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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 23 November 2023

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Covid-19: Departmental Effectiveness

1. **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): What recent assessment he has made of the effectiveness of his Department during the covid-19 pandemic. [900246]

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): The Cabinet Office played a crucial role in co-ordinating the cross-Government response to the pandemic, and we continue to learn lessons from it. Last year, the Cabinet Office published the resilience framework, an ambitious, wide-reaching and long-term plan that is already working to strengthen our national resilience.

Mr Dhesi: Those of us who lost loved ones during the pandemic have been left shocked and angered by the revelations being unearthed in the covid inquiry. They include quotes from the diary of the then Government chief scientific adviser, Sir Patrick Vallance, that the current Prime Minister thought

“just let people die and that’s OK”.

If that was not cruel enough, he was also overheard saying that Ministers should focus on

“handling the scientists and not the virus”.

Does the Secretary of State agree with me that this shows a shameful disregard for people’s lives and callous decision making at the heart of Government?

Oliver Dowden: I should say from the outset that I simply do not recognise that characterisation, but that is the whole point of the inquiry. This Government set up the inquiry, for the sake of the victims and the nation, to get to the bottom of what was an unprecedented crisis not just here, but around the world. We have been totally open and transparent with that inquiry. We have given it over 56,000 pieces of evidence. I would gently urge the hon. Gentleman to allow the inquiry to complete its investigations, to hear from all the witnesses and to produce its recommendations. As I have committed to that inquiry, the Government will respond fully to every single recommendation from Lady Justice Hallett.

Dr Thérèse Coffey (Suffolk Coastal) (Con): During the pandemic, I could only see the true professionalism of civil servants in a variety of Departments, including the Cabinet Office, and I am very conscious of some of the pain being felt about the victims of that time. Does my right hon. Friend agree with me that the civil service really stood up to the challenge of dealing with imperfect data and a rapidly changing situation? By the way, I include the civil servants of the Department for Work and Pensions in that regard. However, may I also encourage him to consider how we can strengthen analytical skills and capabilities right across the civil service? That is important, and I think it will be one of the key lessons that should come out of the inquiry.

Oliver Dowden: I thank my right hon. Friend for her question, and I pay tribute to her for her many years of service in the Cabinet. I agree with her characterisation of the civil service. Indeed, in my time working in various ministerial roles, I have seen true professionalism and dedication. However, I think she is absolutely right that we need to improve both our data analytics and the data flow into Government. One of the things we learned during the covid pandemic was, for example, that setting up the data centre in the Cabinet Office massively improved the amount of data we received. That enables us to deal with these very fast-moving situations and, indeed, we have used it in subsequent crises.

Mr Speaker: I call the shadow Minister.

Nick Thomas-Symonds (Torfaen) (Lab): The Deputy Prime Minister has just said that he does not recognise the alleged remark of the Prime Minister, who is supposed to have said

“just let people die and that’s OK”.

as set out by my hon. Friend the Member for Slough (Mr Dhesi). I am sure that the Deputy Prime Minister would agree that the way to deal with this is through transparency with the ongoing inquiry. I wrote to him last month to ask him about the Prime Minister handing over all his WhatsApp messages, particularly given that the Prime Minister’s account that he no longer has access to all of them seems implausible. With the Prime Minister appearing before the covid inquiry before the end of the year, can the Deputy Prime Minister confirm that all the Prime Minister’s WhatsApp messages for this period will be made available to the inquiry?

Oliver Dowden: I can assure the right hon. Gentleman that we will furnish the inquiry with every single piece of information it requires. Indeed, I would note that the Prime Minister and all those who are requested to provide information to the inquiry are legally obliged to do so. That is precisely what we have done. My Department alone has provided over 56,000 different pieces of evidence. I would gently say to him that the Labour party repeatedly called for this inquiry to be set up. We have set up this inquiry, and I think hon. Members should allow it to do its job, not jump to conclusions. When it produces its recommendations, I can assure the House that the Government will respond in full.

Public Procurement: Value for Money

2. **Liz Twist** (Blaydon) (Lab): What steps he is taking with Cabinet colleagues to help ensure value for money in public procurement. [900247]

13. **James Murray** (Ealing North) (Lab/Co-op): What steps he is taking with Cabinet colleagues to help ensure value for money in public procurement. [900265]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): Value for money is central to the Government's long-standing procurement policy, as set out in everybody's favourite Treasury document, "Managing Public Money". Current procurement regulations require contracting authorities to select the most economically advantageous tender. The Procurement Act 2023—I am pleased to say that it has recently received Royal Assent—will streamline procurement processes and ensure that value for money remains one of the central tenets of the UK's procurement regime.

Liz Twist: If the Minister thinks that every pound of taxpayers' money matters, what are the Government's plans to recover the loss of billions of pounds in flawed covid contracts?

Alex Burghart: I am pleased to be able to remind the House that the Government have already taken extraordinary steps to recover fraud money during the covid period. His Majesty's Revenue and Customs remains committed to the recovery of covid-19 support scheme fraud. The Government are also committed to bearing down on fraud in the covid loan schemes. Some £13.2 million has been allocated to the National Investigation Service over three years to double its investigative capacity on bounce back loans and to fund other activities. This is just a small sample of the work being done to combat fraud across our Government.

James Murray: Further to the comments of my hon. Friend the Member for Blaydon (Liz Twist), billions of pounds of public money was wasted during the covid pandemic through dodgy contracts that we know were signed off by the Government. Labour has said that we will appoint a covid corruption commissioner to pursue every pound of public money that has been inappropriately lost from pandemic-related contracts, fraud and waste. Will the Minister borrow our plans?

Alex Burghart: I am sure the hon. Gentleman will have noted—I imagine he pays attention to such things—that we already set out in the spring statement last year the public sector fraud authority, which is based in the Cabinet Office and very ably handled by my colleague Baroness Neville-Rolfe. We have debated fraud during covid many times in the House. All the contracts handed out during covid were signed off by extremely able and capable civil servants who were working in very difficult circumstances and the idea that there was ministerial sign off of these things is wrong and must be contradicted whenever it is raised.

Greg Clark (Tunbridge Wells) (Con): It is clear from the Chancellor's autumn statement yesterday that we will need to make savings in public sector budgets for some years to come to overcome the impact of inflation, so can the Minister say how artificial intelligence will play a role in that in the public sector and what efforts he is making to procure the necessary systems?

Alex Burghart: My right hon. Friend makes an excellent point. We are still coming to terms with the potential of artificial intelligence to speed up Government processes,

improve productivity and deliver value for money for the taxpayer. While we have procurement frameworks at present that help Departments across Government identify good AI systems they might wish to secure, we are also interested in developing our own AI within Government. My right hon. Friend the Deputy Prime Minister announced earlier this week that we would hire more people with the highest levels of innovative skill to come into Government to build those systems for us and deliver value for money.

Infected Blood Inquiry

3. **Dame Diana Johnson** (Kingston upon Hull North) (Lab): What progress he has made on implementing the final recommendations on compensation in the second interim report of the infected blood inquiry, published on 5 April 2023. [900250]

9. **Barbara Keeley** (Worsley and Eccles South) (Lab): What progress his Department has made on implementing the interim recommendations of the infected blood inquiry. [900257]

The Minister for the Cabinet Office and Paymaster General (John Glen): I strongly commend the right hon. Member for Kingston upon Hull North (Dame Diana Johnson) for her work for those who have been impacted by the infected blood scandal, and I look forward to working across the House on this important issue. The Government have accepted the moral case for compensation but it is only reasonable that the response is fully informed by Sir Brian Langstaff's final report, which is anticipated in March next year.

Dame Diana Johnson: Eight months ago, recommendation 12 of the final report on compensation called for interim payments of £100,000 to be

"paid to recognise the deaths of people to date unrecognised and alleviate immediate suffering."

The "Cambridge Dictionary" describes the word "interim" as something

"temporary and intended to be used or accepted until something permanent exists".

I know the Minister is a good man and will want to do his best, so can he tell the House when those interim payments will start to be paid?

Mr Speaker: May I welcome the Minister to his new Front-Bench role?

John Glen: I cannot tell the right hon. Lady that today, but in the seven days that I have been in this post I have recognised this to be my highest priority in the role. There are a number of complex issues that I need to come to terms with, but I am familiar with the whole issue from my previous role as Chief Secretary to the Treasury. This might be a matter of gamekeeper turned poacher, but I understand the mindset of the Treasury and how we can get a solution that deals with the range of recommendations. I cannot say anything more of substance today, but I will be having further meetings across Whitehall, with more this morning, and I am determined that this Government will respond as comprehensively as we can as soon as we can.

Barbara Keeley: I have raised in written and oral questions with the former Paymaster General, the right hon. Member for Horsham (Jeremy Quin), the case of a constituent of mine whose father died following infected factor VIII treatment. The family could not even grieve properly, because of the stigma around HIV and AIDS at the time. Compensation will not bring their father back, but it would give the family closure. My constituent contacted me after a statement in which the former Paymaster General said that the Government accepted that there is a moral case for compensation for those affected by the scandal, as the Minister has just done, but also said that those infected and affected have suffered enough. Given the acceptance by Ministers that the children of those infected have suffered enough, when will the Government make interim compensation payments to the estates of those who have died as a result of infected blood products and, separately, to those affected whose parents have died?

John Glen: The best answer I can give the hon. Lady is that it will be

“as quickly as reasonable thoroughness permits”,

as the inquiry chair said in his response. I am totally aware and sincere in my appreciation of the frustration that exists on this issue. As I say, seven days in, I am doing everything I can to move things forward and to gain assurances from across Whitehall so that I can update the House as quickly as possible. I sense the palpable frustration, and I realise that this issue needs action as soon as possible.

Mr Speaker: I call the shadow Minister.

Dame Nia Griffith (Llanelli) (Lab): I welcome the Minister to his new role. He will know that time is of the essence, with a victim of this scandal dying every four days. He also knows that there is nothing to stop the Government setting up a compensation scheme now. The failure to do so is weighing heavily on the minds of those affected. The cynical would think that the Government are just kicking the issue into the long grass. Can the Minister tell us when he hopes to report on preparations for compensation and appoint a chair for an appropriate body to run the scheme?

John Glen: What I can say to the hon. Lady is that I am familiar with the range of activities that need to take place. I am getting into the detail of every single one of them, but I have to gain collective agreement before I can announce anything to this House. This House will be the first place I make any announcements, when I have secured that. I acknowledge her frustrations, and I am doing everything I can. I will update the House as quickly as I can.

Public Sector Procurement: Small and Medium-sized Businesses

4. **Martin Vickers (Cleethorpes) (Con):** What steps his Department is taking to improve access to public sector procurement processes for small and medium-sized businesses. [900251]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Procurement Act 2023 will deliver simpler, more effective public sector procurement and help small and

medium-sized enterprises secure a greater share of approximately £300 billion of expenditure per year. The Act places a requirement on contracting authorities to assess the particular barriers facing SMEs throughout the entire procurement life cycle and to consider what can be done to overcome them.

Martin Vickers: The renewable energy sector offers great opportunities for SMEs to become involved in the supply chain. Many of them are unaware of the public sector tenders that are out there. What are the Government doing to ensure that SMEs are made more aware of the opportunities available?

