page 15, line 20, at end insert—

"(5) As soon as reasonably practicable after giving a notice under subsection (2), the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 188, page 15, line 21, leave out Clause 29.

This Amendment is consequential to Amendment 187.

Government amendment 13.

Amendment 186, in clause 29, page 15, line 31, leave out subsection (c) and insert—

"(c) the conduct is necessary for the realisation of those benefits based on the best available evidence reasonably obtainable, and"

This amendment would change the circumstances in which the countervailing benefits exemption would apply.

Government amendment 14.

Amendment 209, page 15, line 37, at end insert—

"(4) The CMA may only consider that the countervailing benefits exemption applies if it has reached such a consideration within six months of the day on which the conduct investigation notice is given to the undertaking.

(5) In subsection (2), a "benefit" means any benefit of a type set out in regulations made by the Secretary of State in accordance with the procedure under subsections (6) to (9).

(6) The Secretary of State must, within six months of this section coming into force, lay before Parliament draft regulations setting out the types of benefit that apply for purposes of subsection (2).

(7) A Minister of the Crown must make a motion in each House of Parliament to approve the draft regulations within 14 days of the date on which they were laid.

(8) Subject to subsection (9), if the draft regulations are approved by both Houses of Parliament, the Secretary of State must make them in the form of the draft which has been approved.

(9) If any amendments to the draft regulations are agreed to by both Houses of Parliament, the Secretary of State must make the regulations in the form of the draft as so amended."

This amendment would introduce a 6 month time limit on the duration of investigations into countervailing benefits claims, and specifies that the Secretary of State shall introduce further legislation for Parliamentary debate providing an exhaustive list of the types of countervailing benefits SMS firms are able to claim.

Amendment 200, in clause 30, page 16, line 13, at end insert—

"(4A) As soon as reasonably practicable after giving the notice, the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Government amendments 15 and 16.

Amendment 201, in clause 31, page 17, line 3, at end insert—

"(7A) As soon as reasonably practicable after making an enforcement order (including a revised version of an order), the CMA must give a copy of the order to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 202, in clause 32, page 17, line 35, at end insert—

"(6A) As soon as reasonably practicable after giving a notice under subsection (5), the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 203, in clause 34, page 18, line 36, at end insert—

"(4A) As soon as reasonably practicable after revoking an enforcement order, the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Government amendments 17 and 18.

Amendment 189, in clause 38, page 21, line 7, leave out "breached an enforcement order, other than an interim enforcement order" and insert "breached a conduct requirement"

This amendment would allow the CMA to initiate the Final Offer Mechanism after a Conduct Requirement of the type permitted by clause 20(2)(a) has first been breached, provided that the other conditions in clause 38 are met.

Government amendments 19 to 30.

Amendment 204, in clause 47, page 26, line 8, at end insert—

"(4A) As soon as reasonably practicable after giving a PCI investigation notice or a revised version of the PCI investigation notice, the CMA must give a copy of the notice to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Amendment 205, in clause 50, page 27, line 28, at end insert—

"(6A) As soon as reasonably practicable after making a pro-competition order, the CMA must give a copy of the order to those undertakings that have not been designated as having SMS that are most directly affected."

See the explanatory statement to Amendment 194.

Government amendments 31 to 56.

Amendment 185, in clause 102, page 61, line 10, leave out subsections (6) and (7) and insert—

"(6) In determining an application under this section—

(a) for any application made within a period of three years beginning on the day on which this Act is passed, the Tribunal must determine the application on the merits by reference to the grounds set out in the application;

(b) for any application made thereafter, the Tribunal must apply the same principles as would be applied—

(i) in the case of proceedings in England and Wales and Northern Ireland, by the High Court in determining proceedings on judicial review; and

(ii) in the case of proceedings in Scotland, by the Court of Session on an application to the supervisory jurisdiction of the court.

(7) The Tribunal may—

(a) for any application made within a period of three years beginning on the day on which this Act is passed, confirm or set aside the decision which is the subject of the application, or any part of it, and may—

(i) remit the matter to the CMA,

(ii) take other such steps as the CMA could itself have given or taken, or

(iii) make any other decision which the CMA could itself have made;

(b) for any application made thereafter—

(i) dismiss the application or quash the whole or part of the decision to which it relates. and

(ii) where it quashes the whole or part of that decision, refer the matter back to the CMA with a direction to reconsider and make a new decision in accordance with a ruling of the Tribunal."

This amendment changes for a three-year period the mechanism by which the Tribunal would determine applications for review.

Government amendments 57 to 67, 83 and 84, 106, 108, 111, 148 and 149.

Saqib Bhatti: I am honoured to have been appointed as the Minister with responsibility for tech and the digital economy, and as one of the Ministers with responsibility for the Digital Markets, Competition and Consumers Bill. When I was appointed last Tuesday, many helpful colleagues came up to me to say, "You have been thrown in at the deep end," but it is a blessing to have responsibility for taking this legislation through the House.

[Saqib Bhatti]

In that vein, I thank my hon. Friend the Member for Sutton and Cheam (Paul Scully) for his tireless work to get the Bill to this stage.

I am aware of the importance of this legislation and the sentiment across the House to deliver the Bill quickly. The benefits of the digital market measures in part 1 of the Bill are clear to see. They will bring about a more dynamic digital economy, which prioritises innovation, growth and the delivery of better outcomes for consumers and small businesses. The rise of digital technologies has been transformative, delivering huge value to consumers and businesses. However, a small number of firms exert immense control across strategically critical services online because the unique characteristics of digital markets, such as network effects and data consolidation, make them prone to tip in favour of a few firms. The new digital markets regime will remove obstacles to competition and drive growth in digital markets, by proactively driving more dynamic markets and by preventing harmful practices such as making it difficult to switch between operating systems.

I turn now to the Government amendments. When the Under-Secretary of State for Business and Trade, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) first stood in the House, he stated that the legislation would unleash the full opportunities of digital markets for the UK. That intention has not changed, and our amendments fully support that. The Government's amendments to part 1 will provide greater clarity to parties interacting with the regime, enhance the accountability of the regulator and make sure that the legislation is drafted effectively and meets its aims. I will address each of those themes in order.

This new regime is novel. To maximise certainty, it is critical that its parameters—the scopes of the regulator's functions and the rights and obligations set out in the legislation—are clear. Therefore, the Government have tabled a series of amendments to further clarify how the digital markets regime will work in practice. The amendments relate to how legally binding commitments provided by firms within the scope of the regime will work in practice, the Digital Market Unit's ability to amend certain decision notices, and how in certain circumstances the DMU may use its investigatory and enforcement powers after a firm is no longer designated.

Two important sets of clarifying amendments are worth covering in more detail. The first relates to conduct requirements. Consumer benefit is a central focus of the digital markets regime. The DMU must consider consumer benefit when shaping the design of its interventions. To reinforce that central focus, we are clarifying how the DMU will consider consumer benefits when imposing and enforcing conduct requirements. Amendment 7 requires the DMU to explain the consumer benefits that it expects to result from a conduct requirement, ensuring transparent, well-evidenced decisions. Amendments 13 and 14 simplify the wording of the countervailing benefits exemption, while critically maintaining the same high threshold.

Sir Jeremy Wright (Kenilworth and Southam) (Con): I draw the House's attention to my entry in the Register of Members' Financial Interests. Let me take the opportunity to congratulate my hon. Friend the Member for Meriden (Saqib Bhatti) on his appointment. Does he recognise that it is important to be clear—and for the CMA and the DMU to be clear—that there could be a conflict between the interests of current consumers and those of future consumers? Therefore, it is important that the interests of both are balanced in what the CMA and the DMU eventually decide to do.

Saqib Bhatti: My right hon. Friend makes an important point. As I make progress, I hope he will be reassured that the regime will take both those things into account.

Together, amendments 13 and 14 will make sure that consumers get the best outcomes. Amendment 14 makes an important clarification on the role of third parties in the final offer mechanism process. New clause 5 and related amendments will clarify when and how third parties may make collective submissions in relation to the final offer mechanism. That is vital, as collective bargaining can help to address power imbalances during negotiations. We expect that third parties, especially smaller organisations, may seek to work together when negotiating payment terms and conditions.

My second theme is the accountability of the regulator. The discretion afforded to the CMA and its accountability to Government and Parliament have formed a large part of the debate—quite rightly—during the passage of the Bill. I will take time to address that.

The digital markets regime is flexible in its design, with the CMA requiring a level of discretion to deliver effective outcomes. While that is common for ex ante regulation, that does not negate the importance of taking steps to maximise the predictability and proportionality of the regulator's actions. For that reason, the Government are introducing an explicit requirement for the CMA to impose conduct requirements and pro-competition interventions only where it considers that it is proportionate to do so.

That will make it clear to firms in scope of the regime that they will not be subject to undue regulatory burdens. Firms will be able to challenge disproportionate obligations, and the Competition Appeal Tribunal will, in its consideration of any appeals, apply the principle of proportionality in a reasonable way, as it always does. To complement that, and to ensure consistent senior oversight and accountability of the regime, amendments 57 to 60 require enforcement decisions, including the imposition of penalties, to be reserved to the CMA board or its committee.

Damian Collins (Folkestone and Hythe) (Con): I welcome my hon. Friend to his position, and congratulate him on his role. The Government amendments relate to the proportionality test for conduct requirements. Why did the Government feel that there was a need for those additional tests? Was there a concern that the CMA would use the power disproportionately, and if so, what might such a use have been?

Saqib Bhatti: I thank my hon. Friend for his contribution to the House on these matters, and for that question. The aim of the amendments is to provide clarity and give certainty—clarity that we will always ensure that the consumer is at the heart of what we do, and certainty because that is what business always needs. I will happily give further clarity in my closing remarks. To ensure robust oversight of the DMU's implementation of the regime, we are also requiring that the Secretary of State approve the publication of guidance relating to part 1 of the Bill.

Rebecca Long Bailey (Salford and Eccles) (Lab): On the issue of clarity, the Minister knows that the final offer mechanism should be an issue of last resort, and before that there should be a mechanism by which negotiations can take place. Can he assure the House that there will be a mechanism to ensure that big tech firms do not drag out negotiations unnecessarily, because it is not clear so far?

Saqib Bhatti: The whole mechanism is designed to ensure that smaller firms have a say in this. That is why the final offer mechanism is there. I hope that that that gives the hon. Member some reassurance.

Finally, the regime has the potential for significant financial penalties to be imposed, so we have tabled amendments to allow any party subject to a penalty to appeal decisions about the penalty on the merits, rather than on judicial review principles. An appeal on the merits allows the Competition Appeal Tribunal to consider whether it was right to impose the penalty, and to consider the penalty amount. Where appropriate, it also allows the Competition Appeal Tribunal to decide a different penalty amount.

John Penrose (Weston-super-Mare) (Con): I join the queue of people congratulating the Minister on his new role, which is well deserved. I think that I am right in saying that any appeal against a fine from another economic regulator, such as Ofwat or Ofgem, is made to the CMA on the basis of the JR standard, yet we seem to be creating a different, and arguably more complicated, special deal for large tech platforms. Can he explain the Government's thinking behind that?

Saqib Bhatti: I do not think that there is, as my hon. Friend puts it, a special deal; it is about taking a balanced approach to ensure that firms with penalty decisions that have less direct impact on third parties have the opportunity to challenge them, and take a view on them according to the regime.

John Penrose: The Minister is being very generous. I just want to understand why the approach differs from that taken in identical appeals by other companies against other economic regulators.

Saqib Bhatti: Given the huge size of the fines, it is only right that that approach is put in place to ensure the penalties are applied appropriately, but it does not apply to decisions that are not made by the CMA.

The regime has the potential for significant financial penalties to be imposed, so we are introducing amendments to allow any party subject to a penalty to appeal decisions about that penalty "on the merits". An appeal "on the merits" allows the Competition Appeal Tribunal to consider whether it was right to impose the penalty and to consider the penalty amount. Where appropriate, it allows the Competition Appeal Tribunal to decide a different penalty amount. The DMU's other decisions, including the decision as to whether a breach of the regime occurred, would remain subject to an appeal on judicial review principles.

Sir Jacob Rees-Mogg (North East Somerset) (Con): I join in congratulating my hon. Friend on his appointment and on this very wise amendment. It is fundamental to the rule of law that people who are fined large amounts of money have some proper form of appeal; we must not put too much trust in unaccountable and unelected regulators.

Saqib Bhatti: My right hon. Friend is always a thoughtful contributor to debates in this House. We believe that the amendments ensure consumer benefit is at the heart of what we are doing and any appeals will be carried out appropriately. Adopting these amendments would bring the digital markets regime into closer alignment with existing CMA mergers and markets regimes, where penalty decisions can be appealed on the merits. As in those regimes, all other decisions are appealable on judicial review principles.

Sir Jeremy Wright: I thank my hon. Friend for giving way again. He will appreciate that we are all trying to get clarity, so we understand what the proposals really mean. In relation to the appeal standard that he describes, for cases that are not specifically related to fines, he mentioned the proportionality addition earlier in his remarks. When it comes to an appeal, are we right to understand that the question of proportionality applies when the CMA originally makes its decision to require an intervention and does not apply to the JR standard that is used to determine an appeal?

It is important to be specific about that, because there are those who would argue that proportionality should be a part of the appeal process. I think the Government amendments say that proportionality applies at an earlier stage and that when it comes to considering whether the CMA has behaved in a proportionate way in making its decisions, the assessment will be made by the Competition Appeal Tribunal on JR principles. Am I right about that?

Saqib Bhatti: I agree that that is exactly what we are saying. I am happy to provide further clarity in my closing remarks.

Critical to accountability is, of course, transparency. The Government are committed to transparency and bringing forward amendments that will require the CMA to set out its reasons for imposing or varying a conduct requirement. That will improve transparency around CMA decision making and increase consistency with other powers in the Bill where similar justification is required. It also reinforces the CMA's existing responsibility to consider likely impacts on consumers when deciding whether and how to intervene.

The third theme is to ensure the legislation is drafted effectively. Therefore, we have tabled further technical amendments to ensure that the Bill's text meets the Government's original intended aim. They relate to the scope of conduct requirements, specifically the application of the materiality threshold contained in clause 20(3)(c), the maximum penalty limits imposed on individuals, the mergers reporting duty and the service of notices on undertakings overseas in certain circumstances.

It is worth noting that there are a small number of cross-cutting amendments contained in parts 5 and 6 of the Bill that will also impact the digital markets regime. I want to ensure that there is plenty of time for hon. Members to debate the Bill at this important stage in its passage. I appreciate a collaborative approach from across the House. I am sure that there will be many different views on some of the amendments, but I look forward to a constructive and collaborative discussion.

Alex Davies-Jones (Pontypridd) (Lab): It is a true privilege to be back in the Chamber once again, on behalf of the Opposition, to open the third debate in recent months on Report stage of this incredibly important Bill. I welcome the Minister to his place: he is joining this brief at a very exciting time, and I look forward to working with him in the months ahead to get the Bill finally over the line. I pay tribute to his predecessor, the hon. Member for Sutton and Cheam (Paul Scully). We may not always have agreed on the detail, but I was always grateful for his collegiate and open-minded approach to getting the Bill to a good place, where it needed to be.

5 pm

I speak on behalf of colleagues across the House when I say that the Bill must be passed without delay, and without significant changes that would water down the provisions. If this is done well, it has the potential to create a world-leading regulatory framework that will update and modernise the UK's competition and consumer law. By promoting greater competition, we will finally address fundamental problems in UK markets so that they work better for all consumers.

Labour has long called for measures to protect consumers, enhance innovation and promote competition in digital markets, in order to unlock growth and level the playing field for smaller businesses. That could not be more important in the midst of a Conservative cost of living crisis.

Margaret Greenwood (Wirral West) (Lab): People often find it difficult to get out of internet provider contracts. They may spend hours on the phone, or communicating via a bot, and when they do get through to someone, that person tries to talk them out of what they are trying to do. It seems to me that it would be very straightforward to require providers to have on their websites a simple and prominent "cancel my contract" button, easily visible to anyone who is logged in. That, surely, would save people acres of time and a huge amount of frustration.

Alex Davies-Jones: My hon. Friend has made an important point about an issue faced by all our constituents who are struggling to get out of contracts that do not give value for money, and subscription traps, which we will discuss later this evening. These are issues that should have been dealt with in the Bill, and could have been had it been afforded parliamentary priority. Sadly, many opportunities have been missed and will need to be returned to, and we will be urging the Government to do that in due course.

The Conservatives have needlessly delayed the introduction of the Bill. Their focus on infighting and general chaos has prevented them from presenting suitable legislation. The Bill was first promised in Parliament more than a year ago, and since then, owing to Tory delay, we have fallen behind our European neighbours in this vital policy area. Failure to act against gatekeepers to access points in the digital economy—from web browsers to search engines, and from mobile operating systems to app stores and broadband contracts—is having a huge impact on business growth and consumer prices. Let us be clear: a failure to regulate and level the playing field is having a huge impact on consumers, who ultimately pay the price.

This is a complicated Bill, which has rightly received substantial coverage in the media since it was first published. It is only appropriate for me to begin my consideration of the first group of amendments by raising particular concerns about the Government amendments relating to the countervailing benefits exemption—notably, amendments 13 and 14. As we all know, the countervailing benefits exemption allows the Competition and Markets Authority to close an investigation of a breach of a conduct requirement if a big tech firm can demonstrate that its anti-competitive conduct produces benefits that outweigh the harm. These amendments change the test for the exemption from indispensability—a recognised competition law standard that ensures that a big tech firm cannot proceed with anti-competitive conduct without good reason—to an untested, potentially ambiguous standard. There is a danger that this new, untested standard could allow big tech firms to evade compliance and continue with conduct that harms UK businesses and consumers. They might also inundate the CMA with an excessive number of claims of consumer benefit, diverting its limited resources away from other essential tasks.

The Minister must be realistic. It is highly unlikely that anti-competitive conduct on the part of regulated firms will ever have a consumer benefit. The amendment creates an unnecessary loophole that Labour colleagues and I find very concerning. I would also be grateful if the Minister could clarify whether these amendments create a new legal standard that could allow regulated companies to evade compliance. There is also the question of how the amendments will protect the CMA from being inundated with claims of countervailing benefits from regulated companies. Labour is concerned by these amendments, and I therefore urge Members across the House to support amendments 187 and 188, tabled in my name, which seek to undo the Government's mismanagement.

I will turn now to the changes in the appeals mechanism. The Minister knows about, and will have heard, the concerns of colleagues on the Conservative side—on all sides, actually—about the changes in the appeals process, as outlined in Government amendment 51 to 56. We have all heard the passionate calls from businesses that have risked their reputations and market share by sticking their heads above the parapet to warn of the risks of watering down the appeals process. It is testament to their hard work that we are at this point today.

As colleagues will be aware, the Government amendments would change the appeals process and standard for penalty decisions to full merits only. As we know, penalties such as fines are the most significant deterrent to prevent short message service firms from breaking the conduct requirements established by the CMA. Although timing—a key concern when considering the impact of full merits on other parts of the Bill—is not of paramount importance when it comes to fines, it is foreseeable that full merits appeals could allow SMS firms to reduce significantly the size of penalties, thus reducing their incentive to comply.

The Minister will come to learn that collegiate, sensible agreement has been a common theme as the Bill has progressed, particularly in line-by-line scrutiny in Committee. Indeed, we broadly welcome the Government's decision to maintain the judicial review standard for appeals on regulatory decisions. Labour feels that will

ensure that the Competition and Markets Authority has the tools to act and is not bogged down in complex, lengthy and costly legal wrangling, which would render the new regime completely ineffective.

However, the Minister must clarify how the amendments will not impede the CMA's ability to keep pace with rapidly moving digital markets. The regulator must retain the flexibility to construct remedies that target the harms to UK businesses and consumers stemming from big tech's dominant position in digital markets. Looking back on the contributions of the Minister's predecessor in Committee, we were all assured with a level of certainty that there would be no changes to weaken the appeals process, so it is a frustrating reality to see yet another U-turn from this Government—sadly, we have all become more than used to their slapdash way of governing and making law.

As we know, introducing full merits appeals for all regulatory decisions would have allowed complex, lengthy and costly legal wrangling, which would render the new regime ineffective. It must therefore be clarified that the Government's amendment allows full merits appeals only for the level of the fine and for the decision to issue a fine. It must not permit a review of the CMA's decision to create a conduct requirement or implement pro-competitive intervention, or of the CMA's decision on whether a conduct requirement has been breached and how to remedy that breach. I would therefore be grateful if the Minister clarified exactly whether that will be the case.

I am conscious of time so I will push the Minister to clarify a number of important points. Government amendment 64 gives the Secretary of State the power to approve CMA guidance, which will be critical to regulated firms, particularly on how they should comply with the conduct requirements placed upon them. What is unclear is when and how, and in what timeframe, guidance must be submitted to the Secretary of State. I know that many of us would be grateful for some straightforward clarity from the Minister on that issue.

Lastly, I am keen to highlight Labour amendments 194 to 196, tabled in my name, which aim to improve the consultation rights of challenger firms. Under the current drafting, firms with strategic market status will have far greater consultation rights than those that are detrimentally affected by their anti-competitive behaviour. The amendments would give third parties the ability to provide critical information for the CMA's consideration, and feedback on its work. That is vital, particularly for challenger companies whose growth may see them captured by the regime at a future point. I hope that the Minister will consider the merits of introducing similar amendments in the other place. He would have widespread support from colleagues across the House if he were to go ahead and do so.

We have heard the concerns of Members across the House about how the changes have been implemented, so I urge the Minister to listen carefully to the debate as it progresses and to do the right thing by working collegiately for the benefit of good legislation.

Sir Robert Buckland (South Swindon) (Con): In rising to address the House, I draw Members' attention to my entry in the Register of Members' Financial Interests: I am an independent adviser in a collective action being brought in the Competition Appeal Tribunal for alleged anti-competitive behaviour relating to cryptocurrency. Although I will not address my remarks to any part of the Bill that might be perceived as relevant to the funding of litigation relating to such actions, I thought it right to be comprehensive in my declaration.

I wish to couch my remarks in this way: I am a firm supporter of the need to provide effective regulation in a market that is vulnerable—and, some would say, prone—to monopolistic abuse of market power. It is clear that regulation is not only desirable but essential when it comes to representing the interests of the consumer, and that is the place from which we all need to start.

In the sturm und drang that has accompanied some of the coverage of the Bill, it is perhaps inevitable that focus has been placed on the interests of one sector, as opposed to those of another—the large-scale enterprise against the small start-up. In all that, we risk forgetting the essential truth of why we are legislating in this way, which is first and foremost to ensure that any regulator is working in the interests of the consumer. My amendment deals precisely with that issue, by imposing an overarching and paramount duty on the regulator, and indeed the courts, to serve the interests of the consumer. Accompanied with a duty of expedition, that underlines the thrust of why I have decided to speak in this debate and to table amendments. Much needs to be done in the process of dealing with competition issues, which of course means the operation of the CMA and the Competition Appeal Tribunal. This debate—indeed, this whole process—can be a moment for us to reflect, and to take action and ensure that the way such disputes are dealt with in future will be more efficient, more speedy and in the interests of the consumer.

Ex-ante regulation is very difficult; it is all about predicting the future. Indeed, I am glad to see my hon. Friend the Member for Folkestone and Hythe (Damian Collins) in the Chamber. He followed that market very carefully and knows its ever-changing nature. It is difficult to predict what the world will look like in six months, let alone in five years. It is right to remember that the basis of the Bill, and of today's debate, goes back four years to the Furman review, which rightly set out the parameters that have led to the development of this much-needed legislation.

In one respect, the review has been somewhat prayed in aid in a way that is potentially misleading. Recommended action 12 of the Furman review speaks about the ability of an affected company to appeal a decision—this is relevant to amendment 185 to clause 102. The review states:

> "To facilitate greater and quicker use of interim measures to protect rivals against significant harm, the CMA's processes should be streamlined.
>
> The ability for an affected company to appeal a decision or an interim measure is a vital safeguard of their rights, and a check on the quality of CMA decision-making. Appeals processes need to strike a balance between protecting those affected by any unjustified decision and ensuring that CMA powers can be exercised effectively to protect those who would be left exposed by underenforcement or undue delay."

It goes on:

> "The competition framework would be improved for digital markets by focusing appeals on testing the reasonableness of CMA judgement, that procedure has been appropriately followed, and that decisions are not based on material errors of fact or law—a standard more closely relating to that of judicial review."

[Sir Robert Buckland]

As I read it, that is an invitation to ensure that there is not a completely unbridled merits-based approach. It is a world away from suggesting that somehow, in this world of ex-ante regulation, we should be immediately narrowing down the options of any court or applicant relating to potential claims on merit.

Ex-ante review work is not easy, but it is not unprecedented in United Kingdom regulation. We have had telecoms regulations for a long time, with the work of Ofcom in policing that. In that area, for a long time the decision making and the appeals process were allowed to be based on merit, before a reversion or a narrowing down to judicial review principles. Indeed, that was laid out for a long time—much longer than the period I envisage in my amendment—in order to reflect the importance of achieving maximum clarity as early as possible. I do not want to see anything that creates uncertainty in this market, because that will lead to a lack of investment, and perhaps a reduction of the sorts of investments that we want to see domestically and internationally in this important and vital market for the future of our British digital services industry.

5.15 pm

Sir Robert Neill (Bromley and Chislehurst) (Con): My right hon. and learned Friend is making an important and eloquent speech. Can I emphasise the point that he makes about certainty, and return to the intervention by my right hon. and learned Friend the Member for Kenilworth and Southam (Sir Jeremy Wright) about the importance of having clarity on what the test will be and at what stage it applies? We all understand proportionality tests, and we certainly all understand classic judicial review tests, but it is important in this emerging market that people know at which stage which test applies. I appreciate the Minister saying that he will clarify that later in his speech, but I am not sure that the wording proposed by the Government gives us that clarity. Will my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) consider what more needs to be done around that?

Sir Robert Buckland: What my hon. Friend outlines is precisely what we are seeking. In making these arguments, we are not in some way the friends of big tech; we are not here to represent a particular sectoral interest. My amendment was drafted by me and by senior counsel from Monckton Chambers, including Philip Moser KC, who regularly appears both for and against big tech in these matters. I thought it right to seek some independent pro bono advice on the operation of competition law to make sure that, in developing the law in this way, we do not create entirely untested mechanisms that would—guess what?—require litigation to clarify.

The point is that we should be seeking to minimise more interpretive language that will require to be tested in the courts. That is why I take slight issue with what was said by the hon. Member for Pontypridd (Alex Davies-Jones), whom I respect very much. In amendment 186, I seek to replace the word "indispensable" with "necessary", because I think that is a much clearer term that everyone would understand and that would, in itself, be a high threshold for the affected company in demonstrating consumer benefit in the countervailing consumer benefit test.

I think that, rather than trying to use and develop new language, we should look back and learn from the experience of telecoms regulation. One of the problems in, in effect, handing considerable power to the new digital markets unit is that the legal landscape relating to this activity is unformed. Unlike the landscape that underpinned the Competition Act 1998, we do not have the advantage of years of EU and UK court interpretation that was then applied by guidelines issued by the CMA.

Grahame Morris (Easington) (Lab): The right hon. and learned Gentleman is articulate in presenting the case and knowledgeable about the issue, but may I distil it down to an issue of fairness that everyone can understand? Before our very eyes, the landscape is changing. Long-established titles, newspapers and publications are disappearing and retrenching. Thousands of journalists are losing their jobs. Is it not a matter of basic fairness that people who create the content should be properly compensated?

Sir Robert Buckland: The hon. Gentleman is right to make that point. That is why in other jurisdictions we have seen agreement reached between big tech and newspaper titles to ensure that there is that element of fairness. I agree with him; I want to see similar fairness and equity applied across the market. What I and others who agree with me are trying to do is to ensure that, in creating this brave new world of energetic and efficient regulation, we do not as a Parliament upset the balance by giving too much power to a particular regulator. A lot of us in this place have watched with concern the failure of other types of regulation—in our water industry or our energy industry, for example. I do not think anybody would deny that, at times, we have got regulation wrong. That is why it is important that we have this debate.

There are people outside this place who have put pressure on us by saying, "The Bill is in perfect order. There is no need for you to look at it any more; great minds have thought about it." I say to them that it is for this place to make those decisions. I do not look kindly on comments made by the chief executive of the CMA about the merits of what this place is considering while the Bill is in Parliament. I absolutely accept the independence of the CMA and the important role that it plays, but we should not confuse independence with lack of accountability. That is a point that I will warm to in a little while, when I address the relationship between regulators—in this case, the CMA—and Parliament. At the moment, that relationship is wholly inadequate.

I was making the point that, unlike the Competition Act 1998, there is a relative lack of worked-out court interpretation of this Bill's subject matter. That has led to distinguished commentators—no less than Sir Jonathan Jones, former Treasury counsel—making the point in evidence to the Committee that, in effect, the DMU would be able to decide who was going to regulate, set the rules that apply and then enforce those rules. The phrase "legislator, investigator and executioner" was used. While that is colourful language—perhaps too colourful for a dry debate about competition law—it is important that we reflect on the view of that former Treasury solicitor and be very careful that in going down this road, we are not making false comparisons.

A lot has been said about Ofcom and its decisions, and comparisons have been made, but we must not forget that those Ofcom decisions were heavily governed by EU framework directive 2002/21. Article 4 of that directive says that on ex-ante telecom appeals,

"Member States shall ensure that the merits of the case are duly taken into account and that there is an effective appeal mechanism."

That is a bit different from the provisions in the Bill. A simple JR-type review is precisely that, and no more.

I listened with interest to the intervention made by my right hon. and learned Friend the Member for Kenilworth and Southam (Sir Jeremy Wright), who made a really good point that needs answering. We need to understand where proportionality comes into this. If the principle of proportionality is being used in the first instance, that is all well and good, but we need to understand how that fits with the provisions of the Bill: whether it implies that the courts deem every decision made by the DMU to be proportionate, or whether there is a way to challenge a particular decision by saying that it was not made according to the DMU's own principles, acting in a proportionate way.

Sir Jeremy Wright: It seems to me—I would be interested in my right hon. and learned Friend's view—that on the basis of the Government's proposed wording, it is more likely that a firm will be able to challenge whether the CMA has applied its proportionality test appropriately, but the means by which it will do so will be under JR principles on appeal, rather than on a merits basis. It is not that proportionality is not subject to challenge, but that that challenge is limited by JR principles at the appeal stage. Does my right hon. and learned Friend agree?

Sir Robert Buckland: That is what we need to bottom out. The primary worry that a lot of us have about the JR principle is that it means that any challenge will probably be vanishingly small, which is not good for ensuring that the regulator is working in the best way. None of us wants to encourage incontinent litigation—or incontinent legislation, bearing in mind the importance that we place on it—but sometimes, challenge is essential to create greater certainty. There will be ambiguities; there will be occasions where there needs to be a test. We should not be frightened of that.

Damian Collins: I am following what my right hon. and learned Friend says carefully. Does he agree that we have to consider the nature of this business landscape? For these firms—some of the biggest companies in the world—litigation is a cost of doing business. Their track record shows that they use almost all grounds there are to challenge any decision made by any regulator. Not even a regulator is resourced sufficiently to be able to contest those challenges, and the people who seek to bring them know that they will take years and cost a huge amount of money, and that the business may even be closed by the time a resolution has been found.

Sir Robert Buckland: I fully take on board my hon. Friend's concern. He is right to say that, which is why this should not just be about what might happen in terms of raw dispute; it has to be the culture of the new regulator to work with any potential subject—any company that might be a subject of an investigation—in a co-operative way. That raises the issue of how open the parties are with each other about the basis of their assertions and of how data is shared—that goes right into the Competition Appeal Tribunal itself. A lot of people would be surprised that the disclosure rules in the CAT are not as open as one would expect them to be if one is challenging a decision. We have to work our way through that, in order to change that attitude and reduce the amount of potential litigation by making sure that there is agreement.

I accept that the Government have moved on the JR test with regard to penalty, but a potential problem could result from the Government's amendment on that: there will not be a change of culture, there will be a readiness by big tech to admit breach and then all resources will be thrown into contesting the penalty. There we will get the litigation, the real argument and the high-stakes money. To paraphrase my hon. Friend, we will get the actuarial calculation that it would be worth throwing a lot of money at litigation to reduce a penalty that could be a big percentage of turnover. We are potentially talking about huge penalties for these companies.

That issue does worry me and I hope that it demonstrates to the House why I am properly sensitive about the need to make sure that we do not just open the door to abuse by another means. I am a huge follower of Theodore Roosevelt and a great believer that his approach to fighting the J.P. Morgans and the Standard Oils of his day is exactly how we should operate in the monopolistic markets of today and tomorrow. My hon. Friend is right to say that this market is fast developing. When the Furman report was produced, we were looking at a different world in big tech. With the rise of artificial intelligence, we are seeing it evolve further.

Damian Collins: I am grateful to my right hon. and learned Friend for giving way, particularly as we are on the subject of Theodore Roosevelt. Does he agree that we have to be careful when considering consumer detriment in this case? The argument was not successfully made in the United States that J.P. Morgan could say that he may have a railway monopoly but the ticket prices were relatively low and so there was no consumer detriment. That was not considered to be a binding argument, so because the cost of an app in an app store might be low, that does not mean to say that the company can get away with overcharging.

Sir Robert Buckland: Again, I am grateful to my hon. Friend. He is right: there is a danger that in regulation we focus on the cost of the good or service, rather than on the overall environment and quality of the market. Some would say that that has been a particular issue in the way that regulation has operated in the water sector. That is why this is a good moment for all of us, as a House, to pause and reflect on where we have gone wrong with regulation in the past and how we can get it right from here on in.

There are some options the Government can look at when dealing with the JR standard. I have mentioned the importance of making sure that there is accountability, but we should not just be looking at the sunset option that I have set out in my amendment; we should look again at whether the clarification of the proportionality test could help everybody to understand precisely how the JR principles will work. If we miss the opportunity on this occasion to get this right, I am not sure we will

[Sir Robert Buckland]

be doing anybody any favours, least of all the consumer and especially not the DMU itself, which needs to develop in a way that is truly accountable.

The thrust of some of my amendments relates to the regulator's accountability to this place, which is why they include a requirement to report regularly to Parliament and to Ministers. New clause 12 relates to the appointment of the senior director of the DMU, which I think should be done directly by the Secretary of State. That is not a challenge to the independence of the body; Ministers regularly appoint independent directors and inspectors, for example, and it does not undermine the integrity and quality of their role. However, through those amendments I am seeking to make the case that we should not confuse independence for lack of accountability. I do not use that word as a way of avoiding a greater accountability to this place.

5.30 pm

That is why, when it comes to how such regulators will be accountable to Parliament, we should strengthen our own scrutiny. It is a matter not for the Minister, but for this place to amend Standing Orders to create either a Committee of this House or perhaps a joint Committee to summon regulators directly to account. Such a Committee could have powers akin to those of the Public Accounts Committee, to allow the directors of all the regulators to answer to Members of Parliament and to Peers. A supported Select Committee focused on that work could really make a difference and improve the quality of that regulation. That is something I urge not only on my hon. Friends on the Front Bench, but on the business managers who might be listening and the Leaders of both Houses. As a matter of urgency, in this Session, they should come forward with proposals to amend the Standing Orders to create such a scrutiny structure.

I will briefly deal with the other amendments tabled in my name in this part—

The First Deputy Chairman of Ways and Means (Dame Rosie Winterton): Order. I have to get five more speakers in, plus the Minister. As the right hon. and learned Gentleman will shortly have been on his feet for nearly 25 minutes, this is just a quick reminder that he needs to give others time to speak.

Sir Robert Buckland: Of course. I have just cleared my throat, Madam Deputy Speaker, and by my standards this is a very short speech.

I will deal in summary with the other amendments. What I am seeking with those amendments is to ensure that, in using definitions, we do not end up creating mission creep for the DMU. I want the DMU to focus on the emerging digital economy; I do not want it to end up dealing with, for example, supermarkets such as Tesco, which will increasingly use online services to allow customers to shop. I do not think that is the intention of those proposing the Bill, but we need to make it clear in the Bill that that sort of mission creep will not be part of how the regulator develops.

I also want to make the point that, when looking at entrenched market power, focusing purely on size can sometimes be deceptive. Rather small enterprises can often have a disproportionate effect on a market. They do not necessarily need to be big. While we rightly understand that generally the bigger the entity or organisation, the bigger the impact it has, it is not always the elephant that makes a difference; it is sometimes the mouse. That is why focusing on market power rather than size is a better way of dealing with effective regulation.

In summary, I want to hear from my hon. Friends on the Front Bench a response to the challenges that I have laid out. I do not seek to press the amendments to a vote this evening, but I am sure that they will be returned to in the other place. Surely it is in the interests not only of the people we serve, but of the wider British economy that in passing such pioneering legislation, which in many ways puts Britain in a different place from other jurisdictions, we do not end up disincentivising the sort of investment that I know is part of the Prime Minister's aspiration to make this country a world leader in artificial intelligence and machine learning safety and a place where digital businesses will want to invest. It is as simple as that. That is why it is vital that in this Bill we strike as perfect a balance as we can, because in this complex, ever-changing market it is very difficult to predict what the future will be.

Madam Deputy Speaker: I call the SNP spokesperson.

Richard Thomson (Gordon) (SNP): My party broadly welcomed the Bill at its introduction and through Committee, and broadly speaking we still do. However, for our liking there remain too many gaps in consumer protection. The Bill does not include an equivalent to the EU's consumer rights to redress when consumers are misled, and it does not baseline the protections that we had previously, which we think is a serious omission. Many consumers found that to their cost when their travel arrangements went haywire through chaos at the channel ports over the summer.

The Bill does not do enough to tackle greenwashing. As we have heard, there is a systemic failure to tackle drip pricing and subscription traps. We are also still unclear about how the Government intend to tackle the scourge of fake reviews; although secondary legislation could be introduced, the scope of the sanctions that could be brought to bear against the perpetrators would inevitably be restricted.

Rather to my surprise, we have 175 Government amendments to the Bill. That seems rather a lot to be bringing in. It can be gently elided over that this is a Government who have been listening carefully to all the arguments put, but, to be perfectly honest, I think it shows that this has become something of a Christmas tree Bill. It would have been better to have had much more parliamentary scrutiny in Committee of some of the things we now find coming in, no matter how well-intentioned they are.

A number of amendments to the Bill do cause me concern, including the series of amendments that changes the mechanism for appealing the Competition and Markets Authority's decisions. In our view, Government amendments 6, 7, 10 and 30 will water down the Bill's effectiveness, allowing tech companies described under the Bill as the most powerful firms and dynamic digital markets to be able to challenge the CMA's decisions if they do not believe that they are proportionate.

Government amendments 51 to 53, 55 and 56 also have that effect, since they will prevent certain appeals by big-tech firms of decisions made by the CMA from being held to the judicial review standard. I am unpersuaded by the arguments that we have heard so far about that. We fear that, in practice, when a decision is taken that is not, for whatever reason, to the liking of big-tech companies with rather large budgets—to take one entirely at random, we have Apple, which makes profits and turnover yields that are bigger than most countries' GDPs—they will inevitably be able to tie those decisions up in the courts for quite some time, all the while being able to secure whatever advantage they had which the CMA had judged they got unfairly. The CMA has warned that changing the appeal mechanism could lead to such a set of drawn-out legal battles and quite an adversarial relationship with the firms that it seeks to regulate, which I would venture is far removed from the Bill's original intention.

It is unusual that I should ever pray in aid the other place in a political argument, but last month the House of Lords Communications and Digital Committee called on the Government to maintain the JR standard for all appeals. It is therefore worrying, if not entirely surprising, that the extensive lobbying that some of the bigger tech companies have subjected us to seems to have found the ear of the Government.

If the UK Government's amendments 6, 7, 10 and 30, which seek to allow firms with strategic market status to appeal against CMA decisions, are accepted, that will essentially undermine the CMA's job and ability to protect consumers. Those amendments would allow big tech firms to appeal against decisions taken by the regulators on significant issues such as blocking mergers and issuing fines simply on the basis of their feeling that they may not be proportionate. As I say, they can certainly afford to spend huge amounts of money on legal representations to quibble with these decisions, particularly if the fines or deprivation of the opportunity to make lots of money mean that they feel it is worth spending that money whatever the eventual chances of success are.

This is in addition to the letter that Baroness Stowell wrote to the PM last month warning that the UK Government must not "undermine" the Competition and Markets Authority, noting that these amendments would

"favour those with an interest in delaying regulatory intervention"

and give greater power to avoid scrutiny to the tech firms

"with the greatest resources".

The UK Government should not be ignoring these warnings, and we believe that this is a detrimental addition to the Bill. This position was also backed up by *Which?* in April last year. In our view, these amendments show that the Government have done the exact opposite of sticking to their guns on this.

I am mindful of the time—as are you, Madam Deputy Speaker—so I shall come to the amendments that I believe we will be voting on later. Labour amendments 187 and 188 would enable the Competition and Markets Authority to consider any significant benefits, due to a combination of factors, that might result from a breach of the conduct requirement. We think that strikes a reasonable and fair balance on where we would like the outcomes to be, and should the amendments be pressed to a vote, the SNP will be supporting them.

Damian Collins (Folkestone and Hythe) (Con): Listening to this debate, I was reminded of remark attributed to a major United States tech investor who said that it had always amused him that people thought competition and capitalism were the same thing. While competition can be a great driver of economic growth, the acquisition of capital and the creation of new markets, there are equally plenty of capitalistic enterprises that have grown wealthy on the back of a lack of competition, through market domination. That is why this legislation is so important.

Superficially, it is tempting to look at the landscape of the digital economy and say that the fact that there are a number of very big companies is evidence of effective competition between those companies. Those companies, including Amazon, Apple, Google and Meta, may compete for the provision of some services, but they largely dominate markets where they are the central player. We have heard throughout the passage of the Bill that even major businesses seeking to sell their goods through, say, Amazon as an online retail platform cannot afford to have a public dispute with that platform, because their relationship with that company is fundamental to the success of their business. Major publishing companies have talked about the fact that contract renegotiation with companies such as Amazon can come with big costs attached, but that ultimately they have to do business through them.

Cloud storage, which is currently an area of investigation for the CMA, is going to be a vital piece of business infrastructure for anyone who operates in the digital economy, but again, it is dominated by one or two companies, principally Google and Amazon. There are only two operating systems for our mobile phone devices. One is Android, which is owned by Google; the other is Apple's iOS system. They both have app stores, and there is a lack of interoperability between them. We therefore have app store markets that are actual monopolies. This has been investigated by the CMA and it has billions of pounds of consumer detriment in overpricing and variable pricing attached to it.

We know that these anti-competitive forces exist. In its recent ruling on the proposed Microsoft-Activision merger, the CMA was right to highlight that if a company that creates video games that people like to play is allied to a cloud system owned by a dominant company, people might only be able to access the service if they pay that cloud provider—the storage gatekeeper or guardian of that service—which could have consumer detriment down the line.