Alex Burghart: I very much encourage my hon. Friend to take this matter up with the Department for Energy Security and Net Zero, but for my part I understand that anyone bidding for contracts for difference, our main renewable support scheme, must submit supply chain plans, including how many applicants will support SMEs.¹ The Department is also consulting on reforms that will give greater revenue support to applicants using more sustainable supply chains, including those that make greater use of SMEs.

Jim Shannon (Strangford) (DUP): I thank the Minister for his response and the hon. Member for Cleethorpes (Martin Vickers) for raising this matter. Northern Ireland, and particularly my constituency of Strangford, have a great many small and medium-sized businesses that depend greatly on opportunities for Government contracts. What discussions has the Minister had with the Department of Finance in Northern Ireland on a united approach, similar to that referred to by the hon. Member for Cleethorpes? I would love to see that in Northern Ireland.

Alex Burghart: My hon. Friend will be pleased to hear, and will remember from discussions we had as the Procurement Act 2023 was making its way through Parliament, that Northern Ireland will benefit from the new post-EU regime that we have brought in. Unlike our friends in Scotland, who chose to opt out, England, Wales and Northern Ireland have been able to shrug off the overly bureaucratic regime that we inherited from the EU and create, alongside small and medium-sized businesses, a brand-new way of doing things. I know that small and medium-sized enterprises in his constituency will ultimately benefit from that.

Foreign Secretary: Declarations of Interest

5. **Siobhain McDonagh (Mitcham and Morden) (Lab):** Whether he has had discussions with the independent adviser on Ministers' interests on declarations of interest by the Secretary of State for Foreign, Commonwealth and Development Affairs. [900253]

12. **Nick Smith (Blaenau Gwent) (Lab):** Whether he has had discussions with the independent adviser on Ministers' interests on declarations of interest by the Secretary of State for Foreign, Commonwealth and Development Affairs. [900263]

The Minister for the Cabinet Office and Paymaster General (John Glen): There is an established regime in place for the declaration and management of private interests held by Ministers, as is set out in the ministerial code. Preliminary discussions have been held with the

1. [Official Report, 10 January 2024, Vol. 743, c. 6MC.]

Foreign Secretary, in consultation with the independent adviser on Ministers' interests, to ensure that all interests are managed appropriately.

Siobhain McDonagh: Since the Foreign Secretary was last in office, he has been working for a Chinese state enterprise that was sanctioned by the US Government and blacklisted for bribery by the World Bank. The Foreign Secretary was paid by the Chinese company to promote the building of a port in Sri Lanka, a country which has itself been accused of war crimes and where, since the end of the civil war in 2009, tens of thousands of disappeared people have still not been found. Does the Minister agree that the British people have the right to know when their Foreign Secretary has been employed by the Chinese Government?

John Glen: I do not recognise the hon. Lady's characterisation of the Foreign Secretary's employment history. What I would say is that there is a thorough process in place through the ministerial code whereby the independent adviser publishes statements on Ministers' relevant interests. Yesterday, I met the independent adviser for the first time to speak in general terms about his role, and work is under way on the next list to include the relevant interests of newly appointed Ministers—I think there are about 18 of them. The Government's position on China remains unchanged. We believe in engaging directly and robustly in the UK national interest.

Nick Smith: When Lord Cameron, the public face of Greensill, was in the room where it happened—when key decisions were made, and attending board meetings regularly—there is a perception that he was part of Greensill's inner circle. Has the independent adviser assessed whether Lord Cameron was considered a shadow director during his time at Greensill?

John Glen: The Foreign Secretary has accounted for his conduct in relation to Greensill Capital, and independent reviews by the Registrar of Consultant Lobbyists and the Advisory Committee on Business Appointments confirm that no rules were broken. His ennoblement was also approved by the House of Lords Appointments Commission. I have referred to the process that is under way with the independent adviser for all new Ministers and the updates that will be forthcoming in due course from him. That is all I can say on the matter.

Mr Speaker: I call the shadow Minister.

Mr Pat McFadden (Wolverhampton South East) (Lab): I welcome my old friend and sparring partner, the right hon. Member for Salisbury (John Glen), to his post. Questions have been raised about whether all benefits in kind received by the Foreign Secretary while he acted as a lobbyist for Greensill Capital have been properly declared. Will the Minister confirm whether his tax affairs were examined and considered by the House of Lords Appointments Commission before approving his appointment? If not, will the Government now investigate to see if all such matters, including any use of offshore trusts, were properly declared and taken into account before the appointment was made?

John Glen: I thank the right hon. Gentleman for his kind words—it is indeed good to follow him to the Cabinet Office brief. I will not comment on media

speculation, but I acknowledge and thank him for his letter of yesterday. Lord Cameron's appointment followed all the established processes for both peerages and ministerial appointments. The ennoblement was approved by the House of Lords Appointments Commission in the usual way, and that included a check with His Majesty's Revenue and Customs. Details of the way in which HOLAC works with HMRC are published on gov.uk.

Mr McFadden: I want to ask about an angle of the matter mentioned by my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh). The Foreign Secretary received fulsome praise from the China Harbour Engineering Company for his role in promoting the Port City Colombo project in Sri Lanka. Can the Minister tell the House who the ultimate client was when the Foreign Secretary received payment from KPMG Sri Lanka for his role in promoting that project? Was it the Sri Lankan Government or the China Harbour Engineering Company, which is owned by the Chinese state?

John Glen: That is a matter not for me but for the processes that I have set out, which have been complied with. I believe that Lord Cameron has made some comments with respect to those matters.

Ministers without Portfolio: Responsibilities

6. **Alison McGovern** (Wirral South) (Lab): What the responsibilities of the Ministers without Portfolio are. [900254]

8. **Andrew Gwynne** (Denton and Reddish) (Lab): What the responsibilities of the Ministers without Portfolio are. [900256]

The Minister without Portfolio (Esther McVey): Ministers without Portfolio contribute to the policy and decision-making process of a Government. It is routine for the chair of the governing party to be made a Minister without Portfolio. As such, they serve as a member of the Cabinet. My role as a Cabinet Office Minister is to provide scrutiny and oversight across all Departments to ensure that we deliver best value for the public.

Alison McGovern: I welcome the right hon. Lady back to the Front Bench. If a Prime Minister needs to install a Minister for common sense, is that an admission that they do not really have any?

Esther McVey: I have seen the reports in the paper describing me as the Minister of common sense. I appreciate that the concept is difficult for Opposition Members to grasp. I am committed to delivering common-sense decisions, such as delaying the ban on petrol and diesel cars, delaying the ban on oil and gas boilers, scrapping High Speed 2 from Birmingham to Manchester and reducing the overseas budget—all common-sense policies that those on the Opposition Benches have voted against. Those on the Government Benches are full of common sense. I am building on all those policies.

Andrew Gwynne: I welcome the Minister to her post. If her Front Bench is full of common sense, which will she tackle first: a Home Secretary who thinks that Stockton North is a proverbial toilet; a Foreign Secretary who, during a critical time in geopolitics, is not even

accountable to this House; or a Transport Secretary whose Network North plan thinks that Manchester is in Preston?

Esther McVey: First of all, I did not hear my right hon. Friend the Home Secretary say the comments that the hon. Member repeated; as far as I am aware, he has denied saying them. As I said, I am building on the success of this Government. Let me give another: the biggest permanent tax cuts in modern British history announced yesterday—cutting taxes, not like the Opposition, who want more borrowing and spending.

Sir Christopher Chope (Christchurch) (Con): I warmly congratulate my right hon. Friend on her new role. Will it include the possibility of re-examining the vaccine damage payment scheme, which has been described at the public inquiry as not fit for purpose? The £120,000 maximum payment has not been increased since 2007, and the 60% disability threshold is causing a massive injustice. Will she address those issues, please?

Esther McVey: I thank my hon. Friend for bringing this matter, which he has worked extremely hard on, to the attention of the House. I am grateful for that suggestion; I will take it away and come back with further information.

Mr Speaker: I call the shadow Minister.

Nick Thomas-Symonds (Torfaen) (Lab): I congratulate the new Minister without Portfolio on her position, and I wish her well. Having seen the Prime Minister's struggles using a contactless card at a petrol station, and his impression that a private helicopter is the best way to get to Southampton, I think he probably was in need of some common sense, so it is no surprise that the right hon. Lady has been referred to in that way. Given she is in the market for some common-sense ideas, I suggest that the Government adopt a policy that people who live here pay taxes on all their income, and abolish the non-dom tax status. Perhaps she could cast her mind to abolishing the tax breaks for private schools, and spend that money on the 93% who go to state schools. Is it just the case that this Government are totally out of common sense and ideas?

Esther McVey: It does not surprise me that those on the Labour Benches attack private schools, which lots of parents want to send their children to. For them, that is common sense. For them, that is freedom of choice, which I stand by. Of course, should they close private schools down, the public sector would have to find billions more to fund it: again, not value for money—something that I am here to deliver—from Labour.

Ministerial Code: Compliance

7. Michael Shanks (Rutherglen and Hamilton West) (Lab): What recent assessment he has made of trends in the level of compliance with the ministerial code. [900255]

The Minister for the Cabinet Office and Paymaster General (John Glen): The Prime Minister made it clear upon his appointment that he will lead a Government of integrity, professionalism and accountability at every level, and he is delivering on that promise.

Michael Shanks: The Minister, a few moments ago in answer to specific questions, said that this was not a matter for him. Of course, the problem with the ministerial code is that the public do not have confidence that it is actually being delivered. There is very little transparency around investigations and around referrals to the independent adviser on Ministers' interests. With particular reference to Lord Cameron's appointment, will the Minister commit to publishing all the correspondence with the ministerial adviser on the code, and any correspondence around the list he had to give to the permanent secretary on his interests prior to appointment?

John Glen: With the greatest respect, I do not think the hon. Gentleman understands that the independent adviser on Ministers' interests has wide-ranging powers. Within two weeks of appointment, a Minister will have to fill in a form which was recently changed—two months ago—and has over 30 pages covering a wide range of aspects of their interests. There is then a process where the permanent secretary of the relevant Department comments on that and the independent adviser will then publish an update of relevant interests. This is a thorough process. I met the independent adviser yesterday. I suggest to the hon. Gentleman that he writes to the independent adviser to seek the correspondence he wishes.

Mr Speaker: I call the SNP spokesperson.

Kirsty Blackman (Aberdeen North) (SNP): When will the list of ministerial relevant interests next be published and will the interests of all the new Ministers be included in it?

John Glen: I am not certain, but work is under way. There are, I think, 18 new Ministers. I think it will be a matter of weeks, but I will keep an eye on that. The independent adviser did not give me a date yesterday, but I will continue to work closely with him where I can.

Kirsty Blackman: We would appreciate it if that list could be published before Christmas at the latest, because it is incredibly important. Section 7.25 of the ministerial code prohibits Ministers from lobbying Government for a two-year period after they leave office. It does not, unfortunately, say anything about interests before they are put into office. Does the Minister understand that with trust in politicians at an all-time low, the perception of Lord Cameron being put into the role, having clearly been lobbying on behalf of hostile foreign interests, does nothing for the perception of politicians as trustworthy?

John Glen: I just do not accept the hon. Lady's view. I have set out in previous answers this morning that there is an established, thorough process that is constantly being updated. There are regular updates by the independent adviser. The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office, my right hon. Friend the Member for Hertsmer (Oliver Dowden), assures me that that update will be out before the end of this calendar year. That work will continue and I expect, and the independent adviser and the Prime Minister expect, the highest standards to apply. Where there are changes to an individual's circumstances or interests, there is an urgent imperative to update the independent adviser.

Border Target Operating Model

10. **Daniel Zeichner** (Cambridge) (Lab): What recent assessment he has made with Cabinet colleagues of the potential impact of the border target operating model on cross-border flows of goods. [900261]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Government are delivering an ongoing programme of engagement with stakeholders across all sectors in all parts of the country and with key European Union trading partners to ensure goods continue to move across the border. We have not identified any specific risk to the cross-border flow of goods.

Daniel Zeichner: It has been a very long wait to get border checks in place on the UK side. What evidence does the Minister have that EU businesses have the appropriate systems in place, including enough vets, to make them work smoothly? What estimate has he made of the impact on UK food security?

Alex Burghart: The whole purpose of the exercise is to ensure that we have UK food security. The border target operating model will implement its next three major milestones on 31 January 2024, 30 April 2024 and 31 October 2024, which means that the regime will be introduced by increments. This will be good for British food and good for British animals.

Ministers: Declarations of Interest

11. **David Linden** (Glasgow East) (SNP): What assessment he has made of the adequacy of the list of Ministers' interests in ensuring that Ministers (a) declare and (b) avoid any conflict of interest. [900262]

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): There is an established regime under which Ministers' interests are declared and managed. Ministers seek the advice of their permanent secretaries and the independent adviser on Ministers' interests, who reports twice yearly. This is but one element of a network of ethics systems, including the ministerial code and the business appointment rules, which uphold the highest standards in Government.

David Linden: The Minister says that there is "a network of ethics systems" for the appointment of Ministers, so let me ask a simple question: when was the last time Lord Cameron was not domiciled in the UK?

Oliver Dowden: That is a question for Lord Cameron, but I would be amazed if he had not been domiciled in this country for his entire life.

Civil Service Staff Turnover

14. **Sir Bernard Jenkin** (Harwich and North Essex) (Con): What assessment he has made of the potential impact of staff turnover in the civil service on domain knowledge and subject expertise among senior civil servants. [900269]

The Minister for the Cabinet Office and Paymaster General (John Glen): In July 2022 we launched a policy setting the expected assignment durations for the senior

civil service—the SCS1 and SCS2 roles—at a default minimum of three years, to support the transfer of knowledge management and subject expertise. The initial impact of the policy will be reviewed by July next year, and there will be a fuller review in July 2025, following the completion of the first three-year cycle.

Sir Bernard Jenkin: I congratulate my right hon. Friend on his appointment—and a very welcome one it is too. Does he acknowledge that although the problem of churn and generalism in the civil service has been around for 50 or 60 years, since the Fulton inquiry in the 1960s under Harold Wilson, it has become worse and worse? I thank him for the evidence that the Government have submitted to the Liaison Committee's inquiry on strategic thinking in Government and how Select Committees can better scrutinise it, but if the Government do not have in place the experts and the people with domain knowledge, domain expertise and subject experience, there is not likely to be much good strategic thinking going on, given that Ministers often seem to know more about the subjects than the officials they are dealing with. May I invite my right hon. Friend to give us a supplementary note for the inquiry, so that we can understand their thinking on this matter more deeply?

John Glen: My hon. Friend obviously knows a great deal about this as a result of his distinguished 31 years of experience in the House, but pivotal role allowances have been in place for 10 years to help us to retain certain key individuals. A number of initiatives were introduced by my distinguished predecessor Lord Maude, the former right hon. Member for Horsham, and I intend to build on those, but I am happy to engage with my hon. Friend, because this is a serious issue.

In 2022, the last year for which we have figures, there was a 12.4% turnover from the senior civil service, and resignations were at 5%. We need to look carefully at what that means across different roles, and at how we can retain the specialisms for longer periods so that key Government programmes benefit from the sort of leadership that has enduring expertise at the table.¹

Lobbying Transparency

15. **Jon Trickett** (Hemsworth) (Lab): What steps he is taking to increase transparency of lobbying by businesses. [900270]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Government outlined wide-ranging improvements to transparency in lobbying in their policy statement "Strengthening Ethics and Integrity in Central Government", which was published in July. They include revising guidance to widen the range of lobbying engagements declared by Departments, and linked reforms of the consultant lobbying framework.

Jon Trickett: If you are one of the tens of thousands of small and medium-sized enterprises bidding for contracts from the public sector, you will be met with a wall of bureaucratic paperwork designed to prevent relationships between the contractor and the service provider. If you are an ex-Prime Minister, you can make dozens of phone calls on behalf of an interest in which you seem to have been involved, including nine texts to the current

1. [Official Report, 6 December 2023, Vol. 742, c. 4MC.]

Prime Minister. Is it not clear that that was reprehensible behaviour, and that the lobbying rules allowed it to happen? When will the Minister tighten the lobbying rules properly to prevent people from being able to benefit from the old system of “It is not what you know, but who you know”?

Alex Burghart: I refer the hon. Gentleman to my previous answer; we have published a document called “Strengthening Ethics and Integrity in Central Government”.

On small and medium-sized enterprises, I am delighted to be able to tell the hon. Gentleman that the Procurement Act 2023, which recently received Royal Assent, will make life much easier for SMEs that want to do business with the Government and get a share of the £300 billion of public procurement this Government have to offer.

Topical Questions

T1. [900271] **Kate Osamor** (Edmonton) (Lab/Co-op): If he will make a statement on his departmental responsibilities.

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): The accession of His Majesty the King marked a new chapter in our nation’s history. This month, the Cabinet Office launched a scheme to make new portraits of His Majesty available to all public institutions. After the splendour of the coronation, this is a fitting addition to the fabric of our public life.

The Cabinet Office has also led efforts on artificial intelligence, including setting up a new AI incubator made up of a team of technical experts. We will use our convening power to drive AI adoption across Government.

Kate Osamor: I asked my constituent, who is sadly personally affected by the infected blood scandal, what he wants to hear from the Government. All he wants is to see justice and receive assurances that nothing similar is ever allowed to happen again. Following on from Question 3, asked by my right hon. Friend the Member for Kingston upon Hull North (Dame Diana Johnson), and for victims’ peace of mind, can the Minister ensure transparency in implementing the inquiry’s final recommendations so that, ultimately, this House can hold him accountable?

Oliver Dowden: The hon. Lady will have heard the answers given by my right hon. Friend, the Paymaster General. He has given a clear commitment, which I am very happy to endorse from the Dispatch Box, on both transparency and speed of response. That is the approach that he and I are pursuing.

T8. [900280] **Bob Blackman** (Harrow East) (Con): My constituents who run small and medium-sized enterprises constantly complain about their ability to get Government contracts. The passing of the Procurement Act 2023 will obviously make that a lot easier. Will my right hon. Friend update the House on when that will be enacted? What will be the benefits to SMEs not only in my constituency but across the country?

The Parliamentary Secretary, Cabinet Office (Alex Burghart): My hon. Friend is absolutely right that the Procurement Act is a landmark piece of legislation that is going to

make life considerably easier for SMEs, and it will do that in a number of ways. A new online procurement platform will make it easier for people to enter information once and use it many times, and make it easier to see the pipeline of upcoming contracts. Crucially, contracting authorities will also now have to have regard to the needs of SMEs in order to break down barriers and give them a bigger share of the pie.

Mr Speaker: I call the shadow Minister.

Jonathan Ashworth (Leicester South) (Lab/Co-op): I welcome the Paymaster General to his place. In his new role, he will have responsibility for the efficient delivery of Government services and entitlements on which our constituents rely. One such entitlement, of course, is the winter fuel payment. Earlier this week, he was reported as saying that some pensioners do not need the winter fuel payment, so can he tell us which group of pensioners he had in mind when talking about who should lose the winter fuel payment?

The Minister for the Cabinet Office and Paymaster General (John Glen): I was talking to a group of students and explaining the complexities of making choices in my then role at the Treasury. As the Chancellor set out yesterday, although the Government are fully committed to the full uplift, using the triple lock, and maintaining all those benefits, all Governments have to make choices. I was making known my views on some of those choices and the challenges in delivering them. I was not deviating at all from Government policy, and I am very happy to put the record straight on the Floor of the House.

Paul Howell (Sedgefield) (Con): Mr Speaker, you may remember that, earlier this year, I referenced a 102-year-old constituent who had completed the Great North Run, having done a 1,000-mile bike ride the year before and a 100-mile walk the year before that. We were compiling a submission so that the gentleman could get an honour but, unfortunately, he passed away in the last couple of weeks. Given the extraordinary service that this veteran gave to the country, are there any routes we can still follow to get some recognition for him in this unfortunate situation?

Oliver Dowden: May I begin by paying tribute to the extraordinary endeavours of my hon. Friend’s constituent, which I would never be able to achieve at any stage in life? I am afraid that it is a general principle that honours are not given posthumously, but we are in consultation with the palace to look at posthumous honours for people who have lost their lives in public service. We continue to keep this under review, but it is a complex area.

T2. [900272] **Neale Hanvey** (Kirkcaldy and Cowdenbeath) (Alba): It may be true that the Cabinet Office’s Greensill inquiry established that Lord Cameron had not broken any lobbying rules or acted unlawfully, but a Treasury Committee report, in finding that he had not broken the rules, said that this reflected on the “insufficient strength” of the rules. So what progress has been made to strengthen them? What role will they play in measuring the past activities of Ministers who are to be appointed?

Oliver Dowden: I refer the hon. Gentleman to a written ministerial statement I made to the House a couple of months ago, in which I explained how, at

length, we have implemented many recommendations, for example from the Boardman review and others. That included strengthening the civil service contractual requirements in relation to the Advisory Committee on Business Appointments and introducing a deed of covenant for Ministers to uphold the findings of the Advisory Committee on Business Appointments. I continue to engage with Lord Pickles, who chairs ACOBA, about further such reforms that can be undertaken.

Greg Clark (Tunbridge Wells) (Con): The Deputy Prime Minister played a prominent role at the artificial intelligence summit in Bletchley Park earlier this month. One big question is whether open source should be encouraged and perhaps even required, in order to encourage openness and innovation, or whether it should be restricted, to keep the models in the hands of known actors. What is the direction of his thinking on that?

Oliver Dowden: As ever, my right hon. Friend raises an erudite question. My disposition, and that of the Government, is that open source AI is an important basis upon which we can build many world-leading applications. We can see companies in this country growing at a fast pace by developing innovative AI off the back of open source. Of course, there are risks associated with it, but there is a high bar to be met before the Government would start imposing additional regulatory burdens on open source AI, given the associated benefits for economic growth.

T3. [900273] **Jon Trickett** (Hemsworth) (Lab): Palantir has this week received one of the largest contracts imaginable. The company is based in silicon valley in California. It was established by the CIA and it has continuing links with the American defence network. It looks as though huge amounts of British NHS money and profits will be migrating back across the pond to California, but the most concerning thing is that information about millions of our fellow citizens—their health data—will be handled by that company. How can that be right?