We are already seeing examples such as market domination and self-preferencing. Google has been investigated by the European Commission over self-preferencing. This is where companies are not just creating an easy-to-use service across multiple products for people, but doing so in a way that excludes others from that market. In the long run we must be concerned about the consumer detriment of market power being consolidated into the hands of a relatively small number of companies. An example that Members will probably all be familiar with is the mobile mapping app market. It used to be quite a vibrant market with a number of players in it, but it is now largely dominated by two, Google and Apple. That is not to say that the interest of companies is always against the consumer interest, but we should be mindful of the fact that in many of these

[Damian Collins]

markets, monopolistic conditions can easily be created, so we should be concerned about abusive market power. There is already some evidence of that.

5.45 pm

We also need to be concerned about the likelihood of litigation being a cost of doing business, as I said earlier to my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), because that has been the track record of the market so far. The Information Commissioner has been challenged consistently by tech companies when it has given data notices. We need to be concerned, too, about the challenge from companies to online safety legislation. In Europe, where the Digital Markets Act is new, we already see legal challenges and appeals on the designation of gatekeeper status for some big companies. Last week, both Meta and TikTok stated that they were seeking to challenge the European Commission on the designation of some of their services as gatekeeper services, so we already see evidence of the challenges that are likely to come. We have seen it in the past, so we should be mindful of the impact now. That is principally why I want to speak about proportionality, which has been raised and is very important.

If a company challenges the conduct requirements imposed on it by the regulator, or the regulator's decision, on proportionality grounds, what could that include? Does the CMA merely have to demonstrate that it considered the proportionality of its actions, as my right hon. and learned Friend the Member for Kenilworth and Southam (Sir Jeremy Wright) suggested? I think we would recognise that as being similar to the judicial review requirement. Or would there be grounds for challenging whether the regulator has considered all the information it should have considered when reaching its decision? If a conduct requirement was set because the regulator believed that consumer detriment arose from a company's behaviour, could the company say, "Well, yes, but the prices are still very low," or "It is not clear what the cost to the individual consumer will be, so we challenge the grounds for that action"?

In this country, we do not have a culture of class action law suits, so one of the big complaints in the tech sector is that what often stops an individual or business taking action against a big platform is that even if it won, it would be after a lengthy legal process, and the damages won would be so small that it would not have been worth doing. Typically, we do not really allow class action law suits here, but they would allow a different kind of approach; an organisation would be able to seek redress on behalf of a large number of consumers.

The question of how the proportionality test will be applied is very important for understanding how the measures will work. It will widen the grounds for litigation considerably if we allow "proportionality" to be interpreted more widely—if it is not simply a question of whether the CMA has done what it is required to do, and if the test effectively allows for, through the back door, an on-the-merits appeal process, in which any number of factor can be considered that may have been thought important when deciding whether an action is proportionate. That is particularly important up front, when the regulator is setting the conduct requirements.

As we already see in the European Union, the early decisions will be challenged by companies. They may consider the cost of litigation a relatively small price to pay, and think that they have relatively little to lose. That has certainly been the experience so far. We could end up with a system that quickly becomes unwieldy. Where the incentive for the regulator to take action is limited—it will not have the resources to fight robustly every challenge brought—it will probably decide in advance not to pursue the action, because of the cost of litigation that could come back its way. That is why the Minister and the Government were right to resist the call from many of the big tech companies for a full on-the-merits appeal system, which would have bogged the whole thing down in litigation.

It is important to understand the Government's intention in introducing the proportionality test. A fundamental principle of proportionality applies to all EU law. In this case, we are writing the principle into the Bill. Obviously, the EU proportionality test will no longer apply here, so what is the intention behind introducing such a test? What is the certainty we seek to give? Can we be absolutely certain that there will be no unintended consequences, and that the test will not be used to widen the basis for appeal, given that so many factors could be considered in a fairly subjective test of proportionality? Is the definition clear enough and proof against abuse, so we can be confident that the judicial review standard, not a wider on-the-merits system, will be the basis of appeals?

Grahame Morris: I, too, welcome the new Minister to his place and congratulate him on his appointment. We all recognise that this is important, long-overdue legislation, so I wish him well in piloting it through the House. I also declare an interest: I am co-chair of the all-party parliamentary group for the National Union of Journalists. I receive no pecuniary advantage, directly or indirectly, and the NUJ is not affiliated to the Labour party or any other party, but it none the less makes some valid points, which I wish to raise today.

We face immense challenges and significant technological changes in the UK, and indeed globally, given the development of social media and the increasing use of artificial intelligence. In an era of fake news, there are few sources of news trusted more than our national, regional and much-loved local titles, which have stood the test of time and have deep roots in our communities. I have participated in a number of debates on the subject in Westminster Hall, and debates on the decline of our local newspapers and the need to support them are always over-subscribed.

It is important to be aware that professional journalism in the UK is in crisis. Reach PLC, the publisher of titles including *The Mirror,* the *Daily Star* and the *Manchester Evening News*, has announced a third round of redundancies, putting at risk as many as 800 journalist jobs. If we do not find means of fairly compensating established publishers and trusted sources of journalism, we will suffer from a less diverse media landscape, job losses, and the promotion of voices delivering fake news guided by hidden agendas.

Big tech continues to exploit its market dominance in digital advertising; it uses news content from professional journalists without giving any payment or compensation to the publishers who produce the content. This Bill is a positive step, which I welcome. It is welcomed by the

NUJ, journalists and publishers. A functioning media market requires regulators to address the power imbalances that have emerged between major tech companies and the journalism industry in recent years.

Our established news titles and publishers are essential to democracy; they scrutinise Government and contribute to an informed society. Their content is being used to generate revenues for tech giants. They—the creators—must be guaranteed a fair share of revenues. Without quality news content on online platforms, the overall standard of information that we all consume will decline. It is in the collective interest of our Government, of all citizens of the country, and even of major tech companies to ensure the continued presence of quality journalism. That is relevant to the part of the Bill that allows the Competition and Markets Authority to initiate a final offer mechanism, which was referred to by my hon. Friend the Member for Pontypridd (Alex Davies-Jones)—I support Opposition amendments 187 and 188 for the reasons she gave. The final offer mechanism must be used only as a last resort, and not by big tech companies to bypass meaningful negotiations.

I also wish to reinforce the point made by my hon. Friend the Member for Salford and Eccles (Rebecca Long Bailey): meaningful and fair negotiations are vital if big tech companies are not to continue to exploit the current power dynamic, and place undue influence on smaller publishers in a way that does not recognise the true value of the original content that they produce. British journalism is valuable, and its value is quantifiable. News content used by tech giants is estimated to be worth around £1 billion a year in the UK. That revenue is essential to the health and wellbeing of professional journalism in the UK.

I welcome the stance of the House of Lords Communications and Digital Committee on the timely implementation of the Bill, and its recommendation that the Government

"resist pressure to weaken some of the Bill's measures".

I also echo what the NUJ and the News Media Association say about maintaining the option of judicial review for appeals against regulatory decisions.

Government amendments must be clarified—a number of Members, including my hon. Friend the Member for Pontypridd, have asked for this—to ensure that the Competition and Markets Authority can retain the flexibility to construct remedies for problems that arise, and to keep up with rapidly changing digital markets, especially when big tech has such a monopolistic position.

I urge the Minister to uphold a high threshold for exemption from penalties when tech firms breach the rules, so as to prevent misuse of exemption provisions by well-funded companies that employ expensive legal teams. The example of Everton Football Club comes to mind. It seems to me—not that I am an expert in these matters—that it is being heavily penalised. Other football clubs in the premier league that seem, on the face of it, to be guilty of far greater abuses have managed to avoid the penalties. It is crucial that we eliminate loopholes that could be exploited by big tech.

Whether we like it or not, people consume a lot of their news from the big tech giants. Research conducted by Ofcom found that Facebook is the third most popular place to consume news; a higher proportion of people go there than to the BBC or Sky News channels. Meta recently discontinued Facebook News in Europe, and that has a potential impact on news consumption. With almost half of news consumers relying on social media, it is imperative to ensure fair compensation for quality content on social media platforms.

Looking ahead, the NUJ seeks extensive engagement with the Government—I hope that the Minister will respond to this—on safeguarding the future of journalism, and on recognising the multi-faceted threats that it faces, including from emerging technologies such as artificial intelligence. It is imperative that this legislation quickly progress through Parliament, so that we can safeguard the integrity of UK news titles and publishers, and protect them from undue influence from big tech lobbyists who wish to water down much-needed reforms.

Sir Jacob Rees-Mogg: I am delighted to support the amendments in the name of my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland). It is important to get the balance right, and not to worry too much about phantasms and fears that will not arise. It is worth recalling that, in the 1970s, the Federal Trade Commission was on the cusp of opening an investigation into IBM for its monopoly in typewriters. Technology is changing so rapidly, and an over-zealous regulatory mechanism is more likely to damage and hold back innovation than advance it.

Think of the names that have come and gone over the past few years. Who now has a BlackBerry? We once again think of blackberries as a fruit, rather than a mechanism for communicating. Or a Nokia telephone? In the 1980s, Nokia made Wellington boots. It is probably now back to making them, as its telephone has come and gone and been overtaken. That is the thing about the sector that we are looking to regulate: there is competition in it. It is not necessarily a competition for market share at any one time; it is a competition of technology that is evolving faster than people are able to deal with it.

There is in the Bill a touching faith in the competence of regulators, which I do not share. The CMA, to which we are about to give significant powers, has made a fool of itself this year—and not just a little. It has been made a global laughing stock by its Microsoft Activision Blizzard ruling, in which it blundered. It got it wrong; all the other regulators in the world did something else, and the CMA had to back down. The story was—this is quite important—that the CMA was doing the work of the FTC, but the FTC had to meet a higher legal standard and therefore encouraged the CMA to make the bid more difficult, because it thought that the UK law would be easier to work around than US law. That is why the amendments on the judicial review standard are so important. I would be in favour of a full merit standard. I think it is very peculiar that the Opposition, who are always happy to go to court to obstruct the Government at any opportunity—to obstruct the Government in carrying out the will of the British people, or to obstruct the Government when decisions are made by accountable Ministers—want unaccountable, unelected bureaucrats to have arbitrary power, which I do not want them to have. I want them to be able to operate according to merits.

6 pm

What do those at the DMU have to fear? Are they quivering in their boots that incompetent decisions will be overturned? Surely, they should have faith and confidence

in their ability to do things properly and competently, because if they do them well, they will not lose. There is an argument that the law is complicated. Yes, of course the law is complicated, so do we just hack down all the laws and give arbitrary power to whatever regulator, because when we go to court, it is difficult and expensive? The fundamental protection of a free democratic society is the rule of law. However, it is suddenly thought that, because the tech companies have a bit of money, though others in this field have some money too, they should not have the protections that the rest of us feel entitled to rely on. I think this is a bizarre way of looking at things, and it is why I think the protections should be proper and full.

I love these companies no more than anybody else. It is quite an interesting conundrum that all the companies we use every day—Google, Apple and so on—are not beloved by their consumers, but are remarkably useful. We seem slightly to be legislating on the basis that, though they are useful, they are just a little bit vulgar, and therefore we should be a little bit snooty about them. Let us not be, because they bring enormous benefits to our consumers—to our constituents who are consumers. They make lives easier and more efficient, and they give them the opportunity to do things more productively and to do things they were not able to do before. Yes, because they do that and they provide this service, they make some money at the same time.

I am therefore very supportive of the amendments of my right hon. and learned Friend the Member for South Swindon. New clauses 23 and 27 are very important because they bring accountability to the regulator, and I want to ensure that regulators are accountable both to Ministers and to Parliament. It is worth bearing in mind that, whenever a regulator gets a decision right, it is the regulator's virtue and worthiness that are praised and held up. However, whenever a regulator gets something wrong, it is the fault of the Treasury Bench. As well as warning those on the Treasury Bench, I warn those on the Opposition Front Bench, who hope one day—in the far distant future, probably beyond my lifetime—to be holding office, that at the point at which that sad day may come they will realise that they want to get the credit for what works, not just the blame for what fails. That is important for all Governments at all times, and currently we have delegated things to all of these random bodies, and when they bungle, it is the Ministers' fault anyway. That is why we want to have such accountability.

There is also what I would call the Tesco amendment. The Tesco amendment is one about which my right hon. and learned Friend the Member for South Swindon and I have written to Ministers to say that this Bill, as it is currently phrased, would allow Tesco to be designated. Tesco is not by and large a digital company, but it has a lot of digital activities—people may buy their baked beans or their Bath Oliver biscuits from Tesco online—and that potentially brings Tesco within scope. We have had a marvellous reply from the Department—and I look at my right hon. and learned Friend as I say this—predating my hon. Friend the Minister, who I do not think would have signed such a letter. The marvellous reply says, "Don't worry because the CMA and the DMU won't do this. We may be giving them the power, but don't worry your little heads about it because they won't do it." That is bad legislation, or a bad structure to legislation. Surely we have learned in this House—and let us hope that the other place has learned if we have not—that when we legislate, what we put in law is what we think may happen. We do not put things into law that we do not want to happen in the hope that somebody, out of good will, will not use that power. That is bad legislation, and it simply should not be in the Bill. An amendment has been provided, and if it is not accepted tonight, it should be accepted in the other place.

It fascinates me, after the Labour party has had a go at the Government for sittings ending early, that there is only one Back-Bench speaker from the Labour party, the hon. Member for Easington (Grahame Morris), on a Bill running to hundreds of pages. *[Interruption.]* This is so important when we are scrutinising legislation. We have already had three speakers from the Government Benches, but it is the job of the Opposition to hold the Government to account. It is not for Government Back Benchers to hold the Government to account; it is for the Opposition to do so. On a Bill of this importance, only one Opposition Back-Bench speaker—a very admirable and a very diligent one, it has to be said—has wanted to come and diligently go through it, which is what we should be doing. *[Interruption.]* Was that a V-sign from the hon. Member for Hove (Peter Kyle) on the Opposition Front Bench? Madam Deputy Speaker, we will need to pass around the smelling salts if this sort of thing carries on. On Report, we need to be going through the amendments one by one, looking at the details of the Bill, and amendment 178—the Tesco amendment—does exactly that. It is looking at a flaw or a lacuna in the Bill, and trying to close that hole. That leads to the construction of better legislation, which will have a better effect in the courts.

Overall, I think we need to make sure, as my right hon. and learned Friend has said, that we put the consumer first and foremost. It should all be about that. There is huge competition in the tech sector not just on market share, but on the fundamentals of the technology that changes and evolves in a way that leaves companies that do not keep up out of business. That is not like supermarkets, whose shares may go up 1% or 2% over a year. This is about going from having the predominant market share to hardly existing as companies. That is how rapidly the sector has changed over recent years and, indeed, over recent decades, so we should not be too worried about a lack of competition. However, we should always be worried about the difficulties of the over-mighty regulator that is unaccountable to this place or to Ministers. That is why I have put my name to my right hon. and learned Friend's amendments, and why I urge the Government, as this Bill progresses, to keep on thinking hard about why we should put faith in a regulator to have any lower standard than full merits for any review, because surely the rule of law requires that people's interests are properly protected and that they are not subject to arbitrary law.

Sarah Olney (Richmond Park) (LD): The Liberal Democrats welcome many aspects of this Bill. We are pleased that the Government are finally acting on the Competition and Markets Authority's recommendations in bringing forward measures to prevent the tech giants from putting our digital sector in a stranglehold. We want to see a thriving British tech sector in which start-ups can innovate, create good jobs and launch innovative products that will benefit consumers. A strong competition framework that pushes back on the tech giants' dominance is essential for that.

For too long a small number of big tech firms have been allowed to dominate the market, while smaller, dynamic start-up companies are too often driven out of the market or swallowed up by the tech giants. New rules designed by the CMA will ensure that these large companies will have to refrain from some of their unfair practices, and they give the regulator a power to ensure that the market is open to smaller challenger companies. The Liberal Democrats are pleased to see changes to the competition framework, which will allow the CMA to investigate the takeover of small but promising start-ups that do not meet the usual merger control thresholds. This change is particularly important for sectors such as artificial intelligence and virtual reality while they are in their infancy. The benefits of these changes will filter down to the end users, the consumers, in the form of more choice over products and services, better prices and more innovative start-ups coming to the fore.

While we are glad that most of the CMA's recommendations are in this Bill, we have concerns about certain aspects, such as the forward-looking designation of SMS firms and the definition of countervailing benefits that SMS firms are able to claim. The countervailing benefits exemption allows the CMA to close an investigation into a conduct breach if an SMS firm can demonstrate that its anti-competitive practices produce benefits for users that outweigh the harms. There is some concern that big tech may seek to exploit this exemption to evade compliance with conduct requirements and continue with unfair, anti-competitive practices. It could also create scope for tech firms to inundate the CMA with an excessive number of claims of countervailing benefits, diverting the CMA's limited resources away from essential tasks. Amendment 209, tabled in my name, seeks to strengthen the Bill and to curtail the power of large tech firms to evade compliance by tightening the definition in the Bill of what kind of benefits are valid.

The Liberal Democrats also have concerns about several of the Government amendments, particularly those relating to the appeals standard, as they risk watering down some of the CMA's most powerful tools. There is now a real danger that powerful incumbents will use their vast resources to bog down and delay the process, leaving smaller competitors at a disadvantage. These amendments show that the Government are taking the side of these established firms at the expense of smaller, growing firms, and at the expense of economic growth and innovation as a whole.

The Liberal Democrats are keen to ensure that big tech is prevented from putting the British tech sector in a stranglehold. We hope that the Government will be robust on the defensive measures in the Bill. It is important that they reject any attempt to water down or weaken this Bill with loopholes, and that they ensure there is no ambiguity that could be exploited. Although competition is crucial for Britain's tech sector, we hope the Government also move to tackle some of the fundamental issues holding it back, such as the skills gap, the shortage of skilled workers and weak investment.

Saqib Bhatti: With the leave of the House, I would like to address some of the points that have been made today.

I am grateful to Members across the House for their contributions to this debate and, of course, throughout the development of this legislation. I am similarly grateful for the cross-party support commanded by the digital markets measures. Members will find that I agree with points raised on both sides of the House, and I am confident that this Bill addresses those points.

I thank the hon. Member for Pontypridd (Alex Davies-Jones) for kindly welcoming me to the Treasury Bench, for her amendments and for her commitment to getting this legislation right. She asked about the countervailing benefits exemption, and I reassure her that the wording change maintains the same high threshold. SMS firms must still prove that there is no other reasonable, practical way to achieve the same benefits for consumers with less anti-competitive effect. This makes sure consumers get the best outcomes, whether through the benefits provided or through more competitive markets.

The hon. Lady also asked about appeals, and it is important that decisions made by the CMA can be properly and appropriately reviewed to ensure that they are fair, rigorous and evidence-based. We have considered strong and differing views about appeals from a range of stakeholders, and judicial review principles are the appropriate standard for the majority of decisions under the regime, as we have maintained with the additional clarification on the DMU's requirement to act proportionately. We have, however, aligned the appeal of penalty decisions with appeals under the Enterprise Act 2002, so that parties can challenge these decisions on their merits to ensure that the value of a penalty is suitable. Penalty decisions have less direct impact on third parties, and the amendment will provide additional reassurance without affecting the regime's effectiveness.

The significant changes we are making will provide more clarity and assurance to firms on the need for the DMU to act proportionately. They also bring the regime in line with the relevant CMA precedent. Parties will have greater scope to challenge whether the interventions imposed on them are proportionate or could have been achieved in a less burdensome way. When financial penalties are imposed, parties will have access to a full merits review to provide reassurance that the value of the fine is appropriate.

The hon. Lady also asked about the implementation of guidance, and I can assure her that we are working at pace to ensure the regime is operational as soon as possible after Royal Assent. Guidance must be in place for the regime to go live, and the Government will be working with the CMA to ensure timely implementation. The Secretary of State will, of course, review all guidance for all future iterations.

The hon. Lady also talked about amendments 187 and 188, which seek to replace the countervailing benefits exemption with a power for the CMA to consider benefits to users before finding a breach of a conduct requirement. The exemption will ensure that there is a rigorous process to secure the best outcomes for consumers, and removing it would jeopardise clear regulatory expectations and predictable outcomes. In turn, this would make it more likely that consumers lose out on the innovations developed by SMS firms, such as privacy or security benefits. Government amendments 13 and 14 clarify the exemption while, crucially, maintaining the same high threshold and clear process.

The hon. Lady also mentioned amendments 194 and 196, and the Government agree that it is important that the DMU's regulatory decisions are transparent and that the right information is available to the public.

[Saqib Bhatti]

We understand that these amendments would require the DMU to send decision notices to third parties that it assesses to be most affected by those decisions. However, under the current drafting, the DMU is already required to publish the summaries of key decisions. Requiring the DMU to identify appropriate third parties and send them notices would introduce a significant burden on the DMU, to limited benefit, and I argue that it would undermine the flexibility and quick pace that we expect from the DMU. We believe the current drafting strikes the right balance, providing transparency and public accountability on DMU decisions.

6.15 pm

The hon. Member for Richmond Park (Sarah Olney) tabled an amendment seeking to implement a procedure to set out an exhaustive list of benefits to which the countervailing benefits exemption can apply. Digital markets are fast moving, and we do not want to risk consumers missing out on benefits that are not yet foreseen. A list of acceptable types of benefits could quickly become out of date, even with the procedure that she proposes to permit. The amendment also seeks to impose a six-month time limit. However, the Bill already includes provision for a six-month deadline for conduct investigations, so that time limit is not necessary.

I am particularly grateful to my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) and other Members who recently met my predecessor and the Under-Secretary of State for Business and Trade, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake), who is responsible for enterprise and markets, to discuss the appeals standard for the digital markets regime. I thank them for their positive engagement throughout the Bill's passage, and especially over the past few days as I got to grips with the Bill.

I have great respect for my right hon. and learned Friend, and he brought up some very interesting points and challenges. He was right to put forward those challenges so that we can address them. I acknowledge that my right hon. and learned Friend the Member for Kenilworth and Southam (Sir Jeremy Wright) also wants clarity on proportionality.

Although regulatory decisions will be made under judicial review principles, we are introducing a requirement for proportionality in the DMU's core regulatory tools, conduct requirements and pro-competition interventions at the point at which they are imposed. Let me be unequivocal and clear that we are introducing proportionality at the point of intervention so that it can be grounds for appeal via the legislation, on top of the procedural and legality grounds commonly associated with judicial review.

Sir Robert Buckland: I warmly welcome my hon. Friend to his place, as this is my first chance to do so. Are we now to understand that, with regard to the judicial review standard, proportionality will, in effect, be built in, and that we are going beyond the principles of plain, vanilla JR into the more widely understood term? Am I right?

Saqib Bhatti: I suggest that I write to my right hon. and learned Friend, and to all right hon. and hon. Members who have raised the important question of proportionality, to clarify the position. We want this legislation to have clarity for consumers and certainty for businesses because, as my right hon. Friend the Member for North East Somerset (Sir Jacob Rees-Mogg) said, this is an ever-changing market, so it is essential that we have clarity and certainty.

Sir Robert Buckland: The point about proportionality extends into clause 29, where the Government have now removed the indispensability test, leaving bare proportionality. My amendment asks for a necessity test. What assessment has my hon. Friend made of the removal of "indispensability"? Does he still think that the threshold for countervailing benefit will be sufficiently high to ensure that the CMA does not disapply or discontinue investigations inappropriately?

Saqib Bhatti: That is an important point, and I appreciate my right hon. and learned Friend giving me the opportunity to clarify it. I want to be unequivocal that, from my perspective, the threshold is still high and we have provided clarify. If he requires even further clarity, I am happy to write to him to be completely clear.

Damian Collins: I am grateful for what my hon. Friend has said so far about the application of the proportionality test, but if he is to follow up with Members in writing with some clarity, can he set out what he believes the grounds for challenge would be on the basis of proportionality? The interventions that the CMA may make and the rulings it may give are at the end of quite a lengthy process of market analysis, demonstration of abuse of market power and breach of conduct requirements. If those are challenged routinely and at a late stage, on the basis that there are grounds to say that it is disproportionate, it could have the unintended consequence of delaying systems in a way that they should not be delayed.

Saqib Bhatti: If I heard my hon. Friend correctly, he wanted a letter on that. This legislation is designed to make sure that it is not for big companies to litigate heavily to stifle the smaller challengers from coming out and becoming the big companies and employers of tomorrow. Let me write to him to clarify the point further.

My right hon. and learned Friend the Member for South Swindon has spoken about accountability in my numerous conversations with him over the past few days, and again today. I take his point. He will know that I want independent, versatile, flexible and adaptable regulators. That is only right for an ever-changing digital market that is always innovating and changing the way it operates. We do not know the unicorns of tomorrow or the benefits that we can get from consumers. The Competition and Markets Authority and the DMU have a responsibility to be accountable, to maintain that flexibility and to have adaptability to new technology and new entrants in the market. As I am sure he knows and respects, that is why independent regulators are a central part of our internationally recognised business environment. We should not forget that point.

I take the points about overreach by regulators, but they are a core part of what international partners and investors look at when it comes to the competition regime, because they know that will be innovative and will encourage further innovation in technology. The CMA is operationally independent from Government,

and Government will not intervene in its regulatory decisions. The DMU will have discretion in how it designs its interventions under the regime. That discretion is matched with robust accountability, from initial decision making to appeals.

There is a range of checks and balances throughout the regime that provide assurance. I hope that reassures my right hon. Friend. There are opportunities for Government, Parliament and stakeholders to hold the CMA to account, but I welcome his challenges and interventions on this point, because it is important. I am sure that this will be looked at again in the other place. Government should always be sensitive to those challenges. The digital markets regime will be overseen by CMA's board, which is accountable to Parliament for all key decisions. Key decisions will be taken by a committee, of which at least half its members will offer an independent perspective. I am sure that he will welcome that because, as new technologies and innovations emerge in the market, we will need new expertise.

Damian Collins: My right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) made the important point that the growth and expansion of regulation in digital markets is necessary but substantial. The ability of this place to keep track of how the regulators use their powers is increasingly important. That may be beyond the work of any departmental Select Committee, but instead requires something like the Public Accounts Committee, as he suggested—a separate committee whose job is to focus on and scrutinise such work. That was recommended by the House of Lords Communications and Digital Committee, and also by the Joint Committee on the Online Safety Bill. I do not expect the Minister to give us an answer right now, but if he could reflect on that need and give some guidance to the House, that would be welcome.

Saqib Bhatti: My hon. Friend makes an important point that is a matter for wider discussions on accountability. I am happy to have that discussion with him in future. As things currently stand, there are sufficient balances and checks in place, but I am always open to having further discussions with him.

Grahame Morris: Could the Minister give some clarification on my point about fair reimbursement to the journalists and publishing houses that produce original content? As the new Minister, is he prepared to meet the National Union of Journalists to hear its concerns directly?

Saqib Bhatti: If the hon. Member will be ever so patient, I will address that point, because it is important.

My right hon. and learned Friend the Member for South Swindon talked about the DMU's ex-ante powers, which I want to address because it is an important measure. We proposed to give the DMU ex-ante powers to impose obligations on designated firms because of the characteristics of digital markets, which make them particularly fast-moving and likely to tip in favour of new, powerful winners. We do not think that approach is appropriate for firms in other markets that do not exhibit the same qualities. Even if a firm meets the turnover conditions and carries out a digital activity, the DMU will still need to find evidence that the firm has substantial and entrenched market power, as well as a position of strategic significance in the activity, to designate the firm. The DMU will prioritise the areas where there will be greatest benefits for markets and consumers, and will reflect the CMA's strategic steer provided by the Government, which is designed to reflect the policy as intended.

Sir Jacob Rees-Mogg: I think that everyone wishes to achieve the same objective, so I do not quite understand why His Majesty's Government do not accept the amendment of my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), which will make that clear beyond doubt, will safeguard it and will tidy up the legislation.

Saqib Bhatti: I will address my right hon. Friend's point. We have listened to the concerns and discussed them in great detail, but I believe the Government's amendments strike the right balance between prioritising the benefit to the consumer while helping the digital market to remain flexible and innovative, allowing for the future tech of tomorrow to be a big challenger.

One of the great strengths of the Bill lies in the speed and flexibility of the toolkit to better equip the regulator to tackle fast-moving and dynamic digital markets. The amendments will maintain an effective, agile and robust process, and will not undermine the Digital Markets Unit's ability to intervene in a timely and impactful way. They will ensure that the DMU's approach is proportionate and beneficial to consumers. I hope that we have reached a good position with the Members I have spoken about, but I want to turn to the points raised by my hon. Friend the Member for Folkestone and Hythe (Damian Collins), who was ever so eloquent about the challenge that the legislation is looking to overcome and the balance that it seeks. I was greatly appreciative of his support and the challenge he has put down.

In respect of the hon. Member for Easington (Grahame Morris), the final offer mechanism, which strengthens the hand of smaller businesses when they challenge those bigger businesses, is designed with the challenges he has put forward in mind. I hope that he appreciates that we recognise the traditional business model of news media, particularly print media, which has been substantially disrupted by the growth of digital. The regime is designed to help rebalance the relationship between major platforms and those who rely on them, including news publishers. That could include creating an obligation to offer fair and reasonable payment terms for the use or acquisition of digital, including news, content. I will absolutely take up the offer to meet the NUJ and hear its concerns. I hope that this measure goes a long way towards appeasing those concerns by rebalancing the market and ensuring that firms that have strategic market significance know that they must present a much fairer deal for regional print media.

6.30 pm

I have long been an admirer of the contributions of my right hon. Friend the Member for North East Somerset, who is ever so thoughtful. We agree on effective regulation and an effective regulator, but I am sad to say that today we have come to different conclusions. In this ever-changing market, we know that, where there is monopolistic behaviour, having a regulator that is adaptable and flexible provides the opportunity to nurture further competition. I often talk—and have talked today—about the unicorns of tomorrow.

My right hon. Friend the Member for North East Somerset and my right hon. and learned Friend the Member for South Swindon talked about Tesco. I think that we have clarified that issue, but to clarify it further, for a firm to be designated by the DMU, it has to satisfy three fundamental points: it has to have digital activities, it has to have substantial and entrenched market power, and it has to hold a strategic position in the market. I do not want to pre-empt what the CMA or DMU may do in terms of Tesco's designated status; that is not my job today at the Dispatch Box. However, I hope that the tests that I have set out reassure Members that companies such as Tesco will not fall under this measure because they have highly competitive markets, including in the online world.

Sir Robert Buckland: Perhaps the Minister will forgive me for juxtaposing his reluctance to make things clear in primary legislation when discussing this clause and what the Government seek to do in part 4 on subscriptions. It seems to me very odd to conduct a subscription regulation mechanism by using primary legislation. There is a conflict in the logic being applied here, and I am sorry that I have to point that out to him.

Saqib Bhatti: I am sure that the Under-Secretary of State for Business and Trade, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) will appreciate the pass that I am just about to give him; I am sure that he will address that issue in his speech.

I reiterate my gratitude to the Opposition for their co-operative behaviour, which I have been informed about by my predecessor, and to right hon. and hon. Members across the House for the challenge that they have put forward today. I am grateful to Members across the House for their contributions, and I hope that they continue to work with the Government. We will continue to work with Members as the Bill progresses through Parliament to ensure that it drives innovation, grows the economy and delivers better outcomes for consumers. That is what the Government care about. We want a highly competitive market that innovates and nurtures the technology companies of tomorrow to ensure that the digital online world serves consumers. For that reason, I respectfully ask Members not to press their amendments.

Question put and agreed to.

New clause 5 accordingly read a Second time, and added to the Bill.

New Clause 6

PROTECTED DISCLOSURES

"In the Public Interest Disclosure (Prescribed Persons) Order 2014 (S.I. 2014/2418), in the table in the Schedule, in the entry for the Competition and Markets Authority, in the right hand column, after 'Kingdom' insert ', including matters relating to Part 1 of the Digital Markets, Competition and Consumers Act 2024 (digital markets)'."—*(Saqib Bhatti.)*

This new clause (which would be inserted into Chapter 8 of Part 1 of the Bill) confirms that matters relating to Part 1 of the Bill (digital markets) are covered by the entry for the Competition and Markets Authority in the Public Interest Disclosure (Prescribed Persons) Order 2014.

Brought up, read the First and Second time, and added to the Bill.

Clause 15

NOTICE REQUIREMENTS: DECISIONS TO DESIGNATE

Amendments made: 2, in clause 15, page 8, line 34, leave out from "that" to the end of line 35 and insert

"the undertaking or digital activity, as the case may be, remain substantially the same".

This amendment clarifies how the CMA may revise its view of an undertaking or digital activity by issuing a revised SMS decision notice.

Amendment 3, in clause 15, page 8, line 37, leave out from "not" to the end of line 38 and insert

"affect—

'(a) the day on which the designation period in relation to that designation begins, or

(b) anything done under this Part in relation to that undertaking."—*(Saqib Bhatti.)*

This amendment confirms that giving a revised SMS decision notice does not affect anything done under this Part in relation to a designated undertaking.

Clause 17

EXISTING OBLIGATIONS

Amendments made: 4, in clause 17, page 9, line 23, at end insert—

"(2A) In Chapters 6 (investigatory powers and compliance reports) and 7 (enforcement and appeals), references to a 'designated undertaking' are to be read as including an undertaking to which an existing obligation applies by virtue of provision made in reliance on subsection (1)."

This amendment provides that references in Chapters 6 and 7 to a designated undertaking include an undertaking to which an obligation applies by virtue of provision made in reliance on clause 17(1).

Amendment 5, in clause 17, page 9, line 37, at end insert—

"(ba) commitment (see sections 36 and 55);".—*(Saqib Bhatti.)*

This amendment provides for the CMA to be able to apply an existing commitment, with or without modifications, in respect of certain new designations or to make transitional, transitory or saving provision in respect of a commitment when it would otherwise cease to have effect.

Clause 19

POWER TO IMPOSE CONDUCT REQUIREMENTS

Amendments made: 6, in clause 19, page 10, line 30, leave out from "requirement" to the end of line 35 and insert

"or a combination of conduct requirements on a designated undertaking if it considers that it would be proportionate to do so for the purposes of one or more of the following objectives—

(a) the fair dealing objective,

(b) the open choices objective, and

(c) the trust and transparency objective,

having regard to what the conduct requirement or combination of conduct requirements is intended to achieve."

This amendment provides that the CMA may only impose a conduct requirement or combination of requirements if it considers that it would be proportionate to do so, having regard to what the requirement or combination is intended to achieve.

Amendment 7, in clause 19, page 11, line 15, at end insert—

"(9A) Before imposing a conduct requirement or a combination of conduct requirements on a designated undertaking, the CMA must have regard in particular to the benefits

for consumers that the CMA considers would likely result (directly or indirectly) from the conduct requirement or combination of conduct requirements."—*(Saqib Bhatti.)*

This amendment provides that the CMA must consider the likely benefits for consumers when imposing a conduct requirement or combination of conduct requirements.

Clause 20

PERMITTED TYPES OF CONDUCT REQUIREMENT

Amendment made: 8, in clause 20, page 12, line 9, leave out from "to" to "in" on line 10 and insert

"materially increase the undertaking's market power, or materially strengthen its position of strategic significance,".—*(Saqib Bhatti.)*

This amendment clarifies that a conduct requirement is permitted if it is for the purpose of preventing an undertaking from carrying on activities other than the relevant digital activity in a way that is likely to materially strengthen its position of strategic significance in relation to the relevant digital activity.

Clause 21

CONTENT OF NOTICE IMPOSING A CONDUCT REQUIREMENT

Amendments made: 9, in clause 21, page 12, line 28, after "requirement" insert

"or, as the case may be, each conduct requirement as varied,".

This amendment clarifies how the notice requirements in clause 21 apply in relation to the variation of a conduct requirement.

Amendment 10, in clause 21, page 12, line 31, leave out paragraphs (b) and (c) and insert—

"(b) the CMA's reasons for imposing the conduct requirement, including—

(i) the objective for the purposes of which the CMA considers it is proportionate to impose the conduct requirement (see section 19),

(ii) the benefits that the CMA considers would likely result from the conduct requirement (see section 19(9A)), and

(iii) the permitted type of requirement to which the CMA considers the conduct requirement belongs (see section 20);".—*(Saqib Bhatti.)*

This amendment requires the CMA to give reasons for imposing conduct requirements on a designated undertaking. Sub-paragraph (ii) is consequential on Amendment 7.

Clause 26

POWER TO BEGIN A CONDUCT INVESTIGATION

Amendments made: 11, in clause 26, page 14, line 11, leave out "a designated" and insert "an".

This amendment, together with Amendments 12, 16, 29, 37, 38, 40, 42, 43 and 65, ensures that enforcement action can be taken in respect of an undertaking that has ceased to be a designated undertaking in relation to its conduct while it was a designated undertaking.

Amendment 12, in clause 26, page 14, line 18, leave out "designated".—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 27

CONSIDERATION OF REPRESENTATIONS

Amendment proposed: 187, in clause 27, page 15, line 8, at end insert—

"(2) The CMA may have regard to any significant benefits to users or potential users that the CMA considers have resulted, or may be expected to result, from a factor or combination of factors resulting from a breach of a conduct requirement."—*(Alex Davies-Jones.)*

This amendment would ensure that the CMA considers any significant benefits to users resulting from the breach of a Conduct Requirement when it is considering representations from designated undertakings as part of a Conduct Investigation.

Question put, That the amendment be made.

The House divided: Ayes 196, Noes 275.

Division No. 5] [6.35 pm

AYES

Ali, Rushanara
Ali, Tahir
Amesbury, Mike
Anderson, Fleur
Ashworth, rh Jonathan
Bardell, Hannah
Barker, Paula
Benn, rh Hilary
Betts, Mr Clive
Blackford, rh Ian
Blackman, Kirsty
Blomfield, Paul
Brennan, Kevin
Brown, Alan
Bryant, Sir Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, Ian
Byrne, rh Liam
Cadbury, Ruth
Callaghan, Amy *(Proxy vote cast by Marion Fellows)*
Campbell, rh Sir Alan
Campbell, Mr Gregory
Carden, Dan
Champion, Sarah
Cooper, rh Yvette
Cowan, Ronnie
Coyle, Neil
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Daby, Janet
Dalton, Ashley
David, Wayne
Davies-Jones, Alex
Day, Martyn
De Cordova, Marsha
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Dixon, Samantha
Docherty-Hughes, Martin
Dodds, Anneliese
Doogan, Dave
Dorans, Allan *(Proxy vote cast by Marion Fellows)*
Doughty, Stephen
Eagle, Dame Angela
Eagle, rh Maria
Eastwood, Colum
Edwards, Jonathan
Edwards, Sarah
Efford, Clive
Elmore, Chris
Eshalomi, Florence
Esterson, Bill
Evans, Chris
Fellows, Marion
Fletcher, Colleen
Flynn, Stephen
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Grady, Patrick
Grant, Peter
Greenwood, Margaret
Griffith, Dame Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Mrs Paulette
Hanna, Claire
Hanvey, Neale
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendry, Drew
Hillier, Dame Meg
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Howarth, rh Sir George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, Kim
Jones, Darren
Jones, rh Mr Kevan
Jones, Ruth
Jones, Sarah
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen

Kyle, Peter
Lake, Ben
Lavery, Ian
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Malhotra, Seema
Maskell, Rachael
Mather, Keir
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Miliband, rh Edward
Mishra, Navendu
Morden, Jessica
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John *(Proxy vote cast by Marion Fellows)*
O'Hara, Brendan
Onwurah, Chi
Oppong-Asare, Abena
Osamor, Kate
Osborne, Kate
Oswald, Kirsten
Peacock, Stephanie
Pennycook, Matthew
Phillips, Jess
Pollard, Luke
Qureshi, Yasmin
Rayner, rh Angela
Reed, Steve
Rees, Christina
Reeves, rh Rachel
Ribeiro-Addy, Bell
Rimmer, Ms Marie
Rodda, Matt
Russell-Moyle, Lloyd
Shah, Naz
Shanks, Michael
Shannon, Jim
Sharma, Mr Virendra
Siddiq, Tulip
Slaughter, Andy
Smith, Alyn
Smith, Cat
Smith, Jeff
Smith, Nick
Sobel, Alex
Spellar, rh John
Stephens, Chris
Stevens, Jo
Strathern, Alistair
Streeting, Wes
Sultana, Zarah
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie
Wakeford, Christian
Western, Andrew
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa *(Proxy vote cast by Marion Fellows)*
Whitley, Mick
Whittome, Nadia
Williams, Hywel
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Gerald Jones and Mary Glindon

NOES

Afolami, Bim
Afriyie, Adam
Aiken, Nickie
Aldous, Peter
Allan, Lucy *(Proxy vote cast by Mr Marcus Jones)*
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah
Atkins, rh Victoria
Bacon, Gareth
Bacon, Mr Richard
Bailey, Shaun
Baillie, Siobhan
Baker, Duncan
Baker, rh Mr Steve
Baldwin, Harriett
Baynes, Simon
Bell, Aaron
Benton, Scott
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Bowie, Andrew
Bradley, rh Karen
Brady, rh Sir Graham
Bridgen, Andrew
Britcliffe, Sara
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Butler, Rob
Cairns, rh Alun
Cameron, Dr Lisa
Carter, Andy
Cash, Sir William
Caulfield, Maria
Chope, Sir Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Sir Simon
Clarke, Theo
Clarke-Smith, Brendan
Clarkson, Chris
Cleverly, rh James
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Courts, Robert
Coutinho, rh Claire
Cox, rh Sir Geoffrey
Crosbie, Virginia
Crouch, Tracey
Daly, James
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Davison, Dehenna
Dinenage, Dame Caroline
Dines, Miss Sarah
Djanogly, Mr Jonathan
Donelan, rh Michelle
Double, Steve
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Edwards, Ruth
Ellis, rh Sir Michael
Ellwood, rh Mr Tobias
Eustice, rh George
Evans, Dr Luke
Evennett, rh Sir David *(Proxy vote cast by Mr Marcus Jones)*
Fabricant, Michael
Farris, Laura
Firth, Anna
Fletcher, Katherine
Fletcher, Mark
Fletcher, Nick
Ford, rh Vicky
Foster, Kevin
Francois, rh Mr Mark
Frazer, rh Lucy
Freeman, George
Freer, Mike
French, Mr Louie
Fuller, Richard
Fysh, Mr Marcus
Garnier, Mark
Gibb, rh Nick
Gibson, Peter
Gideon, Jo
Glen, rh John
Goodwill, rh Sir Robert
Graham, Richard
Grant, Mrs Helen *(Proxy vote cast by Mr Marcus Jones)*
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Griffith, Andrew
Gullis, Jonathan
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Hart, Sally-Ann
Hart, rh Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heaton-Harris, rh Chris
Henderson, Gordon
Henry, Darren
Hinds, rh Damian
Hoare, Simon
Holden, Mr Richard
Hollinrake, Kevin
Holloway, Adam
Holmes, Paul
Huddleston, Nigel
Hudson, Dr Neil
Hughes, Eddie
Hunt, Jane *(Proxy vote cast by Mr Marcus Jones)*
Hunt, Tom
Jack, rh Mr Alister
Javid, rh Sajid
Jayawardena, rh Mr Ranil
Jenkin, Sir Bernard
Jenkinson, Mark
Jenrick, rh Robert
Johnson, Dr Caroline
Johnson, Gareth
Johnston, David
Jones, Andrew
Jones, rh Mr David
Jones, Fay
Jones, rh Mr Marcus
Jupp, Simon
Kawczynski, Daniel
Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Lamont, John
Largan, Robert
Leadsom, rh Dame Andrea
Leigh, rh Sir Edward
Levy, Ian
Lewer, Andrew
Lewis, rh Sir Brandon
Lewis, rh Sir Julian
Liddell-Grainger, Mr Ian
Loder, Chris
Logan, Mark
Longhi, Marco
Lopresti, Jack
Lord, Mr Jonathan
Mackinlay, Craig *(Proxy vote cast by John Redwood)*
Mackrory, Cherilyn
Maclean, Rachel
Malthouse, rh Kit

Mangnall, Anthony
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Jason
McCartney, Karl
McPartland, rh Stephen
McVey, rh Esther
Menzies, Mark
Mercer, rh Johnny
Metcalfe, Stephen
Millar, Robin
Miller, rh Dame Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mortimer, Jill
Morton, rh Wendy
Mullan, Dr Kieran *(Proxy vote cast by Mr Marcus Jones)*
Mumby-Croft, Holly
Mundell, rh David
Murray, Mrs Sheryll
Murrison, rh Dr Andrew
Neill, Sir Robert
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Patel, rh Priti
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Philp, Chris
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Randall, Tom
Redwood, rh John
Rees-Mogg, rh Sir Jacob
Richards, Nicola
Richardson, Angela
Robertson, Mr Laurence
Robinson, Mary
Ross, Douglas
Rowley, Lee
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Selous, Andrew
Sharma, rh Sir Alok
Simmonds, David
Skidmore, rh Chris
Smith, Greg
Smith, Henry
Smith, Royston
Solloway, Amanda
Spencer, Dr Ben
Spencer, rh Mark
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, Iain
Streeter, Sir Gary
Stride, rh Mel
Sunderland, James
Swayne, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Timpson, Edward
Tolhurst, rh Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Truss, rh Elizabeth
Tuckwell, Steve
Vara, rh Shailesh
Vickers, Martin
Vickers, Matt
Villiers, rh Theresa
Walker, Sir Charles
Wallis, Dr Jamie
Warman, Matt
Watling, Giles
Webb, Suzanne
Whately, Helen
Wheeler, Mrs Heather
Whittingdale, rh Sir John
Wild, James
Williams, rh Craig
Williamson, rh Sir Gavin
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob

Tellers for the Noes:
Dame Amanda Milling and Scott Mann

Question accordingly negatived.