Alex Burghart: Obviously, any contract of any size that the Government deal with—the Department of Health and Social Care and the NHS in this case—goes through an extremely detailed and careful process in order to ensure that we get the best value for money for the British public, that we help our public services solve the problems they face and that national security is maintained. If the hon. Gentleman has a problem with a particular element of that contract, he should bring it before the House. Otherwise, I believe he is just scare-mongering.

Sir Christopher Chope (Christchurch) (Con): Will my right hon. Friend help with a situation where Thales, the French defence contractor, and its UK subsidiary are insisting that materials should be procured not from the UK, but from India. How is that consistent with the Government's procurement policy?

John Glen: I cannot comment on a specific case on the Floor of the House, but I am happy to engage with my hon. Friend on the matter he raises. Frameworks are in place, but without knowing more detail it is impossible for me to comment here.

T4. [900275] **Mike Kane** (Wythenshawe and Sale East) (Lab): The right hon. Member for Salisbury (John Glen) is the ninth Paymaster General since the contaminated blood inquiry reported. We have worked together on mesothelioma and other issues, so I know he is of good faith, but my constituent Fred Bates, who was a victim of the contaminated blood scandal, is now 74 and needs to know whether he will get compensation before it is too late.

John Glen: I understand that and, through the hon. Gentleman, I say to Mr Bates that I am doing everything I can to update the House as quickly as possible. There are a range of activities that I am familiar with from the small ministerial group of which I was previously a part. There is a lot of complexity in securing the envelope of money and then working out how to allocate it, but I am doing everything I can to bring that forward as quickly as possible.

Martin Vickers (Cleethorpes) (Con): The lives of all our constituents are greatly affected by public bodies that make decisions across a whole range of issues. Would it be better for many of those public bodies to delegate their powers to Ministers, so that Members of this House can question and scrutinise those decisions?

John Glen: I will conclude my initial meetings this afternoon with a briefing on arm's length bodies and the range of different entities that exist beyond Whitehall. I will think very carefully about what my hon. Friend has said and look at what more we can do to ensure that there is real accountability, maximum productivity and efficiency, drawing on my experience up the road at the Treasury.

T7. [900278] **Alison McGovern** (Wirral South) (Lab): In thirteen and a half years in this House, I have barely known a time when foreign policy is more important, so will the Secretary of State confirm that he is working with you, Mr Speaker, to find a way for elected Members of this House to scrutinise the Foreign Secretary directly?

Oliver Dowden: I know that the Procedure Committee has been examining this subject, and we continue to discuss it with you, Mr Speaker. There is a well-established convention whereby the office of Foreign Secretary has been held by a Member of the other place. That has worked well in the past, but I know that my right hon. Friend the Foreign Secretary is committed to further increasing his accountability to this place.

Mr Speaker: We are both working on a solution.

Scott Benton (Blackpool South) (Ind): What steps are the Government taking to reduce the number of civil servants in order to achieve value for money for the taxpayer?

John Glen: I am looking carefully at where we are with the plans for this year—obviously, there is a half-way point in that cycle—and at what policies we can put in place. At the beginning of October, the Chancellor announced a freeze on recruitment.¹ I will be looking at what we need to do now to ensure that, as we move into future financial years, we use the benefits of efficiencies that exist and different ways of delivering services, which we can learn from across the globe and the private sector, so that we get value for money for all those who are employed and do a good job in the civil service.

1. [Official Report, 11 December 2023, Vol. 742, c. 5MC.]

David Linden (Glasgow East) (SNP): Does the Deputy Prime Minister think it is acceptable that Baroness Michelle Mone has more ability to scrutinise the Foreign Secretary than Members of this House?

Oliver Dowden: I refer the hon. Gentleman to my previous answer about the well-established principle that Ministers can serve from the other place, which I believe last happened when Lord Mandelson was in the Labour Cabinet. However, the Government and my right hon. Friend the Foreign Secretary recognise this House's desire to scrutinise him and he has committed to further measures to ensure that happens.

Sir Bernard Jenkin (Harwich and North Essex) (Con): I thank the Government for publishing the report on governance and accountability in the civil service, which my noble Friend Lord Maude was commissioned to produce. May I point out that one of his recommendations in that very well drafted report is about learning from the experience of other civil services, such as those in New Zealand, Australia and Canada, where indeed they retain civil servants in post much longer by paying them better—

Mr Speaker: Order. Many Members wish to speak, but they will not get in if we are not careful.

John Glen: Yes, I acknowledge that the Maude report had some very useful contributions. I am reflecting on that and will give a more substantial response and comment in due course.

Andrew Gwynne (Denton and Reddish) (Lab): I listened very carefully to the Paymaster General's replies to my colleagues about the contaminated blood scandal. Can he guarantee that we will have a statement to the House before the Christmas recess?

John Glen: No, I cannot guarantee that, because I do not yet have collective agreement, but I am working towards that ambition and that is what I want to achieve.

Dame Diana Johnson (Kingston upon Hull North) (Lab): Why have Scotland and Wales been able to set up psychological support services for the victims of the contaminated blood scandal, but England has not?

John Glen: It is because I have not yet secured collective agreement to do so. The funds are available, and it is absolutely right that we bring that forward as soon as possible. Again, that is one of the activities that I will be engaged in resolving later this morning.

Jim Shannon (Strangford) (DUP): Further to the questions from the right hon. Member for Kingston upon Hull North (Dame Diana Johnson) and the hon. Member for Edmonton (Kate Osamor), what assessment has the Minister made of the number of people who have sadly passed away this year due to infected blood before their compensation has been available for claiming?

John Glen: I do not have that number for the hon. Gentleman, but the point he makes illustrates the urgency of the work in which I am engaged and the need to ensure that over the next 10 to 12 working weeks—by the expected date for the report's publication—the Government can bring forward a comprehensive response.

Mr Speaker: We will now suspend until 10.30.

10.25 am

Sitting suspended.

Speaker's Statement

10.30 am

Mr Speaker: Before we move to business questions and resume the debate on the autumn statement, I remind hon. Members that after they have spoken in a debate or in questions they must, at the very minimum, remain in the Chamber for at least the next two speeches or the next two questions. They must also return to hear the winding-up speeches from both the Opposition spokesperson and the Minister at the end of the debate. It has got worse, and it will not be tolerated.

If for any reason a Member is unable to return to the Chamber for the wind-ups, they are welcome to approach the Chair and withdraw their request to speak in the debate. Records are kept when Members speak and fail to return, and this is taken into account when deciding whether to call Members in subsequent debates. Both the Minister and the Opposition spokesperson responding to the debate are expected to remain in the Chamber for the majority of the debate so that they can respond effectively to the points raised by other hon. Members.

Business of the House

10.31 am

Lucy Powell (Manchester Central) (Lab/Co-op): Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Penny Mordaunt): The business for the week commencing 27 November will include:

MONDAY 27 NOVEMBER—Conclusion of debate on the autumn statement.

TUESDAY 28 NOVEMBER—Second Reading of the Criminal Justice Bill.

WEDNESDAY 29 NOVEMBER—Remaining stages of the Data Protection and Digital Information Bill.

THURSDAY 30 NOVEMBER—Consideration of an allocation of time motion, followed by all stages of the National Insurance Contributions (Reduction in Rates) Bill.

FRIDAY 1 DECEMBER—The House will not be sitting.

The provisional business for the week commencing 4 December will include:

MONDAY 4 DECEMBER—Remaining stages of the Victims and Prisoners Bill.

Lucy Powell: I thank the Leader of the House for announcing the business.

The agreement of a cessation in hostilities in Gaza and Israel, to release hostages and tackle the urgent and unacceptable humanitarian catastrophe, is welcome. Let us also hope that it could lead to a longer-lasting resolution. Will the Government keep the House updated as the situation develops? There really should have been a statement this week, and we really should be hearing from the Foreign Secretary, as we discussed last week. Members give careful consideration to these matters, and want to raise their constituents' concerns.

In a few cases, however, we have seen the legitimate lobbying of Members by their constituents cross a line into intimidating protests and vandalism. I thank the Leader of the House, you, Mr Speaker, House staff, and the police for everything that they are already doing to support Members and their staff. Does the Leader of the House agree that the spreading of misinformation and the whipping up of hate is a threat to our democracy? Much of it takes hold on social media platforms. Given that the Government watered down the Online Safety Act 2023, does she believe that they have the tools to deal with online hate, misogyny, antisemitism and Islamophobia, no longer covered by the Act?

Turning to yesterday's autumn statement, does the Leader of the House want to take this opportunity to correct the record, because the Chancellor did not seem to get his numbers right? The real figures were published by the Office for Budget Responsibility alongside his statement, and they do not match. He said that it was "an autumn statement for growth".—[*Official Report*, 22 November 2023; Vol. 741, c. 334.]

The OBR said that growth has been downgraded in each of the next three years. He said that he was cutting taxes. The OBR confirmed that this will be the biggest tax-raising Parliament on record, with 7 million workers now caught by stealth tax rises. Even with his cut to national insurance, the Government are handing back only £1 for every £8 they have taken in this Parliament.

The Chancellor said he was helping with the cost of living crisis, yet the Office for Budget Responsibility says this is the largest reduction in real living standards since records began, and energy prices rise again today, adding more pain. He said he had got inflation under control, but the OBR inflation forecasts have now gone up in every year of the forecast period, with prices rising higher for longer. He said that debt had fallen, yet the OBR said it would be 28% higher next year than when the Tories came to power. The Prime Minister said yesterday that he had reduced debt, yet the Institute for Fiscal Studies is clear that public sector debt is rising in cash terms, in real terms and as a percentage of the national income. Perhaps those discrepancies are why the IFS's director said of the autumn statement that "a lot of these numbers... are sort of made up."

No matter what the Government do at this late stage, the facts for families will not change. Prices are up, tax is up, debt is up, mortgages are up, rent is up; that is their record, and nothing they said this week can change it. When people ask themselves whether they are better off after 13 years of a Conservative Government, the answer will be no.

The latest immigration figures are now out—up again. So much for the Foreign Secretary's plan to get numbers down to tens of thousands. That is further evidence that this Government cannot stick to their promises, and in next week's business there is still no sign of the emergency legislation on Rwanda. Where is it? What is the hold-up? Is it with the Leader of the House's parliamentary business and legislation committee, or is it with the Home Office? Has she even seen it? She knows it will not work; it will absorb loads of time and it will not solve the problem. Maybe the delay is because the Home Secretary reportedly thinks that the Rwanda policy is "batshit". Yesterday, he also said that Stockton was a "shithole". Does the Leader of the House agree that besmirching another hon. Member's constituency goes against all the courtesies of this place and is utterly disrespectful to their constituents? Will she ensure that the Home Secretary comes to this House and apologises? That sort of foul language may be accurate when describing Government policy, but not the great town of Stockton.

Penny Mordaunt: I place on record my thanks for hosting the UK Disability History Month event that took place in your rooms last night, Mr Speaker. We had great speeches from hon. Members on both sides of the House about their disabilities and of course the performance of the Music Man Project. I promise you that the video of you dancing Gangnam-style to one of their hits will go with me to my grave.

Mr Speaker: I owe you one.