Clause 29

COUNTERVAILING BENEFITS EXEMPTION

Amendment proposed: 188, page 15, line 21, leave out clause 29.—*(Alex Davies-Jones.)*

This Amendment is consequential to Amendment 187.

Question put, That the amendment be made.

The House divided: Ayes 197, Noes 278.

Division No. 6] **[6.49 pm**

AYES

Ali, Rushanara
Ali, Tahir
Amesbury, Mike
Anderson, Fleur
Ashworth, rh Jonathan
Bardell, Hannah
Barker, Paula
Benn, rh Hilary
Betts, Mr Clive
Blackford, rh Ian
Blackman, Kirsty
Blomfield, Paul
Brennan, Kevin
Brown, Alan
Bryant, Sir Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, Ian
Byrne, rh Liam
Cadbury, Ruth
Callaghan, Amy *(Proxy vote cast by Marion Fellows)*
Campbell, rh Sir Alan
Campbell, Mr Gregory
Carden, Dan
Champion, Sarah
Cooper, rh Yvette
Cowan, Ronnie
Coyle, Neil
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Daby, Janet
Dalton, Ashley
David, Wayne
Davies-Jones, Alex
Day, Martyn
De Cordova, Marsha
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Dixon, Samantha
Docherty-Hughes, Martin
Dodds, Anneliese
Doogan, Dave
Dorans, Allan *(Proxy vote cast by Marion Fellows)*
Doughty, Stephen
Eagle, Dame Angela
Eagle, rh Maria
Eastwood, Colum
Edwards, Jonathan
Edwards, Sarah
Efford, Clive
Elmore, Chris
Eshalomi, Florence
Esterson, Bill
Evans, Chris
Fellows, Marion
Fletcher, Colleen
Flynn, Stephen
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Grady, Patrick
Grant, Peter
Greenwood, Margaret
Griffith, Dame Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Mrs Paulette
Hanna, Claire
Hanvey, Neale
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendry, Drew
Hillier, Dame Meg
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Howarth, rh Sir George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, Kim
Jones, Darren
Jones, rh Mr Kevan
Jones, Ruth
Jones, Sarah
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen
Kyle, Peter
Lake, Ben
Lavery, Ian
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Malhotra, Seema
Maskell, Rachael
Mather, Keir
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Miliband, rh Edward
Mishra, Navendu
Morden, Jessica
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John *(Proxy vote cast by Marion Fellows)*
O'Hara, Brendan
Onwurah, Chi
Oppong-Asare, Abena
Osamor, Kate
Osborne, Kate
Oswald, Kirsten
Peacock, Stephanie
Pennycook, Matthew

Phillips, Jess
Pollard, Luke
Qureshi, Yasmin
Rayner, rh Angela
Reed, Steve
Rees, Christina
Reeves, rh Rachel
Ribeiro-Addy, Bell
Rimmer, Ms Marie
Rodda, Matt
Russell-Moyle, Lloyd
Shah, Naz
Shanks, Michael
Shannon, Jim
Sharma, Mr Virendra
Siddiq, Tulip
Slaughter, Andy
Smith, Alyn
Smith, Cat
Smith, Jeff
Smith, Nick
Sobel, Alex
Spellar, rh John
Stephens, Chris
Stevens, Jo
Strathern, Alistair
Streeting, Wes
Sultana, Zarah
Thomas, Gareth
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie
Wakeford, Christian
Western, Andrew
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa *(Proxy vote cast by Marion Fellows)*
Whitley, Mick
Whittome, Nadia
Williams, Hywel
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Gerald Jones and Mary Glindon

NOES

Afolami, Bim
Afriyie, Adam
Aiken, Nickie
Aldous, Peter
Allan, Lucy *(Proxy vote cast by Marcus Jones)*
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah
Atkins, rh Victoria
Bacon, Gareth
Bacon, Mr Richard
Badenoch, rh Kemi
Bailey, Shaun
Baillie, Siobhan
Baker, Duncan
Baker, rh Mr Steve
Baldwin, Harriett
Baynes, Simon
Bell, Aaron
Benton, Scott
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Bowie, Andrew
Bradley, rh Karen
Brady, rh Sir Graham
Bridgen, Andrew
Britcliffe, Sara
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Butler, Rob
Cairns, rh Alun
Cameron, Dr Lisa
Carter, Andy
Cash, Sir William
Cates, Miriam
Caulfield, Maria
Chope, Sir Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Sir Simon
Clarke, Theo
Clarke-Smith, Brendan
Clarkson, Chris
Cleverly, rh James
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Courts, Robert
Coutinho, rh Claire
Cox, rh Sir Geoffrey
Crosbie, Virginia
Crouch, Tracey
Daly, James
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davison, Dehenna
Dinenage, Dame Caroline
Dines, Miss Sarah
Djanogly, Mr Jonathan
Donelan, rh Michelle
Double, Steve
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Edwards, Ruth
Ellis, rh Sir Michael
Ellwood, rh Mr Tobias
Eustice, rh George
Evans, Dr Luke
Evennett, rh Sir David *(Proxy vote cast by Marcus Jones)*
Fabricant, Michael
Farris, Laura
Firth, Anna
Fletcher, Katherine
Fletcher, Mark
Fletcher, Nick
Ford, rh Vicky
Foster, Kevin
Francois, rh Mr Mark
Frazer, rh Lucy
Freeman, George
Freer, Mike
French, Mr Louie
Fuller, Richard
Fysh, Mr Marcus
Garnier, Mark
Gibb, rh Nick
Gibson, Peter
Gideon, Jo
Glen, rh John
Goodwill, rh Sir Robert
Graham, Richard
Grant, Mrs Helen *(Proxy vote cast by Marcus Jones)*
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Griffith, Andrew
Grundy, James
Gullis, Jonathan
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Hart, Sally-Ann
Hart, rh Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heaton-Harris, rh Chris
Henderson, Gordon
Henry, Darren
Hinds, rh Damian
Hoare, Simon
Holden, Mr Richard
Hollinrake, Kevin
Holloway, Adam
Holmes, Paul
Huddleston, Nigel
Hudson, Dr Neil
Hughes, Eddie
Hunt, Jane *(Proxy vote cast by Marcus Jones)*
Hunt, Tom
Jack, rh Mr Alister
Javid, rh Sajid
Jayawardena, rh Mr Ranil
Jenkin, Sir Bernard
Jenkinson, Mark
Jenrick, rh Robert
Johnson, Dr Caroline
Johnson, Gareth
Johnston, David
Jones, Andrew
Jones, rh Mr David
Jones, Fay
Jones, rh Mr Marcus
Jupp, Simon
Kawczynski, Daniel
Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Lamont, John
Largan, Robert
Leadsom, rh Dame Andrea
Leigh, rh Sir Edward
Levy, Ian
Lewer, Andrew
Lewis, rh Sir Brandon
Lewis, rh Sir Julian
Liddell-Grainger, Mr Ian
Loder, Chris
Logan, Mark
Longhi, Marco
Lopresti, Jack
Lord, Mr Jonathan
Mackinlay, Craig *(Proxy vote cast by John Redwood)*
Mackrory, Cherilyn
Maclean, Rachel
Malthouse, rh Kit
Mangnall, Anthony
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Jason
McCartney, Karl
McPartland, rh Stephen
McVey, rh Esther
Menzies, Mark
Mercer, rh Johnny
Metcalfe, Stephen
Millar, Robin
Miller, rh Dame Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mortimer, Jill
Morton, rh Wendy
Mullan, Dr Kieran *(Proxy vote cast by Marcus Jones)*
Mumby-Croft, Holly
Mundell, rh David
Murray, Mrs Sheryll
Murrison, rh Dr Andrew
Neill, Sir Robert
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Patel, rh Priti
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Philp, Chris
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Randall, Tom
Redwood, rh John

Rees-Mogg, rh Sir Jacob
Richards, Nicola
Richardson, Angela
Robertson, Mr Laurence
Robinson, Mary
Ross, Douglas
Rowley, Lee
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Selous, Andrew
Sharma, rh Sir Alok
Simmonds, David
Skidmore, rh Chris
Smith, Greg
Smith, Henry
Smith, Royston
Solloway, Amanda
Spencer, Dr Ben
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, Iain
Streeter, Sir Gary
Stride, rh Mel
Sunderland, James
Swayne, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Timpson, Edward
Tolhurst, rh Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Truss, rh Elizabeth
Tuckwell, Steve
Vara, rh Shailesh
Vickers, Martin
Vickers, Matt
Villiers, rh Theresa
Walker, Sir Charles
Walker, Mr Robin
Warman, Matt
Watling, Giles
Webb, Suzanne
Whately, Helen
Wheeler, Mrs Heather
Whittaker, rh Craig
Whittingdale, rh Sir John
Wild, James
Williamson, rh Sir Gavin
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob

Tellers for the Noes:
Dame Amanda Milling and Scott Mann

Question accordingly negatived.

7.1 pm

Proceedings interrupted (Programme Order, 20 March).

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 29

COUNTERVAILING BENEFITS EXEMPTION

Amendments made: 13, page 15, line 30, at end insert—

"(ba) those benefits could not be realised without the conduct,"

This amendment, together with Amendment 14. clarifies how the countervailing benefits exemption is to operate.

Amendment 14, page 15, line 31, leave out "indispensable and"—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 13.

Clause 30

NOTICE OF FINDINGS

Amendment made: 15, page 16, line 14, leave out subsection (5) and insert—

"(5) Subsection (1) does not apply—

(a) where the CMA closes the conduct investigation under section 28, or

(b) in relation to any behaviour in respect of which the CMA has accepted a commitment from the undertaking (see section 36)."—*(Saqib Bhatti.)*

This amendment clarifies the circumstances in which the CMA does not have to give a notice of findings in relation to a conduct investigation.

Clause 31

ENFORCEMENT ORDERS

Amendment made: 16, page 16, line 20, leave out "a designated" and insert "an"—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 36

COMMITMENTS

Amendments made: 17, page 20, line 4, leave out paragraph (b)

This amendment is consequential on Amendment 18.

Amendment 18, page 20, line 8, at end insert—

"(5A) A commitment under this section ceases to have effect—

(a) subject to provision made in reliance on section 17 (existing obligations)—

(i) in accordance with any terms of the commitment about when it is to cease to have effect, or

(ii) when the conduct requirement to which the commitment relates ceases to have effect, or

(b) when the undertaking is released from the requirement to comply with the commitment."—*(Saqib Bhatti.)*

This amendment provides for a commitment to cease to have effect in accordance with terms of the commitment.

Clause 38

POWER TO ADOPT FINAL OFFER MECHANISM

Amendments made: 19, page 21, line 18, leave out subsection (6)

This amendment is consequential on NC5.

Amendment 20, page 21, line 22, leave out "designated" in the second place it occurs—*(Saqib Bhatti.)*

This amendment ensures that the final offer mechanism can continue to operate in relation to undertakings after they have ceased to be designated undertakings where provision made in reliance on clause 17 means a final offer order continues to have effect.

Clause 39

FINAL OFFER MECHANISM

Amendments made: 21, page 22, line 6, at end insert—

"(3A) After giving a final offer initiation notice, the CMA may—

(a) change its view of the transaction or the third party, provided that the new transaction or third party remains substantially the same as the previous transaction or third party,

(b) revise any list of joined third parties or grouped third parties, or

(c) change the submission date.

(3B) The powers conferred by subsection (3A) are to be exercised by giving a revised version of the final offer initiation notice to the designated undertaking and the third party.

(3C) Where the power conferred by subsection (3A)(b) is being exercised, the reference in subsection (3B) to "the third party" includes each person that was a joined third party or a grouped third party prior to the exercise of the power or that is to be a joined third party or a grouped third party after the exercise of the power.

(3D) As soon as reasonably practicable after giving a revised version of a final offer initiation notice, the CMA must publish a statement summarising the contents of the revised notice."

This amendment allows the CMA to revise its view of a transaction to which a final offer initiation notice relates and to use a revised final offer initiation notice to update the list of joined third parties or grouped third parties.

Amendment 22, page 22, line 15, leave out subsection (5) —*(Saqib Bhatti.)*

This amendment is consequential on Amendment 21.

Clause 40

FINAL OFFERS: OUTCOME

Amendment made: 23, page 22, line 23, leave out "only one of the designated undertaking and the third party" and insert "either the designated undertaking or the third party (but not both)"—*(Saqib Bhatti.)*

This amendment is consequential on NC5.

Clause 43

DURATION AND REVOCATION OF FINAL OFFER ORDERS

Amendments made: 24, page 24, line 1, after "revoke" insert ", or partially revoke,"

This amendment provides that the CMA may partially revoke a final offer order.

Amendment 25, page 24, line 4, after "revoke" insert ", or partially revoke,"

This amendment is consequential on Amendment 24.

Amendment 26, page 24, line 8, after "revocation" insert ", or partial revocation,"

This amendment is consequential on Amendment 24.

Amendment 27, page 24, line 9, after "revoking" insert ", or partially revoking,"

This amendment is consequential on Amendment 24.

Amendment 28, page 24, line 10, after "revoking" insert ", or partially revoking,"—*(Saqib Bhatti.)*

This amendment is consequential on Amendment 24.

Clause 44

DUTY TO KEEP FINAL OFFER ORDERS UNDER REVIEW

Amendment made: 29, page 24, line 17, leave out "a designated" and insert "an"—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 45

POWER TO MAKE PRO-COMPETITION INTERVENTIONS

Amendment made: 30, page 24, line 32, leave out paragraph (b) and insert—

"(b) it would be proportionate to make the PCI for the purposes of remedying, mitigating or preventing the adverse effect on competition."—*(Saqib Bhatti.)*

This amendment provides that the CMA may make a PCI where it considers that it would be proportionate to do so.

Clause 55

COMMITMENTS

Amendments made: 31, page 30, line 28, leave out paragraph (b)

This amendment is consequential on Amendment 32.

Amendment 32, page 30, line 31, at end insert—

"(6A) A commitment under this section ceases to have effect—

(a) subject to provision made in reliance on section 17 (existing obligations)—

(i) in accordance with any terms of the commitment about when it is to cease to have effect, or

(ii) when the designation to which the commitment relates ceases to have effect, or

(b) when the undertaking is released from the requirement to comply with the commitment."—*(Saqib Bhatti.)*

This amendment provides for a commitment to cease to have effect in accordance with terms of the commitment.

Clause 60

APPLICATION OF THE DUTY TO REPORT ETC

Amendment made: 33, page 34, line 29, leave out from "P" to end of line 31 and insert—

"that it has begun an investigation for the purposes of deciding whether it has to make a reference under section 33 of EA 2002 (duty to make references in relation to anticipated mergers) in relation to"—*(Saqib Bhatti.)*

This amendment replaces a reference to giving a notice to a person under section 34ZA(1)(b) of the Enterprise Act 2002 (which is given when a decision is made about whether to make a reference under section 33 of that Act) with a reference to the CMA informing the person that it has decided to begin an investigation into whether it has to make a reference under section 33 of that Act.

Clause 61

ACCEPTANCE OF REPORT

Amendment made: 34, page 35, line 31, leave out subsection (6)—*(Saqib Bhatti.)*

This amendment is consequential on Amendment 149.

Clause 62

DELAY TO POSSIBLE MERGERS ETC

Amendment made: 35, page 36, line 3, leave out "(as defined in section 61)"—*(Saqib Bhatti.)*

This amendment is consequential on Amendment 149.

Clause 66

REGULATIONS ABOUT DUTY TO REPORT

Amendment made: 36, page 37, line 20, leave out "106" and insert "203"—*(Saqib Bhatti.)*

See the explanatory statement for the motion to transfer clause 203, which would result in clause 203 being moved to Part 6 of the Bill and applying for the purposes of the whole of the Bill.

Clause 69

REQUIREMENT TO NAME A SENIOR MANAGER

Amendment made: 37, page 39, line 4, after "undertaking" insert "or an undertaking that is the subject of a breach investigation"—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 70

POWER OF ACCESS

Amendment made: 38, page 39, line 25, after "undertaking" insert "or an undertaking that is the subject of a breach investigation"*—(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 71

POWER TO INTERVIEW

Amendment made: 39, page 40, line 25, leave out from "116(3))" to ", the" on line 26 and insert "the undertaking that is the subject of the digital markets investigation"*—(Saqib Bhatti.)*

This amendment provides that, where a person is required to attend an interview in connection with a digital markets investigation and is connected to the undertaking that is the subject of the investigation, the CMA must notify the undertaking.

Clause 73

POWER TO ENTER BUSINESS PREMISES WITHOUT A WARRANT

Amendments made: 40, page 41, line 28, leave out "designated"

See the explanatory statement for Amendment 11.

Amendment 41, page 42, line 20, leave out subsection (9)*—(Saqib Bhatti.)*

This amendment is consequential on Amendment 149.

Clause 78

REPORTS BY SKILLED PERSONS

Amendment made: 42, page 46, line 12, leave out from the first "undertaking" to "for" on line 13 and insert—

", an undertaking that is the subject of a breach investigation or an undertaking that is the subject of an SMS investigation (in each case, "U")"*—(Saqib Bhatti.)*

See the explanatory statement for Amendment 11.

Clause 79

DUTY TO PRESERVE INFORMATION

Amendments made: 43, page 47, line 35, leave out "a designated" and insert "an"

See the explanatory statement for Amendment 11.

Amendment 44, page 47, line 36, leave out "connected to (see section 116(3))" and insert ", or is connected to (see section 116(3)),"

The amendment, together with Amendments 45 and 46, applies the duty to preserve information to undertakings that may be subject to investigation or are required to produce compliance reports, in the same way as that duty applies to persons connected to those undertakings.

Amendment 45, page 47, line 39, leave out "connected to" and insert ", or is connected to,"

See the explanatory statement for Amendment 44.

Amendment 46, page 48, line 4, leave out "connected to" and insert ", or is connected to,"*—(Saqib Bhatti.)*

See the explanatory statement for Amendment 44.

Clause 82

NOMINATED OFFICER

Amendment made: 47, page 49, line 8, leave out "A designated" and insert "An"*—(Saqib Bhatti.)*

This amendment clarifies that clause 82 (duty to appoint a nominated officer to monitor compliance with digital markets requirements etc) applies in relation to an undertaking that has ceased to be a designated undertaking where digital markets requirements continue to apply to it (in accordance with clause 17).

Clause 87

AMOUNT OF PENALTIES UNDER SECTION 86

Amendments made: 48, page 53, line 13, leave out from "group" to ", to" on line 14

This amendment provides that the references to any person's turnover in clause 87(3) are to the turnover of a group if that person is part of, or a member of, that group.

Amendment 49, page 53, line 15, leave out subsection (5)

This amendment is consequential on Amendment 48.

Amendment 50, page 53, line 22, at end insert—

"(c) in the case of a combination of a fixed amount and an amount calculated by reference to a daily rate, the amounts mentioned in paragraph (a), in relation to the fixed amount, and paragraph (b), in relation to the amount calculated by reference to a daily rate."*—(Saqib Bhatti.)*

This amendment clarifies how an amount of a penalty that is a combination of a fixed amount and an amount calculated by reference to a daily rate is to be calculated in relation to an individual.

Clause 88

PROCEDURE AND APPEALS ETC

Amendments made: 51, page 53, line 31, after "instalments)" insert ", 114 (appeals)"

This amendment, together with Amendments 52, 53, 55 and 56, ensures that appeals against penalty decisions will be determined on the merits rather than on judicial review principles.

Amendment 52, page 53, line 34, leave out subsection (2)

See the explanatory statement for Amendment 51.

Amendment 53, page 54, line 1, leave out subsections (3), (4) and (5) and insert—

"(3) For the purposes of this section—

(a) sections 112 to 115 of EA 2002 are to be read as if references to "the appropriate authority" were references to "the CMA" only;

(b) section 114(5A) of that Act is to be read as if the words "In the case of a penalty imposed on a person by the CMA or OFCOM," were omitted;

(c) section 114(12) of that Act is to be read as if, for paragraph (b), there were substituted—

"(b) "the relevant guidance" means the statement of policy which was most recently published under section 90 of the Digital Markets, Competition and Consumers Act 2024 at the time of the act or omission giving rise to the penalty.""*—(Saqib Bhatti.)*

See the explanatory statement for Amendment 51.

Clause 96

OFFENCES: LIMITS ON EXTRA-TERRITORIAL JURISDICTION

Amendment made: 54, page 57, line 23, leave out subsection (2)—(*Saqib Bhatti.*)

This amendment is consequential on Amendment 148.

Clause 102

APPLICATIONS FOR REVIEW ETC

Amendments made: 55, page 60, line 29, leave out paragraphs (b) and (c) and insert—

"(b) a decision about the imposition of a penalty under section 84 or 86 (but see section 88(1))."

See the explanatory statement for Amendment 51.

Amendment 56, page 60, line 36, leave out subsections (4) and (5)—*(Saqib Bhatti.)*

See the explanatory statement for Amendment 51.

Clause 105

EXERCISE AND DELEGATION OF FUNCTIONS

Amendments made: 57, page 64, line 14, at end insert—

"(da) whether to make, and the form of, an enforcement order, other than an interim enforcement order, under section 31 of the 2024 Act;"

This amendment prevents the CMA from delegating to an individual staff or Board member the decision about whether to make, and the form of, an enforcement order other than an interim enforcement order. The CMA may still delegate this decision to a committee of the Board.

Amendment 58, page 64, line 14, at end insert—

"(db) whether to accept a commitment under section 36 or section 55 of the 2024 Act;"

This amendment prevents the CMA from delegating to an individual staff or Board member the decision about whether to accept a commitment from an undertaking. The CMA may still delegate this decision to a committee of the Board.

Amendment 59, page 64, line 14, at end insert—

"(dc) whether to exercise the power conferred by section 38(1) of the 2024 Act (power to adopt final offer mechanism);"

This amendment prevents the CMA from delegating to an individual staff or Board member the decision about whether to adopt the final offer mechanism. The CMA may still delegate this decision to a committee of the Board.

Amendment 60, page 64, line 22, at end insert—

"(i) whether to impose a penalty on a person under section 84 or section 86 of the 2024 Act;

(j) the amount of any such penalty."—*(Saqib Bhatti.)*

This amendment prevents the CMA from delegating to an individual staff or Board member the decision about whether to impose a penalty on a person and the amount of any such penalty. The CMA may still delegate these decisions to a committee of the Board.

Clause 106

INSERT CLAUSE 106 HEADING

Amendment made: 61, page 65, line 4, leave out clause 106.—(Saqib Bhatti.)

This amendment would leave out clause 106 (notices under Part 1), which will no longer be needed following the moving and amending of clause 203 by Amendments 77, 78, 79 and 80.

Clause 111

EXTRA-TERRITORIAL APPLICATION

Amendments made: 62, page 69, line 33, after "undertaking" insert "or an undertaking to which an obligation applies by virtue of provision made in reliance on section 17(1) (existing obligations)"

This amendment provides that notices may be served on a person outside the United Kingdom where the person is or is part of an undertaking to which an obligation applies by virtue of provision made in reliance on clause 17(1) (existing obligations).

Amendment 63, page 70, line 7, leave out subsection (6)—*(Saqib Bhatti.)*

This amendment is consequential on Amendment 148.

Clause 114

GUIDANCE

Amendment made: 64, page 71, line 1, leave out subsection (4) and insert—

"(4) Before publishing guidance (including any revised or replacement guidance) under this section, the CMA must—

(a) consult such persons as it considers appropriate, and

(b) obtain the approval of the Secretary of State."—*(Saqib Bhatti.)*

This amendment requires the CMA to get the approval of the Secretary of State before publishing any guidance relating to Part 1 of the Bill.

Clause 116

GENERAL INTERPRETATION

Amendments made: 65, page 71, line 17, leave out from "whether" to the end of line 18 and insert—

"an undertaking is breaching or has breached a requirement imposed on the undertaking under this Part by virtue of the undertaking being, or having been, a designated undertaking"

See the explanatory statement for Amendment 11.

Amendment 66, page 72, line 22, at end insert—

""grouped third parties" has the meaning given by section (Collective submissions)(3);

"grouped transactions" has the meaning given by section (Collective submissions)(3);"

This amendment is consequential on NC5.

Amendment 67, page 72, line 31, at end insert—

""joined third parties" has the meaning given by section (Collective submissions)(1);"—*(Saqib Bhatti.)*

This amendment is consequential on NC5.

New Clause 7

REPEAL OF EXCLUSIONS RELATING TO THE EUROPEAN COAL AND STEEL COMMUNITY

"(1) Part 1 of CA 1998 (competition) is amended as follows.

(2) In Schedule 3 (planning obligations and general exclusions) omit paragraph 8 (coal and steel).

(3) In section 3 (Chapter 1: excluded agreements), in subsection (3)(b)(ii) omit ", 2, 8".

(4) In section 19 (Chapter 2: excluded cases) omit subsection (3)."

This new clause (which would be inserted into Chapter 1 of Part 2 of the Bill) would repeal paragraph 8 of Schedule 3 to the Competition Act 1998, which has been redundant since the expiry of the Treaty establishing the European Coal and Steel Community.—(Kevin Hollinrake.)

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Business and Trade (Kevin Hollinrake): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Sir Roger Gale): With this it will be convenient to discuss the following:

Government new clause 8—*Use of damages-based agreements in opt-out collective proceedings.*

Government new clause 9—*Mergers of energy network enterprises.*

Government new clause 10—*Power to make a reference after previously deciding not to do so.*

Government new clause 11—*Taking action in relation to regulated markets.*

Government new clause 12—*Meaning of "working day" in Parts 3 and 4 of EA 2002.*

Government new clause 13—*ADR fees regulations.*

Government new clause 14—*Power to require information about competition in connection with motor fuel.*

Government new clause 15—*Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel.*

Government new clause 16—*Procedure and appeals.*

Government new clause 17—*Statement of policy on penalties.*

Government new clause 18—*Offences etc.*

Government new clause 19—*Penalties under section (Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)) and offences under section (Offences etc).*

Government new clause 20—*Information sharing.*

Government new clause 21—*Expiry of this Chapter.*

Government new clause 22—*Removal of limit on the tenure of a chair of the Competition Appeal Tribunal.*

New clause 1—*Meaning of "payment account" and related terms—*

"(1) 'Payment account' means an account held in the name of one or more consumers through which consumers are able to—

(a) place funds;

(b) withdraw cash; and

(c) execute and receive payment transactions to and from third parties, including over any designated payment system.

(2) 'Payment account' also includes the following types of account—

(a) savings accounts;

(b) credit card accounts;

(c) current account mortgages; and

(d) e-money accounts.

(3) 'Designated payment system' has the same meaning as within the Financial Services (Banking Reform) Act 2013.

(4) 'Relevant institution' means—

(a) any bank which has permission under Part 4A of the Financial Services and Markets Act 2000 to carry out the regulated activity of accepting deposits (within the meaning of section 22 of that Act, taken with Schedule 2 and any order under section 22);

(b) any building society within the meaning of section 119 of the Building Societies Act 1986;

(c) any credit institution within the meaning of the Payment Services Regulations 2017;

(d) any authorised payment institution within the meaning of the Payment Service Regulations 2017; and

(e) any small payment institution within the meaning of the Payment Services Regulations 2017.

(5) 'Discriminate' means that a relevant institution acts in a way which, were that relevant institution a public authority, would constitute a breach of its obligations under section 6(1) of the Human Rights Act 1998, in so far as those obligations relate to—

(a) Article 8 of the European Convention on Human Rights;

(b) Article 9 of the European Convention on Human Rights;

(c) Article 10 of the European Convention on Human Rights;

(d) Article 11 of the European Convention of Human Rights; and

(e) any of the Articles listed in paragraphs (a) to (d) when read with Article 14 of the European Convention on Human Rights."

This new clause defines relevant terms for the purposes of NC2.

New clause 2—*Rights of consumers in relation to payment accounts—*

"(1) A relevant institution must not discriminate against a consumer when deciding—

(a) whether to offer a consumer a payment account;

(b) whether to alter, or vary in any way, the terms of an existing payment account in use by a consumer; or

(c) whether to terminate or otherwise restrict a consumer's access to their payment account.

(2) A relevant institution, within 30 days of deciding to alter, vary, terminate, or otherwise restrict a consumer's access to their payment account, or deciding not to offer a consumer a payment account, must provide the consumer with a written statement of reasons explaining their decision.

(3) A written statement of reasons under subsection (2) must clearly specify—

(a) the basis upon which such a decision was taken, including reference to any terms and conditions within the consumer's contract upon which the relevant institution relies, or reference to any legal obligations placed upon the relevant institution;

(b) all evidence taken into account by the relevant institution in reaching its decision; and

(c) any other matters that had bearing on the relevant institution's decision."

This new clause would place a duty on banks, building societies and similar institutions not to discriminate against consumers when offering retail banking services.

New clause 3—*Rights of redress—*

"Where a relevant institution has acted in breach of its obligations under section [Rights of consumers in relation to payment accounts] (1), the consumer shall have a right to damages in respect of any—

(a) financial loss;

(b) emotional distress; and

(c) physical inconvenience and discomfort."

This new clause would give consumers a right to redress if discriminated against under NC2.

New clause 4—*Enforcement of rights of redress—*

"(1) A consumer with a right to damages by virtue of section [Rights of redress](1) may bring a claim in civil proceedings to enforce that right.

(2) The Limitation Act 1980 applies to a claim under this section in England and Wales as if it were an action founded on simple contract.

(3) The Limitation (Northern Ireland) Order 1989 (S.I. 1989/1339 (N.I. 11)) applies to a claim under this section in Northern Ireland as if it were an action founded on simple contract."

This new clause makes provision for the enforcement of redress under NC3.

New clause 24—*Review of Competition Appeal Tribunal*—

"(1) The Secretary of State must, as soon the Secretary of State considers reasonable practicable after this Act has been passed, commission a review of all processes involving the Competition Appeal Tribunal.

(2) The Secretary of State must ensure that the review is conducted independently of the Digital Markets Unit and the CMA.

(3) The Secretary of State must lay a report of the review before Parliament."

This new clause would require the Secretary of State to commission an independent review of the Competition Appeals Tribunal processes.

New clause 25—*Duty to treat consumer interests as paramount*—

"(1) In applying the provisions of this Act, the CMA and the Courts have an overriding duty to treat consumer interests as paramount.

(2) The duty set out in subsection (1) includes a duty to—

(a) address consumer detriment, including the protection of vulnerable consumers;

(b) expedite investigations that give rise to consumer detriment; and

(c) narrow points of challenge in appeals to CMA decisions that engage consumer detriment."

This new clause would impose a duty on the CMA and the Courts to treat consumer issues as paramount.

New clause 26—*Proceedings before the Tribunal: claim for damages*—

"(1) The Competition Act 1998 is amended as follows.

(2) In section 47A, after subsection (2)(b) insert—

"(c) Part 4 of the Digital Markets Act 2023""

This new clause would allow claims for damages in respect of infringements of the provisions of Part 4 of this Bill.

New clause 29—*Contract renewal: option to opt in*—

"(1) Before a trader enters into a subscription contract with a consumer where section 247(2) applies, the trader must ask the consumer whether they wish to opt-in to an arrangement under which the contract renews automatically at one or more of the following times—

(a) after a period of six months and every six months thereafter, or

(b) if the period between the consumer being charged for the first and second time is longer than six months, each time payment is due.

(2) If the consumer does not opt-in to such an arrangement, the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than 28 days before the renewal date.

(3) If the consumer has not—

(a) opted into an arrangement under subsection (1), or

(b) given notification of the consumer's intention to renew by the date specified under subsection (2),

the contract will lapse on the renewal date."

This new clause would allow the consumer to opt-out of their subscription auto-renewing every six months, or if the period between payments is longer than six months, before every payment. If the consumer does not opt-in to auto-renewal, they would be required to notify the trader manually about renewing.

New clause 30—*Contract renewal: variable rate contracts*—

"(1) Before a trader enters into a subscription contract with a consumer where section 247(3) applies, the trader must ask the consumer whether they wish to opt into an arrangement under which the contract renews automatically on the date the consumer becomes liable for the first charge or the first higher charge.

(2) If the consumer does not opt into an arrangement under subsection (1), the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than five days before the renewal date.

(3) The trader must also ask the consumer whether they wish to opt into an arrangement under which the contract renews automatically—

(a) after a period of either six months from the first charge or higher charge and every six months thereafter, or

(b) if the period between the consumer being charged for the first and second time is longer than six months, each time payment is due.

(4) If the consumer does not opt into an arrangement under subsection (3), the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than 28 days before the renewal date.

(5) If the consumer has not—

(a) opted into an arrangement under subsection (1) or subsection (3), or

(b) given notification of the consumer's intention to renew by the date specified under (as the case may be) subsection (2) or subsection (4),

the contract will lapse on the next renewal date."

This new clause would introduce an option for the consumer to opt-out of their subscription auto-renewing after their free or discounted trial. Otherwise, they would have to notify the trader manually about the subscription continuing. It also introduces an option for the consumer to opt-out of their subscription auto-renewing.

New clause 31—*Regulatory burdens arising from competition and consumer regulation*—

"(1) The CMA must, at least once a year, publish a report setting out its assessment of the economic cost of regulatory burdens that have been created and removed over the previous year through the exercise by public bodies of—

(a) competition and consumer powers; and

(b) the following activities, as far as they relate to competition and consumer matters—

(i) the imposition of conduct requirements;

(ii) dispute resolution and public enforcement activities;

(iii) the monitoring of undertakings, and

(iv) the issuing of regulatory orders.

(2) The Secretary of State must ensure that public bodies provide the CMA with information the CMA considers is necessary for completion of the report.

(3) The Secretary of State must ensure that the net economic cost of regulatory burdens set out in the report is zero or less in every year.

(4) In this section a "regulatory burden" means a burden as defined in section 1(3) of the Legislative and Regulatory Reform Act 2006."

This new clause places on Ministers a permanent duty to ensure that the net economic cost of burdens from competition and consumer regulation is zero or less each year.

Government amendment 69.

Amendment 207, in clause 141, page 89, line 13, at end insert—

"(c) the collective interests of consumers include avoiding any detriment that might be incurred by consumers if the United Kingdom does not reach a level of net zero carbon emissions by 2030."

This amendment would mean that part of the test of whether a commercial practice had committed an infringement would be whether the commercial practice had failed to protect consumers from any detrimental effects arising from a failure to achieve net zero by 2030.

Government amendments 70 to 79, 81, 82 and 85.

Amendment 226, in clause 224, page 150, line 27, at end insert—

"(4A) Where a commercial practice has been found to be unfair under paragraph 32 of Schedule 18 of this Act, any body listed as a public designated enforcer in section 144(1) of this Act may require the removal of the relevant online marketing from the internet."

This amendment allows enforcement bodies to remove the marketing of fake or counterfeit products from the internet.

Amendment 208, page 150, line 29, at end insert—

"(6) An established means used to encourage control of unfair commercial practices must include the following measures—

(a) investigation and determination on a timely basis—

(i) in accordance with a pre-determined process which has been published on the internet,

(ii) by people who are independent of any organisation undertaking commercial practices, and

(iii) with the outcome of any decision published.

(b) the appointment of a board to oversee the investigation and determination process, with the majority of the members of the board independent of any organisation undertaking commercial practices;

(c) provision for the suspension of a commercial practice during an investigation and prior to a determination being made;

(d) provision for guidance to be issued, by the CMA, the relevant weights and measures authority or, if the established means is an organisation, the established means itself, about the lawfulness of a commercial practice;

(e) publication of statistical and other information about the operation of, and compliance with, the established means to enable the CMA or weights and measures authority in question to assess on an annual basis the continuing appropriateness of using the established means."

This amendment sets out conditions, including in relation to independence and transparency, for the means by which the control of unfair commercial practices will be encouraged.

Government amendments 86 to 93.

Amendment 210, in clause 251, page 166, line 24, leave out "six" and insert "twelve".

This amendment would provide for traders to have to issue reminder notices to consumers about ongoing subscription contracts only every twelve months, rather than every six.

Amendment 211, page 166, line 36, leave out subsection (5) and insert—

"(5) The Secretary of State may, by regulations, make reasonable provision for the content and timing of reminder notices."

This amendment, together with Amendments 212 and 213, would remove the detailed provision about the content and timing of reminder notices from the face of the Bill and instead give the Secretary of State the power to make such provision by regulation.

Government amendment 94.

Amendment 212, page 167, line 1, leave out Clause 252.

See explanatory statement to Amendment 211.

Government amendments 95 to 98.

Amendment 214, in clause 253, page 168, line 7, leave out "in a single communication" and insert

"in a manner that is straightforward, timely and does not impose unreasonable cost on a consumer".

This amendment, together with Amendments 215 to 218, would remove from the Bill the existing detailed provisions for ending a subscription contract, intending that they should be covered by provision made in secondary legislation under the provisions of clause 270(1)(c), and instead set principles for how a contract may be ended.

Amendment 215, page 168, line 10, leave out subsection (2).

See explanatory statement to Amendment 214.

Amendment 216, page 168, line 15, leave out subsection (4).

See explanatory statement to Amendment 214.

Amendment 217, page 168, line 23, leave out subsection (6).

See explanatory statement to Amendment 214.

Amendment 218, in clause 254, page 168, line 37, leave out subsections (3) to (5).

See explanatory statement to Amendment 214.

Government amendments 99 and 100.

Amendment 219, page 170, line 25, leave out clause 257.

This amendment, together with Amendments 220 to 222, would remove the provision for a mandatory cooling-off period for a subscription contract.

Amendment 220, page 171, line 19, leave out clause 258.

See explanatory statement to Amendment 219.

Amendment 221, page 172, line 18, leave out clause 259.

See explanatory statement to Amendment 219.

Government amendments 101 to 103.

Amendment 222, in clause 272, page 180, line 25, leave out subsection (5).

See explanatory statement to Amendment 219.

Government amendments 104, 105, 107, 109, 110, 112 to 147 and 150 to 152.

Amendment 223, in clause 317, page 221, line 35 leave out "subsection (2)" and insert "subsections (2) and (2B)".

This amendment and Amendment 224 would provide for an implementation period of two years before the provision in the Bill relating to subscription contracts comes into force.

Government amendments 153 and 154.

Amendment 224, page 222, line 6, at end insert—

"(2B) Chapter 2 of Part 4 comes into force two years after the day on which this Act is passed."

See explanatory statement to Amendment 223.

Government new schedule 1—*Mergers of energy network enterprises.*

Government amendments 155 to 163.

Amendment 225, in schedule 18, page 343, line 42, at end insert—

"32 At any stage of a purchase process, presenting a price for a product which omits obligatory charges or fees (or an estimate thereof) which are payable by the majority of consumers, which are not revealed to the consumer until later in the purchase process."

This amendment adds the practice of "drip-pricing", a pricing technique in which traders advertise only part of a product's price and reveal other obligatory charges later as the customer goes through the buying process, to the list of unfair commercial practices.

Amendment 227, page 343, line 42, at end insert—

"32 Marketing online products that are either—

(a) counterfeit; or

(b) dangerous."

This amendment would add marketing counterfeit and dangerous online products to the list of banned practices.

Government amendments 164 to 170.

Amendment 228, in schedule 19, page 350, line 30, at end insert—

"Non-commercial society lotteries

13 (1) A contract under which a lottery ticket or tickets are purchased for one or more non-commercial society lotteries.

(2) In sub-paragraph (1), "non-commercial society" has the meaning given by section 19 of the Gambling Act 2005, and "lottery ticket" has the meaning given by section 253 of that Act."

This amendment seeks to exclude lottery tickets purchased for non-commercial society lotteries from the scope of the provisions on subscription contracts.

Government amendment 171.

Amendment 213, in schedule 20, page 354, line 19, leave out paragraphs 28 to 38.

See explanatory statement to Amendment 211.

Government amendments 172 to 175.

Kevin Hollinrake: May I first echo the remarks about the excellent address by the Under-Secretary of State for Science, Innovation and Technology, my hon. Friend the Member for Meriden (Saqib Bhatti)? I welcome him to his place—he did a fine job on his first outing in such a complex debate.

I, too, am delighted to bring the Digital Markets, Competition and Consumers Bill to the House on Report. May I express my gratitude to colleagues across the House for their contributions to Second Reading and Committee stages, and for their continued engagement throughout its passage? I thank in particular the hon. Members for Pontypridd (Alex Davies-Jones) and for Feltham and Heston (Seema Malhotra) for their constructive engagement and commitment to seeing the Bill delivered quickly so that its benefits can be realised. I also thank my hon. Friend the Member for Weston-super-Mare (John Penrose) for his excellent engagement—over the weekend in particular—and my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) for his many important and relevant amendments.

The reforms to the competition and consumer regimes contained in parts 2 to 5 of the Bill will grow the economy and deliver better outcomes for consumers and bona fide businesses. Consumers will have more choice and protection, and pay lower prices. Businesses will operate on a fairer and more level playing field. The reforms will do that by enhancing the wider competition regime, strengthening the enforcement of consumer protection law, and putting in place new consumer rights and more transparency.

It is a simple fact that the way in which we buy products and services today very often involves a digital process. The opportunities that follow are vast—more accessibility, flexibility and choice for consumers—but there is also a greater risk of consumer harm, including, for example, consumers being trapped in a subscription contract that they no longer want or purchasing goods that may not be up to scratch because they unknowingly relied on a fake review. We must ensure that consumers and their cash are protected.

Swifter interventions to tackle bad business practices against consumers are expected to deliver a consumer benefit of £9.7 billion over 10 years, as UK consumers benefit from new rights, stronger law enforcement and more competition through merger control. Importantly, the reforms will also grow the economy by boosting competition, better placing the UK to succeed in export markets. It will allow the Competition and Markets Authority to more effectively deter, prevent, and, where necessary, enforce against monopolistic behaviours. That will ensure that the free market can operate effectively.

The Government amendments to parts 2 to 5 of the Bill will provide greater clarity, ensure coherence with related legislation, and make sure the Bill's measures meet their intended aims. Almost all the amendments are technical in nature. I will address them across four categories: competition, consumer enforcement, consumer rights and cross-cutting provisions.

First, the competition measures in the Bill will give the CMA new powers to enable it to tackle anti-competitive activity swiftly and effectively, meaning that it can focus its work on the areas of greatest potential harm. The competition environment is complex and ever evolving. We must respond carefully but decisively to changes in the judicial and legislative landscape to provide certainty and to avoid any unintended detrimental consequences of wider developments.

New clause 8 amends the Competition Act 1998 so that the absolute bar on damages-based agreements being relied on in opt-out collective actions will not apply to third-party litigation funding agreements, which are the main source of funding for that type of action. That responds to a recent Supreme Court judgment, and effectively restores the previously held understanding of the status of litigation funding agreements under the 1998 Act. Accordingly, it will have retrospective effect.

In response to a recent Competition Appeal Tribunal judgment, we are specifying the circumstances in which a market investigation reference may be made in relation to an area that has already been the subject of a market study but was not referred for further investigation at that time. We are also bringing forward a series of amendments to ensure alignment between this Bill and the Energy Act 2023, which introduced the energy network merger regime, and to make minor corrections to provisions relating to that regime. Separately, we are repealing paragraph 8 of schedule 3 to the 1998 Act to remove a redundant reference to the treaty establishing the European Coal and Steel Community. To ensure that the implementation trials for market remedies introduced by the Bill are as effective as possible, we are introducing new powers for the Secretary of State to extend the scope of implementation trials in the markets regime to include regulatory conditions.

I will now address the new direct consumer enforcement model. That model will enable the CMA to act faster and take on more consumer cases on behalf of the public, resulting in a further estimated direct benefit to consumers of tens, or potentially hundreds, of millions of pounds. The Government have tabled a series of technical amendments to increase certainty in respect of the CMA's operational duties. They include aligning the definition of "business" in part 3 of the Bill with that in part 4 of chapter 1 to ensure that any breaches of unfair trading prohibitions can be enforced through the regime; and making provision about information-sharing between public authorities so that enforcers can obtain the information that they need to take enforcement action under part 3 of the Bill.

On appeals, we are adding a requirement for the CMA to include information about applicable appeal rights in a final breach-of-directions enforcement notice, as well as empowering the appeal court to send issues back to the CMA for decision on certain notices. We are also empowering the Secretary of State to update through regulations the specified maximum amounts for fixed and daily penalties imposable by a court or the CMA when a business breaches a formal information request.

Moving on to consumer rights—I am sure this will interest many Members across the House—the purpose of the Bill is simple: to empower consumers to get the deal that is right for them, and to increase their confidence in the products they buy and the services they use. The new rights on subscription traps will give consumers more control over their spending. Such traps have been the subject of some debate during the passage of the Bill, and the Government are introducing amendments to remove unintended consequences.

Edward Timpson (Eddisbury) (Con): I welcome the introduction of consumer rights on subscriptions, which have become a real minefield for many people of all ages. Why do the Government feel it necessary to have this provision in the Bill and in primary legislation, when if it was in secondary legislation it could have more flexibility with changing circumstances?

Kevin Hollinrake: We think it is a sufficiently important issue and something we consulted on previously. We have a good idea of the kind of measures we would like to put in place, and we are adding more flexibility—my hon. Friend will have seen some of the Government amendments that have been tabled in response to concerns raised by Members of the House, including my right hon. and learned Friend the Member for South Swindon. We want that flexibility, yet we want to move on quickly with this important reform. There is about £1.6 billion of potential benefit to consumers through this Bill.

Jim Shannon (Strangford) (DUP): I commend the Minister who is putting forward ideas that I, and perhaps my party, feel we can subscribe to and support. I always ask this question, because I think it is important that the general public have an access point if they have a question on something to do with consumer rights. Do the Government intend to ensure that there is some methodology—a phone call, an email address or contact person—who the public can contact if they have a question?

Kevin Hollinrake: Our position is that we do not intervene in the practices of businesses unless there is a necessity to do so. We leave those channels open for decisions by businesses in the services that they offer to consumers, rather than dictating to them how they should communicate with their consumers. It is absolutely right that those channels are open and freely available. One important thing we are doing in the Bill is making it much easier to terminate a contract. A person should be able to end a contract as easily as they enter into it, and that is an important part of the Bill.

The Government are bringing forward a series of amendments that remove the requirement for businesses that offer subscription contracts to send a reminder notice ahead of the first renewal notice in instances where there is no free trial. For businesses that offer those contract types, the amendments will see their regulatory burden decrease as they will be required to send only two reminder notices per year instead of three. That also ensures that consumers do not receive too many notices at the start of their contract. The requirement to send a reminder notice before a free or low-cost trial rolls over to a full contract will remain in place.

In addition, we are creating a new power for the Secretary of State to disapply or modify reminder notice requirements in respect of particular entities or contracts, and amend the timeframes in which a business must send a reminder notice to a consumer. The amendments provide greater flexibility and clarity on when reminder notices should be sent, allowing for adaptability post implementation. A further amendment clarifies that, in the event of a dispute about the cancellation of a contract, the onus is on the consumer to prove that the method in which they sent a notification to cancel their subscription contract was sufficiently clear. That intends to rectify the concern that businesses will be subject to enforcement action if a consumer attempts to cancel their subscription contract through unconventional means, for example through a tweet.

I thank my right hon. Friend the Member for Calder Valley (Craig Whittaker) and the hon. Member for Gordon (Richard Thomson) for their continued engagement on Second Reading and in Committee on the issue of whether society lotteries are captured under the subscription measures. As I said in Committee, it is certainly not our intention to capture those contracts. We are therefore introducing an amendment to clarify that gambling contracts, which are already regulated under gambling laws, are excluded from the scope of the subscription contract measures. I trust that that amendment will offer them, and those in the industry, clarity on the matter.

Let me turn to a series of technical Government amendments in relation to protections for consumer savings schemes. Such schemes involve making deposits to save towards a specified event such as Christmas or back-to-school shopping, and they are a vital means for British families to budget for those big occasions. The Bill is not designed to capture routine advance payments for services. In order to avoid possible uncertainty, we are introducing amendments that will exclude contracts regulated by Ofcom, such as prepaid pay-as-you-go mobile phone contracts, as well as contracts for prepaid passenger transport services, such as prepaid Transport for London Oyster cards, from the list of what constitutes a consumer savings scheme. Finally, we are introducing two amendments to maintain the effect of the Consumer Protection: Unfair Trading Regulations 2008, which the Bill repeals and largely restates. The first relates to the application of disclosure of information provisions in part 9 of the Enterprise Act 2002, and the second relates to the information requirement placed on a trader in certain circumstances. Two technical amendments are also being introduced.

7.15 pm

New clauses 14 to 21 make a series of recommendations related to the recommendations made by the CMA in its market study report on road fuel. Competitive markets drive down prices and offer a significant means of tackling cost of living pressures. That is why we commissioned

the CMA's road fuel study, which led to a market study in which the CMA found that competition between fuel retailers had weakened in recent years. Accepting the recommendations of that study, we are taking swift action to introduce an ongoing road fuels price monitoring function, within the CMA, to monitor developments in the road fuel market.

The amendments provide the CMA with information-gathering powers that will allow it to operate that function effectively. The powers are similar to those that the CMA can use during a market study or investigation, but specific to the road fuel sector. The amendments will allow the CMA to ask a business involved in the distribution, supply or retail of petrol and diesel for information in order to assess competition in the market and the impact on consumers. The new powers are supported by enforcement provisions, including for the CMA to impose civil penalties for non-compliance. The powers will be time-limited and will require a review by the Secretary of State after five years, to consider whether the powers should be extended by regulation.

I will finish on cross-cutting provisions that affect the digital markets, competition and consumer regimes. We are removing the eight-year tenure limit for Competition Appeal Tribunal chairs, enabling the CAT to retain experienced and skilled judges. A further set of amendments relate to the provision of investigative assistance to overseas authorities, in connection with overseas criminal competition and consumer enforcement investigations. The investigative provisions apply across the digital markets, competition and consumer regimes.

Finally, some technical amendments to the general provisions apply across the Bill, dealing with matters such as commencement. I want to ensure that there is plenty of time for Members to debate the Bill at this important stage, and I appreciate the constructive and collaborative approach that colleagues have so far taken during the passage of the Bill.

Alex Davies-Jones: First, let me say how pleased I am to see the Minister remain in post, and I thank him for his collaboration during the passage of the Bill; it has been appreciated by those on the Labour Front Bench.

I am keen to highlight a number of amendments tabled in my name that, sadly, have been significant Government omissions. New clauses 29 and 30 relate to subscription traps, which frustratingly still remain in the Bill. I have heard from the Minister and I am grateful for his approach, but Labour has pledged to end subscription traps, which see consumers get stuck in auto-renewing contracts that they did not explicitly ask for following free trials, by making companies end automatic renewal as a default option. The plans would change the current system of "opt out" to ensure that customers actively "opt in", saving people money during this Tory Government's cost of living crisis.

In the last year alone, people in the UK spent half a billion pounds on subscriptions that auto-renewed without them realising, and unused subscriptions are costing people more than £306 million per year. That is impacting marginalised groups and those on low incomes considerably more than others. It could mean that those least able to absorb the cost of being in a subscription trap are more likely to be in one, and the impact on those people will be more acute. Although the Government have recently made changes so that companies will be mandated to provide a reminder to consumers before renewing their subscription, sadly that change does not go far enough. I urge colleagues to support these new clauses, because this issue is impacting people in each of our constituencies the length and breadth of our islands.

In addition, amendment 225 would address the common issue of drip pricing, which impacts people across the UK. As colleagues will be aware, drip pricing is the practice of businesses advertising only part of the product's price, and then later revealing other obligatory charges as the customer goes through the buying process. The Government promised to tackle that issue in the King's Speech, but they have not tabled their own amendments on it. Indeed, the King's Speech was the fourth time that this Government have promised to act since 2016, and enough is enough. Can the Minister clarify exactly why the Government have chosen to ignore the opportunity to right this wrong in the legislation?

Broadly, the Bill is welcomed by the Opposition, but it is well overdue. It is a positive step forward in creating new competition in digital markets that will enable the competition authorities to work closely and fairly with businesses to ensure fair competition and to promote growth and innovation. Labour in particular welcomes competition and consumer choice and protection as signs of a healthy, functioning market economy. It is vital, if we are to make the UK the best place in the world to start and grow a business, that digital opportunities are open for all. We are committed to ensuring that a pro-business, pro-worker, pro-society agenda is built for Britain, and we see consumer protections and competition law as playing an integral part in that. I look forward to the Minister's response, and I look forward to seeing this Bill finally progress to becoming an Act.

John Penrose: May I start where I left off when the Bill hit Second Reading by saying that it is extremely welcome and creates an enormous amount of important and much-needed change? I continue to support it in principle.

My purpose in rising today is to speak to new clause 31, which I have tabled and 29 parliamentary colleagues have supported. Those who are familiar with the Kremlinology of the Conservative parliamentary party will understand that the new clause does something wondrous to behold, which is that it unites the breadth and every single part of the party behind one central idea: better regulation. I should pause briefly just to say that better regulation is distinct from deregulation. Better regulation is not saying that we want to trash standards; it is saying that standards of everything from environmental standards to workers' rights all matter, but it does also matter that Governments of any type and stripe make sure they try to deliver those standards in the cheapest and most efficient and economically logical way possible. That is the difference between deregulation and better regulation. It is about delivering high standards, but in the most economically sensible way. That is what new clause 31 attempts to do.

It is worth pointing out that we had a regime that worked pretty well for about five or six years between 2010 and 2016, and it did something along those lines. It was called "one in, one out," and then it was upgraded to "one in, two out." It basically said that any new piece of legislation or regulation had to be costed for the extra cost it was adding on to the British economy, and

before it could be introduced the Minister concerned had to find an equally large amount of cost to remove from other regulations elsewhere to begin with. Later, it was twice as much cost to remove from other regulations elsewhere. That worked reasonably well, except that it had some loopholes deliberately left, partly because it could not affect anything created in Brussels when we were members of the EU, and also because it did not cover things such as the economic regulators, Ofgem and Ofwat and so on.

That system changed to what everyone hoped would be a better one in 2016, but it turned out to be an absolute disaster. Instead of gently but steadily bearing down on the costs of regulation, we saw a huge ballooning in costs in the first year of the new system, and there was a target of reducing the costs of regulation across the economy by £8 billion or £9 billion. Instead of that, they increased by that amount. One would have thought that would have meant that the sky fell in, everyone would have been horrified by that notion and this place would have been up in arms, but not a bit of it. There was zero reaction from any party across the House, because the system was lacking some crucial points. The crucial thing it was missing was a proper accountability mechanism for when Governments of any kind fail to deliver on better regulation principles and on reducing the cost to wealth creation in this country, and inherently therefore reducing the rate of growth in the country and the improvements in productivity that we all want to see. It meant nothing happened within Parliament.

Clearly, we cannot leave things as they stand, and new clause 31 is an attempt to try to put that right. It would do something very simple, and it comes back to what I have called net zero red tape, which is effectively one in, one out, with the cost of any new pieces of legislation or regulation needing to be matched by finding countervailing savings elsewhere, but it would also do something else. The new clause says, "We need to make sure that there is not just a commitment from Ministers, but a legal duty on Governments—not just this Government, but all future Governments—to make sure that everyone who is a Minister, when they get out of bed on a Monday morning, knows they have a legal duty to deliver on this." That would mean that if Ministers did not deliver on it, they will have broken the law. Breaking the law means they are in breach of the ministerial code, which this Parliament and all Parliaments take seriously. It would be a far more effective trigger mechanism for ensuring proper accountability and that this measure is delivered.

I would be the first to admit that this new clause is not perfect. That is because the parliamentary Clerks have rightly said, "Hang on a second; this Bill has a scope, and you cannot exceed it." Therefore the new clause cannot, even though I devoutly wish that it could, apply the basic principles that I have just been explaining to the House across the entire economy—would that it could. As it is, it can only apply those principles to the economic regulators and anything to do with competition and consumer law. That is a huge step forward, because, as I mentioned, the previous regimes all excluded the activities of economic regulators, and we will now enfranchise them, if we agree this new clause. That is worth doing, but the new clause is far from perfect, because it cannot cover the rest of the economy.

Incidentally, the relevant bits of accountancy—the reporting on whether costs have been added or subtracted—has to devolve to the Competition and Markets Authority under the scope of the Bill, when in fact a perfectly respectable initial grouping, the Regulatory Policy Committee, already does it. It is full of clever and well-intentioned people, and I think the CMA would rather it did not have to do this work if it could avoid it; it would rather that others did it.

It is not a perfect amendment, but it none the less would take us a big step in a much-needed direction and establish an important principle. I am grateful to the Minister, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake), who mentioned that we have been having extensive discussions over the weekend in an attempt to lock in these fundamental underlying principles and to find ways to perhaps broaden them beyond just the scope of this Bill. I hope that in his closing remarks he will be able to come up with some comments that may allow me not to press this amendment to a vote.

Fundamentally, the crucial things we have to ensure are: proper independent measurement, reporting and accountability on the costs of new regulations, rather than anything that can be lent on by Government; proper consequences for Ministers in any Government who fail to deliver on trying to reduce those costs; and that no Government feel like they have a blank cheque on spending other people's money. It is stark to examine the differences in how we approach taxpayer-funded spending versus regulation cost-funded spending. At the moment, a Minister or official who wants to spend taxpayers' money has a squillion different hoops that they have to jump through, and rightly so. There are lots of controls on that spending undertaken by the Treasury and followed up by the Public Accounts Committee, and I can see one of the senior members of that Committee here today, my hon. Friend the Member for The Cotswolds (Sir Geoffrey Clifton-Brown). It is highly regulated and controlled, and great attention is paid to it in this Chamber.

However, if one wants to spend five, 10 or 100 times that amount of money by increasing the cost to business through regulation, there is not a peep. Much less attention is paid to those ways of spending cash, and that cannot be right. As everybody here will understand, a pound taken in tax has the same underlying economic impact on the country's rate of growth as a pound taken in extra cost to business. We should treat both things with equal seriousness, rather than paying huge attention to one and largely blithely ignoring the other, while writing blank cheques. Any regime has to fix that problem as well.

7.30 pm

Sir Geoffrey Clifton-Brown (The Cotswolds) (Con): My hon. Friend engaged in some self-deprecation at the beginning of his speech about the scope of the new clause, which I co-signed, but I think he is underselling it. The consumer protection and economic regulation in the new clause go a long way towards reducing the burden of red tape. The second thing that is really important is that this is not about the number of regulations, but their economic value. That is what really places a burden on business in this country. Will he explain how he is going to establish a baseline through the new clause? If this thing is to be measured properly, we have to have a proper baseline.

John Penrose: My hon. Friend is right: I may have been guilty of being too glass half empty, rather than glass half full. The new clause goes a very long way and enfranchises large chunks of the economy that perhaps have not been dealt with properly up until now; I just wanted to go even further and cover the entire economy. He is right to point out that the new clause does quite a lot, but it is half a loaf rather than the whole loaf, if I can put it that way.

My hon. Friend is also right to say that the accountancy —the measurement of the costs—is crucial. If we are trying to do one in, one out, we have to know the cost of the things coming in so that we can know what savings we have to find elsewhere. As I mentioned, the crucial thing is that we need to have an independent accounting body—an independent measurement body. That will require the Regulatory Policy Committee to be made a little more independent and to be given more arm's length ability to set those accounting and measurement standards in a way that cannot be leant on by senior Ministers, senior mandarins or senior regulators. The committee needs to be able to look those people in the eye and say, "No, this is the way it's got to be." Like any good external auditor, it needs to be sufficiently at arm's length to deal with that. If it does so properly, it will mean that any set of measurements can be relied on, both by my hon. Friend's Committee and the rest of this Chamber. That is essential.

To bring my remarks to a close, if we do not adopt the system proposed in the new clause, we need a system that provides proper accountability for anybody who fails to hit these targets; proper measurement and independent accounting standards to make sure that Government and regulators cannot mark their own homework; and proper targets of some kind to make sure there is a standard to which Ministers must be held. I hope that my hon. Friend the Minister will be able to reassure me, and I look forward to his remarks.

Richard Thomson: It is a pleasure to follow the hon. Member for Weston-super-Mare (John Penrose), who made some very interesting arguments. In some of them, I heard echoes of the arguments that have been made by the Opposition during my few years in this place about trying to measure the effect that legislation has when it is passed. Amendments that seek to measure that effect routinely get knocked down, but there is a fundamentally useful point in what he says about the need to make sure that we are not suffering from unintended consequences and that the goals we are seeking are the ones that result, so that corrective measures can be taken if they are not.

Hansard records that on Second Reading, I was wished "Good luck!" by the hon. Member for Pontypridd (Alex Davies-Jones) when—perhaps intoxicated by an overly friendly and useful exchange across the Floor about the scourge of fake reviews—I thought we might get to a consensus that would allow something to appear in the Bill. Sadly, the hon. Member's cynicism appears to have been well founded: there is certainly nothing about fake reviews in the Bill that I can see. I accept that the Government might amend that in future through secondary legislation—they are certainly able to do so—but as I said earlier this afternoon, that inevitably restricts the scope of the sanctions that can be levied for that behaviour.

I appear to have had a little more success in another area. In his opening remarks, the Minister said that when it came to additional gold-plating of the rules and regulations affecting charity lotteries and gambling for that purpose, there was a risk of charitable organisations being caught up as an unintended consequence of the legislation. I am absolutely delighted that the Government appear to have listened, and have tabled Government amendment 170, which

"excludes contracts for gambling (that are regulated by other legislation) from the new regime for subscription contracts".

I very much welcome that amendment. On that basis, I will not seek to move amendment 228, which stands in my name and which I pressed to a Division in Committee.

A rather gruesome spectre was raised in the debate earlier—phantasms and fears that will not arise, apparently. That brings me neatly to new clauses 1, 2 and 3, which were tabled by the right hon. Member for North East Somerset (Sir Jacob Rees-Mogg)—a series of amendments that appear to be aimed squarely at a somewhat contested narrative surrounding the personal financial arrangements of somebody currently residing in a very small part of a jungle somewhere in Australia. Their appearance there is set to land them a fee that—if the scale of that bounty is as reported—would surely have every private banking manager the length and breadth of London fighting for their custom. When most of us speak in this Chamber about financial exclusion, usually we are talking about a lack of access to cash or about the ability to access one's cash without a service charge at an ATM. We are talking about a lack of access to credit or to any kind of bank account, and very much not about those suffering the privations and indignity of having to deal with a bog-standard current account rather than being courted by Coutts.

Sir Jacob Rees-Mogg: The hon. Gentleman is absolutely right that this issue has come to people's attention because of Nigel Farage. I will talk about that case in a moment, but what has emerged is that actually, quite a lot of people—and sometimes charities—who have views that banks do not like find that they are not able to get access to a bank account, which nowadays is a fundamentally important thing for people's carrying on an ordinary daily life.

Richard Thomson: I thank the right hon. Gentleman for his intervention. There is already a multiplicity of legislation and entitlements—indeed, he appears to reference them in new clause 1—that can be used to tackle such circumstances when they arise, if indeed they do. I find it very encouraging that in drafting new clause 1, the right hon. Gentleman has alighted on the relevant provisions of the European convention on human rights, which provides a very useful earthing point for many of the fundamental rights that we hold dear and, indeed, are a bulwark of a civilised society. Perhaps we will see a similarly stout defence of them in future debates in this Chamber.

I very much welcome new clause 14, which will require companies to comply with requests for information from the Competition and Markets Authority when it comes to the pricing of motor fuel. On 9 November, the CMA published its first monitoring report on the road fuel market, and while 12 of the largest retailers responded to that request, I am given to understand that two did not. From my perspective and, I am sure, the perspective

of many others wherever in this Chamber they sit, that is simply not acceptable. I am sure we can all point to large variations in the cost of petrol, diesel and other forms of motor fuel across our constituencies, sometimes in filling stations that are only a few miles apart or even within relatively close proximity. That is certainly a great source of contention for people right across my constituency, so the Government requiring retailers to provide the CMA with that information is an important strengthening of its powers, and one that we welcome.

New clauses 29 and 30, which stand in the name of the hon. Member for Pontypridd, seek to tackle subscription traps. I appreciate that the Government have tabled amendment 93, which seeks to tackle these traps by issuing reminders, and that is a welcome step forward. Nevertheless, I am bound to observe that SNP Members, at least, believe that a better balance could be struck by asking consumers whether they wish to opt in to automatic renewals or to variable rate contracts, rather than simply getting reminders about them, which will inevitably end up in the recycling bin or junk mail folder, even for the most attentive of consumers. Having to opt in would be far better and it would protect the consumer's interest to a far greater extent than simply having the opt-out option emailed or mailed, or conveyed in some other way, in due course. If those new clauses are put to a vote, the SNP will support them in the Lobby.

Sir Robert Buckland: I hope to speak briefly, as the hors d'oeuvres for the pièce de résistance, which will be the speech by my right hon. Friend the Member for North East Somerset (Sir Jacob Rees-Mogg), who has tabled excellent amendments. Although I did not sign them, for which I apologise, I very much endorse and support his efforts in these areas. These are important matters that need to be dealt with, and this is the right forum in which to do so. I wish to speak briefly in summary about provisions that I spoke to in the first group and simply reiterate that the thrust of the new clauses I have tabled, and am supported in by a number of right hon. and hon. Members, is all about accountability.

New clause 24 seeks a review of the work of the Competition Appeal Tribunal and is all about making sure that that body is functioning as effectively and expeditiously as possible to deal with these important matters. The work of the tribunal has become progressively more scrutinised. I do not wish to cast aspersions on its chairs or members, who work extremely hard. It is an impressive body, which is looked upon internationally for its work. However, there is no doubt in my mind and in the minds of many others that there is more work to be done to streamline and improve the CAT's processes if it is increasingly to be looked upon and relied upon as an important arbiter of issues relating to digital markets, among other things.

The consumer interests duty set out in new clause 25 is at the heart of what we are trying to do here. Coupled with that, new clause 26 seeks to allow claims for damages under part 4 of the Bill and is an attempt to reframe the way in which the Government are approaching the provisions on subscriptions, to which I have tabled a number of amendments. I am grateful to my hon. Friend the Minister and the Government for having listened and moved on that issue. However, it seems to put the cart before the horse a little to not allow claims for damages, but to put through exemptions that would mean that if I were to seek to terminate my subscription via Twitter, the company concerned would not be liable. It would be far better to have a general liability in damages and not to have such prescriptive clauses in the first place that would be liable to misinterpretation. I am offering the Minister another way of looking at it that would be less prescriptive.

I have to come back to the Minister on the point that I made to the Under-Secretary of State for Science, Innovation and Technology, my hon. Friend the Member for Meriden (Saqib Bhatti): there is an odd juxtaposition between different parts of the Bill, where we are told in one breath that primary legislation is not the appropriate vehicle for prescribing procedures, yet here we are prescribing in minute detail procedures relating to subscriptions in the Bill. My hon. and learned Friend the Member for Eddisbury (Edward Timpson) has made the point for me, and it is one we well know: secondary legislation allows for greater flexibility, so that if a new potential problem or abuse is identified in this fast-growing market, the Government would be able to plug the hole and deal with the subscription issue.

7.45 pm

My amendment 210 seeks to change the requirement on reminders, so that they are issued not every six months but every 12 months. It accepts that whereas I have subscriptions but am sadly unable to watch that much TV, many others enjoy subscriptions to various providers, are on top of their subscriptions, and know exactly what they are doing. We must not make an assumption that the consumer is utterly uninterested in how they spend their money. These subscriptions will amount to a lot for many families and are significant outlays for them. I accept that we do not want people to be trapped inadvertently, or market abuse, but we sometimes need to reflect the reality of the situation more appropriately. The amendment's 12-month requirement aligns the provisions with what we see in other regulated sectors. There is nothing particularly novel about the way in which I want that amendment to work.

I absolutely support the Government's intent on termination rights. I want it to be easy for consumers to leave contracts. The Under-Secretary of State for Business and Trade, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake), knows the point about "any means" and has sought to deal with it; I suggested a better way.

As for cooling-off periods, which are dealt with in my amendments 219 to 222, I do not know whether they actually deal with the subscription trap issue. Clearly, free or discounted subscription periods are a legitimate and well-recognised strategy that allows customers to exit. We have to be careful when we place constraints on the ability to offer those periods in order to attract new customers, and there could be unintended consequences here: the cooling-off period could, perversely, allow a consumer to sign up, binge-watch series one of "The Crown", and come off the subscription, but then sign up and binge-watch again when series two comes out, without having paid a penny piece. That is not right and it does not strike the right balance, given the historical problems that providers had with people piggy-backing on others' subscriptions and enjoying a service that one should reasonably be expected to pay for. Looking at the lack of prescription on the number of times people

can enter and exit cooling-off periods, we see that perverse incentives may well be created as a result of the changes in the Bill. Let us not forget that we have provisions on cooling-off periods that will continue to apply. I ask the Government to tread carefully, and to focus on the greatest harm caused by subscription traps, rather than seeking to complicate the position further.

On implementation, the Government have the choice of allowing commencement two months after Royal Assent, which would be normal, or laying commencement orders. I strongly urge them to be clear about commencement orders and timing, because implementation is everything, and this legislation potentially brings a significant regulatory burden for businesses in the sector. I suggest that we not only provide for sufficient time, but have a sense of choreography, and bring regulatory changes in on common dates—at the beginning of October or April of any given year. I am absolutely with the Minister in seeking to get this right, and to get regulation in the right place, but I ask him to make his imprint on the legislative calendar a little less heavily, and to use a more flexible mechanism than primary legislation.

I would be the first to criticise the Government for excessive use of delegated legislation—the principle should be that we place matters in the Bill where appropriate—but in a world where so much is delegated and so much is not in primary legislation, it seems incongruous, to say the least, that we are prescribing this regime in this particular way. I look forward my hon. Friend the Minister's response to my arguments, and I thank him for his engagement on this issue.

Neil Coyle (Bermondsey and Old Southwark) (Lab): I rise to speak to amendments 226 and 227 in my name, which would introduce a take-down power to ensure that unsafe or counterfeit goods are removed from sale online. We covered this issue in some detail in the Bill Committee, where the problem of dangerous online sales was likened to the wild west, due to the risks to individual consumers and the lack of governance. I am disappointed that we still do not have clarity on how the Government want to tackle this growing concern, because this is fundamentally about safety and the Government failing in their core duty to keep people safe.

The Minister knows that unsafe products bought online have caused deaths in the UK. We have seen fires and other catastrophic damage caused by dodgy goods bought online, and since the Committee completed its considerations, a coroner has specifically cited faulty e-bike chargers in a report on a death. The coroner's report in September suggested that at least 12 people have died and a further 190 have been injured in faulty e-bike and e-scooter blazes in the UK since 2020 alone, and that is only one area of problematic online sales. The coroner's report goes on to call for greater action, and says:

> "It is clear that there is an existing, ongoing and future risk of further deaths whilst it continues to be the case that there are no controls or standards governing the sale in the UK of lithium-ion batteries and chargers (and conversion kits) for electric-powered personal vehicles."

There is a call for the Government to act in the face of further problematic items and dangerous goods being sold online.

My amendment helps to address the situation, where such items are identified. Not everything we discuss in this place is a life-and-death issue, but this can be. The Minister has had many representations from organisations about the growth of unsafe and dodgy goods sold online as legit: the British Toy & Hobby Association and Electrical Safety First issued briefings that supported my amendments in Committee. Trading standards also supports greater means of taking action, and briefed in support of the amendment in Committee.

At this time of year, it is even more important to act and raise awareness, because many people are buying their Christmas gifts online. Being super organised, I have my seven-year-old's Christmas presents all safely stashed away at home. I am pretty confident she is not watching tonight and will not be looking for them, although who knows? I genuinely would not buy her gifts online because I am fearful about what happens to those who do trust some online sites.

Research by the British Toy & Hobby Association in 2021 showed that some 60% of children's toys bought online were unsafe for a child to play with, and 86% were illegal to sell in the UK. That is very disturbing. Some of the problems it discovered were counterfeit goods, fire safety and chemical restriction failures, and packaging or parts that presented choking hazards. They were all products that online marketplaces had been told about but had not removed from sale.

In Committee, we had more time for detailed examples. We have less time here, so I will give just one, the toy crocodile story, and I will make it snappy. In July 2018, Amazon was told about a dangerous crocodile toy that was putting children's lives at risk and was being sold widely online. Trading standards intervened several times, and in January 2020 the Office for Product Safety and Standards also intervened, but that toy range is still on sale online today, five years later. That is unacceptable, and sadly it is not a one-off. The OPSS has issued recall notices due to what it called

> "serious risks of fire and electric shock"

for 90 products that are still on sale on Amazon, and 20 that are still on sale on eBay. There is a fundamental problem with the current regime and system. My amendment seeks to restore confidence.

The consumer organisation Which? has also alerted MPs to, among other issues that it has discovered, the problem of energy-saving devices that do not save energy but do present significant risks, including plugs with no fuses. There is unity in the call for greater action. The chief executive of the Government's own Office for Product Safety and Standards said last November that

> "there is too much evidence of non compliant products being sold by third party sellers"

online. The National Audit Office and the Public Accounts Committee have also called for action.

My amendments are not about new regulations or new pressures on business, which the right hon. Member for North East Somerset (Sir Jacob Rees-Mogg) talked about. They are about enforcing standards and rules for all, both online and on our high streets. The Minister, when he opened this section of the debate, said that he wanted fairness and a level playing field for all. I want that for British consumers and businesses as well. People have a misplaced faith that there is a level playing field, and that what they see in Argos and what they can buy

on Amazon are regulated in the same way, but sadly they are not, and without my amendments they will not be.

Since Committee, I have tidied up the amendments slightly to ensure that they include a power to require the removal of items that are unsafe or counterfeit. That power links to the Government's list of organisations in clause 144, to ensure that the same bodies as are listed in the Bill are involved. I am trying to help the Government and trying to help more generally, because there are wider benefits to getting this right.

UK high streets are struggling. Removing unsafe goods from online sale will mean that British high street shops that meet regulations will get a boost, as will British manufacturers who play by the rules but are undercut by imports from other countries that do not meet our safety and other standards. My amendments are designed to address all those issues and help to ensure that our standards are met. There is unity in the calls for greater regulation, and for a new sheriff or a new marshal for the wild west—not a rhinestone cowboy, singing the same old song and trying to stick up for a system that is failing British customers.

I will end on consumer rights. I do not believe in the enfeebled state, which seems to be accepted by some Ministers. We were told that the whole "take back control" narrative was supposed to lead to better rights for Brits, but we already lack rights that our European cousins have. French, Dutch, Irish and Polish customers now all have better protection, through the Digital Services Act, which has been passed by the EU since we left it—crucially, with the support of Amazon. It is beyond shocking that Amazon seemed to understand and support the need for change before most of the UK Government did.

However, there is a glimmer of hope. There is one Minister who has called for action, and has said that we should make the UK the "safest" place in the world to shop and do business online. That same Minister told this House that

> "we should go further than that and require marketplaces to ensure that such products are not on their sites at all, ever".—[*Official Report*, 20 January 2023; Vol. 726, c. 715.]

I agree with that Minister. These amendments help to deliver his aim, and we are lucky that that Minister is before us in this debate. I hope that when he gets back to his feet, he will reward my optimism and say that the Government will act now. I will not push the two amendments to a vote today, in the hope that my take-down power will be taken up by the Government before or during Lords consideration. I look forward to the Minister's response.

Sir Jacob Rees-Mogg: It is a pleasure to follow the hon. Member for Bermondsey and Old Southwark (Neil Coyle). I am also grateful to the Minister for his thorough engagement on these matters. He has been extremely diligent, helpful and, as always, courteous. Let me begin by declaring a sort of semi-interest. I do not think it is technically one that the Standards Commissioner would worry about, but Mr Farage and I both appear on a television programme under the auspices of GB News at about the same time of day—I follow him. I have no financial relationship with Mr Farage; we merely appear on GB News at a similar time of day.

It was Mr Farage who brought to the attention of the public the issue of de-banking. It is a great problem; if someone's bank suddenly says to them, "We are not providing you with any facilities", where do they go? It is very hard to go to a new bank. New banks do not want people who have been de-banked. Nigel Farage became in a way the poster boy for this issue, highlighting something that was affecting people up and down the country, affecting charities, and affecting businesses that have been to see me as a constituency MP in the past—people running certain types of business, who found that their banking facilities were withdrawn without any proper answer or explanation. A pawnbroker who came to see me had had his banking facilities taken away. His is a perfectly honest and reputable business, but inevitably it deals with a lot of cash, which makes banks nervous and, when they are nervous, they need to give that customer a proper explanation as to why they are no longer getting that service.

The hon. Member for Gordon (Richard Thomson), in an elegant speech, teased me for standing up for Nigel Farage as if debanking was not a common problem. He mentioned that Mr Farage is off in the jungle eating offal and all sorts of other tasty morsels. Yes, that has had the benefit of bringing people's attention to something that was affecting our constituents across the country. Therefore, I do indeed draw on definitions, but only definitions, from the European convention on human rights—this is not a sudden Damascene conversion to such a document; it is simply that those definitions are in our law and it is useful to base any amendment to a Bill before the House on existing law. That leads me, as always, to thank the Clerks for their mastery of ensuring that amendments are within scope, because getting the new clause into scope, as my hon. Friend the Member for Weston-super-Mare (John Penrose) found with his excellent new clause, which I will come to, was not particularly easy. That is why, in affecting consumers but not businesses, it does not go as far as I would have liked.

This matter is of such fundamental importance. You may think, Mr Deputy Speaker, that I am not all that much in favour of the modern world and that I think it would be nicer if we could go round with the odd groat or perhaps a sovereign to pay our way, but sadly that age of specie has gone—you might even say that the age of specie had become specious, but it is in the past. Everybody now needs modern banking facilities. Cash is not used anything like as much as it was, and every transaction that people carry out needs a piece of plastic, a bank that it comes from and a telephone or some type of technology. When somebody is debanked, it is like the Outlawries Bill on which we only ever have a First Reading: they are effectively made an outlaw in their own land. They are without the normal law of the land and the ability to do ordinary things. That is why new clauses 1 to 4 are really important, and a protection for people.

To return again to Nigel Farage, the idea that someone should be debanked because of legal political opinions is outrageous. The hon. Member for Gordon teases me for mentioning Nigel Farage, but actually a separatist who wants to break up the nation has a political opinion that in other countries would be considered treason. Those in China who say, "Free Tibet—have an independent Tibet," do not get a lot of quarter. So once we start saying that someone can be debanked for holding

[Sir Jacob Rees-Mogg]

Nigel Farage's views, what about being in favour of Scottish independence? Would that be a view that one bank might not like and might say that members of the SNP—a perfectly legal party—should not be banking with it? It affects every political opinion, and a political opinion may be fashionable today, but tomorrow it may not be. We always have to consider in legislation the protection of free speech against the interests of passing fashion, because we and Opposition Members may be affected by it in a slightly different or changed environment.

Richard Thomson: Are we not talking about slightly different things? There was a highly contested narrative around the circumstances the right hon. Gentleman describes, but my understanding is that the gentleman in question was not so much debanked as offered a lesser account and has subsequently found somewhere he can bank satisfactorily.

Sir Jacob Rees-Mogg: The hon. Gentleman is misinformed. Mr Farage was only offered any new bank account with NatWest rather than Coutts when the story became public. Prior to that, he had not been offered any banking facilities, nor had he been able to find another bank that would take him on. So the facts of the matter are that Coutts/NatWest debanked him because of the extraordinary internal set of communications, which have become public and led to the resignation—effectively the firing—of the chief executive of NatWest, partly for gossiping about his banking circumstances, but also for the behaviour that had led to his banking facilities being taken away for his political opinions. That is quite clear from the information that has emerged.

Richard Fuller (North East Bedfordshire) (Con): My right hon. Friend's new clauses relate to debanking, prompted by a particular incident. Would he not accept that there is the broader issue that the pursuit of environmental, social and governance goals by corporations and the pursuit of values in association with diversity, equity and inclusion objectives raise the same issue on a much broader front than banking facilities? What would he recommend the Government should do on that?

Sir Jacob Rees-Mogg: I agree with my hon. Friend that it does go much further. Some time ago, the Bank of England issued a document suggesting that loans should not be given to companies investing in oil and gas when we need oil and gas for the foreseeable future. I think that this politicisation of banking is quite wrong, and ESG is not fulfilling the fiduciary duty of investors to provide the best return to their clients. We should look at that.

Neil Coyle: Can I clarify that when the right hon. Member talks about banks, outlaws and dodgy cash, he talking about high street banks and not Arron Banks?

Sir Jacob Rees-Mogg: I am talking about the banking system generally, and I am saying that it is important that people should have banking facilities regardless of their political views. It is important that Russian oligarchs may be sanctioned—that is a legitimate thing for Governments to do—but that requires the rule of law.

I want to touch briefly on some of the other amendments to which I have attached my name. I once again agree with my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland) on new clauses 24 and—particularly—25. Putting the consumer first must be the essence of what we are trying to do. To my absolute horror, I have discovered that I agree with him on turning some of these measures into secondary legislation.

Skeleton Bills are a dreadful thing. We get awful legislation coming into the House on which there is no detail at all because it will all be decided by Ministers later. Such Bills should be deprecated. The House of Lords is good at pushing back on them; this House less so. Skeleton Bills are bad idea—except, there is a place for secondary legislation, and that is it. For some utterly random reason, a Government who have brought forward extraordinary skeleton Bills, some of which I could mention and have mentioned in the Chamber on occasions, have brought forward every last detail on something that, in its essence, will need revision and updating and to meet different standards as time goes by. It is a modest eccentricity to have put that in the Bill. I suggest that, in the other place, the Government look at whether that detail could be easily turned into secondary instruments, with such instruments ready to come into force at the same time as the Bill, so there would be no delay. That structurally would make for a better Bill. I am embarrassed to be speaking in favour of secondary legislation, because normally I want to see things in the Bill. If we could have a promise of fewer skeleton Bills in future, I would be delighted.

Against that, I could not disagree more with new clauses 29 and 30. Those make a real mistake—dare I say it, they are typical socialist amendments—because they do not trust people. It seems to me that people are sensible: they know what they are doing, they volunteer to do it, and they are free to undo it. Yes, of course, it is important that they should be free to undo it, but there is a cost to over-regulation. If we make companies write all the time to say, "Are you sure you want to do this?" that puts up the price. The profit margin for the business will not change, but the price that they charge consumers will. If they are constantly saying, "Do you want to leave us?" that will put the price up, because there will be an administrative and bureaucratic cost to that, and a loss of business that will put up the overall cost for everybody. It is legislating for inefficiency based on the idea that consumers are stupid. Well, in North East Somerset, consumers are very clever, highly intelligent, and know what they have agreed to and what they have not agreed to.

I congratulate my hon. Friend the Member for Weston-super-Mare. His new clause 31 is genius because it gets to the heart of an incredibly complicated and difficult matter that no other piece of legislation that we have tried has really worked with. Even the one in, one out that we had from 2010 to 2015 did not really work. I seem to remember reading that the Crown's ownership of sturgeon was cancelled during this period because it counted as a "one out", allowing some regulation to come in, no doubt costing millions, as we got rid of something trivial. One in, one out was not really there, but this new clause does it on a proper cost audit and looks ultimately to cover everything. That is absolutely the right way to go. My hon. Friend made the superb point that whenever

any type of Government expenditure is involved, it is looked at, reviewed and referred to a Committee, yet when regulations worth billions are involved, they pass through without so much as by your leave. This is a really important new clause and I encourage the Government to do whatever they can to implement it.