Penny Mordaunt: I thank the hon. Member for Manchester Central (Lucy Powell) for, and join with, the sentiments she expressed about Israel and Gaza. We all hope that some of the hostages are able to be released in the coming days, and our thoughts are with everyone affected by that. It is incredibly important that this House is kept up to date. She will know that the Procedure Committee is looking at that and will shortly make some announcements on how it thinks the Foreign Secretary can best come to answer questions from hon. Members.

This week I met the director of national security and the director of consular and crisis services in the Foreign Office, as well as Home Office officials, on behalf of Members of this House to look at what they can do to support the families of hostages—not just the British nationals, but those who have a connection to the UK—and I know that they are in touch with those hon. Members directly concerned. A lot of that cannot be put in the public domain, for obvious reasons, but they are in touch with hon. Members on Privy Counsellor terms with things that cannot necessarily be put in the public domain.

May I also thank the hon. Lady for what she said about security? It is incredibly important. I refer Members to what I said last week on that point: we should be free in this place to use our judgment and vote accordingly, and we should not face intimidation for doing our duty to this House. Although it is a growing and moving challenge, I am confident that we have the tools to tackle misinformation online. She will know that we have stood up new services in the House of Commons Library, strengthening its ties with Government Departments—particularly the Department for Culture, Media and Sport—as well as with our security agencies.

The hon. Lady mentions the facts relating to the autumn statement and the OBR, and I am happy to remind the House of those facts. Inflation is now at 4.6% and will fall to 2.8%, and at the end of next year, towards 2025, we will be back to 2%. Headline debt is now 94% by end of forecast, down from a predicted 100%. Underlying debt next year is expected to fall to 91.6%, and we are due to meet our fiscal rule of having underlying debt fall as a percentage of GDP by the end of the next financial forecast. We have the second lowest debt in the G7.

The hon. Lady talks about the cost of living. On average, a person on benefits will be £470 better off, pensioners £900 better off, and those on housing allowance £800 better off. The national living wage has gone up. Our total commitment on cost of living measures is now over £104 billion, which includes £3,700 on average toward a person's energy bills. She will know that the energy price guarantee remains in place until March next year.

On our ambitions to grow the economy, the hon. Lady will also know that we have a strong and resilient economy. That fact is evidenced by our continuing to attract inward investment. I very much welcome Nissan's announcement of its commitment to continue making the Qashqai and Juke models in Sunderland. Yesterday, we made expensing permanent, as well as other measures to help businesses large and small, particularly on our high streets and in the hospitality sector. We have new investment zones, one of which is in her beloved Greater Manchester.

The hon. Lady mentions Stockton North, which will benefit from £20 million of levelling-up funding for Billingham town centre. With regard to the charge that she makes against the Home Secretary, he denies it and I believe him.

The economy is predicted to grow. We would like it to grow faster, and that is why we are focused on productivity. We have been able to cut tax through the tough decisions that have enabled us to create that headroom. We were able to do what we did during the pandemic, on furlough and other support, only because we paid down Labour's deficit by 80%. Labour has opposed every measure that

[Penny Mordaunt]

we have brought in to balance the books. Labour has blocked every measure to reform welfare in favour of denying people with disabilities the dignity of a pay packet.

Labour has blocked every measure to protect access to public service and cut waiting lists, in favour of militant unions. Labour has blocked every measure to make us more energy secure, in favour of Just Stop Oil. Labour has blocked every measure to raise education standards, and now wishes to tax education and halve apprenticeships. While we have been reducing fuel duty and holding down council tax, Labour put both up by 42% and 104% respectively. Where Labour is now in power, it taxes the lowest paid out of work. The ultra low emission zone has wreaked havoc in London and cost livelihoods. Sadly, I understand that those measures will shortly be coming to Wales.

Labour Members say that they have changed, but their actions past, present and planned for the future say otherwise. Further business will be announced in the usual way.

Sir Jake Berry (Rossendale and Darwen) (Con): I am delighted to inform the House that, after 50 years, the crown jewels of Darwen—our freeman's casket and our mace—will be returned from Blackburn to the Darwen Heritage Centre. After 14 years of campaigning myself, I congratulate the heritage centre and all its volunteers on their work to secure them. Does my right hon. Friend agree that it is high time for a debate about local government reorganisation? As well as getting its crown jewels returned, Darwen wants to break free from Blackburn, which would truly be the crowning glory of our £120 million town deal.

Penny Mordaunt: I congratulate my right hon. Friend on a successful, if lengthy, campaign, and I congratulate him and everyone who has worked on it on their diligence and on never giving up. I do not know about a debate—it sounds like we ought to be having a party to celebrate this. In all seriousness, I know that it means a tremendous amount to the local community. They are known as the crown jewels locally. I understand that some of them are very heavy—if they need a hand carrying them around, I know someone who can help.

Mr Speaker: We now come to the SNP spokesperson.

Deidre Brock (Edinburgh North and Leith) (SNP): Things became a bit clearer for us all this week. For a time, we have been wondering what the Leader of the House meant when she delivered her infamous “stand up and fight” battle cry. She told us 12 times in 90 seconds that she wanted to have a fight with somebody, but we were not quite sure who the enemy in her head was. We know in Scotland that she likes having a fight with us; she is always telling us off for disobedience or treachery. In Tory Britain, we Scots really should know our place. But the Chancellor helpfully revealed who else her Government want to fight with.

If you are unable to work because of ill health, get ready for battle with the Tories. If you are among the 4 million families destitute in the UK, forget it—there will be no real help for you in your daily struggle to survive. As is clear from the covid inquiry, if you are a scientist or—God forbid—an actual expert, gird your

loins. In England, Tories fight NHS workers. They fight teachers. They fight local councils. They fight the low-paid. If you are on pensions or benefits, sure, they threw you a few crumbs yesterday from their table, but the Office for National Statistics says that food prices are 30% higher than they were two years ago, so they will fight you at the checkout tills. There was not a word about fighting billionaires' tax evasion, fighting dirty money being laundered through London, or fighting the corruption and fraud drenching this Government in sleaze.

When the Chancellor sat down yesterday, the independent OBR assessed that his measures would bring the largest reduction in living standards since records began. But never mind; I see the other place was debating the Pedicabs (London) Bill last night, so we can all calm down, knowing that this Government are focused on the things that really matter. And people ask us why we want to see Scotland independent and away from this bedlam of a place!

I realise that I will wait in vain for any actual answers to these questions—questions like, how is it exactly that the right hon. Lady's Government can find fiscal headroom in their Budget when some of my constituents in Edinburgh North and Leith cannot afford to feed themselves? Is it not time her profligate Government stopped fighting everybody and held an inquiry into themselves and the many billions they have squandered over the last four years?

Penny Mordaunt: I am not in any doubt who I am standing up and fighting for—the people of this country—and who I am standing up and fighting against, and the SNP are on the latter list. First, what the hon. Lady says is not the case. She spoke about the welfare measures that were announced yesterday. She knows that the closing claims measure does not apply in Scotland and does not apply to anyone with disabilities or a child. If she was not aware of that, I ask her to please read the documents that were put out yesterday and the Chancellor's statement, and if she does know that that is the case, it would be helpful for her not to say otherwise.

The hon. Lady lists a number of things and makes various accusations. I would ask her to be a little more self-reflective. It is her party that has been subject to 22—and counting, I think—police investigations. The Serious Fraud Office is investigating GFG Alliance, the company to which the Scottish National party gave hundreds of millions of pounds to guarantee jobs that never materialised, and that just happened to be sponsoring its party conference at the same time.

The hon. Lady likes to lecture my party about values. Which party is it whose leader smirked while people booed the national anthem? Which party is it whose activists called BBC reporters traitors? Which party is it that bullied Conservative party members attending a conference in Scotland to the extent that it made national news? Which party is it whose behaviour was so horrific towards its own elected representatives that they said they suffered panic attacks, and some have crossed the Floor? Who is responsible for the bile-fuelled rants that are so evident in *Hansard*?

Once the hon. Lady has clocked that the answer to all those questions is her party, she might reflect on why that is the case and on the appalling legacy that such a warped, irresponsible displacement activity has seeded to a generation of Scottish children—a wrecked education system, a widening attainment gap, fewer teachers, maths

scores declining in every PISA survey, science at a record low and plummeting literacy rates. But they will, of course, have somewhere safe and warm in which to take heroin. I am not going to take any lectures from the hon. Lady about values, responsibility or performance in office. This is why I will get up every week and stand up and fight against the slopey-shouldered separatism evidenced by the SNP.

Martin Vickers (Cleethorpes) (Con): Part of my constituency is fortunate still to be served by a daily newspaper, the *Grimsby Telegraph*. The funeral of one of its most distinguished journalists, Peter Chapman, took place earlier this week, which caused me to reflect on the sadly declining role that local newspapers play in serving their community. May we have a debate about the role of local newspapers and how they can help build the foundations of their local community?

Penny Mordaunt: I thank my hon. Friend for raising this issue—he is a huge champion for his local paper. As he knows, the pro-competition regime set out in the Digital Markets, Competition and Consumers Bill will help rebalance the relationship between the most powerful tech firms and those who rely on them, including press publishers, which will make an important contribution to the sustainability of the press. The next Department for Culture, Media and Sport questions are not until the new year, so I will make sure that the Secretary of State has heard about his interest, and if he wishes to apply for a debate, I am sure it would be very well attended.

Duncan Baker (North Norfolk) (Con): In North Norfolk in East Anglia, we have some of the most important areas for sugar beet in the entire country. Does the Leader of the House think it is right for British Sugar to bypass the National Farmers Union, the beet growers' sole representative in negotiations with the monopoly processor, while negotiations are ongoing to get farmers to sign up to a contract that the majority of them do not believe is in their best interests or reflects an adequate return for the sugar market?

Penny Mordaunt: I thank my hon. Friend for all the work he is doing to support his farmers—I know it is a lot. He is a consistent champion for their interests, and he is right to encourage them to stand firm. I am pleased that NFU Sugar and British Sugar are resuming negotiations on next year's sugar beet price, and I hope they can work together to agree a mutually acceptable deal as soon as possible for the benefit of both growers and processors. My hon. Friend may wish to raise this matter on 7 December with the Secretary of State for Environment, Food and Rural Affairs.

Mr Speaker: I call the Chair of the Backbench Business Committee.

Ian Mearns (Gateshead) (Lab): I am always very grateful, Mr Speaker—thank you very much.

Kevin Brennan (Cardiff West) (Lab): Such a creep!

Ian Mearns: Well, you know. I see from the Order Paper that the Committee of Selection has done its business, and hopefully the House will agree the membership of the Backbench Business Committee on Monday

night, which will mean that it will be able to meet on Tuesday afternoon. I gather that the Committee Clerks already have a dozen applications to be heard on Tuesday afternoon, so we look forward to getting back to work. We are also looking to the Leader of the House to award us a constant flow of time in which to air those debates, both here in the Chamber and in Westminster Hall.

Yesterday, we heard that benefits will be uprated from April and national insurance will be reduced from January, but overnight we also got news from Ofgem that it intends to raise the energy price cap by 5% from January. An inordinate number of my constituents are already spending more on daily standing charges than they can afford to spend on heating their homes and feeding their families. I understand that the Government intend to look at this issue, or are looking at it, but given what has happened in the last couple of days, could I ask for that work to be speeded up and done in anticipation of the price cap being raised in January?