A final thought before I conclude is on petrol stations. This is very good news. Why is it that the Tesco's in Paulton is more expensive than the local service station in Ubley? I use the local service station in Ubley because it is better value for money, but Tesco's in Paulton is more expensive than the Tesco's on the outskirts of Bristol. That is very unfair on my constituents and I want it to bring its price down.

Mr Deputy Speaker (Mr Nigel Evans): Every little helps.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): Thank you, Mr Deputy Speaker. We all have that image in our head now, of which particular supermarket you are talking about.

As other hon. Members have said, this Bill is much needed and will help in so many ways. Hon. Members have sought to address a number of vexed issues in this legislation. This includes an attempt, through our Opposition amendment 225, to address drip pricing, which I know as chair of the all-party parliamentary group on ticket abuse is especially prevalent in the primary and secondary ticketing markets. In these markets, customers often have to wait until the payment screen to see a complete price breakdown. In the secondary market, customers are often drawn in by Google-paid ads to professional looking sites such as Viagogo, which are selling tickets for many times their face value and engaging in illicit business practices. Initial prices, while eye-watering, are present, but there is no breakdown of the exact amounts for service charges or VAT.

The consumer is left in the dark about what they are actually paying for until it is time to pay, usually after having navigated many more time-wasting pages on the website and almost losing the will to live and the power of rational thought. Even then, the prices are often still estimates when the customer eventually hits "Buy now", after feeling that they will lose the tickets if they do not make the decision quickly. Lots of customers still get a nasty surprise when the payment confirmation email comes in and they see the actual amount that has been taken from their bank account or credit card.

Moving on more broadly to the Competition and Markets Authority, I am aware that the CMA made its recommendations on tackling abuses in the ticketing market to the Government in August 2021, which the Department for Culture, Media and Sport then sat on for over 18 months before making an outright rejection of them. Principally, these recommendations called for stronger laws to tackle illegal ticket resale, and this Bill could and should have been—and could still be—the perfect place to introduce those powers. I am therefore very disappointed that the Government are still resisting these modest calls from the body set up to regulate our markets.

I support efforts in the Bill to ensure healthy competition online, but why not extend it to tackle online ticket touts? Sites such as Viagogo have been allowed to grow and gain a monopoly over ticket resales while being accused of benefiting from the illegal bulk buying of tickets and the wholesale speculative selling of tickets that they simply do not have. This includes Viagogo sellers attempting to sell thousands of festival tickets that they had not purchased and did not have the title to, as well as something known as the golden circle, an online rent-a-bot group illegally buying masses of tickets for the upcoming tours of Beyoncé and Taylor Swift, even when artists such as Swift actively speak out against touting and take measures to protect their tickets from ending up in the hands of touts instead of fans.

8.15 pm

Bodies such as the CMA need to be empowered to address this abuse. However, some Tory Back Benchers are today seeking to tie the hands of the CMA by forcing through new clause 31, which would require the CMA to spend more time on compiling economic impact reports than on protecting businesses and consumers. New clause 31 would reduce the CMA from being our strongest statutory enforcement agency to a toothless information-collation and report-writing quango. Surely these reports should be compiled by a body such as the Regulatory Policy Committee, not by the statutory enforcement agency.

John Penrose: I do not know whether the hon. Lady heard my earlier remarks, but let me reassure her that new clause 31 would not reduce the CMA just to that; it would still have all its other powers. In fact, the total number of staff employed by the RPC to do this at the moment is relatively small. I also mentioned that if the Minister were able to come up with alternative ways of delivering a fully independent and therefore much more objective way of doing the RPC's job—perhaps by strengthening the RPC—I would be delighted to accept that instead.

Mrs Hodgson: I agree. I am sure that would be a much better way. I definitely do not think that the CMA should have to do what the new clause is seeking to do.

I have it on good authority that professional touts now number anywhere from 3,000 and 3,500. In all the time I have been campaigning and speaking on this issue, which is getting on for 15 years, those numbers were in the tens, the fifties and the hundreds. It shocks me to know that we are now trying to deal with this level of professional touts. They are attacking everywhere, from stadium gigs to local venues and, increasingly, football games. They should not be able to tout tickets for football games, but they do. Yet according to Home Office figures, the yearly arrests of football ticket touts have been decreasing, dropping from 107 in 2011-12 to only 28 in the 2019-20 season.

In my opinion, the lone conviction of just two touts nearly four years ago, which we discussed with the Minister in the last debate on this Bill, is not a strong enough deterrent, especially as it relied on outdated legislation such as the Companies Act 2006 and the Fraud Act 2006, rather than the purpose-built Consumer Rights Act 2015, which I was substantially involved in, or the Digital Economy Act 2017.

I appreciate the efforts in the Bill to protect consumers online, and I can see that there are measures in the Bill to be welcomed, but for me, ticket touting and the widespread fraud that comes with it must be properly addressed and regulatory bodies must be fully empowered to tackle these sites. I will leave my remarks there.

Caroline Lucas (Brighton, Pavilion) (Green): When first announcing this Bill, the Prime Minister promised that it would clamp down on greenwashing and bring misleading environmental claims under the umbrella of consumer protection laws, but the reality seems to fall far short of that—something to which we should perhaps have become accustomed when contemplating the gap between this Government's environmental rhetoric and their lack of concrete action. While the Bill allows for consumer redress if commercial practices result in their being misled, confused or misinformed, the measures it contains certainly do not amount to the robust action on greenwashing that the Prime Minister led us to believe would be forthcoming. I have therefore tabled two amendments that would go some way towards delivering on the promises that he made.

As a multibillion pound persuasion industry, advertising has an enormous influence on which companies we trust, on our lifestyle choices and on the purchases we all make.

We are all exposed to thousands of advertisements on a more or less daily basis. To protect consumers from misinformation and harm, advertising must be properly and fairly regulated. However, we currently have an advertising regulation system that is slow, opaque and, in short, failing. The UK's Advertising Standards Authority is not an independent regulator; it is self-funded by the advertising industry. Any complaints that the ASA handles about misleading or harmful advertising is essentially therefore marking its own homework. The ASA's motivation to fairly regulate is wholly undermined by its close proximity to the industry it should be holding accountable.

My amendment 208 seeks to address the regulatory gap as a matter of urgency. It would create a regulator that is independent, transparent and one that can take timely action, thus better protecting consumers from misleading messaging by polluters and other harmful commercial actors. I think consumers want action. They are increasingly concerned about the role of companies in producing waste, pollution and environmental harms, and ignoring human rights. Yet in response these same companies turn to advertising to try to clean up their image and shore up their social licence to operate. New evidence reported in the *Financial Times* shows that Shell, one of the world's top polluters, is estimated to have spent £220 million on advertising in 2023. Much of that advertising is aimed at younger generations, who are perhaps more vulnerable to misleading claims.

Misleading green advertising and greenwashing is on the rise. The ASA's response has been to update its minimal environmental guidance to advertisers and to rule against just a tiny number of adverts for Shell, HSBC and other high-carbon advertisers for making misleading green claims. Those rulings are often slow and are often made well after the damage has been done. Time-consuming complaints have largely been brought by civil society organisations concerned with the impact of advertising and greenwashing on consumer wellbeing and their rights, but it should not be left to those organisations to have to try to enforce misleading adverts and to ensure that those adverts do not go unchecked. We need a robust regulatory framework and it is disappointing that the Government did not use the opportunity afforded by the Bill to deliver one.

The ASA celebrates its slim count of investigations into polluter advertising while a whole sea of greenwash escapes its notice and seeps into consumer consciousness. Only 2.4% of adverts reported to the ASA over environmental concerns saw any formal action in 2022, while thousands go unreported and therefore see no action at all. This is a drop in the ocean. We simply cannot afford this lack of effective advertising regulation to continue. My amendment 208 is a small but essential step if we are to stop the most polluting adverts from promoting our own environmental demise.

My other amendment is 207. It is another small but essential step, this time towards tackling the way in which the adverts to which we are exposed to every day are themselves fuelling the climate crisis. The UK advertising industry was responsible for 208 million tonnes of carbon dioxide-equivalent emissions in 2022. To put that another way, advertising is responsible for the equivalent of just under a third of the carbon footprint of every single person in the UK. No wonder that, from the World Health Organisation and the House of Lords Environment and Climate Change Committee, to the UN's environment programme and the Committee on Climate Change, there is universal agreement about the need to regulate the advertising of high-carbon products.

High carbon clearly means fossil fuels, flights and SUVs. I would argue that it also probably means fast fashion, most meat and dairy, and the banks funding the likes of BP and Shell. I therefore back the many campaigns for a ban on high-carbon advertising and for interim measures, such as car advertisements with mandatory content about the benefits of active travel and public travel, as has been done in France. In the meantime, and in the absence of a Government prepared to act in line with the climate science and other evidenced demands, my amendment 207 would bring consideration of net zero emissions by 2030 into the consumer protection regime envisaged by the Government. Let me say a few words about why that is 2030, rather than 2050.

The Intergovernmental Panel on Climate Change is clear that limiting global temperatures to 1.5° requires that the whole world reaches net zero by 2050, a deadline that has been directly translated into domestic targets. But the UN Secretary-General, for example, is among many who have called for developed countries to commit to net zero much sooner, by 2040. When we look at the UK's own historic responsibility, and indeed our financial means, that puts us into the category of richer countries that, in the interests of fairness, should be going faster and further.

Given the rate at which we are eating through our remaining carbon budget for 1.5°—according to some scientists, 1% a month—further and faster in terms of the UK translates to us achieving zero emissions by much closer to 2030 or 2035, thereby giving countries in the global south longer to cut their emissions. This idea is actually enshrined in climate law around the idea of common but differentiated responsibility, but sadly it is more respected in the avoidance rather than in the implementation.

Of course, that timeframe is undoubtedly hugely challenging. It will require a scale of social and economic transformation far surpassing what we have seen to date—hence the need for action across the board, including in relation to the advertising industry and consumer laws. Specifically, amendment 207 would signal that achieving net zero by 2030 is in the collective interests of consumers and it would help protect consumers from

any detrimental effects arising from commercial practices that do not fully reflect the need to stay within that limit.

Misleading advertising is unfairly influencing consumers who want to do the right thing to protect the environment. It is delaying climate action just when we need to shift consumption patterns towards lower carbon alternatives. It is further flooding consumers with adverts that normalise and glamourise high-carbon products and ways of living, something the regulator, with its limited remit, cannot currently act upon, and which the current limited understanding of consumer collective interest does not encompass.

The scale and urgency of the climate and nature crises are such that they should be factored into every single piece of legislation. My two amendments are designed to do exactly that by delivering on the promises the Prime Minister made about greenwashing, and by delivering on what every shred of evidence tells us about the impact of that advertising on our precious environment, and therefore on consumers' long-term collective interests.

Jim Shannon: It is a pleasure to follow the hon. Member for Brighton, Pavilion (Caroline Lucas). She is, if I may say so, the conscience of the Chamber in relation to net zero and environmental issues. She always gives us a helpful reminder of the importance of those issues for all of us across this United Kingdom of Great Britain and Northern Ireland.

It has been incredibly encouraging to hear the comments made thus far by all Members on all sides of the House. It is also great to see the intention of the Bill, which lies solely around the consumer, and consumer rights and protections. The Minister very helpfully set the scene in a way we can all adhere to and agree with. If the hon. Member for Weston-super-Mare (John Penrose) puts forward some of his amendments, maybe the Government will also support them. If they do, we will have no need to divide the House.

The new consumer protection measures in the Bill are intended to apply to the whole of the UK. Consumer protection policy is devolved to Northern Ireland, and reserved for Scotland and Wales. It is my understanding that, as a result, consent will be required for Northern Ireland. It would be helpful if the Minister could confirm what discussions he will have, or has had, with Northern Ireland Departments to ensure that they can be implemented as soon as possible. Reading through the Bill and the amendments and new clauses that have been tabled, I am ever mindful that the Government do have powers. In new clause 69, for instance, sectoral enactments are in place for the Water and Sewerage Services (Northern Ireland) Order 2006, the Gas (Northern Ireland) Order 1996 and the Electricity (Northern Ireland) Order 1992. There seems to be a methodology whereby decisions for Northern Ireland can be made. Again, as an Northern Ireland MP, I think it is important that we understand what the implications are and how the process will work for us.

I wish to refer to new clause 4 and also to new clause 29, which was tabled by the shadow Minister and which seems to be a perfectly amenable suggestion. I very much welcome the Minister's commitment in his opening speech to address the issue of fuel prices. A number of right hon. and hon. Members have referred to that matter. Clearly, there is something wrong if the fuel price on one side of Newtownards in my constituency is different from that on the other side, but it is even more wrong if one of the major stores has a price at a certain level, yet further up the road that same store has a different price. It really is quite hard to comprehend how that can happen.

I wish to highlight the subscriptions issue, which many Members have referred to today. I have been made aware of two examples that I wish to put on the record in *Hansard*. I believe that these issues are being addressed. The Minister referred to that in his opening speech. The fact is that we are now living in an online world. I am afraid that I am not one of those who can do that—I make that admission here in this Chamber—but most people are involved in that world. It is a world where there is almost always an opportunity for subscription payments. Even newspapers now offer an online subscription service to get premium access to certain articles. These services are good if they are used correctly.

I heard a story from one of my members of staff. One of her subscriptions was with an online clothing company, which charged £50 a month for her to get access to clothes at a significantly cheaper rate. At the start of the month, for four days only, there is an opportunity to skip the month and not pay the £50 payment. The issue, quite simply, is that if people forget to skip the month, they are charged that £50. There is something wrong with that. No reminder is sent by the company, so this is a smart way for companies to make more money, as being forgetful is a human error. Again, I am keen to get the Minister's ideas on whether this legislation address that issue.

8.30 pm

Prompts and reminders are a key aspect of the clauses on subscriptions. The Government estimate that subscription contracts cost consumers £1.6 billion a year. I am pleased that the Bill will put a requirement on businesses to send reminder notices to consumers if a subscription is due for renewal. There are some good things in the Bill, including on automatic renewal subscriptions.

Another issue is that, with many companies, there is no way to cancel a subscription online. I referred to this matter briefly in my intervention on the Minister at the start of the debate. Such a cancellation must be done over the phone. Some constituents have told me that the phone process can be frustratingly long, as it can take hours to get through to the call handler. It is a bit like when we phone Departments on behalf of people. Unless someone phones through to a Minister's office, they join a queue that can take five, 10 or 15 minutes—even when it is an MP.

Many phone lines are open only from 9 am to 5 pm, Monday to Friday. Where does that leave consumers who work full time and who may not be available during the day to seek the answers that they need? Their only free time might be at weekends. I know that the Minister always responds to our questions, which I and many others greatly appreciate, so I would be interested to hear what he thinks.

To conclude, I am pleased that the Bill addresses so many of the issues that our constituents experience, but these matters must continue to be highlighted. I think we have all mentioned some examples. I ask the Minister to engage regionally with Northern Ireland Departments to ensure that the laws around consumer rights apply to

Northern Ireland at the same time as they do to the mainland. I look forward to hearing about that in due course, and also about how we can all take advantage equally of the issues that have been raised in the House tonight, so that across this great United Kingdom of Great Britain and Northern Ireland, we can all be equal citizens—equal under the law and equally subject to the law.

Kevin Hollinrake: I thank right hon. and hon. Members for their contributions to the debate and for their ongoing engagement.

First, let me speak to the amendments tabled by the hon. Member for Pontypridd (Alex Davies-Jones), who has thoroughly enjoyed our engagements over the weeks that we have been studying the Bill. New clause 29 would impose a requirement on traders to ask their customers whether they want their subscription to renew automatically every six months when they sign up to a subscription contract. If they do not choose this auto-renewal option, the contract would end after six months, unless the customer expressly asked for it to continue. New clause 30 would apply equivalent requirements to contracts that renew automatically after a free or low-cost trial.

The Government agree that consumers must be protected from getting trapped in unwanted subscriptions. However, we do not think the new clauses would deliver this in the right way, and such an approach could end up inconveniencing many consumers. For example, if a consumer had not initially opted into an auto-renewing contract, but later decided that they wanted to keep the subscription, they would have to repeatedly communicate that they wanted to continue their subscription or risk its unintentionally lapsing. That risk could be multiplied across each subscription they held.

The new clauses would also impose undue additional costs on businesses. As my right hon. Friend the Member for North East Somerset (Sir Jacob Rees-Mogg) rightly stated, all regulatory costs end up being borne by consumers, so we must approach regulation with extreme care. The Government's approach strikes the balance of protecting consumers without compromising the benefits of rolling subscriptions and the convenience they provide.

On amendment 225, the Government recently consulted on tackling the practice of drip pricing, and we will shortly set out the next steps, following an assessment of the responses. It would be premature to amend the Bill in advance of that.

Turning to my hon. Friend the Member for Weston-super-Mare (John Penrose), I agree with the instincts behind his ideas to control the costs of red tape and regulatory burdens in new clause 31, and with many of the points made about this issue in his Government-commissioned report on competition policy and the subsequent 18-month update that he published. I suggest that together, we can do better than what is set out in the new clause. He too knows that, as my right hon. Friend the Member for North East Somerset said, all regulations are ultimately paid for by consumers. It is absolutely right that we look to minimise regulation and that we also recognise that the best form of regulation is competition, which is what we are here to promote.

In his "Power To The People" report, my hon. Friend the Member for Weston-super-Mare recommends a one in, two out solution. It will be interesting to see where we can go with that. Everybody, certainly on the Government Benches, is concerned about regulation and the increasing burden on businesses. However, if we look at some of the regulations that we imposed on business in 2021-22—this is from "Better Regulation: Government's Annual Report"—significant regulations were put in place covering things such as making our telecommunications more secure against foreign actors, climate-related financial disclosures and making homes more efficient, which I think most people would acknowledge we should do, as well as sanctions against Russian oligarchs and the rest. Those regulations are not necessarily the burdens that many Members might consider them to be.

When we look at regulation, we have to decide what is the right thing to do—the right things to leave, the right things to take out and the right things to amend. We have made a start by updating the better regulation framework, with earlier scrutiny of regulatory proposals by the Regulatory Policy Committee so that its advice can be applied before a legislative solution has been settled on. The updated framework focuses on designing the least burdensome policies, avoiding regulation completely where possible, and minimising costs and administrative burdens where regulation is required. In parallel to our call for evidence and forthcoming consultations, we are seeking to change the culture of regulation in the UK to be more pro-growth and business friendly.

New clause 31 proposes some important further measures. It would create much stronger accountability for any future Government who failed to control red tape costs properly. It would plug an important historical loophole by including economic regulators in the better regulation framework, and it would provide extra independence for the accountancy sector in reporting on changes in regulatory burdens, so that Governments cannot be accused of marking their own homework, as my hon. Friend puts it. However, the new clause is constrained by the scope of the Bill, so it cannot plug all the historical gaps in the better regulation framework, and it makes the CMA a successor to the RPC, when there may be better ways to ensure enhanced independence.

As a result, I would suggest a better alternative approach. Any regime should recognise the economic benefits as well as costs of any changes to regulation. Accounting for them is complex: some are indirect, some are externalities and some take years to manifest or come to fruition. Individual regulators should take responsibility for reporting on their activities, including what they have done to support the growth of the businesses they regulate, as well as what additional burdens they have created or removed, and why. In each case, I agree that we will need to establish targets and metrics to monitor the success of our regulators and of Government Departments in promoting growth.

There are a few legitimate exceptions from the RPC's scrutiny process, such as urgent or civil emergency measures, but that should not mean whole areas of the economy are exempt from its scrutiny, otherwise we would leave loopholes that mean costs are still not scrutinised and potential benefits are ignored.

Although the RPC is already an independent scrutiny body, I agree that we should find ways to ensure even stronger and more independent measurement and reporting of changes in regulatory benefits and burdens, without assuming that the best or only answer is for the CMA to

take over this function, as the new clause proposes. Finally, there must be stronger accountability than at present for any Government who fail to control regulatory burdens properly.

Although we do not think it is right to accept the new clause as it stands, I accept and agree with many of the things it tries to achieve. I therefore invite my hon. Friend to work with officials and me to develop a better, stronger way of achieving his four aims through a mixture of potential Government amendments to the Bill and other measures or statements of Government policy to be released publicly before Royal Assent, where the changes fall outside the Bill's scope. I hope these proposals are acceptable and that he will not press the new clause.

Amendment 228, which was tabled by the hon. Member for Gordon (Richard Thomson), seeks to exclude lottery tickets purchased from non-commercial society lotteries from the scope of the provisions on subscription contracts. We agree with him on this, which is why we tabled a Government amendment to that effect. I thank him for his contribution.

New clause 24, which was tabled by my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), would require the Secretary of State to commission a review of the Competition Appeal Tribunal's processes, independent of the CMA and the DMU. I am grateful for his focus on this important matter and for the legal knowledge he brings to bear.

The Competition Appeal Tribunal Rules 2015, which set out the tribunal's procedures, require the Secretary of State to carry out a regular review of the rules and to publish their conclusions, which last happened in April 2022. New clause 24 would unnecessarily duplicate this work.

Turning to new clause 25, the CMA's overarching objective is to promote competition for the benefit of consumers, and this must shape the design of its interventions and how it prioritises its work. A consumer duty would overlap with that objective and is, in our view, unnecessary.

New clause 26 would extend the right to seek damages at the Competition Appeal Tribunal to all infringements of part 4. The Bill already provides for consumer redress in respect of some provisions of part 4. Additionally, the private redress provisions in part 3 include the power for public enforcers to seek enhanced consumer measures, including financial redress for consumers.

Amendment 210 would reduce the frequency with which a trader must send reminder notices. We share the intention of my right hon. and learned Friend the Member for South Swindon to ensure that businesses and consumers are not overburdened by reminder notices. However, we believe that this amendment would negatively impact consumers by increasing the risk that they end up paying longer for unwanted subscriptions. We think that requiring traders to send reminders every six months strikes the right balance.

Amendment 211 would create a new power for the Secretary of State to make reasonable provision relating to the content and timing of reminder notices. Amendments 212 and 213 would then remove existing provisions relating to such matters from clause 252 and schedule 20. As my right hon. and learned Friend recognises, we have tabled an amendment that provides a power to amend these details through regulations, enabling the Government to respond should evidence of consumer behaviour or operational practice indicate that adjustments are necessary.

Amendments 214 to 217 would remove requirements that are designed to ensure traders provide easy and accessible means for consumers to end their subscription contracts. Instead, principles would be set out to guide the arrangements put in place by traders, and relevant provisions would be made in secondary legislation. The Government are committed to ensuring that consumers are not hindered when trying to leave a subscription contract or when trying to stop a subscription renewing—the hon. Member for Strangford (Jim Shannon) also raised that point. That is the objective behind these provisions, and it is vital that they remain in the Bill. It is also critical that consumers have flexibility when ending their contract, rather than businesses dictating the communication channel, such as a phone cancellation only. We appreciate that any communication to end a contract must be sufficiently clear to a business, as is underlined by Government amendment 102. That amendment makes it clear that the onus is on the consumer to prove that their communication was sufficiently clear.

Amendments 219 to 222 would remove the mandatory cooling-off period for subscription contracts. It is important to retain those provisions as they provide essential protections for consumers. The renewal cooling-off period protects consumers who have signed up to trials or longer term contracts. That is particularly important since our consultation showed that many people forget to cancel those subscriptions before they automatically renew. We understand, however, that some businesses are concerned about how the cooling-off period will work in practice, particularly for digital streaming services. This is an important issue to get right, so the Government will publicly consult on the return and refund rules to ensure that they are fair and practical for businesses and consumers. That will include consulting on a waiver of cooling-off rights for some products.

Amendments 223 and 224 would apply a two-year implementation period to the subscription contract provisions in the Bill. The Government fully understand that clarity is important so that businesses know when the new rules will come into effect and can make the appropriate preparations. That is why we will continue to engage with stakeholders to understand the impact of implementing these new rules.

Let me move on to the hon. Member for Bermondsey and Old Southwark (Neil Coyle)—he and I have been walking these streets for so long. Amendment 227 would ban in all circumstances the marketing of counterfeit and dangerous products online, which are already offences under current consumer protection and product safety law. The Government are committed to strengthening enforcement of these laws through the reforms in part 3 of the Bill, and recently consulted on a number of proposals in the product safety review.

Amendment 226 would confer on public enforcers the power to require removal of such material from the internet. The Government have consulted on this issue, with proposals to extend the power to apply for online interface orders to all public enforcers. The Government will publish their response shortly. Finally, the public safety review includes proposals specifically aimed at tackling the sale of unsafe goods online. We will publish a response in due course.

[Kevin Hollinrake]

The amendment tabled by my right hon. Friend the Member for North East Somerset (Sir Jacob Rees-Mogg) seeks to add further anti-discrimination laws related to payment account provisions. The Government have been clear about the importance of protecting lawful free speech. It is unacceptable for banks and payment service providers to discriminate on the basis of lawfully held political views, and others such as pawnbrokers, as he mentioned. Consequently, the Government support the spirit of the amendment, but do not believe that it is necessary, principally because the Government have taken significant action to build on existing protections to resolve this issue since the amendment was tabled.

On 2 October, the Chancellor committed to amend the threshold conditions that financial services firms must meet in order to be authorised and to consult on how to deliver that. It will ensure that banks uphold their current legal duties, including requirements not to discriminate on the basis of political opinion, therefore ensuring freedom of speech. Safeguards will also be put in place to protect consumers. Banks will be required to put in place safeguards to protect consumer rights, including free speech, and regulators will be required to act when they are not complied with. In addition, the Government announced that the legal notice period for payment service contract terminations will increase to 90 days, and payment service providers will be legally required to give consumers clear, tailored explanations detailing why they closed their accounts.

I thank the hon. Member for Washington and Sunderland West (Mrs Hodgson) for all her work on the all-party parliamentary group on ticket abuse. She raised the point about the secondary ticket market. We have taken action in this area; I know she is not content with where we are today, but the CMA has new powers in the Bill to fine businesses up to 10% of turnover, which will include ticket touts. Indeed, it has already taken action against two touts, with confiscation orders of £6.1 million in 2022.

On amendment 207, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), enforcers can already take action under the Bill to protect consumers during the transition to net zero. For example, they have powers to tackle misleading green claims. We are already making strong progress towards net zero by 2050. The UK has reduced its emissions further and faster than any other major economy.

On amendment 208, established means have long played an important, cost-effective and proportionate role in tackling and stopping unfair commercial practices. Particularly in the field of misleading advertising, bodies such as the ASA have played a key role in expanding the reach of consumer protection law compliance.

In closing—[Hon. Members: "Hurray!"] I have gone on longer than I would have liked to, but an awful lot of amendments were tabled. In closing, I hope that right hon. and hon. Members will see from the Government's amendments that we have listened to the concerns raised during the passage of the Bill, and that we are determined that it will deliver better outcomes for consumers and small businesses.

Question put and agreed to.

New clause 7 accordingly read a Second time, and added to the Bill.

New Clause 8

Use of damages-based agreements in opt-out collective proceedings

"(1) In section 47C(9) of CA 1998 (collective proceedings: damages and costs), for paragraph (c) substitute—

'(c) "damages-based agreement" has the same meaning as in section 58AA of the Courts of Legal Services Act 1990 but as if in subsection (3)(a) of that section, in the words before sub-paragraph (i), for ", litigation services or claims management services" there were substituted "or litigation services".'

(2) The amendment made by subsection (1) is treated as always having had effect."—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 1 of Part 2 of the Bill) responds to the Supreme Court judgment in R (PACCAR Inc) v Competition Appeal Tribunal [2023] UKSC 28. It provides that a damages-based agreement is only unenforceable in opt-out collective proceedings before the Competition Appeal Tribunal if the agreement is with a provider of advocacy or litigation services.

Brought up, read the First and Second time, and added to the Bill.

New Clause 9

Mergers of energy network enterprises

"Schedule (*Mergers of energy network enterprises*) makes provision amending Part 3 of EA 2002 and Schedule 16 to the Energy Act 2023 in relation to mergers involving energy network enterprises."—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 2 of Part 2 of the Bill) introduces the Schedule inserted by NS1 which amends Part 3 of the Enterprise Act 2002 to facilitate the investigation of mergers involving energy networks enterprises under sections 68B or 68C of that Act and under section 22 or 33 of that Act by the same CMA Group, and to make other minor amendments to provisions relating to mergers involving energy network enterprises.

Brought up, read the First and Second time, and added to the Bill.

New Clause 10

Power to make a reference after previously deciding not to do so

"(1) Section 131B of EA 2002 (market studies and the making of decisions to refer: time limits) is amended as follows.

(2) In the heading, after 'time-limits' insert 'etc'.

(3) In subsection (7), for 'This section is' substitute 'Subsections (4) to (6) are'.

(4) After subsection (7) insert—

'(8) Where the CMA—

(a) has published a market study notice, and

(b) has decided not to make a reference under section 131 in relation to the matter specified in the notice,

the CMA may subsequently make a reference under section 131 in relation to the matter (without first publishing a market study notice in relation to the matter) only where subsection (9) applies.

(9) This subsection applies where—

(a) the reference under section 131 is made two years or more after the publication of the market study report in relation to the market study notice, or

(b) there has been a material change in circumstances since the preparation of the report.'"—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 3 of Part 2 of the Bill) responds to the decision of the Competition Appeal Tribunal in Apple v CMA [2023] CAT 2. It allows the CMA to

make a reference under section 131 of the Enterprise Act 2002, if it has previously made a decision not to do so, in the two cases mentioned in what will be new subsection (9) of section 131B of that Act.

Brought up, read the First and Second time, and added to the Bill.

New Clause 11

TAKING ACTION IN RELATION TO REGULATED MARKETS

"(1) In Chapter 4 of Part 4 of EA 2002 (market studies and market investigations: supplementary), section 168 (regulated markets) is amended as follows.

(2) In subsection (3) omit paragraph (j).

(3) In subsection (4)—

(a) in paragraph (g), for 'the duty of the Director General of Electricity Supply for Northern Ireland under article 6 of that Order' substitute 'the objective and duties of the Northern Ireland Authority for Utility Regulation under Article 12 of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6))';

(b) omit paragraph (l);

(c) in paragraph (m), for 'the duties of the Director General of Gas for Northern Ireland under article 5 of that Order' substitute 'the objective and duties of the Northern Ireland Authority for Utility Regulation under Article 14 of the Energy (Northern Ireland) Order 2003';

(d) in paragraph (r), for 'Monitor' substitute 'NHS England'.

(4) In subsection (5), in paragraph (ia), for 'Monitor' substitute 'NHS England'."—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 3 of Part 2 of the Bill) tidies up section 168 of the Enterprise Act 2002 to remove spent references and to correct references that have become out of date.

Brought up, read the First and Second time, and added to the Bill.

New Clause 12

MEANING OF "WORKING DAY" IN PARTS 3 AND 4 OF EA 2002

"(1) Part 3 of EA 2002 (mergers) is amended as follows.

(2) In Chapter 1 (duty to make references)—

(a) in section 25 (extension of time limits)—

(i) in subsection (1), after '20' insert 'working';

(ii) in subsection (5), in paragraph (b), after '10' insert 'working';

(b) omit section 32 (supplementary provision for the purposes of section 25);

(c) in section 34ZA(3) (time limits for decisions about references) omit the definition of 'working day';

(d) in section 34ZB (extension of time limits) omit subsection (9);

(e) in section 34ZC (sections 34ZA and 34ZB: supplementary) omit subsection (9).

(3) In Chapter 2 (public interest cases)—

(a) in section 54 (decision of Secretary of State in public interest cases)—

(i) in subsection (5), after '30' insert 'working';

(ii) omit subsection (8);

(b) in section 56 (competition cases where intervention on public interest grounds ceases)—

(i) in subsection (4), in paragraph (b), after '20' insert 'working';

(ii) omit subsection (5).

(4) In Chapter 4 (enforcement), in section 73A (time limits for consideration of undertakings) omit subsection (12).

(5) In Chapter 5 (supplementary)—

(a) in section 129(1) (other interpretative provisions), at the appropriate place insert—

'"working day" means any day other than—

(a) a Saturday or Sunday, or

(b) a day that is a bank holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971.';

(b) in section 130 (index of defined expressions), at the appropriate place insert—

'Working day	Section 129(1)'.

(6) In Part 4 of EA 2002 (market studies and market investigations), in section 151 (public interest intervention cases: interaction with general procedure)—

(a) in subsection (3), after '20' insert 'working';

(b) in subsection (5), after '20' insert 'working';

(c) omit subsection (6);

(d) at the end insert—

'(7) In this section, "working day" means any day other than—

(a) a Saturday or Sunday, or

(b) a day that is a bank holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971.'

(7) In regulation 2(1) of the Enterprise Act 2002 (Merger Prenotification) Regulations 2003 (S.I. 2003/1369), for the definition of 'working day' substitute—

'"working day" means any day other than—

(a) a Saturday or Sunday, or

(b) a day that is a bank holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971.'"—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 5 of Part 2 of the Bill) amends Parts 3 and 4 of the Enterprise Act 2002, and the Enterprise Act 2002 (Merger Prenotification) Regulations 2003, so that they are consistent in providing that a bank holiday in any part of the United Kingdom is not a working day.

Brought up, read the First and Second time, and added to the Bill.

New Clause 13

ADR FEES REGULATIONS

"(1) The Secretary of State may by regulations make provision about the following descriptions of fees, namely—

(a) fees to be paid by applicants for accreditation under section 289(1);

(b) fees to be paid by applicants for the variation of their accreditation under section 289(3B);

(c) fees to be paid by accredited ADR providers under section 292(1).

(2) The power to make provision about a description of fees includes power to provide—

(a) for fees of different specified amounts to be payable in different cases or circumstances;

(b) for cases or circumstances in which no fees are to be payable;

(c) in the case of fees to be paid under section 292, the times at which the fees are to be paid.

(3) In making regulations under this section the Secretary of State must have regard to the need to secure that, taking one year with another—

(a) the total amount of fees paid does not exceed the costs to the Secretary of State of carrying out functions under this Chapter;

(b) the total amount of fees paid under section 289(1) does not exceed the costs to the Secretary of State of processing and determining applications for accreditation;

(c) the total amount of fees paid under section 289(3B) does not exceed the costs to the Secretary of State of processing and determining applications for the variation of an accreditation.

(4) Regulations under this section are subject to the negative procedure."—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Chapter 4 of Part 4 of the Bill) confers power to make regulations about the fees payable under clauses 289 and 292. The power includes power to prescribe cases or circumstances in which no fee is required to be paid.

Brought up, read the First and Second time, and added to the Bill.

New Clause 14

POWER TO REQUIRE INFORMATION ABOUT COMPETITION IN CONNECTION WITH MOTOR FUEL

"(1) The CMA may require an undertaking involved in, or connected with, the distribution, supply or retail of motor fuel ('U') to give specified information to it where it considers that the information would assist the CMA in—

(a) assessing competition in the United Kingdom in connection with the retail of motor fuel;

(b) publishing information about competition in the United Kingdom in connection with the retail of motor fuel;

(c) making proposals, or giving information or advice, to the Secretary of State about the need for, or the potential for, action to be taken (whether by the Secretary of State or another person) and what that action should be for the purposes of—

(i) increasing competition in the United Kingdom in connection with the retail of motor fuel;

(ii) benefiting consumers of motor fuel;

(d) assessing the effectiveness of any action taken as a result of proposals made, or information or advice given, under paragraph (c).

(2) The power conferred by subsection (1) is to be exercised by giving U a notice (an 'information notice').

(3) The CMA must include in an information notice—

(a) the time at which, or the frequency with which, the information must be given to the CMA;

(b) the manner and form in which the information must be given to the CMA;

(c) information about the possible consequences of not complying with the notice.

(4) The power under this section to require U to give information to the CMA includes the power to—

(a) require U to take copies of or extracts from information;

(b) require U to obtain or generate information;

(c) require U to collect or retain information that they would not otherwise collect or retain;

(d) if any specified information is not given to the CMA, require U to state, to the best of their knowledge and belief, both where that information is and why it has not been given to the CMA.

(5) An undertaking may not be required under this section to give the CMA a privileged communication.

(6) A 'privileged communication' is a communication—

(a) between a professional legal adviser and their client, or

(b) made in connection with, or in contemplation of, legal proceedings,

which in proceedings in the High Court would be protected from disclosure on grounds of legal professional privilege.

(7) In the application of this section to Scotland—

(a) the reference to the High Court is to be read as a reference to the Court of Session, and

(b) the reference to legal professional privilege is to be read as a reference to the confidentiality of communications.

(8) In this section—

'consumer' has the same meaning as in Part 4 of EA 2002 (see section 183(1) of that Act);

'motor fuel' has the same meaning as in the Motor Fuel (Composition and Content) Regulations 1999 (see regulation 2 of those Regulations), but as if paragraphs (c) and (d) of the definition of that term were omitted;

'specified' means—

(a) specified, or described, in the information notice, or

(b) falling within a category which is specified, or described, in the information notice;

'United Kingdom' includes a part of the United Kingdom.

(9) The Secretary of State may by regulations amend the definition of 'motor fuel' in subsection (8).

(10) Regulations under subsection (9) are subject to the negative procedure.

(11) In this Chapter, 'undertaking' has the same meaning it has for the purposes of Part 1 of CA 1998 (competition: agreements, abuse of dominant position etc)."—*(Kevin Hollinrake.)*

This new clause (which, along with the new clauses inserted by NC15 to NC21, would form a new first Chapter in Part 5 of the Bill) allows the CMA to give an information notice to undertakings involved in the distribution, supply or retail of petrol or diesel requiring them to provide the CMA with information for the purposes mentioned in subsection (1) of the clause.

Brought up, read the First and Second time, and added to the Bill.

New Clause 15

PENALTIES FOR FAILURE TO COMPLY WITH NOTICES UNDER SECTION *(POWER TO REQUIRE INFORMATION ABOUT COMPETITION IN CONNECTION WITH MOTOR FUEL)*

"(1) The CMA may impose a penalty on an undertaking where it considers that the undertaking has, without reasonable excuse—

(a) failed to comply with an information notice under section (*Power to require information about competition in connection with motor fuel*);

(b) destroyed, otherwise disposed of, falsified or concealed, or caused or permitted the destruction, disposal, falsification or concealment of, any document which the undertaking has been required to produce by an information notice under that section;

(c) given the CMA information which is false or misleading in a material particular in connection with an information notice under that section;

(d) given information which is false or misleading in a material particular to another undertaking knowing that the information was to be used for the purpose of giving information to the CMA in connection with an information notice under that section.

(2) The amount of a penalty imposed on an undertaking under this section may be such amount as the CMA considers appropriate, provided it does not exceed the amounts set out in subsection (4).

(3) The amount of a penalty under this section must be—

(a) a fixed amount,

(b) an amount calculated by reference to a daily rate, or

(c) a combination of a fixed amount and an amount calculated by reference to a daily rate.

(4) The maximum amounts of a penalty that may be imposed on an undertaking are—

(a) in the case of a fixed amount, an amount equal to 1% of the total value of the undertaking's turnover (both inside and outside the United Kingdom);

(b) in the case of an amount calculated by reference to a daily rate, for each day an amount equal to 5% of the total value of the undertaking's daily turnover (both inside and outside the United Kingdom);

(c) in the case of a combination of a fixed amount and an amount calculated by reference to a daily rate, the amounts mentioned in paragraph (a), in relation to the fixed amount, and paragraph (b), in relation to the amount calculated by reference to a daily rate.

(5) In imposing a penalty under this section by reference to a daily rate—

(a) no account is to be taken of any days before the service on the undertaking concerned of the provisional penalty notice under section 112(A1) of EA 2002 (as applied by section (*Procedure and appeals*)), and

(b) unless the CMA determines an earlier day (whether before or after the penalty is imposed), the amount payable ceases to accumulate at the beginning of the day on which the undertaking first complies with the requirement in question.

(6) The Secretary of State may by regulations make provision for determining the turnover (both inside and outside the United Kingdom) of an undertaking for the purposes of this section.

(7) The regulations may, among other things—

(a) make provision about amounts which are, or are not, to be included in an undertaking's turnover;

(b) make provision about the date or dates by reference to which an undertaking's turnover is to be determined;

(c) confer on the CMA the power to determine and make provision about matters specified in the regulations (including the matters mentioned in paragraphs (a) and (b)).

(8) Regulations under subsection (6) are subject to the negative procedure."—*(Kevin Hollinrake.)*

This new clause would allow the CMA to impose financial penalties on undertakings who fail to comply with an information notice given under the new clause inserted by NC14.

Brought up, read the First and Second time, and added to the Bill.

New Clause 16

PROCEDURE AND APPEALS

"(1) Sections 112 (penalties: main procedural requirements), 113 (payments and interest by instalments), section 114 (appeals) and 115 (recovery of penalties) of EA 2002 apply in relation to a penalty imposed under section (*Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)*) as they apply in relation to a penalty imposed under section 110(1) of that Act.

(2) For the purposes of this section—

(a) sections 112 to 115 of EA 2002 are to be read as if references to 'the appropriate authority' were references to the CMA only;

(b) section 114(5A) of EA 2002 is to be read as if the words 'In the case of a penalty imposed on a by the CMA or OFCOM,' were omitted;

(c) section 114(12) of EA 2002 is to be read as if, for paragraph (b), there were substituted—

'(b) "the relevant guidance" means the statement of policy which was most recently published under section (Statement of policy on penalties) of the Digital Markets, Competition and Consumers Act 2024 at the time of the act or omission giving rise to the penalty.'"—*(Kevin Hollinrake.)*

This new clause applies provision in sections 112 to 115 of the Enterprise Act 2002, with modifications, for the purposes of the new clause inserted by NC15.

Brought up, read the First and Second time, and added to the Bill.

New Clause 17

STATEMENT OF POLICY ON PENALTIES

"(1) The CMA must prepare and publish a statement of policy in relation to the exercise of powers to impose a penalty under section (*Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)*).

(2) The statement must include a statement about the considerations relevant to the determination of—

(a) whether to impose a penalty under section (Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)), and

(b) the nature and amount of any such penalty.

(3) The CMA may revise its statement of policy and, where it does so, must publish the revised statement.

(4) In preparing or revising its statement of policy the CMA must consult—

(a) the Secretary of State, and

(b) such other persons as the CMA considers appropriate.

(5) A statement of policy, or revised statement, may not be published under this section without the approval of the Secretary of State.

(6) Subsection (7) applies where the CMA proposes to impose a penalty under section (*Penalties for failure to comply with notices under section* (*Power to require information about competition in connection with motor fuel)*) on an undertaking.

(7) The CMA must have regard to the statement of policy most recently published under this section at the time of the act or omission giving rise to the penalty when deciding—

(a) whether to impose the penalty, and

(b) if so, the amount of the penalty."—*(Kevin Hollinrake.)*

This new clause requires the CMA to publish a statement of policy about the imposition of penalties under the new clause inserted by NC15.