Penny Mordaunt: First, I thank the hon. Gentleman for the advert about the timetable for his Committee being re-established, which is very good news. We will certainly, as always, make sure there is time for the debates that hon. Members wish to have.

The hon. Gentleman will know from the answer I gave to the shadow Leader of the House that we have the energy price guarantee in place until the end of March next year, but I know that the Secretary of State for Energy Security and Net Zero will want to update the House on the ongoing work to which he alludes. I shall make sure that she has heard what he has said, and of course he knows how to raise it with her directly.

Imran Hussain (Bradford East) (Lab): Over the last seven weeks, we have seen over 15,000 innocent men, women and children killed; hospitals, churches, mosques, refugee camps and homes attacked; numerous instances of war crimes; and food, water, power and medicine cut off in an act of collective punishment that is in violation of international law. Yet, even as over 2 million people remain trapped in the never-ending humanitarian nightmare in Gaza, we still have not had a substantial debate in this Chamber on the conflict. This is one of the most important issues to my constituents and to constituents of many hon. Members, so will the Leader of House finally allocate Government time for a substantial debate on this critical issue?

Penny Mordaunt: I thank the hon. Gentleman for raising this. I know that the situation in Gaza, particularly what we hope might happen over the coming days, is very much at the forefront of people's minds. He will know—and I have given many examples—the complexity of the situation there and what the Israel Defence Forces are trying to do in very difficult circumstances, but of course we all want to see a pause in hostilities to enable humanitarian assistance to get to where it needs to be and we hope for hostages to be returned home. There have been a number of opportunities to discuss this on the Floor of the House, not least with the usual Prime Minister's questions and other questions to Departments. I shall make sure that the Foreign Secretary has heard what the hon. Gentleman has said, and he will know that the doors of consular services, but also

[Penny Mordaunt]

of Departments that are closely monitoring what is happening on the ground, are always open to Members who have particular concerns.

Sir Michael Ellis (Northampton North) (Con): May we have a debate on antisemitism at the Football Association? The FA board, which for years lit up Wembley for numerous causes and campaigns, has now said that it will not light up Wembley ever again for any non-entertainment reason. This is because it has been shamed by its antisemitic decision not to light up the stadium when 1,400 Jews were murdered in the pogrom of 7 October. Should the national lottery even fund organisations that seem to regret every death and injustice apart from the death of Jews?

Penny Mordaunt: My right hon. and learned Friend the Culture Secretary discussed the lighting of the arch with the Football Association at the time and expressed her disappointment about how it approached that situation. As was announced in the autumn statement, we are making further funds available to combat the rise in antisemitism. We are also repeating the £3 million uplift to the Community Security Trust to fund its critical work, to ensure that that work is able to continue and to meet the unfortunate demand. However, my right hon. and learned Friend makes a very good point. Whatever businesses or organisations we are involved in, we can all make a difference by calling things out, while also, critically, showing support to particular communities. I think his point was well made.

Wera Hobhouse (Bath) (LD): May we have a debate on improving road safety? I recently met a community speedwatch group in Bath, a bunch of highly dedicated and motivated people who stand for hours in all weathers, facing abuse. They have caught 80,000 speeding vehicles, yet they see very little result for their hard work. Speeding kills: a third of road fatalities are down to speeding. Would Road Safety Week not be a perfect opportunity for such a debate to show that the Government really take the issue of road safety seriously?

Penny Mordaunt: I thank the hon. Lady for raising this—very sadly—timely question given the events of this week. As she knows, speeding is a critical issue and one of the biggest killers globally, affecting many countries. As well as measures we take at home, she knows that we make a big contribution to reducing the number of deaths on the road elsewhere. It is an excellent topic for a debate. I will download her interest to the Secretary of State, and I am sure that if she applied for a debate, it would be well attended.

Bob Blackman (Harrow East) (Con): My right hon. Friend has already mentioned the financial impact on poorer families of the Labour Mayor of London's hated expansion of the ULEZ—ultra low emission zone—scheme, but she is probably not aware that the Advertising Standards Authority has found him guilty of using incorrect statistics in the scientific evidence, which led to its expansion. Given that authorities across the country are now considering introducing similar schemes, would it not be a good idea to have a debate in Government time on ULEZ, so that we can expose these lies for what they are?

Penny Mordaunt: I thank my hon. Friend for raising that. That is a very good idea and topic for a debate, and he will know how to apply for one. There are schemes elsewhere in the country that address air quality issues which have chosen a different path to clobbering those who can least afford it, with terrible unintended consequences—people losing their businesses or livelihoods, charitable organisations being prevented from going about their work and the knock-on economic impact to surrounding areas. It is not just those in London or potentially in certain parts of Wales who are to be affected by these schemes; it is anyone who is going there to do business or for some other purpose. It would be very good to have a debate on these matters. There is good practice out there, and there is also appalling practice, based on shoddy evidence, and the Mayor of London is the top candidate for that accolade.

Paula Barker (Liverpool, Wavertree) (Lab): The Chancellor said yesterday that he had taken steps to support people through the cost of living crisis created in Downing Street, so why have 2 million citizens had to rely on food banks in the past 12 months?

Penny Mordaunt: As I stated earlier, the cost of living measures we have brought in now amount to £104 billion. We have been there through the immense crisis that was the pandemic and through furlough, helping people so that they could be at home and be supported and also, critically, keeping jobs and businesses going, which is why we were one of the fastest recovery nations. We have been there to pay energy bills. I shall not repeat the statistics I gave earlier, but the hon. Lady will know that we have protected those on benefits and also pensioners through the triple lock, and we are ensuring that those who are on benefits and trying to get into work have additional support to do so. The result of our record is 1.7 million more people lifted out of absolute poverty, 200,000 of whom are pensioners and nearly 500,000 are children.

Marco Longhi (Dudley North) (Con): The Parliamentary and Health Service Ombudsman has already found the Department for Work and Pensions guilty of maladministration on two counts in relation to the WASPI women—the Women Against State Pension Inequality Campaign—once in 2005 and the other in 2006. I forget who was in charge at the time; it must be my age. Many women have suffered as a result in a variety of ways. Will the Leader of the House agree to having a statement so that the Government can show they are doing what they can to help speed up the processes at the ombudsman, which appears to be taking an inordinate amount of time in finalising its investigation and recommendations?

Penny Mordaunt: I thank my hon. Friend for his question and the work he has been doing campaigning on behalf of pensioners more broadly and his work on the triple lock, as well as with respect to particular cohorts of individuals, both his constituents and more widely. The ombudsman's investigation is ongoing, so it would not be appropriate for me to comment on that, but I understand that it issued a statement on the timeline and the reasons for the delay. I will certainly make sure that it has heard what my hon. Friend has said today.

Sir George Howarth (Knowsley) (Lab): I note that the Leader of the House failed to respond to the question from my hon. Friend the Member for Manchester Central

(Lucy Powell) about the Government's Rwanda policy. The right hon. Lady will be aware of reports that if, as seems likely, the Government are unable to find a legal way to take that policy forward, they are considering using the Falkland Islands as an alternative. Will she take this opportunity to either confirm or deny that the Falkland Islands is a possible alternative to Rwanda?

Penny Mordaunt: I am very happy to knock that one on the head. It is not an alternative to Rwanda, and nor are various other places that have been mentioned, including the Orkney Islands. That would be definitely out, given the reliability of Scottish National party ferry services.

Scott Benton (Blackpool South) (Ind): Last Sunday was International Men's Day, which is a brilliant opportunity to highlight the positive contribution that men make to society, as well as some of the challenges we face. Foremost among those is men's mental health and, in particular, the high rates of male suicide. I recently visited Conscious Recovery, an inspiring Blackpool charity that supports those dealing with mental health issues and raises awareness of those issues in our community. Will the Leader of the House join me in thanking and praising those brilliant volunteers and charities who do enormous work in this area and who make so much difference? Will she support a debate on improving mental health and preventing suicide?

Penny Mordaunt: I thank the hon. Gentleman for championing Conscious Recovery in his constituency. I am sure the whole House would want to thank all the volunteers who work for that organisation, as well as those who work for many organisations across the country and in our own constituencies, too. I am pleased that he has been able to raise the profile of this important issue, and I thank him for his campaign work on it. It is critical, particularly for young men who are very vulnerable to not opening up about their mental health issues, often with terrible consequences. We should applaud all efforts to ensure that they get the help and interventions they need.

John Cryer (Leyton and Wanstead) (Lab): Further to earlier exchanges, many of us have constituents stuck inside the hell that is Gaza, and in trying to get them out, we are struggling to get information out of the Foreign, Commonwealth and Development Office. I have always found the right hon. Member for Sutton Coldfield (Mr Mitchell) to be an honourable and honest man, and he is doing his best to help to get people out, but it is still difficult getting that information. Could we have a statement, or at least a written statement, setting out the channels that might be open to us so that we can get people home?

Penny Mordaunt: I will certainly make sure that the Foreign Office has circulated an updated contact list to all Members of this House. We will make sure that is done. The consular services are the best point of contact in most cases for hon. Members, but in the meeting I spoke about earlier in this session, I also emphasised the importance of the Foreign Office and in some cases the Home Office making sure that they are in regular touch with Members who have a particular interest in this issue. I would be happy after this session to ensure that the Foreign Office gets in touch with the hon. Gentleman to talk about any issues he needs support with.

Alison McGovern (Wirral South) (Lab): Will the Leader of the House update us on the legislation to create an independent regulator for men's football? My constituents who support Everton are frustrated about the process their club has gone through and worry about unfairness. Fans of many clubs believe that the structure of men's football requires much better governance, and there is support from parties across the House to crack on and legislate for a better system. Will she tell us when the Bill will be published and when Second Reading will be?

Hon. Members: Hear, hear.

Penny Mordaunt: I thank the hon. Lady for raising that matter, on which there was audible agreement from around the House. I know that this issue is supported by many people, and I am one of them, as a Portsmouth football club fan and having done the largest and fastest ever community buyout of a football club in the UK. We have spent a great deal of effort on this. As she knows, we will be bringing legislation forward, and she will not have long to wait for that. She will not be surprised to hear that further business will be announced in the usual way.

Neale Hanvey (Kirkcaldy and Cowdenbeath) (Alba): It is hard to know which is worse: the continued robbery of Scotland's vast energy wealth while one in three households in Scotland exist in fuel poverty, or the Scottish Government's supine response to the closure of Grangemouth oil refinery. According to Petroineos, the precise timeline for implementing any change has yet to be determined. I agree with Derek Thompson of Unite the union, who said:

"Every option must be on the table in order to secure the hundreds of highly skilled jobs based at the Grangemouth complex for the long term."

Will the Leader of the House bring forward a debate in Government time to consider the economic impact of UK energy policy on the people of Scotland?

Penny Mordaunt: I will certainly ensure that the Secretary of State has heard the hon. Gentleman's concerns about the oil refinery, but I invite him to examine his party's policies on oil and gas and the support it gives to that sector.