Brought up, read the First and Second time, and added to the Bill.

New Clause 18

OFFENCES ETC

"*Destroying or falsifying information*

(1) A person ("P") commits an offence if, having been required to give information to the CMA under section (*Power to require information about competition in connection with motor fuel*), P—

(a) intentionally or recklessly destroys or otherwise disposes of it, falsifies or conceals it, or

(b) causes or permits its destruction, disposal, falsification or concealment.

False or misleading information

(2) A person ("P") commits an offence if—

(a) P gives information to the CMA in connection with an information notice under section (*Power to require information about competition in connection with motor fuel*),

(b) the information is false or misleading in a material particular, and

(c) P knows that it is or is reckless as to whether it is.

(3) A person ("P") commits an offence if P gives information to another person which is false or misleading in a material particular and P—

(a) either—

(i) knows the information to be false or misleading in a material particular, or

(ii) is reckless as to whether the information is false or misleading in a material particular, and

(b) knows that the information will be given to the CMA in connection with an information notice under that section.

Sentences

(4) A person guilty of an offence under this section is liable—

(a) on summary conviction in England and Wales, to a fine;

(b) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum;

(c) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both.

Offences by officers of a body corporate etc

(5) If an offence under this section committed by a body corporate is proved—

(a) to have been committed with the consent or connivance of an officer of the body corporate, or

(b) to be attributable to neglect on the part of an officer of the body corporate,

the officer as well as the body corporate is guilty of the offence and liable to be proceeded against and punished accordingly.

(6) If the affairs of a body corporate are managed by its members, subsection (5) applies in relation to the acts and defaults of a member in connection with the member's functions of management as if the member were an officer of the body corporate.

(7) If an offence under this section committed by a partnership in Scotland is proved—

(a) to have been committed with the consent or connivance of a partner, or

(b) to be attributable to neglect on the partner's part,

the partner as well as the partnership is guilty of the offence and liable to be proceeded against and punished accordingly.

(8) In subsection (7), "partner" includes a person purporting to act as a partner."—*(Kevin Hollinrake.)*

This new clause makes it an offence for a person to destroy or falsify information the person is required to give to the CMA by virtue of an information notice given to the person under the new clause inserted by NC14 or to provide the CMA with false or misleading information in connection with such an information notice.

Brought up, read the First and Second time, and added to the Bill.

New Clause 19

PENALTIES UNDER SECTION (*PENALTIES FOR FAILURE TO COMPLY WITH NOTICES UNDER SECTION (POWER TO REQUIRE INFORMATION ABOUT COMPETITION IN CONNECTION WITH MOTOR FUEL)*) AND OFFENCES UNDER SECTION (*OFFENCES ETC*)

"(1) The CMA may not impose a penalty on a person under section (*Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)*) in relation to an act or omission which constitutes an offence under section (*Offences etc*) if the person has, in relation to that act or omission, been found guilty of that offence.

(2) A person may not be found guilty of an offence under section (*Offences etc*) by virtue of an act or omission if the person has paid a penalty imposed under section (*Penalties for failure to comply with notices under section (Power to require information about competition in connection with motor fuel)*) in relation to that act or omission."—*(Kevin Hollinrake.)*

This new clause prevents a person from being charged a penalty under the new clause inserted by NC15, and being found guilty of an offence under the new clause inserted by NC18, in respect of the same acts or omissions.

Brought up, read the First and Second time, and added to the Bill.

New Clause 20

INFORMATION SHARING

"In Schedule 14 to EA 2002 (provisions about disclosure of information) at the appropriate place insert—

"Chapter A1 of Part 5 of the Digital Markets, Competition and Consumer Act 2024.""—*(Kevin Hollinrake.)*

This new clause provides that the restrictions on the disclosure of information contained in Part 9 of the Enterprise Act 2002 apply to information that comes to the CMA in connection with the exercise of its functions under the new first Chapter of Part 5 of the Bill to be formed by the new clauses inserted by NC14 to NC21.

Brought up, read the First and Second time, and added to the Bill.

New Clause 21

EXPIRY OF THIS CHAPTER

"(1) This Chapter, apart from subsection (5) of this section and section (*Information sharing*), expires at the end of the relevant period.

(2) The "relevant period" means the period of five years beginning with the day on which this Act is passed.

(3) The Secretary of State may by regulations amend this section to change the definition of the "relevant period".

(4) Regulations under subsection (3) are subject to the affirmative procedure.

(5) The expiry of this Chapter does not affect its continued operation in relation to any information notice given under section (*Power to require information about competition in connection with motor fuel*) before its expiry."—*(Kevin Hollinrake.)*

This new clause provides that the new first Chapter of Part 5 of the Bill to be formed by the new clauses inserted by this Amendment, and NC14 to NC19, expires five years after it comes into force, unless the Secretary of State makes regulations extending the period for which the Chapter has effect

Brought up, read the First and Second time, and added to the Bill.

New Clause 22

REMOVAL OF LIMIT ON THE TENURE OF A CHAIR OF THE COMPETITION APPEAL TRIBUNAL

"In Schedule 2 to EA 2002 (the Competition Appeal Tribunal), in paragraph 2 (tenure etc) omit sub-paragraph (2)."—*(Kevin Hollinrake.)*

This new clause (which would be inserted into Part 5 of the Bill) removes the prohibition on a person being a chair of the Competition Appeal Tribunal for more than 8 years.

Brought up, read the First and Second time, and added to the Bill.

New Clause 29

CONTRACT RENEWAL: OPTION TO OPT IN

"(1) Before a trader enters into a subscription contract with a consumer where section 247(2) applies, the trader must ask the consumer whether they wish to opt-in to an arrangement under which the contract renews automatically at one or more of the following times—

(a) after a period of six months and every six months thereafter, or

(b) if the period between the consumer being charged for the first and second time is longer than six months, each time payment is due.

(2) If the consumer does not opt-in to such an arrangement, the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than 28 days before the renewal date.

(3) If the consumer has not—

(a) opted into an arrangement under subsection (1), or

(b) given notification of the consumer's intention to renew by the date specified under subsection (2),

the contract will lapse on the renewal date."—*(Alex Davies-Jones.)*

This new clause would allow the consumer to opt-out of their subscription auto-renewing every six months, or if the period between payments is longer than six months, before every payment. If the consumer does not opt-in to auto-renewal, they would be required to notify the trader manually about renewing.

Brought up, and read the First time.

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

The House divided: Ayes 210, Noes 280.

Division No. 7] [8.56 pm

AYES

Ali, Rushanara
Ali, Tahir
Amesbury, Mike
Anderson, Fleur
Ashworth, rh Jonathan
Bardell, Hannah
Barker, Paula
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackford, rh Ian
Blackman, Kirsty
Blomfield, Paul
Bradshaw, rh Mr Ben
Brock, Deidre
Brown, Alan
Bryant, Sir Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, Ian
Byrne, rh Liam
Cadbury, Ruth
Callaghan, Amy *(Proxy vote cast by Marion Fellows)*
Campbell, rh Sir Alan
Campbell, Mr Gregory
Carden, Dan
Chamberlain, Wendy
Champion, Sarah
Chapman, Douglas
Cooper, Daisy
Cooper, rh Yvette
Coyle, Neil
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Daby, Janet
Dalton, Ashley
Davey, rh Ed
David, Wayne
Davies-Jones, Alex
Day, Martyn
De Cordova, Marsha
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Dixon, Samantha
Docherty-Hughes, Martin
Dodds, Anneliese
Doogan, Dave
Dorans, Allan *(Proxy vote cast by Marion Fellows)*
Doughty, Stephen
Dowd, Peter
Duffield, Rosie
Dyke, Sarah
Eagle, Dame Angela
Eagle, rh Maria
Edwards, Jonathan
Edwards, Sarah
Efford, Clive
Elmore, Chris
Eshalomi, Florence
Esterson, Bill
Evans, Chris
Farron, Tim
Fellows, Marion
Fletcher, Colleen
Flynn, Stephen
Foord, Richard
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Girvan, Paul
Glindon, Mary
Grady, Patrick
Grant, Peter
Green, Sarah
Greenwood, Margaret
Griffith, Dame Nia
Gwynne, Andrew
Hamilton, Mrs Paulette
Hanna, Claire
Hanvey, Neale
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hillier, Dame Meg
Hobhouse, Wera
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Howarth, rh Sir George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, Kim
Jones, Darren
Jones, rh Mr Kevan
Jones, Ruth
Jones, Sarah
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen
Kyle, Peter
Lake, Ben
Lavery, Ian
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Malhotra, Seema
Maskell, Rachael
Mather, Keir
Mc Nally, John
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Mishra, Navendu
Morden, Jessica
Morgan, Helen
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John *(Proxy vote cast by Marion Fellows)*
O'Hara, Brendan
Olney, Sarah
Onwurah, Chi
Oppong-Asare, Abena
Osamor, Kate
Osborne, Kate
Oswald, Kirsten
Peacock, Stephanie
Pennycook, Matthew
Phillips, Jess
Pollard, Luke
Qureshi, Yasmin
Rayner, rh Angela
Reed, Steve
Ribeiro-Addy, Bell
Rimmer, Ms Marie
Robinson, Gavin
Rodda, Matt
Russell-Moyle, Lloyd
Shah, Naz
Shanks, Michael
Shannon, Jim
Sharma, Mr Virendra
Siddiq, Tulip
Slaughter, Andy
Smith, Cat
Smith, Jeff
Smith, Nick
Sobel, Alex
Spellar, rh John
Stephens, Chris
Stevens, Jo
Stone, Jamie
Strathern, Alistair
Streeting, Wes
Sultana, Zarah
Tarry, Sam
Thomas, Gareth
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie
Wakeford, Christian
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa *(Proxy vote cast by Marion Fellows)*
Whitley, Mick
Whittome, Nadia
Williams, Hywel
Wilson, Munira
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Gerald Jones and Mary Glindon

NOES

Afolami, Bim
Afriyie, Adam
Aiken, Nickie
Aldous, Peter
Allan, Lucy *(Proxy vote cast by Mr Marcus Jones)*
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah

Atkins, rh Victoria
Bacon, Gareth
Bacon, Mr Richard
Badenoch, rh Kemi
Bailey, Shaun
Baillie, Siobhan
Baker, Duncan
Baker, rh Mr Steve
Baldwin, Harriett
Baynes, Simon
Bell, Aaron
Benton, Scott
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Bowie, Andrew
Bradley, rh Karen
Bridgen, Andrew
Britcliffe, Sara
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Butler, Rob
Cairns, rh Alun
Cameron, Dr Lisa
Carter, Andy
Cash, Sir William
Cates, Miriam
Caulfield, Maria
Chalk, rh Alex
Chope, Sir Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Sir Simon
Clarke, Theo
Clarke-Smith, Brendan
Clarkson, Chris
Cleverly, rh James
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Courts, Robert
Coutinho, rh Claire
Cox, rh Sir Geoffrey
Crosbie, Virginia
Crouch, Tracey
Daly, James
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Davison, Dehenna
Dinenage, Dame Caroline
Dines, Miss Sarah
Djanogly, Mr Jonathan
Donelan, rh Michelle
Double, Steve
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Dunne, rh Philip
Edwards, Ruth
Ellis, rh Sir Michael
Eustice, rh George
Evans, Dr Luke
Evennett, rh Sir David *(Proxy vote cast by Mr Marcus Jones)*
Fabricant, Michael
Farris, Laura
Firth, Anna
Fletcher, Katherine
Fletcher, Mark
Fletcher, Nick
Ford, rh Vicky
Foster, Kevin
Frazer, rh Lucy
Freeman, George
Freer, Mike
French, Mr Louie
Fuller, Richard
Fysh, Mr Marcus
Garnier, Mark
Gibb, rh Nick
Gibson, Peter
Gideon, Jo
Glen, rh John
Goodwill, rh Sir Robert
Graham, Richard
Grant, Mrs Helen *(Proxy vote cast by Mr Marcus Jones)*
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Griffith, Andrew
Grundy, James
Gullis, Jonathan
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Harrison, Trudy
Hart, Sally-Ann
Hart, rh Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heaton-Harris, rh Chris
Henderson, Gordon
Henry, Darren
Hinds, rh Damian
Hoare, Simon
Holden, Mr Richard
Hollinrake, Kevin
Holmes, Paul
Huddleston, Nigel
Hudson, Dr Neil
Hughes, Eddie
Hunt, Jane *(Proxy vote cast by Mr Marcus Jones)*
Hunt, Tom
Jack, rh Mr Alister
Javid, rh Sajid
Jayawardena, rh Mr Ranil
Jenkin, Sir Bernard
Jenkinson, Mark
Jenrick, rh Robert
Johnson, Dr Caroline
Johnson, Gareth
Johnston, David
Jones, Andrew
Jones, rh Mr David
Jones, Fay
Jones, rh Mr Marcus
Jupp, Simon
Kawczynski, Daniel
Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Lamont, John
Largan, Robert
Leadsom, rh Dame Andrea
Leigh, rh Sir Edward
Levy, Ian
Lewer, Andrew
Lewis, rh Sir Brandon
Lewis, rh Sir Julian
Liddell-Grainger, Mr Ian
Loder, Chris
Logan, Mark
Longhi, Marco
Lopresti, Jack
Lord, Mr Jonathan
Mackinlay, Craig *(Proxy vote cast by John Redwood)*
Mackrory, Cherilyn
Maclean, Rachel
Malthouse, rh Kit
Mangnall, Anthony
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Jason
McCartney, Karl
McVey, rh Esther
Menzies, Mark
Mercer, rh Johnny
Metcalfe, Stephen
Millar, Robin
Miller, rh Dame Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mortimer, Jill
Morton, rh Wendy
Mullan, Dr Kieran *(Proxy vote cast by Mr Marcus Jones)*
Mumby-Croft, Holly
Mundell, rh David
Murray, Mrs Sheryll
Murrison, rh Dr Andrew
Neill, Sir Robert
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Patel, rh Priti
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Randall, Tom
Redwood, rh John
Rees-Mogg, rh Sir Jacob
Richards, Nicola
Richardson, Angela
Robertson, Mr Laurence
Robinson, Mary
Ross, Douglas
Rowley, Lee
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Seely, Bob
Selous, Andrew
Sharma, rh Sir Alok
Simmonds, David
Skidmore, rh Chris
Smith, Henry
Smith, rh Julian
Smith, Royston
Solloway, Amanda
Spencer, Dr Ben
Spencer, rh Mark
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, Iain
Streeter, Sir Gary
Stride, rh Mel
Sturdy, Julian
Swayne, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Timpson, Edward
Tolhurst, rh Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Tuckwell, Steve
Tugendhat, rh Tom
Vara, rh Shailesh
Vickers, Martin
Vickers, Matt
Villiers, rh Theresa
Walker, Sir Charles
Walker, Mr Robin
Wallis, Dr Jamie
Warman, Matt
Watling, Giles
Webb, Suzanne
Whately, Helen
Wheeler, Mrs Heather
Whittaker, rh Craig
Whittingdale, rh Sir John
Wild, James
Williamson, rh Sir Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob

Tellers for the Noes:
Dame Amanda Milling and Scott Mann

Question accordingly negatived.

9.10 pm

Proceedings interrupted (Programme Order, 20 March).

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

New Clause 30

CONTRACT RENEWAL: VARIABLE RATE CONTRACTS

(1) Before a trader enters into a subscription contract with a consumer where section 247(3) applies, the trader must ask the consumer whether they wish to opt into an arrangement under which the contract renews automatically on the date the consumer becomes liable for the first charge or the first higher charge.

(2) If the consumer does not opt into an arrangement under subsection (1), the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than five days before the renewal date.

(3) The trader must also ask the consumer whether they wish to opt into an arrangement under which the contract renews automatically—

(a) after a period of either six months from the first charge or higher charge and every six months thereafter, or

(b) if the period between the consumer being charged for the first and second time is longer than six months, each time payment is due.

(4) If the consumer does not opt into an arrangement under subsection (3), the trader must provide a date by which the consumer must notify the trader of the consumer's intention to renew the contract, which must be no earlier than 28 days before the renewal date.

(5) If the consumer has not—

(a) opted into an arrangement under subsection (1) or subsection (3), or

(b) given notification of the consumer's intention to renew by the date specified under (as the case may be) subsection (2) or subsection (4),

the contract will lapse on the next renewal date."—*(Alex Davies-Jones.)*

This new clause would introduce an option for the consumer to opt-out of their subscription auto-renewing after their free or discounted trial. Otherwise, they would have to notify the trader manually about the subscription continuing. It also introduces an option for the consumer to opt-out of their subscription auto-renewing.

Brought up,

Question put, That the clause be added to the Bill.

The House divided: Ayes 209, Noes 281.

Division No. 8] [9.11 pm

AYES

Ali, Rushanara
Ali, Tahir
Amesbury, Mike
Anderson, Fleur
Ashworth, rh Jonathan
Bardell, Hannah
Barker, Paula
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackford, rh Ian
Blackman, Kirsty
Blomfield, Paul
Bradshaw, rh Mr Ben
Brock, Deidre
Brown, Alan
Bryant, Sir Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, Ian
Byrne, rh Liam
Cadbury, Ruth
Callaghan, Amy *(Proxy vote cast by Marion Fellows)*
Campbell, rh Sir Alan
Campbell, Mr Gregory
Carden, Dan
Chamberlain, Wendy
Champion, Sarah
Chapman, Douglas
Cooper, Daisy
Cooper, rh Yvette
Coyle, Neil
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Daby, Janet
Dalton, Ashley
Davey, rh Ed
David, Wayne
Davies-Jones, Alex
Day, Martyn
De Cordova, Marsha
Debbonaire, Thangam
Dhesi, Mr Tanmanjeet Singh
Dixon, Samantha
Docherty-Hughes, Martin
Dodds, Anneliese
Doogan, Dave
Dorans, Allan *(Proxy vote cast by Marion Fellows)*
Doughty, Stephen
Dowd, Peter
Duffield, Rosie
Dyke, Sarah
Eagle, Dame Angela
Eagle, rh Maria
Edwards, Jonathan
Edwards, Sarah
Efford, Clive
Elmore, Chris
Eshalomi, Florence
Esterson, Bill
Evans, Chris
Farron, Tim
Fellows, Marion
Fletcher, Colleen
Flynn, Stephen
Foord, Richard
Fovargue, Yvonne
Foxcroft, Vicky
Foy, Mary Kelly
Furniss, Gill
Gardiner, Barry
Gibson, Patricia
Girvan, Paul
Glindon, Mary
Grady, Patrick
Grant, Peter
Green, Sarah
Greenwood, Margaret
Griffith, Dame Nia
Gwynne, Andrew
Hamilton, Mrs Paulette
Hanna, Claire
Hanvey, Neale
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendrick, Sir Mark
Hillier, Dame Meg
Hobhouse, Wera
Hodgson, Mrs Sharon
Hollern, Kate
Hopkins, Rachel
Hosie, rh Stewart
Howarth, rh Sir George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, Kim
Jones, Darren
Jones, rh Mr Kevan
Jones, Ruth
Jones, Sarah
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Kinnock, Stephen
Kyle, Peter
Lake, Ben
Lavery, Ian
Law, Chris
Leadbeater, Kim
Lewell-Buck, Mrs Emma
Lewis, Clive
Lightwood, Simon
Linden, David
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Malhotra, Seema
Maskell, Rachael
Mather, Keir
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGovern, Alison
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Mishra, Navendu
Morden, Jessica
Morgan, Helen
Morris, Grahame
Murray, Ian
Murray, James
Newlands, Gavin
Nichols, Charlotte
Nicolson, John *(Proxy vote cast by Marion Fellows)*
O'Hara, Brendan
Olney, Sarah
Onwurah, Chi
Oppong-Asare, Abena
Osamor, Kate
Osborne, Kate
Oswald, Kirsten
Peacock, Stephanie
Pennycook, Matthew
Phillips, Jess
Pollard, Luke
Qureshi, Yasmin
Rayner, rh Angela
Reed, Steve
Ribeiro-Addy, Bell
Rimmer, Ms Marie
Robinson, Gavin
Rodda, Matt
Russell-Moyle, Lloyd
Shah, Naz
Shanks, Michael
Shannon, Jim
Sharma, Mr Virendra
Siddiq, Tulip
Slaughter, Andy
Smith, Cat
Smith, Jeff
Smith, Nick
Sobel, Alex

Spellar, rh John
Stephens, Chris
Stevens, Jo
Stone, Jamie
Strathern, Alistair
Streeting, Wes
Sultana, Zarah
Tarry, Sam
Thomas, Gareth
Thomas-Symonds, rh Nick
Thompson, Owen
Thomson, Richard
Timms, rh Sir Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twist, Liz
Vaz, rh Valerie
Wakeford, Christian
Western, Matt
Whitehead, Dr Alan
Whitford, Dr Philippa *(Proxy vote cast by Marion Fellows)*
Whitley, Mick
Whittome, Nadia
Williams, Hywel
Wilson, Munira
Winter, Beth
Wishart, Pete
Yasin, Mohammad
Zeichner, Daniel

Tellers for the Ayes:
Gerald Jones and Andrew Western

NOES

Afolami, Bim
Afriyie, Adam
Aiken, Nickie
Aldous, Peter
Allan, Lucy *(Proxy vote cast by Mr Marcus Jones)*
Anderson, Lee
Anderson, Stuart
Andrew, rh Stuart
Ansell, Caroline
Argar, rh Edward
Atherton, Sarah
Atkins, rh Victoria
Bacon, Gareth
Bacon, Mr Richard
Badenoch, rh Kemi
Bailey, Shaun
Baillie, Siobhan
Baker, Duncan
Baker, rh Mr Steve
Baldwin, Harriett
Barclay, rh Steve
Baynes, Simon
Bell, Aaron
Benton, Scott
Beresford, Sir Paul
Bhatti, Saqib
Blackman, Bob
Bowie, Andrew
Bradley, rh Karen
Bridgen, Andrew
Britcliffe, Sara
Bruce, Fiona
Buchan, Felicity
Buckland, rh Sir Robert
Burghart, Alex
Butler, Rob
Cairns, rh Alun
Cameron, Dr Lisa
Carter, Andy
Cash, Sir William
Cates, Miriam
Caulfield, Maria
Chalk, rh Alex
Chope, Sir Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Sir Simon
Clarke, Theo
Clarke-Smith, Brendan
Clarkson, Chris
Cleverly, rh James
Clifton-Brown, Sir Geoffrey
Coffey, rh Dr Thérèse
Colburn, Elliot
Collins, Damian
Costa, Alberto
Courts, Robert
Coutinho, rh Claire
Cox, rh Sir Geoffrey
Crosbie, Virginia
Crouch, Tracey
Daly, James
Davies, rh David T. C.
Davies, Gareth
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Davison, Dehenna
Dinenage, Dame Caroline
Dines, Miss Sarah
Djanogly, Mr Jonathan
Donelan, rh Michelle
Double, Steve
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, Sir James
Duguid, David
Duncan Smith, rh Sir Iain
Dunne, rh Philip
Edwards, Ruth
Ellis, rh Sir Michael
Ellwood, rh Mr Tobias
Eustice, rh George
Evans, Dr Luke
Evennett, rh Sir David *(Proxy vote cast by Mr Marcus Jones)*
Fabricant, Michael
Farris, Laura
Firth, Anna
Fletcher, Katherine
Fletcher, Mark
Fletcher, Nick
Ford, rh Vicky
Foster, Kevin
Frazer, rh Lucy
Freeman, George
Freer, Mike
French, Mr Louie
Fuller, Richard
Fysh, Mr Marcus
Garnier, Mark
Gibb, rh Nick
Gibson, Peter
Gideon, Jo
Glen, rh John
Goodwill, rh Sir Robert
Graham, Richard
Grant, Mrs Helen *(Proxy vote cast by Mr Marcus Jones)*
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Griffith, Andrew
Grundy, James
Gullis, Jonathan
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Harrison, Trudy
Hart, Sally-Ann
Hart, rh Simon
Hayes, rh Sir John
Heald, rh Sir Oliver
Heaton-Harris, rh Chris
Henderson, Gordon
Henry, Darren
Hinds, rh Damian
Hoare, Simon
Holden, Mr Richard
Hollinrake, Kevin
Holloway, Adam
Holmes, Paul
Huddleston, Nigel
Hudson, Dr Neil
Hughes, Eddie
Hunt, Jane *(Proxy vote cast by Mr Marcus Jones)*
Hunt, Tom
Jack, rh Mr Alister
Javid, rh Sajid
Jayawardena, rh Mr Ranil
Jenkin, Sir Bernard
Jenkinson, Mark
Jenrick, rh Robert
Johnson, Dr Caroline
Johnson, Gareth
Johnston, David
Jones, Andrew
Jones, rh Mr David
Jones, Fay
Jones, rh Mr Marcus
Jupp, Simon
Kawczynski, Daniel
Knight, rh Sir Greg
Kniveton, Kate
Kruger, Danny
Lamont, John
Largan, Robert
Leadsom, rh Dame Andrea
Leigh, rh Sir Edward
Levy, Ian
Lewer, Andrew
Lewis, rh Sir Brandon
Lewis, rh Sir Julian
Liddell-Grainger, Mr Ian
Loder, Chris
Logan, Mark
Longhi, Marco
Lopresti, Jack
Lord, Mr Jonathan
Mackinlay, Craig *(Proxy vote cast by John Redwood)*
Mackrory, Cherilyn
Maclean, Rachel
Malthouse, rh Kit
Mangnall, Anthony
Marson, Julie
May, rh Mrs Theresa
Mayhew, Jerome
Maynard, Paul
McCartney, Jason
McCartney, Karl
McVey, rh Esther
Menzies, Mark
Mercer, rh Johnny
Metcalfe, Stephen
Millar, Robin
Mills, Nigel
Mitchell, rh Mr Andrew
Mohindra, Mr Gagan
Moore, Damien
Moore, Robbie
Morris, Anne Marie
Morris, James
Morrissey, Joy
Mortimer, Jill
Morton, rh Wendy
Mullan, Dr Kieran *(Proxy vote cast by Mr Marcus Jones)*
Mumby-Croft, Holly
Mundell, rh David
Murray, Mrs Sheryll
Murrison, rh Dr Andrew
Neill, Sir Robert
Nokes, rh Caroline
Norman, rh Jesse
O'Brien, Neil
Offord, Dr Matthew
Opperman, Guy
Patel, rh Priti
Pawsey, Mark
Penning, rh Sir Mike
Penrose, John
Pow, Rebecca
Prentis, rh Victoria
Pursglove, Tom
Quin, rh Jeremy
Randall, Tom
Redwood, rh John
Rees-Mogg, rh Sir Jacob
Richards, Nicola
Richardson, Angela
Robertson, Mr Laurence
Robinson, Mary
Ross, Douglas
Rowley, Lee
Sambrook, Gary
Saxby, Selaine
Scully, Paul
Seely, Bob
Selous, Andrew
Sharma, rh Sir Alok
Simmonds, David
Skidmore, rh Chris
Smith, Greg
Smith, Henry
Smith, rh Julian
Smith, Royston
Solloway, Amanda

Spencer, Dr Ben
Spencer, rh Mark
Stephenson, rh Andrew
Stevenson, Jane
Stevenson, John
Stewart, Iain
Streeter, Sir Gary
Stride, rh Mel
Sturdy, Julian
Swayne, rh Sir Desmond
Syms, Sir Robert
Thomas, Derek
Timpson, Edward
Tolhurst, rh Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, rh Anne-Marie
Trott, Laura
Tuckwell, Steve
Tugendhat, rh Tom
Vara, rh Shailesh
Vickers, Martin
Vickers, Matt
Villiers, rh Theresa
Walker, Sir Charles
Walker, Mr Robin
Wallis, Dr Jamie
Warman, Matt
Watling, Giles
Webb, Suzanne
Whately, Helen
Wheeler, Mrs Heather
Whittaker, rh Craig
Whittingdale, rh Sir John
Wild, James
Williamson, rh Sir Gavin
Wood, Mike
Wragg, Mr William
Wright, rh Sir Jeremy
Young, Jacob

Tellers for the Noes:
Scott Mann and Dame Amanda Milling

Question accordingly negatived.

Clause 124

OFFENDERS ASSISTING INVESTIGATIONS AND PROSECUTIONS: POWERS OF THE CMA

Ordered,

That Clause 124 be transferred to the end of line 39 on page 219.—*(Kevin Hollinrake.)*

This amendment would move clause 124 (offenders assisting investigations and prosecutions: powers of the CMA) from Chapter 1 of Part 2 of the Bill (competition: anti-trust) to Part 5 of the Bill (miscellaneous) to reflect the fact that the powers conferred by the clause are exercisable in relation to offences relating to consumer matters as well offences relating to competition matters.

Clause 133

FINAL UNDERTAKINGS AND ORDERS: POWER TO CONDUCT TRIALS

Amendment made: 69, page 82, line 36, at end insert—

"(2) The Secretary of State may by regulations amend—
(a) any sectoral enactment, or
(b) section 168 of EA 2002 (regulated markets),
in connection with provision made by Schedule 7.

(3) The power to make regulations under subsection (2) includes power to make provision for the CMA or Secretary of State to be able to modify, or request that another person modifies, any agreement, arrangement, condition, licence, statement (or anything of a similar nature) in connection with an implementation trial measure (within the meaning of Part 4 of EA 2002, as amended by Schedule 7).

(4) But so far as the power to make regulations under subsection (2) is exercised to amend a sectoral enactment that is mentioned in section 168 of EA 2002 (regulated markets), the power may only make provision in connection with a relevant action mentioned in subsection (3) of that section.

(5) For the purposes of this section the sectoral enactments are—
(a) the Civil Aviation Act 2012;
(b) the Health and Social Care Act 2012;
(c) the Transport Act 2000;
(d) the Chiropractors Act 1994;
(e) the Railways Act 1993;
(f) the Osteopaths Act 1993;
(g) the Water Industry Act 1991;
(h) the Broadcasting Act 1990;
(i) the Electricity Act 1989;
(j) the Copyright, Designs and Patents Act 1988;
(k) the Gas Act 1986;
(l) the Patents Act 1977;
(m) the Registered Designs Act 1949;
(n) the Water and Sewerage Services (Northern Ireland) Order 2006 (S.I. 2006/3336 (N.I. 21));
(o) the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2));
(p) the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)).

(6) The Secretary of State must, before making regulations under subsection (2) that—
(a) amend a sectoral enactment, consult the relevant sectoral authority;
(b) amend section 168 of EA 2002, consult any relevant sectoral authority whom the Secretary of State considers is likely to have an interest in the amendment.

(7) For the purposes of subsection (6) the relevant sectoral authorities are—
(a) in relation to the Civil Aviation Act 2012, the Civil Aviation Authority;
(b) in relation to the Health and Social Care Act 2012, NHS England;
(c) in relation to the Transport Act 2000, the Civil Aviation Authority;
(d) in relation to the Chiropractors Act 1994, the General Chiropractic Council;
(e) in relation to the Railways Act 1993, the Office of Rail and Road;
(f) in relation to the Osteopaths Act 1993, the General Osteopathic Council;
(g) in relation to the Water Industry Act 1991, the Water Services Regulation Authority;
(h) in relation to the Broadcasting Act 1990, the Office of Communications;
(i) in relation to the Electricity Act 1989 and the Gas Act 1986, the Gas and Electricity Markets Authority;
(j) in relation to the Copyright, Designs and Patents Act 1988, the Patents Act 1977 and the Registered Designs Act 1949, the Comptroller-General of Patents, Designs and Trade Marks;
(k) in relation to the Water and Sewerage Services (Northern Ireland) Order 2006, the Gas (Northern Ireland) Order 1996 and the Electricity (Northern Ireland) Order 1992, the Northern Ireland Authority for Utility Regulation.

(8) The Secretary of State may by regulations—
(a) amend subsection (5) so as to add or remove an enactment;
(b) amend subsection (7) so as to add, vary or remove an entry.

(9) Regulations under this section are subject to the affirmative procedure."—*(Kevin Hollinrake.)*

This amendment gives the Secretary of State the power to amend legislation relating to regulated markets so that the CMA, or the Secretary of State, can include in an implementation trial (under Part 4 of the Enterprise Act 2002, as amended by Schedule 7 to the Bill) measures that require modifications to be made to, for example, the conditions of licences in connection with those markets.

Clause 153

APPLICATIONS

Amendment made: 70, page 99, line 19, leave out "persons" and insert "consumers".—*(Kevin Hollinrake.)*

This amendment, which ensures consistency of drafting with the parallel provision in clause 177(3)(d), requires the activities mentioned in clause 153(3)(d) to be directed at consumers in the United Kingdom rather than persons more generally.

Clause 158

UNDERTAKINGS UNDER SECTION 156: PROCEDURAL REQUIREMENTS

Amendment made: 71, page 103, line 18, at end insert—

"and the proposed variation or release has not been requested by the respondent."—*(Kevin Hollinrake.)*

This amendment ensures that the procedural requirements in relation to the variation or release of undertakings given under clause 156 will apply only where it is the enforcer, rather than the respondent, that has suggested the variation or release in question.

Clause 159

CONSUMER PROTECTION ORDERS OR UNDERTAKINGS TO COURT: FURTHER PROCEEDINGS

Amendment made: 72, page 104, line 12, at end insert

"of any kind that the enforcer concerned is authorised under this Chapter to apply for".—*(Kevin Hollinrake.)*

This amendment clarifies that an application in respect of a failure to comply with an undertaking given to the court may only be combined with an application for a consumer protection order of a type that the enforcer in question is otherwise authorised to apply for.

Clause 160

UNDERTAKINGS TO PUBLIC DESIGNATED ENFORCERS: FURTHER PROCEEDINGS

Amendment made: 73, page 105, line 7, at end insert

"of any kind that the enforcer concerned is authorised under this Chapter to apply for".—*(Kevin Hollinrake.)*

This amendment clarifies that an application in respect of a failure to comply with an undertaking given to a public designated enforcer may only be combined with an application for a consumer protection order of a type that the enforcer in question is otherwise authorised to apply for.

Clause 180

UNDERTAKINGS UNDER SECTION 178: PROCEDURAL REQUIREMENTS

Amendment made: 74, page 119, line 25, at end insert—

"and the proposed variation or release has not been requested by the person who gave the undertaking."—*(Kevin Hollinrake.)*

This amendment ensures that the procedural requirements in relation to the variation or release of undertakings given under clause 178 will apply only where it is the CMA, rather than the respondent, that has suggested the variation or release in question.

Clause 185

FINAL BREACH OF DIRECTIONS ENFORCEMENT NOTICE

Amendment made: 75, page 124, line 3, at end insert—

"(5A) Where a final breach of directions enforcement notice includes provision under subsection (5) that varies an enforcement direction or specifies other directions, the notice must (in addition to the requirements under subsection (4)) also state that the respondent has a right to appeal against the notice and the main details of that right."—*(Kevin Hollinrake.)*

This amendment ensures that final breach of directions enforcement notices contain information on appeal rights if the notice varies a direction or imposes new directions.

Clause 195

INSERT CLAUSE 195 HEADING

Amendment made: 76, page 130, line 19, at end insert—

"(4A) Except in the case of an appeal relating to a final false information enforcement notice, in addition to the powers conferred by subsection (4) the appropriate appeal court may also remit any matter that is the subject of the appeal to the CMA."—*(Kevin Hollinrake.)*

This amendment provides that on an appeal relating to a final infringement notice, an online interface notice, a final breach of undertakings enforcement notice or a final breach of directions enforcement notice, the court may remit a matter back to the CMA.

Clause 203

NOTICES UNDER THIS PART

Amendments made: 77, page 136, line 5, leave out from "person" to end of line 6 and insert "—

(a) under this Act by the CMA, or

(b) under Part 3 by another enforcer (within the meaning of that Part)."

See the explanatory statement for the motion to transfer clause 203.

Amendment 78, page 136, line 32, after first "the" insert "CMA or other".

See the explanatory statement for the motion to transfer clause 203.

Amendment 79, page 136, line 38, after first "the" insert "CMA or other".—*(Kevin Hollinrake.)*

See the explanatory statement for the motion to transfer clause 203.

Ordered,

That Clause 203 be transferred to the end of line 26 on page 220.—*(Kevin Hollinrake.)*

This amendment would move clause 203 (notices under Part 3) to Part 6 of the Bill where, when amended by Amendments 77, 78 and 80, it would apply for the purposes of Parts 1 and 3 of the Bill, and the new first Chapter A1 of Part 5 of the Bill to be formed by NC14 to NC21.

Clause 215

OTHER INTERPRETATIVE PROVISIONS

Amendments made: 81, page 142, line 36, before "profession" insert "trade, craft or".

This amendment ensures that trades and crafts will fall within the definition of "business" for the purposes of Part 3 whether or not they are carried on for gain or reward. This ensures consistency with the definition of "business" in Chapter 1 of Part 4.

Amendment 82, page 142, line 37, leave out "a trade, craft or" and insert "any other".—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 81.

Clause 223

OMISSION OF MATERIAL INFORMATION FROM INVITATION TO PURCHASE

Amendment made: 85, page 148, line 32, leave out "set out in subsection (2)" and insert "which is—

(a) set out in subsection (2), and

(b) not already apparent from the context."—*(Kevin Hollinrake.)*

This amendment provides that a trader does not, as part of an information to purchase, have to include any of the information listed in clause 223(2) if that information is already apparent to the consumer from the context.

Clause 232

OFFENCES: CRIMINAL LIABILITY OF OTHERS

Amendment made: 86, page 156, line 8, at end insert—

"(5A) If the affairs of a body corporate are managed by its members, subsection (5) applies in relation to the acts and defaults of a member in connection with the member's functions of management as if the member were an officer of the body corporate."—*(Kevin Hollinrake.)*

This amendment provides for which members of a limited liability partnership may be guilty of an offence of engaging in an unfair commercial practice by virtue of clause 232 if the limited liability partnership is guilty of that offence.

Clause 234

TIME LIMIT FOR PROSECUTION

Amendment made: 87, page 157, line 7, leave out subsections (3) to (6).—*(Kevin Hollinrake.)*

This is a drafting amendment to ensure that the time limit for prosecuting an offence under clause 230 is the same regardless of whether the offence is tried summarily or on indictment.

Clause 244

CONSEQUENTIAL AMENDMENTS ETC RELATING TO THIS CHAPTER

Amendment made: 88, page 161, line 25, at end insert—

"(4A) In EA 2002—

(a) in Schedule 14 (provisions about disclosure of information) at the appropriate place insert—

"Chapter 1 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.";

(b) in Schedule 15 (enactments conferring functions) at the appropriate place insert—

"Chapter 1 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.""—*(Kevin Hollinrake.)*

This amendment ensures that: a) information that comes to a public authority in connection with the exercise of its functions under Chapter 1 of Part 4 of the Bill is information to which section 237 of the Enterprise Act 2002 applies (which imposes a general restriction on disclosure of certain kinds of information unless permitted under Part 9 of that Act), and b) that information to which section 237 applies can be disclosed to a public authority for the purposes of enabling that authority to carry out its functions under Chapter 1 of Part 4.

Clause 249

PRE-CONTRACT INFORMATION

Amendments made: 89, page 164, line 13, leave out from "information")" to end of line 15.

This amendment and Amendment 90 clarify that the information set out in paragraph 12 of Schedule 20 must be given, or made available, under clause 249(1)(b) in every case (unlike the information set out in paragraphs 13 to 27 of that Schedule which need only be given, or made available, if applicable to the subscription contract in question and not already apparent from the context).

Amendment 90, page 164, line 38, at end insert—

"(4A) The duty under subsection (1)(b) to give, or make available, full pre-contract information applies in relation to the information set out in paragraphs 13 to 27 of Schedule 20 only to the extent that the information is applicable to the contract and not already apparent from the context."—*(Kevin Hollinrake.)*

See the explanatory statement for Amendment 89.

Clause 251

REMINDER NOTICES

Amendments made: 91, page 166, line 16, after "consumer" insert "that does not include a concessionary period".

See the explanatory statement for Amendment 93.

Amendment 92, page 166, line 18, leave out from "of" to end of line 21 and insert

"each renewal payment that relates to the end of a relevant six-month period."

See the explanatory statement for Amendment 93.

Amendment 93, page 166, line 22, leave out subsections (2) and (3) and insert—

"(2) A "relevant six-month period" for the purposes of subsection (1) is—

(a) the period of 6 months beginning with the day after the day on which the contract was entered into, and

(b) each subsequent period of 6 months beginning with the day after the day on which the consumer last became liable for a renewal payment in respect of which a reminder notice was required under subsection (1).

(3) Where a trader enters into a subscription contract with a consumer that includes a concessionary period, the trader must give to the consumer a reminder notice in respect of—

(a) the first renewal payment for which the consumer will become liable under the contract, and

(b) each subsequent renewal payment that relates to the end of a relevant six-month period.

(3A) A "relevant six-month period" for the purposes of subsection (3) is each period of 6 months beginning with the day after the day on which the consumer last became liable for a renewal payment in respect of which a reminder notice was required under subsection (3).

(3B) A renewal payment "relates" to the end of a relevant six-month period for the purposes of subsections (1) and (3) if—

(a) it is the last (or only) renewal payment for which the consumer becomes liable during that period, or

(b) in a case where the consumer does not become liable for any renewal payment during that period, it is the first renewal payment for which the consumer becomes liable after the end of that period.

(3C) For the purposes of this section a subscription contract includes a concessionary period if it is a contract to which section 247(3) applies."

This amendment, along with Amendments 91 and 92, provides that a reminder notice be given at six month intervals from the beginning of the contract, or from the first renewal payment in relation to a subscription contract that begun with a concessionary period, (so far as possible, depending on the payment structure of the contract).

Amendment 94, page 166, line 39, at end insert—

"(6) The Secretary of State may by regulations provide for the requirements imposed by this section and section 252—

(a) not to apply in relation to specified descriptions of traders or contracts;

(b) to apply subject to modifications in relation to specified descriptions of traders or contracts.

(7) Regulations under subsection (6) are subject to the affirmative procedure."—*(Kevin Hollinrake.)*

This amendment confers a power on the Secretary of State to disapply or modify the requirements to give a reminder notice in relation to traders or contracts of a specified description.

Clause 252

CONTENT AND TIMING ETC OF REMINDER NOTICES

Amendments made: 95, page 167, line 11, leave out from "given" to end of line 13 and insert

"within the period specified by the trader for the purposes of this section in the key pre-contract information given to the consumer in relation to the contract (see paragraph 9A of Schedule 20)."

This amendment and Amendment 96 revise the requirement as to when a reminder notice must be given in advance of the renewal payment to which it relates. It requires the trader to give the notice during the period specified for the purposes in key pre-contract information. The period specified must be a reasonable period taking account of the factors set out.

Amendment 96, page 167, line 13, at end insert—

"(3A) A period specified in key pre-contract information for the purposes of this section must be a period in advance of the last cancellation date which is reasonable for the purposes of—

(a) informing the consumer that they will soon become liable for the renewal payment to which the notice relates, and

(b) enabling the consumer to decide whether to bring the subscription contract to an end before incurring that liability (and to take the necessary steps to do so)."

See the explanatory statement for Amendment 95.