Kevin Brennan: Quite rightly—[*Interruption.*] If the Scots can stop their spat for a moment. This country quite rightly maintains a list of the crown jewels of sport and of our sporting heritage and culture with a listed events regime, but the six nations rugby tournament is not on that list. Most people would think that it would be, but every few years the danger of it falling off free-to-air television broadcast comes along, and that is with us again following this week's session of the Culture, Media and Sport Committee. Is it not about time that the Government added the six nations, which is a festival of friendship across these islands and Europe, to the listed events regime?

Hon. Members: Hear, hear.

Penny Mordaunt: The hon. Gentleman's suggestion got a lot of support from across the House. It is the most fantastic tournament, with friendship as well as friendly rivalries. I will certainly ensure that the Secretary of State for Culture, Media and Sport has heard his suggestion, as the Department's next oral questions are not until 11 January.

Mary Glendon (North Tyneside) (Lab): The Government's "Creating a smokefree generation and tackling youth vaping" consultation closes in two weeks, and it is crucial that they do not rush through legislation without considering all the responses carefully. Will the Leader of the House confirm that there will be a sufficient window between the consultation's closure and the introduction to the House of the tobacco and vapes Bill? Will she allow Members of the House an opportunity to debate the consultation's proposals before a draft Bill is published?

Penny Mordaunt: I thank the hon. Lady for her question and for that advert for the consultation. It is very important that people are aware of it and able to contribute to it. Although I cannot give her a precise time that the Bill will come before the House, there will be good time between the consultation closing, the publication of its results and any debates in this place.

Dave Doogan (Angus) (SNP): My constituent Alistair Inglis of Duthie & Son motors in Montrose is suffering a prolonged issue with HMRC about its 2022 VAT return, which centres on misallocation of payments to the digital tax system using the dealership management system for the years 1993, 2001 and 2002. This has been going on since August 2022, and it is still not resolved—not, I must say, for want of effort on the part of officers within HMRC, who are trying their best with a system that will not resolve the situation. Can we have a debate on the dealership management system to see whether this is a localised issue to my constituent in Angus or it affects franchised car dealerships across the United Kingdom? Is there any other way in which the Leader of the House can seek to advance this apparently intractable situation for my constituent?

Penny Mordaunt: I am sorry to hear that the hon. Gentleman's constituent has had difficulty getting the right person in HMRC to resolve that. I will ask my officials to contact HMRC on his behalf, and ask them to get in touch with the hon. Gentleman's office to have an individual sit down and work through what might be a complex case. There will be a solution at the end of it, and I am happy to do that on his behalf.

Dame Diana Johnson (Kingston upon Hull North) (Lab): Could we please have a statement to explain why the overhyped Hull and East Yorkshire devolution deal announced in yesterday's autumn statement and described by a local, well-respected journalist in Hull as "cobblers" is worth only £13.3 million a year extra in funding over 30 years, and goes nowhere near the £111 million lost each year to Hull alone since 2010?

Penny Mordaunt: The hon. Lady will know that she can put that to the Secretary of State himself on 4 December. That devolution deal would not have proceeded if local stakeholders were not in favour of it, but if she has suggestions about other things, she can raise that with the Secretary of State.

Andrew Gwynne (Denton and Reddish) (Lab): The Leader of the House is a stickler for detail, yet there was scant mention in her replies to my hon. Friend the Member for Manchester Central (Lucy Powell), or indeed

by the Chancellor yesterday, of freezing personal tax thresholds until 2028. That will cost basic rate taxpayers an average of £720 more each year. Does Leader of the House think that people will not notice the effects in their pay packets?

Penny Mordaunt: I think that people will notice that this Administration has doubled the personal tax thresholds and lifted many people on the lowest incomes out of paying tax altogether.

Florence Eshalomi (Vauxhall) (Lab/Co-op): Oak Square housing complex in Stockwell was built in 2010. Sadly, since then there has been a host of issues with the building, from leaks and defective cladding to faulty infrastructure. That has meant that my constituents have had to live in a nightmare for almost 10 years. I visited it earlier this summer to see the issues at first hand. The tenants continue to pay their rent and service charges to their landlord, Notting Hill Genesis. Can the Leader of the House please urge the Secretary of State for Levelling Up, Housing and Communities to accept my invitation to come down and see at first hand the nightmare that residents have to live in?

Penny Mordaunt: I am sorry to hear the situation that the hon. Lady is in. I will make sure that the Housing Minister has heard of the ongoing situation, and I will ask that she be given any advice that is available from officials about further avenues she can pursue to get redress for her constituents.

Patricia Gibson (North Ayrshire and Arran) (SNP): A few days ago, the Care Quality Commission found that more than two thirds of hospitals in London and more than half of hospitals in England offer substandard levels of care. Will the Leader of the House make a statement expressing her alarm and concern about that shocking revelation? Can she share with the House what she thinks has gone wrong?

Penny Mordaunt: That is a question that she might like to ask the Health Secretary at the next available questions. I would ask her to look a little closer to home at life expectancy figures and at what is happening in her own constituency.

Lilian Greenwood (Nottingham South) (Lab): Broadmarsh in my constituency is one of the most significant city centre development sites in the UK, with the potential to bring up to 1,000 new homes and more than 6,000 extra jobs. Nottingham City Council has already invested in a new bus station and big improvements to the public realm, and on Tuesday it will open the new central library. However, for the third successive time, the Government have failed to provide any levelling-up money to support its regeneration. Can we have a debate on this Government's continued failure to back local authorities, which are facing high inflation, high interest rates and unprecedented levels of demand for social care, leaving so many teetering on the brink?

Penny Mordaunt: The hon. Lady will know that we have provided additional funding for social care. We have also been supporting both the care sector and the NHS to work more efficiently and effectively together. I will

ensure that the Secretary of State has heard her concerns today, and she will know how to raise them with her directly.

Mike Kane (Wythenshawe and Sale East) (Lab): My constituent Jess McNichols, who is receiving treatment for cancer at the Christie Hospital in Manchester, missed an important medical appointment due to the general disruption of Royal Mail services. Her letter arrived late. Could the Leader of the House counsel me on how best to raise this case further in this place?

Penny Mordaunt: This is becoming a consistent theme for hon. Members on both sides of the House. Services are not meeting Royal Mail's performance targets and he has just illustrated that that can often have a pretty devastating impact, with missed appointments and knock-on effects for inefficiencies in other public services. I have ensured that the relevant Department is aware of hon. Members' concerns. I urge all hon. Members to do their bit, particularly on the issue of industrial action, to ensure that there is no further disruption to mail services.

Liz Twist (Blaydon) (Lab): Today is Carers Rights Day, when we recognise that unpaid carers have rights too and need those rights strengthened. Carers UK today published new research that shows thousands of people are having to give up work due to the stress of juggling paid work and unpaid care. At this point, I would like to thank all carers across the Blaydon constituency who do so much, and Gateshead Carers Association and Carers Trust Tyne & Wear, who support them in that work. May we have a debate in Government time on how we can better support our unpaid carers who do so much?

Penny Mordaunt: I thank the hon. Lady for that question. I think all hon. Members across the House would echo what she has said: the huge debt we owe these individuals who step up and take responsibility, both for their immediate families and others. We have, through the carers' strategy, introduced a range of measures to support them. I think the hon. Member for North East Fife (Wendy Chamberlain) also assisted us in delivering a manifesto commitment on access to leave for carers. There is always more we can do and if the hon. Member for Blaydon (Liz Twist) were to apply for a debate it would be very well attended.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): In the past two years, Plymouth has suffered two incredibly bad tragedies: the mass shooting in Keyham, where we lost five people; and the murder of Bobbi-Anne McLeod, an 18-year-old who was taken from a bus stop and murdered. Members on all sides of the House have committed to tackle male violence against women and girls, so will the Leader of the House ask the relevant Cabinet colleague to come to the House to give a statement on what progress is being made, especially as we approach the 16 days of activism against gender-based violence, to tackle not only domestic abuse and violence against women and girls, but the growing scourge of incel culture online?

Penny Mordaunt: I thank the hon. Gentleman for raising this matter. All the work done to strengthen local communities, particularly after those two tragic

incidents, is a credit to his constituents. He will know that a number of Departments, but particularly the Home Office, have done a huge amount in recent years on combating violence against women and girls. Measures need to range from education at an early age, right through to ensuring that victims and potential victims have all the tools they need to enable them to avoid harm. This is an issue that is keenly followed by all Members. If he were to apply for a debate it would be well attended, but I will make sure that the Home Secretary has heard what he has said today. We all send our best wishes to his constituents.

Judith Cummins (Bradford South) (Lab): Last year Bradford faced the highest increase in car insurance prices in the whole of Yorkshire, with the average premium standing at a staggering £879. Will the Leader of the House grant a debate in Government time on the car insurance rip-off which means that law-abiding citizens such as her constituents and mine are left paying for the reckless criminality of others?

Penny Mordaunt: I am sure that if the hon. Lady were to apply for a debate it would be well attended, because there is a huge amount of interest in these issues. As she will know, our legislation to ensure that competition is working well and the consumer really is king will also ensure that people are able to get the best price from, in particular, online companies, if need be going through a broker in the case of insurance. However, I shall make sure that the Department has heard about the hon. Lady's concerns in the context of her own constituency.

Alan Brown (Kilmarnock and Loudoun) (SNP): My constituent Margaret Beveridge, a pensioner, took out a £20,000 loan for a ground source heat pump on the understanding that there would be a seven-year payback grant from Ofgem, which it has now withdrawn following an audit. Margaret's installer is adamant that what Ofgem has said and done is wrong, but getting the information to Ofgem took her past the 28-day appeal deadline, and she is now left high and dry with energy and bank loan outgoings of £700 a month. How many more vulnerable customers will have to suffer before Ofgem's rules and attitudes are reformed, and how can I get Margaret the help that she desperately needs?

Penny Mordaunt: I am very sorry to hear that. I shall certainly put pen to paper this afternoon and write to the relevant parties on the hon. Gentleman's behalf, but I hope that Ofgem will have heard what he has said today and will be in touch with his office directly if there is anything it can do within the parameters in which it is required to operate. If he wants to give me further details about the specifics of the case, I shall also explore with the Department whether there are any other avenues of redress for his constituent.

Rachael Maskell (York Central) (Lab/Co-op): The rise in the number of neurodivergent children is a cause of serious concern. In 2018 there were 42 diagnoses in York, but last year there were 118, and the number will exceed that this year. Moreover, the number of education, health and care plans has more than doubled. May we have a debate on the support that is there for families, the staffing that is there to expedite diagnosis, and the ongoing support of children in schools?

Penny Mordaunt: I thank the hon. Lady for raising this matter. If we want to ensure that every child and young person can reach their full potential, we must also ensure that people have not only diagnoses but the support that they and their families need in order to thrive. The hon. Lady knows how to apply for an Adjournment debate, and the Backbench Business Committee has just been set up and will provide her with another avenue. However, I shall make sure that all the relevant Secretaries of State have heard her question today.

Jim Shannon (Strangford) (DUP): May I again ask the Leader of the House a couple of questions about the position of minority religious groups? The first concerns the Democratic People's Republic of Korea, which has rightly been described as a state without parallel. Crimes against humanity go unpunished, while those who have escaped can face major human rights violations, which are particularly harsh in the case of religious people.