Amendment 97, page 167, line 18, leave out from "applies," to end of line 24 and insert

"in addition to giving a reminder notice in accordance with subsection (3), an additional reminder notice must be given—

(a) prior to the notice given in accordance with subsection (3), and

(b) at a time which is reasonable for the purpose of providing additional notification to the consumer that they will soon become liable for the renewal payment to which the notice relates."

This amendment revises the requirement as to when the additional reminder notice must be given in advance of the renewal payment to which it relates (in cases where an additional notice is required). It requires the trader to give the additional notice prior to giving the notice that is due in every case and at a time which is reasonable for providing additional notification to the consumer of the upcoming renewal payment.

Amendment 98, page 167, line 33, leave out subsections (8) and (9).—*(Kevin Hollinrake.)*

This amendment is consequential on Amendments 95 and 97.

Clause 255

TERMS IMPLIED INTO CONTRACTS

Amendment made: 99, page 169, line 29, at end insert—

"(ca) the duty set out in section 252(3A) to specify in key pre-contract information a reasonable period for the giving of a reminder notice under section 252(3) (timing for the giving of reminder notices);"—*(Kevin Hollinrake.)*

This amendment makes it an implied term of every subscription contract that the trader will specify in key pre-contract information a reasonable period for giving a reminder notice.

Clause 256

RIGHT TO CANCEL FOR BREACH OF IMPLIED TERM

Amendment made: 100, page 169, line 36, after "(c)" insert ", (ca)"—*(Kevin Hollinrake.)*

This amendment enables a consumer to cancel a subscription contract where a trader fails to specify in key pre-contract information a reasonable period for the giving of a reminder notice.

Clause 263

OFFENCES BY OFFICERS OF A BODY CORPORATE ETC

Amendment made: 101, page 175, line 32, at end insert—

"(2A) If the affairs of a body corporate are managed by its members, subsection (1) applies in relation to the acts and defaults of a member in connection with the member's functions of management as if the member were an officer of the body corporate."—*(Kevin Hollinrake.)*

This amendment provides for which members of a limited liability partnership may be guilty of the offence of failing to give information about cooling-off periods under clause 261, by virtue of clause 263, if the limited liability partnership is guilty of that offence.

Clause 265

INFORMATION AND NOTICES: TIMING AND BURDEN OF PROOF

Amendment made: 102, page 177, line 9, at end insert "in accordance with this Chapter"—*(Kevin Hollinrake.)*

This is a drafting amendment to clarify that it is for the consumer to prove that they have brought to an end, or cancelled, a subscription contract in accordance with the provisions of the Chapter.

Clause 272

OTHER CONSEQUENTIAL AMENDMENTS

Amendment made: 103, page 180, line 14, at end insert—

"(1A) In EA 2002—

(a) in Schedule 14 (provisions about disclosure of information) at the appropriate place insert—

"Chapter 2 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.";

(b) in Schedule 15 (enactments conferring functions) at the appropriate pace insert—

"Chapter 2 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.""—*(Kevin Hollinrake.)*

This amendment makes the same provision in relation to Chapter 2 of Part 4 as Amendment 88 makes in relation to Chapter 1.

Clause 273

INTERPRETATION

Amendments made: 104, page 180, line 33, before "profession" insert "trade, craft or"

This amendment ensures that trades and crafts will fall within the definition of "business" for the purposes of this Chapter whether or not they are carried on for gain or reward. This ensures consistency with the definition of "business" in Part 3 and Chapter 1 of Part 4.

Amendment 105, page 180, line 34, leave out "a trade, craft or" and insert "any other".—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 104.

Clause 274

INDEX OF DEFINED EXPRESSIONS

Amendment made: 107, page 182, line 9, leave out "Section 273(1)" and insert "Section 312".—*(Kevin Hollinrake.)*

This amendment corrects a cross-referencing error.

Clause 282

EXERCISE OF FUNCTIONS RELATING TO THIS CHAPTER

Amendment made: 109, page 187, line 17, at end insert—

"(2) In EA 2002—

(a) in Schedule 14 (provisions about disclosure of information) at the appropriate place insert—

"Chapter 3 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.";

(b) in Schedule 15 (enactments conferring functions) at the appropriate pace insert—

"Chapter 3 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.""—*(Kevin Hollinrake.)*

This amendment makes the same provision in relation to Chapter 3 of Part 4 as Amendment 88 makes in relation to Chapter 1.

Clause 283

INTERPRETATION

Amendments made: 110, page 187, line 22, leave out from "reward" to end of line 24.—*(Kevin Hollinrake.)*

This amendment would omit some superfluous words from the definition of "business", for greater consistency with the other definitions of "business" in the Bill.

Clause 288

EXEMPT ADR PROVIDERS

Amendments made: 112, page 192, line 33, at end insert "or 2".

This amendment and Amendment 113 secure that the power in subsection (2) of clause 288 can be used to amend Part 2 of Schedule 22, as contemplated by subsection (3)(b).

113, Clause 288, page 192, line 34, at end insert "or 2".—*(Kevin Hollinrake.)*

See the explanatory statement for Amendment 112.

Clause 289

APPLICATIONS FOR ACCREDITATION ETC

Amendments made: 114, page 193, line 25, at end insert ", and

(b) pay to the Secretary of State the appropriate application fee (if any) prescribed by regulations under section (ADR fees regulations)."

This amendment (with NC13) secures that an applicant for accreditation must pay the appropriate application fee (if any) set by regulations made by the Secretary of State.

Amendment 115, page 193, line 29, at end insert—

"(3A) An accredited ADR provider may apply to the Secretary of State for their accreditation to be varied by the addition, variation or removal of —

(a) any limitation affecting the descriptions of ADR or special ADR arrangements (as the case may be) covered by the accreditation, or

(b) any condition on the accreditation.

(3B) An application under subsection (3A) must be accompanied by the appropriate application fee (if any) prescribed by regulations under section (ADR fees regulations)."

This amendment moves what was clause 289(10) to become subsection (3A). The new subsection (3A) also ensures that accredited ADR providers can apply to vary their accreditation by adding, as well as by removing or altering, limitations on its scope and also by adding, altering or removing conditions. Subsection (3B) is new and requires applicants to pay the appropriate application fee.

Amendment 116, page 193, line 31, at end insert "or an application for the variation of an accreditation".

This amendment secures that the Secretary of State's power to determine the procedure for an application applies to applications for the variation of an accreditation as well as applications for accreditation.

Amendment 117, page 194, line 1, leave out paragraph (e).

This amendment is consequential on NC13 and Amendment 114 which provide for application fees to be set by regulations, rather than as part of the Secretary of State's powers under clause 289(4) to determine the procedure for applications.

Amendment 118, page 194, line 4, leave out subsection (7).

This amendment is consequential on NC13 and Amendment 114.

Amendment 119, page 194, line 11, leave out subsection (10).—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 115.

Clause 290

DETERMINATION OF APPLICATIONS FOR ACCREDITATION OR EXTENSION OF ACCREDITATION

Amendments made: 120, page 194, line 15, leave out "extension" and insert "the variation".

This amendment is consequential on Amendment 115.

Amendment 121, page 195, line 5, leave out "extension" and insert "the variation".

This amendment is consequential on Amendment 115.

Amendment 122, page 195, line 10, leave out "extend" and insert "vary".

This amendment is consequential on Amendment 115.

Amendment 123, page 195, line 16, leave out "extended" and insert

"to be varied by adding, varying or removing a limitation".

This amendment is consequential on Amendment 115 and will limit the operation of clause 290(9) to cases where an accreditation is varied by adding, varying or removing a limitation on its scope.

Amendment 124, page 195, line 20, leave out subsections (10) to (12) and insert—

"(10) The Secretary of State may only vary an accreditation if satisfied that the accreditation criteria will be met by or in relation to the applicant after the accreditation is varied.

(11) A variation of an accreditation is not time limited unless the Secretary of State determines that the variation is to have effect only for a limited period and the notice of the decision on the application for variation—

(a) states that the variation is time limited (unless made permanent following a subsequent application by the ADR provider),

(b) specifies the period for which the variation has effect, and

(c) makes provision as to the terms of the accreditation in the event that the variation lapses at the end of that period.

(12) The notice of a decision to vary an accreditation must specify the day on which the variation takes effect."

This amendment is consequential on Amendment 115 and ensures that subsections (10) to (12) apply to all kinds of variation covered by clause 289(3A).

Amendment 125, page 195, line 39, leave out "extended" and insert "varied".—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 115.

Clause 291

REVOCATION OR SUSPENSION OF ACCREDITATIONS ETC

Amendments made: 126, page 196, line 22, leave out "alter" and insert "vary".

This amendment changes the word "alter" for consistency with other provisions which use "vary" in the context of changing the terms of an accreditation.

Amendment 127, page 196, line 23, after "limiting" insert ", or further limiting".—*(Kevin Hollinrake.)*

This amendment would make clear that the Secretary of State's powers under clause 291(4) include both adding limitations to the scope of a previously unlimited accreditation and further limiting an accreditation that is already limited.

Clause 292

FEES PAYABLE BY ACCREDITED ADR PROVIDERS

Amendments made: 128, page 197, leave out line 21 and insert

"as may be prescribed, the appropriate prescribed fee (if any)."

The amendment (with NC13 and Amendment 129) secures that the fees payable at intervals by accredited ADR providers are prescribed by regulations made by the Secretary of State, rather than simply being determined by the Secretary of State from time to time.

Amendment 129, page 197, line 22, leave out subsections (2) to (4) and insert—

"(2) In subsection (1) "prescribed" means prescribed by regulations under section (ADR fees regulations)."—*(Kevin Hollinrake.)*

The amendment defines the word "prescribed" (in clause 292(1) as amended by Amendment 128 and deletes provisions that are redundant if fees are to be set by regulations.

Clause 297

DISCLOSURE OF ADR INFORMATION BY THE SECRETARY OF STATE

Amendment made: 130, page 201, leave out paragraph (d).—*(Kevin Hollinrake.)*

The amendment omits unnecessary words in clause 297(3). Amendment 175 secures that Part 9 of the Enterprise Act 2002 applies to Chapter 4 (ADR) of Part 4 of the Bill. Part 9 provides an information gateway for disclosures relating to criminal investigations and prosecutions that makes clause 297(3)(d) redundant.

Clause 299

POWER TO PROVIDE FOR OTHER PERSONS TO HAVE ACCREDITATION FUNCTIONS ETC

Amendment made: 131, page 202, line 32, leave out "extension" and insert "variation".—*(Kevin Hollinrake.)*

The amendment is consequential on Amendment 115.

Clause 303

PROVISION OF INVESTIGATIVE ASSISTANCE TO OVERSEAS REGULATORS

Amendments made: 132, page 205, line 19, leave out sub-paragraph (ii).

This amendment, and Amendment 141, replace the current prohibition on a regulator providing investigative assistance to an overseas regulator under Chapter 1 of Part 5 of the Bill in relation to the investigation or prosecution of crimes with a provision that such assistance can only be provided under or in accordance with a "qualifying cooperation arrangement" (defined by Amendment 135).

Amendment 133, page 205, line 23, at beginning insert

"where the request is made otherwise than under or in accordance with a qualifying cooperation arrangement,".

This amendment provides that the Secretary of State is only required to authorise the provision of investigative assistance under Chapter 1 of Part 5 of the Bill where the request for such assistance is made otherwise than under or in accordance with a "qualifying cooperation arrangement" (defined by Amendment 135).

Amendment 134, page 206, line 7, at end insert—

"Part 6 of EA 2002 (cartel offence): the CMA exercising its powers under sections 193 and 194 of EA 2002 as if, by assisting O's carrying out of functions which correspond or are similar to the functions of the CMA under Part 6 of that Act, the CMA were carrying out an investigation under section 192 of that Act".

This amendment allows the CMA to provide investigative assistance to an overseas regulator by exercising its power under sections 193 and 194 of the Enterprise Act 2002 where the overseas regulator has functions which correspond or are similar to the functions of the CMA under Part 6 of the Enterprise Act 2002 (the cartel offence).

Amendment 135, page 207, line 9, at end insert—

""cooperation arrangement" means an arrangement or agreement relating in whole or in part to cooperation in matters relating to the subject matter of a relevant enactment;

"qualifying cooperation arrangement" means any cooperation arrangement—

(a) to which the United Kingdom and the country or territory of O are parties, and

(b) which provides for the provision of mutual assistance as between the United Kingdom and that country or territory, or as between R and persons or bodies in that country or territory, in relation to matters relating to—

(i) functions of R under a relevant enactment, or

(ii) functions of O which correspond or are similar to those functions."—*(Kevin Hollinrake.)*

This amendment defines "cooperation arrangement" and "qualifying cooperation arrangement" for the purposes of Chapter 1 of Part 5 of the Bill.

Clause 305

THE APPROPRIATENESS OF PROVIDING INVESTIGATIVE ASSISTANCE

Amendments made: 136, page 207, line 29, leave out from "are parties to" to end of line 31 and insert "a cooperation arrangement;".

This amendment is consequential on Amendment 135.

Amendment 137, page 207, line 36, at end insert—

"(3A) R must consider that it would not be appropriate to assist O where any of subsections (4), (4A), (4B) or (5) apply."

In consequence of Amendment 141 (which inserts the subsection (4A) referred to in this amendment) and Amendment 142 (which inserts the subsection (4B) referred to in this amendment), this amendment inserts a new subsection into clause 305 to improve the clarity of that clause.

Amendment 138, page 207, leave out lines 37 and 38 and insert—

"(4) This subsection applies where R considers that—".

This amendment is consequential on Amendment 137.

Amendment 139, page 207, line 40, after "corresponding" insert "or substantially similar".

This amendment brings the wording of clause 305(4)(a) into line with that of new section 243C(5) of the Enterprise Act 2002, being inserted by clause 310(2) of the Bill.

Amendment 140, page 208, line 3, leave out paragraph (b).

This amendment omits clause 305(4)(b), which is being replaced by the provision made by Amendment 142.

Amendment 141, page 208, line 5, at end insert—

"(4A) This subsection applies where—

(a) the matter to which the request relates concerns the investigation of crime or the bringing of criminal proceedings, and

(b) the request is made otherwise than under or in accordance with a qualifying cooperation arrangement."

See the explanatory statement for Amendment 132.

Amendment 142, page 208, line 5, at end insert—

"(4B) This subsection applies where R would not be able to disclose, under Part 9 of EA 2002 (information), to O any information obtained by R in the course of assisting O."

This amendment replaces clause 305(4)(b) to provide that a regulator may not provide an overseas regulator with assistance where it would not (as opposed to where it considers it would not) be able to disclose information to the overseas regulator under Part 9 of the Enterprise Act 2002. See also Amendment 140.

Amendment 143, page 208, leave out line 6 and insert—

"(5) This subsection applies where—"—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 137.

Clause 306

AUTHORISATION OF THE PROVISION OF INVESTIGATIVE ASSISTANCE

Amendments made: 144, page 208, line 35, leave out "a convention or treaty" and insert "an arrangement or agreement (other than a qualifying cooperation arrangement)".

This amendment is consequential on Amendment 133.

Amendment 145, page 208, line 37, leave out "convention or treaty" and insert "arrangement or agreement".—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 144.

Clause 307

NOTIFICATIONS IN RESPECT OF REQUESTS FOR INVESTIGATIVE ASSISTANCE

Amendment made: 146, page 209, line 26, at end insert—

"(1A) But subsection (1) does not apply where O's request is made under or in accordance with a qualifying cooperation arrangement."—*(Kevin Hollinrake.)*

This amendment removes the requirement for a regulator to notify the Secretary of State that it considers it would be appropriate to assist an overseas regulator, where the request from the overseas regulator is made under or in accordance with a qualifying cooperation arrangement.

Clause 314

POWER TO MAKE CONSEQUENTIAL PROVISION

Amendments made: 150, page 220, line 37, leave out "or under primary legislation" and insert "an enactment".

This amendment is a drafting clarification to ensure that the power to make consequential amendments under clause 314 extends to assimilated direct legislation.

Amendment 151, page 221, leave out paragraph (e).—*(Kevin Hollinrake.)*

This amendment removes retained direct principal EU legislation from the definition of "primary legislation" for the purposes of clause 314, with the result that the negative procedure will apply under subsection (4) of that clause to consequential amendments of assimilated direct principal legislation (as retained direct principal EU legislation will become known as under section 5 of the Retained EU Law (Revocation and Reform) Act 2023).

Clause 317

COMMENCEMENT

Amendments made: 152, line 35, leave out "subsection (2)" and insert "subsections (2) and (2A)".

See the explanatory statement for Amendment 154.

Amendment 153, page 222, line 2, at end insert—

"(za) section (Use of damages-based agreements in opt-out collective proceedings);"

This amendment provides that the new clause inserted by NC8 comes into force on Royal Assent.

Amendment 154, page 222, line 6, at end insert—

"(2A) Section (Mergers of energy network enterprises) (and Schedule (Mergers of energy network enterprises)) come into force at the end of the period of two months beginning with the day on which this Act is passed."—*(Kevin Hollinrake.)*

This amendment provides for the new clause being inserted by NC9 and the new Schedule being inserted by NS1 to come into force two months after the Bill is passed.

New Schedule 1

MERGERS OF ENERGY NETWORK ENTERPRISES

"Mergers of energy network enterprises

1 Part 3 of EA 2002 (mergers) is amended as follows.

2 (1) Section 22 (duty to make references in relation to completed mergers) is amended as follows.

(2) In subsection (3)(c) omit "or 68B or 68C".

(3) In subsection (7)(a) omit ", 68B or 68C".

3 In section 33(3) (circumstances in which references in relation to anticipated mergers may not be made), in paragraph (c) omit "or 68B or 68C".

4 In section 68B (further duty to make references in relation to completed mergers), for subsection (3) substitute—

"(3) The CMA may not make a reference under this section—

(a) in any circumstances mentioned in section 22(3)(za) to (b) or (d), or

(b) if the relevant merger situation concerned is being, or has been, dealt with in connection with a reference made under section 68C."

5 In section 68C (further duty to make references in relation to anticipated mergers), for subsection (3) substitute—

"(3) The CMA may not make a reference under this section—

(a) in any circumstances mentioned in section 33(3)(za) to (b) or (d), or

(b) if the arrangements concerned are being, or have been, dealt with in connection with a reference under section 68B."

6 (1) In section 72 (initial enforcement orders: completed or anticipated mergers), subsection (6) is amended as follows.

(2) For the words before paragraph (a) substitute "So far as made in relation to a reference under section 22, 33, 68B or 68C, an order under this section which has not previously ceased to be in force and which has not been adopted under paragraph 2 of Schedule 7 ceases to be in force in relation to the reference concerned—".

(3) In paragraph (a), in the words before sub-paragraph (i) omit "under section 22, 33, 68B or 68C".

7 (1) Section 73 (undertakings in lieu of references under section 22, 33, 68B or 68C) is amended as follows.

(2) For subsection (3B) substitute—

"(3B) The CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing—

(a) the prejudice to the ability of the Gas and Electricity Markets Authority described in section 68B(1) or 68C(1), or

(b) any adverse effect which has or may have resulted from it or may be expected to result from it,

accept from such of the parties concerned as it considers appropriate undertakings to take such action as it considers appropriate."

(3) In subsection (3C), after "to the prejudice" insert "and any adverse effects resulting from it".

8 In section 73A (time-limits for consideration of undertakings), in subsection (2)(a), after "73(2)" insert "or (3B)".

9 (1) Section 74 (effect of undertakings under section 73) is amended as follows.

(2) In subsection (1)—

(a) in the words before paragraph (a), for ", 45, 68B or 68C" substitute "or 45";

(b) in paragraph (a), for "section 73" substitute "section 73(2)".

(3) After subsection (1) insert—

"(1A) The relevant authority may not make a reference under section 45, 68B or 68C in relation to the creation of a relevant merger situation if—

(a) the CMA has accepted an undertaking or group of undertakings under section 73(3B), and

(b) the relevant merger situation is the situation by reference to which the undertaking or group of undertakings was accepted."

(4) In subsection (2), for "Subsection (1) does not" substitute "Subsections (1) and (1A) do not".

10 (1) Section 75 (order-making power where undertakings under section 73 not fulfilled etc) is amended as follows.

(2) In subsection (1), in paragraph (a), for "section 73" substitute "section 73(2) or (3B)".

(3) In subsection (2), after "73(2)" insert "or (3B) (as the case may be)".

(4) For subsection (3) substitute—

"(3A) In proceeding under subsection (2) for the purposes mentioned in section 73(2) or (3B), the CMA must, in particular, have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to—

(a) in relation to the purpose mentioned in section 73(2), the substantial lessening of competition mentioned in that subsection and any adverse effects resulting from it;.

(b) in relation to the purpose mentioned in section 73(3B), the prejudice mentioned in that subsection and any adverse effects resulting from it.

(3B) In proceeding under subsection (2) for the purposes mentioned in section 73(2) or (3B), the CMA may, in particular, have regard to the effect of any action on any relevant customer benefits in relation to the creation of the relevant merger situation concerned."

11 (1) Section 79 (sections 77 and 78: further interpretative provisions) is amended as follows.

(2) In subsection (1), for paragraphs (c) to (e) substitute—

"(c) the report of the CMA under that section contains the decision that—

(i) in relation to a reference under section 22 or 33, there is not an anti-competitive outcome, or

(ii) in relation to a reference under section 68B or 68C, there is not a prejudicial outcome;

(d) the report of the CMA under that section contains the decision that—

(i) in relation to a reference under section 22 or 33, there is an anti-competitive outcome, or

(ii) in relation to a reference under section 68B or 68C, there is a prejudicial outcome, and

the CMA has decided under section 41(2) neither to accept an undertaking under section 82 nor to make an order under section 84;

(e) the report of the CMA under that section contains the decision that—

(i) in relation to a reference under section 22 or 33, there is an anti-competitive outcome, or

(ii) in relation to a reference under section 68B or 68C, there is a prejudicial outcome, and

the CMA has decided under section 41(2) to accept an undertaking under section 82 or to make an order under section 84."

(3) After subsection (5) insert—

"(5A) References in subsection (1) to a prejudicial outcome are to a prejudicial outcome within the meaning of section 35 or 36 as those sections have effect by virtue of paragraphs 6 and 7 of Schedule 5A."

12 (1) Schedule 5A (energy network mergers affecting comparative regulation: modifications of Chapter 1 of Part 3) is amended as follows.

(2) After paragraph 1 insert—

"Meaning of "the decision-making authority"

1A Section 22(7)(a) (meaning of "the decision-making authority") has effect as if after "section 33" there were inserted ", 68B or 68C"."

(3) In paragraph 5 (time limits for decisions about references)—

(a) for paragraph (b) substitute—

"(b) the reference to section 22(3) were to section 68B(3);";

(b) for paragraph (d) substitute—

"(d) the reference to section 33(3) were to section 68C(3)."

13 (1) Schedule 16 to the Energy Act 2023 (mergers of completed energy network enterprises) is amended as follows.

(2) Omit paragraphs 5 and 6 (amendments to sections 22 and 33 of EA 2002).

(3) Omit paragraph 14(2) (amendment to section 74(1) of EA 2002).”—*(Kevin Hollinrake.)*

See the explanatory statement for NC9.

Brought up, read the First and Second time, and added to the Bill.

Schedule 4

RELEVANT AND SPECIAL MERGER SITUATIONS

Amendment made: 155, page 232, line 14, at end insert—

“5A “(1) Schedule 5A (energy network mergers affecting comparative regulation: modifications of Chapter 1 of Part 3) is amended as follows.

(2) In paragraph 2 (modifications of section 23), in paragraph (a), in the substituted text, for “£70 million” substitute “£100 million”.

(3) In paragraph 3 (modifications of section 28), for paragraphs (b) and (c) substitute—

“(b) in subsection (5)—

(i) in the words before paragraph (a), for “The CMA shall” there were substituted “The CMA and the Gas and Electricity Markets Authority must each”;

(ii) in paragraph (a), for “the sums for the time being mentioned in section 23(1)(b), (2)(c) and (4E)” there were substituted “the sum for the time being mentioned in section 23(1)(b)”;

(iii) in paragraph (b), for “sums are” there were substituted “sum is”;

(c) in subsection (6)—

(i) for “section 23(1)(b), (2)(c) and (4E)” there were substituted “paragraph 2(a) of Schedule 5A”;

(ii) for “sums” there were substituted “sum”.””—*(Kevin Hollinrake.)*

This amendment amends the modifications to Chapter 1 of Part 3 of the Enterprise Act 2002 made by Schedule 5A to that Act (recently inserted by Schedule 16 to the Energy Act 2023) to reflect amendments being made to that Chapter by Schedule 4 to the Bill and to correct the modification made by paragraph 3(c) of Schedule 5A to section 28(6) of the Enterprise Act 2002.

Schedule 5

MERGERS: FAST-TRACK REFERENCES UNDER SECTIONS 22 AND 33 OF EA 2002

Amendment made: 156, page 236, line 2, at end insert—

“8A “(1) In Chapter 3 of Part 3 of EA 2002 (mergers: other special cases), Schedule 5A (energy network mergers affecting comparative regulation: modifications of Chapter 1 of Part 3) is amended as follows.

(2) In paragraph 1 (general modifications), in sub-paragraph (2), for the words after “include” substitute “—

(a) a reference made under a subsection of that section;

(b) a reference treated as made under that section.”

(3) For paragraph 5 (time limits for decisions about references) substitute—

“5 Section 34ZA (time-limits for decisions about references) has effect as if—

(a) in subsection (1)(a)—

(i) the reference to section 22(2) were to section 68B(2);

(ii) the reference to section 22(3) were to section 68B(3);

(iii) the reference to section 33(2) were to section 68C(2);

(iv) the reference to section 33(3) were to section 68C(3);

(b) section (1A) were omitted.

5A Chapter 1 has effect as if sections 34ZD to 34ZF (fast-track reference requests) were omitted.”

(4) After paragraph 7 insert—

“*Time-limits for investigations and reports*

7A Section 39 (time-limits for investigations and reports) has effect as if subsection (3A) were omitted.””—*(Kevin Hollinrake.)*

This amendment secures that fast-track references under Part 3 of the Enterprise Act 2002 (as amended by Schedule 5 to the Bill) are not available in respect of energy network mergers.

Schedule 8

CIVIL PENALTIES ETC IN CONNECTION WITH COMPETITION INVESTIGATIONS

Amendment made: 157, page 260, line 30, leave out “intentionally”.—*(Kevin Hollinrake.)*

This amendment corrects a drafting error and brings the amendment being made to section 174A of the Enterprise Act 2002 by paragraph 26(3) of Schedule 8 into line with the equivalent amendment being made to section 110 of that Act at paragraph 15(3) of that Schedule.

Schedule 9

CIVIL PENALTIES ETC IN CONNECTION WITH BREACHES OF REMEDIES

Amendments made: 158, page 265, leave out lines 12 to 19 and insert—

“(1) The CMA may, in accordance with section 35B, impose a penalty on a person—

(a) from whom the CMA has accepted commitments under section 31A (and who has not been released from those commitments), or

(b) to whom the CMA has given a direction under section 32, 33 or 35,

where the CMA considers that the person has, without reasonable excuse, failed to adhere to the commitments or comply with the direction.”

This amendment improves the clarity of this provision and makes it clear that the CMA can only impose a penalty on an individual under section 35B of the Competition Act 1998 (inserted by paragraph 6 of Schedule 9 to the Bill) for failing to comply with a direction in cases where the direction was given to the person.

Amendment 159, page 268, leave out lines 24 to 27 and insert—

“(1) The appropriate authority may, in accordance with section 94AB, impose a penalty on a person—

(a) from whom the authority has accepted an enforcement undertaking, or

(b) to whom an enforcement order is addressed,

where the authority considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.”

This amendment makes it clear that a penalty can only be imposed on an individual under section 94AB of the Enterprise Act 2002 (inserted by paragraph 11 of Schedule 9 to the Bill) for failing to comply with an enforcement undertaking or enforcement order in cases where the undertaking was accepted from, or the order was addressed to, the person.

Amendment 160, page 271, leave out lines 35 to 38 and insert—

“(1) The relevant authority may, in accordance with section 167B, impose a penalty on a person—

(a) from whom the authority has accepted an enforcement undertaking, or

(b) to whom an enforcement order is addressed,

where the authority considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.”—*(Kevin Hollinrake.)*

This amendment makes it clear that a penalty can only be imposed on an individual under section 167B of the Enterprise Act 2002 (inserted by paragraph 17 of Schedule 9 to the Bill) for failing to comply with an enforcement undertaking or enforcement order in cases where the undertaking was accepted from, or the order was addressed to, the person.

Schedule 11

SERVICE AND EXTRA-TERRITORIALITY OF NOTICES UNDER CA 1998 AND EA 2002

Amendment made: 161, page 283, line 13, leave out "or 62" and insert, ", 62, 62B or 68C".—*(Kevin Hollinrake*

This amendment provides that notices given under section 109(2) and (3) of the Enterprise Act 2002 (production of documents etc) in relation to references under sections 68B or 68C of that Act (mergers of energy network enterprises) can be given to a person outside the United Kingdom.)

Schedule 15

INVESTIGATORY POWERS

Amendment made: 162, page 326, line 18, at end insert—

"Power to amend amounts

16HA (1) The Secretary of State may by regulations amend the following provisions of this Schedule for the purpose of substituting a different monetary amount for an amount of fixed or daily penalty for the time being specified—

(a) paragraph 16A(5)(a) and (b);

(b) paragraph 16C(5)(a) and (b).

(2) Before making regulations under this paragraph the Secretary of State must consult such persons as the Secretary of State considers appropriate.

(3) Regulations under this paragraph are to be made by statutory instrument.

(4) Regulations under this paragraph may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament."—*(Kevin Hollinrake.)*

This amendment confers power on the Secretary of State to amend by affirmative procedure the amount of monetary penalties that can be imposed under paragraphs 16A or 16C of Schedule 5 to the Consumer Rights Act 2015 (those paragraphs are inserted by Schedule 15 to the Bill). A similar power is contained in clause 198 of the Bill.

Schedule 16

PART 3: MINOR AND CONSEQUENTIAL AMENDMENTS

Amendment made: 163, page 330, line 24, at end insert—

"6A In Schedule 15 (enactments conferring functions) at the appropriate place insert—

"Chapters 3 and 4 of Part 3 of the Digital Markets, Competition and Consumers Act 2024.""—*(Kevin Hollinrake.)*

This amendment ensures that information to which section 237 of the Enterprise Act 2002 applies (which imposes a general restriction on disclosure of certain kinds of information unless permitted under Part 9 of that Act) can be disclosed to an enforcer for the purposes of enabling that enforcer to carry out functions under Chapter 3 or 4 of Part 3 of the Bill.

Schedule 19

EXCLUDED CONTRACTS

Amendments made: 164, page 345, line 40, omit "or Wales".

This amendment is consequential on Amendment 165.

Amendment 165, page 346, line 2, at end insert—

"(aa) in relation to a prescription or directions given, or a medicinal product administered, in Wales, has the meaning given by regulation 2 of the National Health Service (Pharmaceutical Services) (Wales) Regulations 2020 (S.I 2020/1073 (W. 241));"

This amendment provides a separate definition for Wales of a "prescriber" for the purposes of excluding from the subscription contract regime a contract for the supply of goods, services or digital content where that supply is made under, or in connection with, directions given by a prescriber.

Amendment 166, page 346, line 7, at end insert

"but as if that definition included "a dentist"".

This amendment adds dentists to the definition of "prescribers" for the purposes of excluding from the subscription contracts regime a contract which is given under, or in connection with, a prescription or directions given by a prescriber in Scotland.

Amendment 167, page 346, line 40, omit "and Wales".

This amendment is consequential on Amendment 168.

Amendment 168, page 346, line 45, at end insert—

"(aa) in relation to arrangements which are part of the health service in Wales—

(i) a relevant list for the purposes of the National Health Service (Pharmaceutical Services) (Wales) Regulations 2020 (S.I 2020/1073 (W. 241);

(ii) a list maintained under those Regulations;"

This amendment provides a separate definition for Wales of a "relevant list" for the purposes of excluding from the subscription contracts regime a contract where the trader is a health care professional or a person on a relevant list.

Amendment 169, page 347, line 4, at end insert—

"(ii) the provisional pharmaceutical list prepared under regulation 8 of those Regulations;

(iii) the primary medical services performers list prepared under regulation 4 of the National Health Service (Primary Medical Services List) (Scotland) Regulations 2004 (S.S.I. 2004/114);

(iv) the dental list prepared under regulation 4 of the National Health Service (General Dental Services) (Scotland) Regulations (S.S.I 2010/208);"

This amendment adds to the definition of a "relevant list" in Scotland for the purposes of excluding from the subscription contracts regime a contract where the trader is a health care professional or a person on a relevant list. The existing text after "Scotland" will become sub-paragraph (i).

Amendment 170, page 350, line 30, at end insert—

"Gambling contracts

13 (1) In England and Wales and Scotland, a contract for—

(a) gambling, within the meaning of the Gambling Act 2005;

(b) participating in the National Lottery, within the meaning of the National Lottery etc. Act 1993.

(2) In Northern Ireland, a contract for betting, gaming or participating in a lawful lottery within the meaning of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 (S.I. 1985/1204 (N.I. 11)).")—*(Kevin Hollinrake.)*

This amendment excludes contracts for gambling (that are regulated by other legislation) from the new regime for subscription contracts in Chapter 2 of Part 4 of the Bill.

Schedule 20

PRE-CONTRACT INFORMATION AND REMINDER NOTICES

Amendment made: 171, page 351, line 31, at end insert—

"9A The period within which reminder notices in relation to the contract will be given in accordance with section 252(3)."—*(Kevin Hollinrake.)*

This amendment is consequential on Amendment 95.

Schedule 21

EXCLUDED ARRANGEMENTS

Amendments made: 172, page 357, line 2, at end insert—

"Contracts regulated by OFCOM

2A (1) A contract for the supply of goods, services or digital content by a person who is bound, in relation to that supply, by a general condition set by OFCOM under section 45 of the Communications Act 2003.

(2) In sub-paragraph (1), "OFCOM" means the Office of Communications."

This amendment would add contracts regulated by OFCOM to the list of excluded arrangements in Schedule 21. This would mean that certain contracts, including pre-paid pay-as-you-go mobile phone contracts, would not be subject to the requirements in Chapter 3 of Part 4 on consumer savings schemes.

Amendment 173, page 357, line 2, at end insert—

"Contracts for prepaid passenger transport services

2B A contract for prepaid passenger transport services."—*(Kevin Hollinrake.)*

This amendment would add contracts for prepaid passenger transport services to the list of excluded arrangements in Schedule 21. This would mean that those types of contracts would not be subject to the requirements in Chapter 3 of Part 4 on consumer savings schemes.

Schedule 23

ACCREDITATION CRITERIA

Amendment made: 174, page 359, line 33, leave out from "has" to end of line 35 and insert "appropriate knowledge and skills—

(a) for carrying out the ADR that it carries out, in relation to the disputes it deals with, or

(b) for making the special ADR arrangements that it makes."—*(Kevin Hollinrake.)*

The amendment clarifies the third accreditation criterion, which relates to the expertise expected of an ADR provider. The provider should have the knowledge and skills that are appropriate for the activities it carries out by virtue of an accreditation or exemption.

Schedule 24

CHAPTER 4 OF PART 4: CONSEQUENTIAL AMENDMENTS ETC

Amendment made: 175, page 361, line 25, at end insert—

"Enterprise Act 2002

1A In EA 2002—

(a) in Schedule 14 (provisions about disclosure of information) at the appropriate place insert—

"Chapter 4 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.";

(b) in Schedule 15 (enactments conferring functions) at the appropriate pace insert—

"Chapter 4 of Part 4 of the Digital Markets, Competition and Consumers Act 2024.""—*(Kevin Hollinrake.)*

See the explanatory statements for Amendment 88. This amendment makes the same provision in relation to Chapter 4 of Part 4 as Amendment 88 makes in relation to Chapter 1.

Third Reading

King's consent signified.

9.25 pm

Kevin Hollinrake: I beg to move, That the Bill be now read the Third time.

The UK's continued tech success depends on markets that are fiercely competitive, and where the best companies can flourish and create the innovations that spur growth. With this Bill, we will establish new, more effective tools to address the unique barriers to competition in digital markets, allowing the CMA to proactively drive more dynamic markets and prevent harmful practices, such as making it difficult to switch between operating systems. With this Bill, we will help the UK technology industry to grow, creating room for small businesses with great ideas to flourish. This Bill will deliver tangible benefits to British consumers and British businesses alike.

The Bill was welcomed on both sides of the House on Second Reading. The Select Committee Chairs from this House and the other place, as well as hon. Members from a number of parties, including the hon. Member for Pontypridd (Alex Davies-Jones) and my hon. Friend the Member for Weston-super-Mare (John Penrose), have repeatedly spoken of the Bill's importance. I thank them for their work and for working with us so constructively. On Report, the Government made a number of amendments to the Bill, reflecting the important discussions between stakeholders and Members of this House. I thank Members from across the House for their contributions during the passage of the Bill.

I will conclude by thanking all my predecessors who have taken the Bill from consultation to this House, my officials, the Clerks, and the Chairs and members of the Public Bill Committee for their line-by-line scrutiny, and for their collaborative and constructive approach.

9.26 pm

Alex Davies-Jones: May I briefly join the Minister in thanking all the members of the Public Bill Committee and the Clerks of the House? I give personal thanks to my hon. Friend the Member for Feltham and Heston (Seema Malhotra) for working with me so collaboratively on getting the Bill to a good place. Let me also place on the record my thanks to Freddie Cook, in my team, for all her work on the Bill.

Labour welcomes this Bill, having led the way in calling for large tech companies to be properly regulated to ensure competition in digital markets. We are pleased to see the Bill in a good place as it goes to the other place for further consideration. We have long called for measures to protect consumers, enhance innovation and promote competition in digital markets to unlock growth and level the playing field for smaller businesses. That could not be more important in the midst of a cost of living crisis. We have supported the passage of this Bill and it is now important that these new powers that are given to the CMA to ensure competition in digital markets are not watered down as the Bill progresses. We will be following closely, as will colleagues from across the House, and we look forward to the Bill finally coming into action.

9.27 pm

Richard Thomson: May I, too, add my thanks to the Bill Committee members and to all the Members who have contributed throughout the passage of the Bill? I also thank the Clerks for their wise guidance and assistance, and Sarah Callaghan, in the SNP's research office, for the diligent work she has done on this.

I have said throughout that the amendments we sought to put forward were merely to fill the potholes that we saw in the Bill. It did not need a special fund from the Prime Minister to fill them; all it needed was for some action to be taken on greenwashing and drip pricing, and I am sure the Minister can understand the rest from what I have said. We think those issues still need addressing, but my concern is now about the impact that the Bill will or will not have on big tech and the freedom of the markets our consumers operate in. The success of the Bill will be measured not in the size of the majority that the Government could have had tonight, but in the impact it has on consumers and small businesses in the weeks, months and years ahead.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Northern Ireland

That the Northern Ireland (Ministerial Appointment Functions) (No. 2) Regulations 2023 (SI, 2023, No. 1061), dated 2 October 2023, a copy of which was laid before this House on 2 October, in the last session of Parliament, be approved.—*(Mark Fletcher.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Licences and Licensing

That the Alcohol Licensing (Coronavirus) (Regulatory Easements) (Amendment) Regulations 2023 (SI, 2023, No. 990), dated 11 September 2023, a copy of which was laid before this House on 7 September, in the last session of Parliament, be approved.—*(Mark Fletcher.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Banks and Banking

That the draft Dormant Assets (Distribution of Money) (England) Order 2023, which was laid before this House on 11 September, in the last session of Parliament, be approved.—*(Mark Fletcher.)*

Question agreed to.

COMMITTEES

Energy Security and Net Zero

Ordered,

That Hilary Benn be discharged from the Energy Security and Net Zero Committee and Mick Whitley be added.—*(Mr Marcus Jones.)*

Holocaust Memorial Bill (Select Committee)

Ordered,

That Sir Mike Penning, Angela Richardson, Katherine Fletcher, Ben Bradshaw and Keir Mather be added to the Holocaust Memorial Bill (Select Committee).—*(Mr Marcus Jones.)*

International Development

Ordered,

That Navendu Mishra to be discharged from the International Development Committee and Dr Rosena Allin-Khan be added.—*(Mr Marcus Jones.)*

Transport

Ordered,

That Ruth Cadbury and Mike Amesbury be discharged from the Transport Committee and Fabian Hamilton and Mick Whitley be added.—*(Mr Marcus Jones.)*

Treasury

Ordered,

That Rushanara Ali be discharged from the Treasury Committee and Keir Mather be added.—*(Mr Marcus Jones.)*

ADJOURNMENT

Resolved, That this House do now adjourn.—*(Mark Fletcher.)*

9.31 pm

House adjourned.

Westminster Hall

Monday 20 November 2023

[Yvonne Fovargue *in the Chair*]

Healthcare Students: Pay and Financial Support

[Relevant document: Summary of public engagement by the Petitions Committee on pay and financial support for healthcare students, reported to the House on 5 September 2023, Session 2022-23, HC 73.]

4.30 pm

Marsha De Cordova (Battersea) (Lab): I beg to move,

That this House has considered e-petitions 610557, 616557 and 619609, relating to pay and financial support for healthcare students.

It is a pleasure to serve under your chairmanship, Ms Fovargue. I congratulate the petitioners, Victoria, Charlotte and Jacorine, on starting the petitions, which were signed by more than 36,000 people. I thank all the organisations that prepared briefings ahead of the debate, including the Royal College of Nursing, the Royal College of Midwives and the National Union of Students, and I thank the Petitions Committee for its work.

Today's debate is timely, as many of our constituents have been impacted by the cost of living crisis in multiple ways, but the impact on students and the unique challenges they face are rarely acknowledged. The president of Universities UK, Professor Steve West, stated:

"Students risk becoming the forgotten group in the cost of living crisis."

Academic and workplace commitments leave little room for students to earn outside their studies, so it is inevitable that cost of living pressures will hit them hardest. Those pressures are more pronounced for those studying healthcare subjects, as many are mature students and may have to balance parenting duties with course commitments, not to mention the extra costs they face supporting their children.

Healthcare students who responded to the Petitions Committee's survey ahead of the debate said that they were struggling with the cost of living, with 58% saying that it was difficult or very difficult to afford energy, including gas and electricity. Nineteen per cent said that they had visited a food bank, and 26% said that they were considering using one. Further adding to the pressure, healthcare students are required to complete thousands of hours of unpaid clinical placements over their course programme. One student nurse said:

"I wanted to leave my course this year when I was working on placement and not able to afford food. I was so hungry, and my energy was so depleted that it was affecting my work. I was struggling so much financially that the staff resorted to giving me toilet rolls, sanitary products and even paying for some food for me."

As healthcare students are not paid or classed as workers, they often lose out on additional support or entitlements, such as the 30 hours of free childcare available to working parents. Many said that they were under considerable financial strain and found their workload difficult to manage, as they were juggling childcare, their unpaid nursing placements, study, and a second, paid job. Worryingly, many said that they were considering leaving their course due to financial pressures related to childcare costs, with 93% strongly agreeing that healthcare students should be eligible for free childcare. In the words of one student:

"I am working just as hard as I was when was employed by my local police force 12 months ago and yet, as I am now considered a student and not a worker, I can no longer claim the 30 hours free childcare for my 3-year-old. There are shortages of many NHS staff so I can't understand why the government does not make it easier for parents to study for these roles."

It is a fact that England has the least generous financial support for healthcare students.

Paul Blomfield (Sheffield Central) (Lab): I regret that I cannot stay for the whole debate, but, as chair of the all-party parliamentary group for students, I wanted to make a contribution. My hon. Friend refers to a debate that we had seven years ago, I think, when I recall the then Minister, Ben Gummer, told us that he was keen to share the benefits of the undergraduate student funding system with healthcare students, including nurses and midwives, who had previously benefited from the bursaries, and was anticipating that that would lead to better support and an expansion of the number of people coming into the service.

Does my hon. Friend recognise that those of us who argued at that stage that the changes would lead in the other direction have been validated by experience? Does she agree that we have seen more potential nurses and midwives, particularly mature ones, no longer entering the profession? Also, is she concerned—I hope that the Minister will respond to this point—about the UCAS figures for this year, which show a 16% decline in the number of people applying for healthcare courses?

Marsha De Cordova: My hon. Friend makes an important point, which I will come to shortly, and he is absolutely right. It is clear that the changes to the bursary scheme have led to a fall in the number of students taking up these much-needed roles.

Since the removal of the bursary scheme, students studying nursing, midwifery and allied health professional courses in England are only eligible for the standard student finance package of tuition fee and maintenance loans, whereas students in Wales, Scotland and Northern Ireland who are eligible enjoy fully funded education.

I am sure that, in responding to the points made by my hon. Friend the Member for Sheffield Central (Paul Blomfield), the Minister will point out that since 2020, students eligible for the standard student support package receive an additional £5,000 training grant through the NHS learning support fund, that there are additional grants for some qualifying students and that the Government have increased travel and accommodation support. But that simply is not enough. Eighty per cent of student midwives in England who took part in the Royal College of Midwives survey said that they would be taking on additional debt over and above the loans available to students. Moreover, nearly three quarters of student midwives in England said that they expect to graduate with debts of more than £40,000. I am sure that my hon. Friend agrees that that cannot be acceptable.

Government-imposed barriers are making healthcare studies unaffordable for many students. In the first year after the changes to the bursary model, the number of applicants from England for nursing courses fell by 23%.

[Marsha De Cordova]

My hon. Friend highlighted the latest UCAS figures, which showed that this year there has been another fall in the number of people applying.

Why does this all matter? I will make two key points today. The first is that it is a matter of fairness and equity. Healthcare students make a significant contribution and play a vital role in delivering high-quality healthcare. Many of those on placements are often required to cover the responsibilities of qualified healthcare workers, due to the workforce shortages.

The Government must look at increasing financial support for healthcare students, and I hope the Minister will address that point. They could do so by creating a scheme to offset or write off debt run up by healthcare students through tuition fees if they commit to working in the NHS for a period of time. That would be similar to the scheme in Wales, which I am fairly certain is working. They should also ensure that higher education funding models are complemented by a financial package for students, to make sure that grants reflect the true cost of living, as they do in Scotland, which has the most generous living cost support. The Government should also extend the 30 hours of free childcare to those on placements.

I would welcome it if the Minister addressed those points in his response. To adequately address fairness and equity, the Government must also focus on intersectionality by looking at the age and sex of healthcare students, as many tend to be women and/or mature students, who are more likely to have dependants.

The second point I want to touch on is the workforce crisis in the NHS, which is so severe that it is undermining the NHS's capacity to properly deliver its services—we all know it is on its knees. The long-term workforce plan produced by NHS England suggested that the system is operating with over 150,000 fewer staff than it needs. According to the Royal College of Nursing, there are 43,000 vacant registered nursing posts in the NHS in England alone.

Like my hon. Friend the Member for Sheffield Central, the general secretary of Unison, Christina McAnea, rightly predicted the damage that the Government's reforms would do were they to get rid of the bursary scheme. She said:

"They seem not to care that in a few years' time"—

that is now—

"the NHS will be seriously short of nurses and there will be too few new recruits coming through to fill the gaps".

Seven years later, we can all attest to that being the truth.

The NHS, our greatest institution, was established 75 years ago by a Labour Government, and it is experiencing some of the most severe pressures in its history. Waiting lists are at an all-time high. Ministers point to the impact of the pandemic, but waiting lists were already too high before the pandemic. If we want to make sure our NHS survives another 75 years, the Government must make progress on the workforce challenges. They need to look at all options and think bigger to incentivise more people to take up healthcare professions. Restoring some sort of financial support package may do that. They must fundamentally rethink the way they approach their support for healthcare students, including by making extra funding available for healthcare education and training.

We owe it to our healthcare students to ensure that they have adequate financial support as they provide the care that keeps us all healthy, and to protect the long-term interests of our country by having a workforce that can truly deliver all the services that the national health service provides.

4.43 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to serve under your chairmanship, Ms Fovargue. I welcome the Minister to his latest position on the Government Front Bench. I hope he enjoys what remaining time the Conservatives have in government in the Department of Health and Social Care. I wish him all the best over the next few months.

I am grateful for the opportunity to respond to the debate on behalf of the shadow Health and Social Care team. I thank my hon. Friend the Member for Battersea (Marsha De Cordova) for her powerful speech, and my hon. Friend the Member for Sheffield Central (Paul Blomfield) for his wise contribution. I also thank the Petitions Committee for its work in preparation for the debate.

Being a student nurse during the cost of living crisis is tough. We know that valuing our NHS workforce through fair pay and conditions is crucial to tackling vacancies, yet according to the RCN's 2023 summer survey, almost nine in 10 student midwives in England—89%—worry about the amount of debt they are in, and 74% of them expect to graduate with debts of more than £40,000.

Paul Blomfield: My hon. Friend is making a very important point, and I am sure that he will come on to say that the experience of midwives also applies to nurses and others on healthcare courses. The report by the APPG for students, which I mentioned a moment ago, highlighted the way in which the student funding model was broken, not least by pointing out that, according to Save the Student, the average loan now falls short of living costs by £439 every month. Most students are dealing with that by taking on ever-increasing amounts of paid employment, which is raising some concerns. One Russell Group university told us that a significant number of its students work more than 35 hours a week. Does my hon. Friend agree that that option is not available to most nurses, midwives and other healthcare students on similar courses, because of the structure of their courses? The Government are failing to address that issue.

Andrew Gwynne: My hon. Friend hits the nail on the head. We are talking about student nurses and student midwives, who do not have any spare time to dedicate to other forms of paid employment: it is physically and mentally impossible for them to do so. There needs to be greater recognition of the unique nature of these kinds of students. Many students—including me, many years ago—rely on extra support to make ends meet, but people studying in the caring professions, including nursing and midwifery, do not have that same ability. That was one reason why there was always additional support for those groups of people.

Fifty-eight per cent of respondents to the survey conducted by the Petitions Committee for this debate said that it was difficult or very difficult to afford energy, including gas and electricity, 19% said they had visited a food bank, and 26% said they were considering using one. That is a national scandal—a cost of living scandal that is having a devastating impact on our ability to recruit and retain staff in the national health service. Over nine in 10 student midwives in England—91%—know someone who dropped out of their midwifery studies because of financial problems.

The Conservative Government abolished NHS bursaries for student nurses, midwives and allied health professionals back in 2017. Students undertaking their degree since then have had to pay to train to work in the NHS. As a result, not surprisingly, the number of applications to study nursing in England fell, with applications down by almost 30% by 2019. It is not rocket science to work out what caused that. Labour said at the time that the decision to remove the NHS bursary was the wrong one, and the Public Accounts Committee, in its September 2020 report, agreed that the decision

"failed to achieve its ambition to increase nursing student numbers."

That is just another example of a Government who have time and again failed to plan for the long term.

In this NHS workforce crisis, we have deteriorated to the point where we now have over 100,000 vacancies, including 40,100 nursing vacancies. We have waited so long for the NHS workforce plan, and now we finally have it. Labour has been calling for a workforce plan for years, and I am glad that the Government pinched the plan of my hon. Friend the Member for Ilford North (Wes Streeting). Since its publication, though, not much has happened. It makes clear the scale of the neglect—a wasted decade of drift and inaction, impacting not only on staff but on trainees.

Placements are an important part of nursing and healthcare courses. They provide the vital supervised training that allows students to gain the necessary skills and experience to meet education outcomes and work in clinical settings. Labour knows the value of placements, which is why increasing them is an important part of our plan to expand the NHS workforce. We will focus on ensuring we have the roles, trainees and senior professionals needed to tackle the challenges we face and seize opportunities, drawing on a diverse range of skills and inspiring people around the country to pursue a career in the NHS and caring professions. We will also work with health staff and their trade unions to review existing training pathways and explore new entry routes to a career in the NHS, including high-quality apprenticeships.

The childcare sector is under huge strain. While some healthcare students may be eligible for parental support from the NHS learning support fund of £2,000 a year, that is dwarfed by the ever-increasing cost of childcare. It leaves many studying parents vulnerable to childcare costs, particularly considering the hours needed to fulfil placement requirements. It has been reported by openDemocracy that some nursing students considered leaving their courses because of financial pressures related directly to childcare costs. That is, sadly, a trend across our economy. The cost of childcare is pricing parents, especially women, out of the professions they love.

Does the Minister agree that adequate support for a profession as critical as nursing or midwifery should not depend on where a person studies but should be the same across the board? What assessment has he made of support at all stages of training for studying parents, in order to build an effective and inclusive workforce in our NHS? The 11,000 people who signed the petition will be looking for a response from the Government, so does the Minister regret the decision to abolish NHS bursaries? What additional support can healthcare students expect, given the current cost of living crisis?

Two in five student nurses and three in five student midwives said that they considered leaving their course last year, so we must take this seriously, especially given the threat to the future of the NHS workforce that it poses. Already students have cited the placement experience and lack of support as major factors in their leaving their course. The Conservative-made crisis in the NHS only makes this worse. We might have expected in this month's King's Speech to hear of something to deal with the worst NHS crisis in its history, but there was virtually nothing.

The energy price cap has increased by half this Parliament, the cost of living crisis is hammering healthcare students, and we have a flagship energy Bill that

"wouldn't necessarily bring energy bills down".

Whether we are talking about the NHS or the cost of living crisis, this Conservative Government look like they have thrown in the towel. They are divided, weak, out of ideas and out of time. Every day that goes on, it is British people, our public services and our patients who pay the price. For Labour's part, we know that our healthcare staff are our national health service's most valuable asset, and we know how vital it is to ensure that there is a pipeline of future talent coming through. That is why the next Labour Government will put their workforce plan at the heart of their plans to restore, renew and rejuvenate our national health service.

4.54 pm

The Minister of State, Department of Health and Social Care (Andrew Stephenson): It is a great pleasure to see you in the Chair, Ms Fovargue, for my first Westminster Hall debate in my new role. I am grateful to the British public for raising the important issues covered in the three petitions we are considering today, and to the hon. Member for Battersea (Marsha De Cordova) for opening the debate. I also thank the shadow Minister, the hon. Member for Denton and Reddish (Andrew Gwynne), for his contribution and his qualified welcome to me in my new role, and the hon. Member for Sheffield Central (Paul Blomfield) for his interventions during the debate.

Our students are the future of our NHS, so it is imperative that we not only support them throughout their studies, but ensure that as many as possible go on to successful careers in healthcare. The Government recognise the unique nature of healthcare degrees, the intensity of the courses and the additional financial pressures that clinical placements can cause, which is why we are doing as much as we can with the funding available to us to ensure that clinical students have the financial support they need to succeed.

Two of the petitions focus on pay for student placements. While they are on placement, student nurses, midwives and allied health professionals make valuable contributions to clinical teams, but the purpose of such placements is

[Andrew Stephenson]

student development, not meeting staffing needs. They exist to give students the opportunity to learn and to acquire the skills and experience they need to graduate and join the professional register. That is why we believe that clinical placements should not be described as jobs. Students are not contracted to provide care and do not hold contracts of employment, so while we recognise the significant contribution made by students, the Government do not plan to introduce pay for students on placement at this time.

Marsha De Cordova: The Government are not planning to look at this issue again, but have they looked at the impact of student nurses being taken out of the workforce in NHS care settings, to see how the workforce would manage without them? They play a vital role. Yes, they are learning and so forth, but they also fulfil another role. Have the Government carried out any assessment of the impact of taking them away from that by not giving them pay?

Andrew Stephenson: The Government and the professional bodies that set the rules for student placements have made it very clear that if the students are not there, the setting should still be clinically safe and procedures should be able to be conducted. All student placements should be in addition to regular staffing; they should not be used to fill gaps in staffing rotas. That is not to suggest in any way that students on placement do not make a significant contribution—I think we all agree that they do, and I pay tribute to them for the contribution they make—but in all settings, if the students are not there the employed staff should be able to continue to deliver NHS services in the way that we all want.

We do not wish to introduce pay for students on placement, but we do intend to continue to listen to students' concerns about the cost of training and to consider what we can do to support them, building on the work we have already done. Since September 2020, all eligible nursing, midwifery and allied health professional students have benefitted from a non-repayable, non-income-assessed training grant of at least £5,000 per academic year from the learning support fund. On 1 September this year, we announced a 50% increase to the travel and accommodation payments available through the learning support fund, ensuring that students are appropriately reimbursed for travelling to clinical placements.

The Government are not just supporting the more traditional routes into education and training. As we set out in the first ever NHS long-term workforce plan, we are expanding alternative routes into healthcare, enabling people from diverse backgrounds and those for whom a traditional university degree is not possible, or is not the right thing for them, to bring their unique skills and perspectives to the NHS. We are now offering blended learning courses, allowing students to take some of their courses online, and more than a quarter of nurses' mandatory practice learning hours can now be delivered via innovative simulation. We are also continuing to expand our apprenticeship offer, allowing students to study towards a degree while also learning on the job. As set out in the long-term workforce plan, we will deliver a huge increase in the number of clinical staff apprenticeships; we intend to get them up from 7% today to 20% by 2032. That is building on the success of our existing registered nursing degree apprenticeship programme; more than 10,000 students have started on that course since 2017.

We are providing a more diverse set of pathways into healthcare careers in order to open up more opportunities for staff to progress and move into new roles. Thanks to an increase in the number of associate roles, such as nursing associates, it will be possible to join the NHS as an apprentice healthcare support worker and go on to qualify as a registered nurse.

I would like to pick up on a point made by the hon. Member for Sheffield Central, who talked about the UCAS figures showing a 16% decline in applications. The drop in applications compared with previous years reflects an expected rebalancing following the unprecedented demand for healthcare courses during the pandemic. At the June application deadline this year, there were 44,000 applicants for nursery and midwifery courses in England, which is an increase of 12% compared with this time in 2019. The latest data shows that over 22,000 students have accepted places on nursing and midwifery courses in England, which is an increase of 6% compared with the same time in 2019. If we look at allied health professionals, 2,200 more graduates enrolled on paramedic science courses overall in England in 2021-22 than did so in 2019-20, which represents a 30% increase.

Let me address the second issue raised today: childcare payments for student midwives, nurses and paramedics during their placement hours. The Government understand how important childcare is for studying parents, and we believe that they should have every opportunity to continue in education and achieve their aspirations. As the Minister for Skills, Apprenticeships and Higher Education set out in our response to the petition, the Government provide a range of financial support to students with children. They are eligible for 15 hours of free early education for three and four-year-olds, and full-time students on undergraduate courses who have dependent children could also be eligible for the childcare grant and the parents' learning allowance. The childcare grant covers whichever is the lowest: 85% of childcare costs or a fixed maximum amount of around £190 a week for one child or £320 for two or more children. The parents' learning allowance of up to £1,915 a year does not have to be repaid; it is paid in three instalments—one at the start of each term—and goes directly into students' bank accounts. What is more, as part of the learning support fund, my Department offers all eligible nursing, midwifery and allied health professional students an additional non-repayable and non-income-assessed grant of £2,000 per academic year towards childcare costs.

Using the budgets available to us, the Government will continue to provide students who have children with as many opportunities and as much support as possible to allow them to pursue a career in healthcare. As we set out in the first ever NHS long-term workforce plan, a robust and resilient education and training system is critical to the future of our NHS, because, by having the right people with the right skills in the right places, we can deliver first-class care for patients, now and into the long-term future.

5.3 pm

Marsha De Cordova: I thank my colleagues, my hon. Friend the Member for Sheffield Central (Paul Blomfield) for his important contributions and my hon.

Friend the Member for Denton and Reddish (Andrew Gwynne), the shadow Public Health Minister, for his contributions.

It is disappointing, given all of the information that was set out in my speech and in the speech delivered by my hon. Friend the Member for Denton and Reddish, that the Government really have not fully addressed the challenges around financial support. We already know that the support that the Minister set out is not good enough; the evidence, which is clear and truthful, suggests that that is not enough. The number of people entering the professions is falling because of the financial constraints. The Minister did not address the disproportionate impact on women and mature students with dependents. I again ask him to look at some of those challenges and ways to address them—for example, the scheme in Wales, where students can commit to working in the NHS, which helps to bring down any debt that they may incur as a result of their studies. It would be useful to know whether any impact work was ever done on the abolition of the bursary in 2017.

Our NHS is everybody's pride and joy, and those entering healthcare do it because they care and want to make a difference. The Government's job should be about making it as easy, as flawless and as seamless as possible for them to do so. We have seen the removal of the bursary and then its replacement with the student learning support packages, but they are simply not enough. That is why tens of thousands of people signed the petitions. They wanted this debate here today.

Question put and agreed to.

Resolved,

That this House has considered e-petitions 610557, 616557 and 619609, relating to pay and financial support for healthcare students.

5.6 pm

Sitting adjourned.

Written Statements

Monday 20 November 2023

BUSINESS AND TRADE

UK-Gulf Co-operation Council Free Trade Agreement

The Minister of State, Department for Business and Trade (Greg Hands): The fifth round of negotiations for a free trade agreement between the UK and the Gulf Co-operation Council took place between 5 and 16 November.

The round was hosted by the GCC in Riyadh and held in a hybrid fashion. A number of UK negotiators travelled to Riyadh for in-person discussions, with others attending virtually.

Draft treaty text was advanced across the majority of chapters. Technical discussions were held across 21 policy areas over 40 sessions. Good progress was made and both sides remain committed to securing an ambitious, comprehensive and modern agreement fit for the 21st century.

An FTA will be a substantial economic opportunity and a significant moment in the UK-GCC relationship. Total trade was worth £61.5 billion according to latest figures.

The sixth round of negotiations is expected to be held in the first quarter of 2024.

His Majesty's Government remain clear that any deal signed will be in the best interests of the British people and the United Kingdom economy.

[HCWS49]

TREASURY

Advanced Manufacturing: Funding

The Exchequer Secretary to the Treasury (Gareth Davies): On Friday 17 November, the Government announced £4.5 billion in funding for manufacturing to support private sector investment in eight strategic sectors across the UK. Together with our existing manufacturing support and plans for the net zero transition, the funding will level up communities across the country with higher-paid jobs and improve our energy security.

The funding will be available for high-quality proposals from 2025 for five years and therefore help unlock private investment by providing longer-term certainty. It is targeted at the UK's strongest, world-leading sectors, and where the industry is undergoing fundamental changes as the world transitions to net zero.

Over £2 billion has been earmarked for the automotive industry, supporting the manufacturing and development of zero-emission vehicles, their batteries and supply chain.

The sum of £975 million has been earmarked for aerospace, supporting investment in energy-efficient and zero-carbon aircraft equipment.

Further, we have committed to £960 million for a green industries growth accelerator to support clean energy manufacturing, and £520 million for life sciences manufacturing to build resilience for future health emergencies and capitalise on the UK's research and development strengths.

The green industries growth accelerator investment will support the expansion of strong, homegrown, clean energy supply chains across the UK, including: carbon capture, utilisation and storage; electricity networks; hydrogen; nuclear; and offshore wind. This will enable the UK to seize growth opportunities through the transition to net zero, building on our world-leading decarbonisation track record and strong deployment offer.

More information, including on the application processes, will be made available by the Government in due course.

The funding forms part of the Prime Minister's pledge to grow the economy, and his focus on making decisions for the long term. It does not just focus on the most successful sectors today but looks ahead to how we keep pace internationally and build the UK's expertise for the industries of the future. The funding will also help to ensure that the UK remains at the forefront of the global transition to net zero and can seize growth opportunities in the new green economy.

This approach is part of the UK's wider offer for advanced manufacturing. The Government have also published Professor Dame Angela McLean's pro-innovation regulation of technologies review on advanced manufacturing and the Government's response[1], and announced commitments to extend the connected and automated mobility research and development programme and expand the Made Smarter adoption programme for manufacturing SMEs. The Government will shortly set out more on their actions to support investment and growth in the manufacturing sector with the publication of the advanced manufacturing plan and UK battery strategy.

[1] https://www.gov.uk/government/publications/pro-innovation-regulation-of-technologies-review-advanced-manufacturing.

[HCWS48]

Investment Zones and Freeports

The Exchequer Secretary to the Treasury (Gareth Davies): The Government are announcing that the investment zones programme in England will be extended from five to 10 years. Each investment zone will be provided with a £160 million envelope from 2024-25 to 2033-34, which can be used flexibly between spending and tax incentives, subject to ongoing co-design of proposals and agreement of delivery plans with the Department for Levelling Up, Housing and Communities and His Majesty's Treasury.

The Government are also announcing that the window to claim freeport tax reliefs in England will be extended from five to 10 years until September 2031, conditional on each freeport developing a satisfactory delivery plan agreed by the Department for Levelling Up, Housing and Communities and HM Treasury. This extension will provide long-term support to businesses looking to invest, delivering growth and jobs, and levelling up the country.

The Government will work with the Scottish and Welsh Governments with the intention of delivering the same extension for freeports and investment zones in Scotland and Wales, and will continue to work with stakeholders on how best to deliver the benefits of the investment zones and freeports programmes in Northern Ireland.

Alongside this, the Government and the West Yorkshire Mayoral Combined Authority have jointly announced that the West Yorkshire investment zone will focus on life sciences, and digital and tech, building on existing local strengths in these sectors. This will bring benefits to local communities and businesses across West Yorkshire, including in Huddersfield, Bradford and Leeds.

Paxman Scalp Cooling, a pioneering health tech company, and digital healthcare company Dedalus have committed the first new investments into the investment zone worth a total of £26 million. Paxman Scalp Cooling is investing £5 million to bring its innovative health tech products to global markets and Dedalus is investing £21 million to deliver digital and diagnostic tools for the NHS.

Building on the region's research strengths and its existing base of businesses in life sciences, digital and technology, the West Yorkshire investment zone will bring opportunity into areas that have historically underperformed economically through a total funding envelope of £160 million over 10 years. It is expected that the investment zone will help leverage more than £220 million of private funding and help support more than 2,500 jobs over the next five years.

The Government and the West Yorkshire Mayoral Combined Authority will continue to work together on the investment zone to jointly agree the outstanding elements of the programme, including the breakdown of how West Yorkshire's envelope will be deployed, with a view to setting out further details in due course.

[HCWS50]

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

International Development White Paper

The Minister of State, Foreign, Commonwealth and Development Office (Mr Andrew Mitchell): In 2015, the world gathered at the United Nations to agree the sustainable development goals—a development framework for people, planet, prosperity, peace and partnership for development to 2030. Now at the mid-point of the SDGs, and in a more divided world, this development progress is at risk of reversal. Only 15% of the SDG indicators are due to be met. The covid pandemic, the rise in conflict and instability, food insecurity caused by Russia's illegal invasion of Ukraine, as well as the impacts of climate change and biodiversity loss and the lack of affordable finance, are all examples of the resounding challenges we now collectively face in delivering the SDGs.

Today the Government have published an international development White Paper that makes a powerful and I hope persuasive case for a renewed global development partnership and a reinvigorated role for the UK in delivering the SDGs.

The global context for development has changed. The UK's approach to development needs to change with it. Developing countries want and need a different development offer, based on mutual respect, powered by development finance at scale, and backed by a more responsive multilateral and international system. This White Paper is our pledge to take a patient, partnership-based approach to development—an approach that looks ahead to the longer-term challenges we face and can readily adapt to the ongoing global changes confronting us. We will bring together a whole-of-UK effort, capitalising on the integration of our diplomacy and development expertise, to achieve greater impact and address the links between extreme poverty and climate change effectively.

In this spirit, the White Paper has been built on extensive consultation: here, in the UK, with right hon. and hon. Members across this House—foremost with the International Development Committee—and the other place; with our charity sector, of course; with academia; with business; and with our global partners. It sets out a road map that galvanises progress in tackling the universal challenges of poverty, climate change, insecurity, and delivering sustainable growth and wellbeing for all, and we will see a step change in the domestic understanding and support for this work. Similarly, it should help spur action internationally. This paper is built on listening to and drawing on the voices of our friends all around the world. It is clear that trust has weakened; and only by listening and acting can we start to rebuild it.

We have set out seven priorities in the White Paper. These priorities matter to our partners and we consider them to be critical in achieving the SDGs through collective global efforts.

First, we must mobilise more money and impact from international financial institutions and increase private sector investment in development to end extreme poverty, tackle climate change and power sustainable growth.

We must reform and strengthen the international system to improve action on trade, tax, debt and tackling dirty money, and deliver on global challenges. We must ensure that the multilateral system is more responsive, inclusive and effective.

We must tackle climate change, biodiversity loss and their impacts, while delivering sustainable growth and economic transformation.

We must ensure opportunities for all, putting women and girls centre stage, and investing in education and health systems that societies want, while also standing up for our values, for open, inclusive societies, and preventing the roll-back of rights.

We must tackle conflict, disasters and food insecurity, anticipating and preventing conflict and humanitarian crises while building resilience and enabling adaptation for those affected by disasters and climate shocks, and strengthening social protection and disaster risk financing.

Lastly, we must harness innovation and digital transformation, making best use of new technologies, science and research to deliver the greatest and most cost-effective development impact.

The White Paper explains how we will advance all seven of these priorities.

We believe that a world where developing countries are more resilient, more prosperous and secure is in everyone's interests. Global development co-operation is essential to achieve this vision. Together with our partners, we will get the SDGs back on track to 2030. The White Paper sets out our commitment to do so.

[HCWS47]

HEALTH AND SOCIAL CARE

Voluntary Scheme for Branded Medicines Pricing, Access and Growth

The Secretary of State for Health and Social Care (Victoria Atkins): I am pleased to inform Parliament that agreement has been reached on a Heads of Agreement for the 2024 Voluntary Scheme for Branded Medicines Pricing, Access, and Growth (VPAG). This is an agreement between the Department of Health and Social Care—representing the UK Government, the Governments of Scotland and Wales and the Northern Ireland Department of Health—NHS England and the pharmaceutical industry, represented by the Association of the British Pharmaceutical Industry (ABPI).

This is an important milestone in the agreement of a new scheme. Once the Heads of Agreement has been formalised in a full scheme document, the 2024 VPAG will operate for five years starting from 1 January 2024, when the current scheme ends.

The 2024 VPAG stands to deliver savings to the NHS across the next five years, rapid patient access to new clinically and cost-effective medicines, and a sustainable approach to medicines provision.

The proposals also demonstrate the Government's commitment to supporting a strong UK life sciences industry to drive economic growth, including through the establishment of a £400 million fund to support investment in the UK life sciences ecosystem, including improved clinical trial capacity.

[HCWS52]

HOME DEPARTMENT

Productivity in Policing

The Minister for Crime, Policing and Fire (Chris Philp): I am pleased to announce the publication of the independent Policing Productivity Review.

In August 2022, the Home Office commissioned the National Police Chiefs' Council (NPCC) to conduct an independent review of productivity in policing. The report was commissioned to provide clear, practical, and deliverable recommendations to improve efficiency and effectiveness across the functions of policing. I am happy to advise the House that the review team have now provided their report to the Home Office.

While we are still considering the recommendations made in the report, I am supportive of any efforts to identify opportunities to increase productivity within policing, reducing unnecessary burdens on police officers' time and freeing up their time to do the frontline work of protecting the public and catching criminals.

The report has identified many opportunities for making improvements, both long and short-term, and the Home Office will now consider these recommendations in more detail, engaging with policing and other key stakeholders, as we prepare to give a full response in the New Year.

I am looking forward to working with policing to make the changes necessary to unlock the full potential of the opportunity provided by the review.

A copy of the Policing Productivity Review will be placed in the Libraries of both Houses and is available at www.gov.uk.

[HCWS45]

LEVELLING UP, HOUSING AND COMMUNITIES

Election Finance Regulation

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Jacob Young): In July 2023, the Government confirmed their intention—20 July 2023, *Official Report*, HCWS985—to proceed with uprating reserved and excepted party and candidate spending limits and donations thresholds to reflect historic inflation in the years since the respective limits were set. The intention to review these thresholds was set out in December 2020, and the Westminster Parliamentary Parties Panel was consulted in September 2022. This is a necessary action as many of these statutory limits, set in absolute terms, have not been uprated for over 20 years.

Today, the Government have uprated in line with inflation the expenditure limits for candidates and registered political parties at UK parliamentary elections, Northern Ireland Assembly elections and local government elections in England. The same statutory instrument also uplifts the reporting thresholds for donations and regulated transactions for political parties, regulated donees, permitted participants at relevant referendums and unincorporated associations making political contributions. These changes are made through the Representation of the People (Variation of Election Expenses, Expenditure Limits and Donation etc. Thresholds) Order 2023.

The lack of change in absolute terms impacts campaigning ability, given the increased costs of printing, postage and communication, which is vital for parties and candidates to engage with voters. For example, a second-class stamp cost 19p in 2000; it is 75p today.

Parliament anticipated this, which is why the legislation allows for these limits to be adjusted to account for inflation. The Government's policy is now to increase them so that they are the same in real terms as the original limits set by Parliament.

It has been more than a decade since the donation reporting thresholds were last uprated—by the last Labour Government—in 2009, following their introduction in 2000. If these limits are not uprated from time to time, the effect is to cut the thresholds in real terms. The principle of a threshold for publishing donations was established following the report by the Committee on Standards in Public Life—the "Neill Committee"—on the funding of political parties in 1998 (Cm 4057), noting the need to balance privacy and transparency. The Labour Government's response in 1999 (Cm 4413) agreed with this principle.

The purpose of these reporting thresholds is to provide transparency around the granting of larger donations, balanced with the administrative burden such reporting may create for the recipient and with the privacy of smaller donors. Uprating these thresholds will ensure that balance is maintained in line with the original policy and legislative intent of Parliament when setting the thresholds. Again, there is no change in real terms.

The Government have decided not to increase the £500 threshold relating to the point at which a financial contribution is considered a regulated donation and subject to permissibility checks. This approach will ensure that the checks on the permissibility of donations and donors remain as they do now, and reflects the broader stance the Government have taken to prevent foreign interference in elections.

The substantive provisions on donation reporting thresholds come into force from 1 January 2024 to align with the reporting year for political parties.

The Government have also made the Police and Crime Commissioner Elections (Amendment) Order 2023. This delivers the uprating of spending limits for candidates standing at police and crime commissioner elections. These limits have not changed since they were first set in 2012, which has the effect of reducing the spending limits in real terms. The order will be laid before Parliament and will come into force on 12 December, subject to annulment in pursuance of a resolution of either House.

Further secondary legislation will follow in due course, to complete the delivery of spending limits uprating—for local councils, combined authorities and the Greater London Authority—and to deliver the Government's commitment to exempt reasonable security-related expenses from contributing to election spending limits.

None of these reforms costs taxpayers money. Indeed, in Britain, taxpayers do not have to bankroll political parties' campaigning. Political parties have to raise money themselves, while following transparency and compliance rules laid out in law. Those who oppose party fundraising need to explain how many millions they want taxpayers to pay for state funding instead.

The Government will further engage with the Parliamentary Parties Panel and the Electoral Commission to ensure that those affected are aware of these changes.

Taken together, the measures will support continued democratic engagement by political parties and candidates; and facilitate continued freedom of political expression and association, whilst ensuring our elections remain free and fair.

[HCWS53]

Levelling-up Fund: Third Round

The Secretary of State for Levelling Up, Housing and Communities (Michael Gove): I am delighted to announce that £1 billion will be allocated to 55 projects as part of the third round of our flagship Levelling-Up Fund.

Listening to feedback from parliamentarians and local government, including in relation to the first two rounds of this fund, we decided not to run an additional competition. We received 529 bids in round two, of which 111 were awarded funding at the time, with a further 19 projects funded separately at spring budget. For round three, we have drawn on this impressive pool of existing bids which we were not able to fund earlier in the year but were assessed as high-quality and ready-to-deliver. We will work closely with local authorities to ensure that the projects allocated funding can make a difference to communities as quickly as possible.

We have targeted funding at the places most in need across Great Britain, as assessed through our Levelling Up Needs metrics, which take into account skills, pay, productivity and health. We have also taken care to ensure that every part of Great Britain benefits from this round of funding, from Bolton to Elgin, and Newcastle to Rhyl.

Since 2021, the Levelling-Up Fund has played an important role in driving prosperity and pride in place in communities across the country. Across the first two rounds of the Fund, £3.8 billion has been awarded to 216 projects which are well underway. The Levelling-Up Fund also continues to play a key role in helping to reduce geographical disparities across the United Kingdom. Over the lifetime of the Fund, we have exceeded our original commitment of awarding £800 million to Scotland, Wales, and Northern Ireland.

To this end, the third round of the Fund will see £122 million awarded to six projects in Scotland, such as £14 million to improve Dumfries and Galloway transport and £15 million to regenerate Drumchapel Town Centre in Glasgow. In Wales, we have awarded a further £111 million to seven projects, including £20 million to regenerate Barry town centre and £27 million to Neath Port Talbot across two projects. In England, Yorkshire and Humber and the North West will receive the most funding per head, with exciting projects like the £48 million upgrade to the Penistone Rail Line in West Yorkshire, and the £20 million Town Centre Improvements and Civic Square Development project in Chorley, receiving funding in this round.

In Northern Ireland, given the current absence of a working Executive and Assembly, the Government are not proceeding with this round of the Levelling-Up Fund at this time. We will continue to work closely with projects and places in Northern Ireland that were awarded a total of £120 million in the first two rounds of the Fund.

A full methodology note has been published for the third round of the Fund and we have notified all relevant local authorities of their awards. I will place a copy of the methodology note in the House Library.

[HCWS51]

TRANSPORT

Network North: Highways Maintenance Funding

The Secretary of State for Transport (Mr Mark Harper): I am pleased to inform the House that my Department last week published details of the very significant £8.3 billion extra funding for local road resurfacing which will lead to a long-term, unprecedented transformation in the condition of our highways. Local highway authorities across England are set to benefit from the biggest ever road resurfacing programme to improve local roads.

The funding is part of the Network North plan to improve journeys for all and provides long-term certainty to local authorities. In keeping with the Prime Minister's commitment, all moneys previously allocated for the north and midlands will still be allocated there, with moneys from savings at Euston being spent across England, with the funding broken down as follows:

£3.3 billion for the north of England

£2.2 billion for the midlands

£2.8 billion for east, south-east (including London) and south-west England.

This funding is in addition to local transport funding from the last spending review and additional to what local transport authorities were expecting in future. Allocated across the next 11 years, it will represent a more than two-thirds increase in Department for Transport support for local roads. Fifteen per cent of the funding will be allocated at a later date to allow a degree of flexibility over how best to support highway maintenance initiatives across England.

Of the new funding, £150 million is being made available in each of the financial years 2023-24 and 2024-25, with the lion's share to follow over the remainder of the 11-year period. This provides time for local authorities and their supply chains to ramp up to deliver an increase in funding of this significance. Details of what each local highway authority will receive are published on gov.uk.

To ensure that the funding delivers a transformational improvement in the condition of local roads and to allow a greater degree of public scrutiny over how it is spent, the Department is introducing new reporting requirements on local authorities. These include that all local authorities receiving this funding should:

Publish by March 2024 a summary of the additional resurfacing work they will deliver with the new funding over the next two years.

Thereafter publish quarterly reports summarising what additional work they have done and which roads have been resurfaced.

Publish later in 2024-25 a long-term plan for their use of the full 11-year funding and the transformation it will deliver.

This is transformative funding which directly demonstrates the benefits that will be felt right across England for all road users, who will enjoy smoother, faster and safer trips, funded from the difficult but necessary decision to cancel HS2 phase 2.

[HCWS46]

WORK AND PENSIONS

Health and Disability White Paper

The Minister for Disabled People, Health and Work (Tom Pursglove): I would like to update the House on the progress of a number of tests and trials set out in "Transforming Support: The Health and Disability White Paper", which was published in March this year.

Our ambitious White Paper plans are part of our next generation of welfare reforms and will transform the health and disability benefits system. This includes supporting more disabled people and people with health conditions to start, stay and succeed in work, and making improvements to the benefits system so that people have a better overall experience when applying for, and receiving, health and disability benefits.

Among the White Paper initiatives under way, six test new and innovative ways to deliver our goals, responding to views we heard through the Green Paper consultation.

First, the employment and health discussion is a voluntary service available to claimants with a disability and/or long-term health condition, and is a discussion with a claimant about their health situation, any barriers it presents in moving towards work, and how to overcome them. The EHD is not part of the assessment process and takes place before the work capability assessment. It began as a small-scale test in Leeds health model office in 2022, with employment and health practitioners seconded to the Department for Work and Pensions from Maximus, which operates the Centre for Health and Disability Assessments.

I am pleased to update the House that from October this year, after a positive initial evaluation, we have expanded the test to 13 sites across England and Wales. With the support of Maximus, we have further grown our team of employment and health practitioners.

Secondly, the White Paper also set out our plans to test a severe disability group for claimants who have conditions that are severely disabling, lifelong, and with no realistic prospect of recovery. The SDG will provide these claimants with a simpler gateway to access benefits, identifying them at the start of the assessment process and removing the need to complete a detailed form or undertake a face-to-face, telephone or video assessment.

Our testing plans are progressing, following positive engagement with Blackpool Teaching Hospitals NHS Foundation Trust. We will test the SDG and its criteria in several specialist clinical areas in secondary care at Blackpool Teaching Hospitals. The British Society of Physical and Rehabilitation Medicine has also agreed to work in partnership to test the SDG. We expect to start generating referrals in the coming months.

Thirdly, we have started a small-scale test, matching personal independence payment, universal credit and employment and support allowance claimants' primary health conditions to an existing assessor with professional experience of supporting people with that condition. This is taking place in health transformation area sites in London and Birmingham.

We want to understand whether claimants view this different approach positively and if it improves their trust in the assessment process. This test is scheduled to run until January 2024, at which point we will review our learning from the test and consider possible next steps.

Fourthly, the enhanced support service provides bespoke personalised support for people who find it hardest to use the benefits system. It provides practical support to these claimants—for example, by helping them to fill in forms, submit medical evidence and attend health assessments—as well as signposting to appropriate wider support. Testing is ongoing in East Anglia, Kent, Blackpool and Birmingham.

Through our fifth test, we are exploring options to introduce a new way of gathering evidence of fluctuation in a person's condition before their assessment.

Some stakeholders have advised that current assessments do not always fully capture the impact of fluctuating conditions and that it can be difficult for some people with fluctuating conditions to answer questions about how their condition impacts them for the majority of the time.

We are in the early stages of testing a health impact record as a structured way to present evidence that demonstrates the changing impact of applicants' health conditions.

Finally, the health assessment channels trial is nearing completion. Following the introduction of phone and video assessments, we have been analysing whether there is a difference in award outcomes for assessments completed remotely, compared to face to face. We have also been conducting research to gain an understanding of claimant experience by different channels.

Evaluation is taking place across all tests and trials to develop our evidence base, inform wider implementation, assess value for money and determine next steps.

We will continue to discuss progress with the devolved Administrations.

We are also committed to continue listening to and working with disabled people and people with health conditions, organisations, charities, business and other experts, as we develop our plans and continue the tests and trials I have set out today.

We have made good progress since the publication of the White Paper. These improvements will ensure that disabled people, and people with health conditions, can access the right support at the right time, and lead independent and fulfilling lives.

[HCWS44]

Ministerial Corrections

Monday 20 November 2023

TRANSPORT

Topical Questions

The following is an extract from Transport questions on 26 October 2023.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Government's mishandling of HS2 was and is absolutely staggering, but their attempt to pull the wool over northern eyes with Network North is a farce. Does the Minister really believe the people of the north-east are falling for his fag-end fake network to nowhere?

Huw Merriman: I just do not accept that at all. I gave a run through of a list of the £36 billion that is being put back into local projects, including £1.8 billion extra for the north-east. That could, for example, be an option for the Leamside line to be reopened. I would have thought that, rather than stating that none of this is going to happen, the hon. Member would be holding us to account to make sure it does, and that she might actually support investment. There will be as much investment—indeed, more—in all areas.

[Official Report, 26 October 2023, Vol. 738, c. 965.]

Letter of correction from the Minister of State, Department for Transport, the hon. Member for Bexhill and Battle (Huw Merriman):

An error has been identified in my response to the hon. Member for Newcastle upon Tyne Central (Chi Onwurah) during Transport questions. The response should have been:

Huw Merriman: I just do not accept that at all. I gave a run through of a list of the £36 billion that is being put back into local projects, including **an increase in funding for the north-east to £1.8 billion**. That could, for example, be an option for the Leamside line to be reopened. I would have thought that, rather than stating that none of this is going to happen, the hon. Member would be holding us to account to make sure it does, and that she might actually support investment. There will be as much investment—indeed, more—in all areas.

WORK AND PENSIONS

Debate on the Address

The following is an extract from the Debate on the Address on 13 November 2023.

Mel Stride: There are certain things that the shadow Secretary of State, the hon. Member for Leicester West (Liz Kendall), and I can agree on, and smoking is one of them. I was interested to learn that she is a former smoker. They always say that former smokers have a passionate desire to stop other people smoking, and she certainly demonstrated that. We know that one in four cancers is caused by smoking.

[Official Report, 13 November 2023, Vol. 740, c. 474.]

Letter of correction from the Secretary of State for Work and Pensions.

An error has been identified in the speech I gave in the Debate on the Address. The correct statement should have been:

Mel Stride: There are certain things that the shadow Secretary of State, the hon. Member for Leicester West (Liz Kendall), and I can agree on, and smoking is one of them. I was interested to learn that she is a former smoker. They always say that former smokers have a passionate desire to stop other people smoking, and she certainly demonstrated that. **Smoking causes a quarter of deaths from cancer.**

ORAL ANSWERS

Monday 20 November 2023

WRITTEN STATEMENTS

Monday 20 November 2023

MINISTERIAL CORRECTIONS

Monday 20 November 2023

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Monday 27 November 2023

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Volume 741
No. 8

Monday
20 November 2023

CONTENTS

Monday 20 November 2023