Secondly, many newspapers reported yesterday that what was happening in Darfur could now be considered genocide. People are being killed on the basis of their ethnicity and faith, while places of sanctuary, including mosques and churches, are being destroyed. I believe that departmental action is needed to stop this escalation of violence. As our representative—for I know that she asks questions on our behalf—will the Leader of the House bring the situation in Sudan to the attention of Ministers, and will she also ensure that they are aware of the crimes against humanity in the DPRK, that their escalation is addressed, and that we can do something here in the House to help these people?

Penny Mordaunt: The hon. Gentleman has again done something to help. He has sent a very clear message that all of us in this place are focused on the appalling human rights abuses and atrocities happening in Sudan, North Korea and elsewhere. I thank him for doing that, as he does every single week. I will make sure the Foreign Office has heard what he said, and I know we will do all we can to ensure that the chances of such horrors happening are lessened. He will know that, through the programmes run by the FCDO, we do all we can to help community cohesion in many parts of the world.

BILL PRESENTED

NATIONAL INSURANCE CONTRIBUTIONS (REDUCTION IN RATES) BILL

Presentation and First Reading (Standing Order No. 57)

The Chancellor of the Exchequer, supported by the Prime Minister, Laura Trott, Nigel Huddleston, Bim Afolami and Gareth Davies, presented a Bill to make provision for and in connection with reducing the main rates of primary Class 1 national insurance contributions and Class 4 national insurance contributions, and removing the requirement to pay Class 2 national insurance contributions.

Bill read the First time; to be read a Second time on Monday 27 November, and to be printed (Bill 12) with explanatory notes (Bill 12-EN).

Ways and Means

Autumn Statement Resolutions

11.30 am

Madam Deputy Speaker (Dame Rosie Winterton): I think it is worth reminding right hon. and hon. Members of the statement that Mr Speaker made earlier about the importance not only of Members being here, obviously, for the opening of the debate, but of remaining in the Chamber for the majority of the debate—and certainly for at least the next two speeches—and, crucially, the importance of returning for the wind-ups from both the Opposition and the Government.

If anybody who is hoping to speak in this debate feels they may not be able to return for the wind-ups, they should please let me know now so that I can take their name off the list, rather than saying near the end of the debate, “I am terribly sorry, but I have to do something else that is more important than listening to the wind-ups,” because nothing could be more important than listening to the wind-ups.

It is also important that both the Minister and the Opposition spokesperson responding to the debate are here for the majority of the debate, so that they can respond to the points made by hon. and right hon. Members.

RATES OF TOBACCO PRODUCTS DUTY

Debate resumed (Order, 22 November).

Question again proposed,

That—

(1) In Schedule 1 to the Tobacco Products Duty Act 1979 (table of rates of tobacco products duty), for the Table substitute—

“TABLE

1 Cigarettes	An amount equal to the higher of— 16.5% of the retail price plus £316.70 per thousand cigarettes, or £422.80 per thousand cigarettes.
2 Cigars	£395.03 per kilogram
3 Hand-rolling tobacco	£412.32 per kilogram
4 Other smoking tobacco and chewing tobacco	£173.68 per kilogram
5 Tobacco for heating	£325.53 per kilogram”.

(2) In consequence of the provision made by paragraph (1), in Schedule 2 to the Travellers' Allowances Order 1994 (which provides in certain circumstances for a simplified calculation of excise duty on goods brought into Great Britain)—

- in the entry relating to cigarettes, for “£393.45” substitute “£422.80”,
- in the entry relating to hand rolling tobacco, for “£351.03” substitute “£412.32”,
- in the entry relating to other smoking tobacco and chewing tobacco, for “£161.62” substitute “£173.68”,
- in the entry relating to cigars, for “£367.61” substitute “£395.03”,
- in the entry relating to cigarillos, for “£367.61” substitute “£395.03”, and
- in the entry relating to tobacco for heating, for “£90.88” substitute “£97.66”.

(3) The amendments made by this Resolution come into force at 6pm on 22 November 2023.

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

11.32 am

The Parliamentary Under-Secretary of State for Business and Trade (Kevin Hollinrake): As someone who was in business myself, starting and scaling up businesses for 30 years prior to entering Parliament, it is a privilege to open this debate on behalf of the Government.

For any ambitious entrepreneur, “growth” is the most exciting word in the lexicon. The Chancellor’s autumn statement contains 110 separate measures to help businesses achieve exactly that. It will help to close the UK’s productivity gap by boosting investment by £20 billion a year in a decade. That is why I am wholly unsurprised by the positive response it has received from some of our most prominent business organisations.

The Federation of Small Businesses described the autumn statement as “game-changing”, adding:

“The Chancellor and his Treasury team deserve credit for driving pro-small business change and...acting to help build future prosperity.”

UK Finance said the autumn statement

“demonstrates a continued commitment to growth”.

And the manufacturing trade body Make UK said:

“This was a bold statement by the Chancellor who has”—delivered—

“a transformational strategy designed to turbo charge investment.”

As the Chancellor rightly said, this is indeed an autumn statement for growth, but it is also clearly an autumn statement for business. I am very proud that my Department has been at the heart of developing these measures, which will have such a profoundly positive impact on this country. Our autumn statement will enable businesses to confidently invest in their futures. It will cut their costs through lower taxes and strip away burdensome red tape. Any of these measures in isolation would be a reason to be cheerful, but taken together, and alongside measures from the spring, they are expected to permanently increase the size of our economy, raise investment, reduce inflation, increase GDP and get more people into work.

On this side of the House, we know that the best way to grow the UK’s finances is not to embrace big government and high spending, but to boost businesses and boost competition—this is the so-called “supply side” of the economy. We will provide our innovators and risk takers with the right infrastructure, regulations and support, so that they can lead this country to greater prosperity.

As the Chancellor said yesterday, every big business was once a small business. For me, those words could not ring more true. This House will know about my passion for promoting the entrepreneurs, start-ups and independent shop owners that are the life and soul of our communities and economies alike. These businesses need investment so that they can flourish. They need freedom from overly burdensome taxes and regulations so that they can grow.

Paula Barker (Liverpool, Wavertree) (Lab): I am delighted with the feedback that the Chancellor has received from businesses, but analysis by the Resolution Foundation finds that households will be £1,900 poorer at the end of this Parliament than they were at the start of it. That means people in our communities have less to spend in these businesses. So is it not the case that families are worse off under this Government?

Kevin Hollinrake: There is no doubt that we have had to take some difficult measures because of the hundreds of billions of pounds—about £500 billion—we put into the economy to protect people from the effects of covid and the cost of living. Conservative Members know that money does not grow on trees; that money has to be paid back. We have had to take those difficult decisions but we are improving the lives of the people the hon. Lady mentions—for example, through the national living wage. It has had a record increase this year to a record level of £11.44. That will put about £1,800 annually on the table for some of the people she mentions. That minimum wage is now double what it was in 2010. We are doing many, many things, including raising the personal tax threshold. Along with her colleagues, including the Front Benchers, she has to reflect on what the Labour Front-Bench team are going to do about the tax thresholds—this is the impact she is talking about. Are they going to increase those thresholds? Please say—*[Interruption.]* It is no good just standing on the sidelines and criticising. You’ve got to say what you’re actually going to do. *[Interruption.]* The shadow Minister says he is going to do that, which is great. The cost of doing what we are talking about here is £25 billion a year by 2025, so you are going to do that? *[Interruption.]*

Madam Deputy Speaker (Dame Rosie Winterton): Order. I am slightly worried that we are getting into a “you”, “you” exchange across the Chamber. As the Members know, they should speak through the Chair and when they say “you”, that means me. I think the Minister is trying to say “the shadow Secretary of State” and so on.

Kevin Hollinrake: I do apologise, Madam Deputy Speaker. Obviously, I am speaking through you—but I apologise. I was getting carried away, because this is such an important point. It is important that if people have different ideas about how we run the economy, they should explain exactly what they are going to do and how they are going to pay for it. The cost of the measures that are being proposed is £25 billion a year, and that comes on top of other spending commitments that the Opposition have made, including £28 billion a year in green investment. Labour Members should be clear about what their plans would be, rather than just objecting.

Lilian Greenwood (Nottingham South) (Lab): I welcome the Minister’s commitment to being clear—so will he be clear and confirm that over this Parliament living standards are going to fall by 3%? That is the biggest hit to living standards on record. Will he be clear and confirm that that is the case?

Kevin Hollinrake: As I said, there is no doubt that we have been through difficult times, but the hon. Lady should look forward optimistically to the rise in the national living wage and the probability that inflation will be halved again by this time next year, having already been halved. She needs to take a more optimistic view about what will happen in the economy next year. I am very optimistic that people will see better times ahead, which is what we all want to see, but the Government are realistic. We have spent £500 billion providing support, saving jobs and businesses, and helping people during covid and the cost of living crisis, but that money has to

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be paid back. The Opposition need to explain how they are going to do that, if they were ever given charge of the economy.

Small businesses also need protection from late payers, so that they can safeguard their precious time and resources. The measures in the autumn statement seek to achieve all that and more, transforming the fortunes of businesses up and down the country. The statement contains a multitude of measures that will give businesses easier access to investments.

The UK has been something of a start-up miracle—we are second out of the 39 countries in the OECD for start-ups and seventh for scale-ups, which is still a good performance in relative terms but one that we need to improve. Capital holds the key. This Government could not be clearer about that fact and have introduced measures in that regard.

Jim Shannon (Strangford) (DUP): I thank the Minister for his positive attitude in response to the measures that have been put forward, but I have a request on behalf of my constituents who work in the hospitality sector. Rates and alcohol duties have been frozen for another year, including those on spirits, meaning it will not cost people any more to go out to pubs and other venues in the hospitality sector, but Colin Neill from Hospitality Ulster has expressed concerns about energy prices. Do the Government intend to do anything about them?

Kevin Hollinrake: The hon. Gentleman raises a good point. I chair the Hospitality Sector Council and meet large and small hospitality businesses regularly, so I understand the pressure they are under. The hon. Gentleman has some such businesses in his constituency and I do too, so we know that is a problem. We have put a huge amount into supporting businesses with their energy costs, halving the cost of energy for most businesses. Energy is much more affordable than it was this time last year, which was an incredibly difficult time, but some businesses are locked into expensive energy contracts from the backend of last year, when prices were very high. If the hon. Gentleman has any examples of such businesses, he should bring them to me, as we have commitments from the energy suppliers, so we can challenge them and try to smooth the contracts over a longer period to ease the pain. I am happy to help him with any individual cases in his constituency.

On capital investment, the Prime Minister and the Secretary of State for Business and Trade will host 200 of the world's leading investors at the Global Investment Summit this weekend and on Monday, which I hope to attend. It will showcase the UK as one of the world's best places to do business, and drive billions of pounds of new and strategic investment into every corner of the economy.

The autumn statement has a host of innovative measures that will unlock investment and fuel growth. For example, our pension reforms will help unlock an extra £75 billion of financing for high-growth companies, while providing an even better deal for savers. Plans include a new growth fund within the British Business Bank to crowd in pension fund capital to the UK's most promising businesses.

Another example is our plan for further funding for two British Business Bank programmes, including the long-term investment for technology and science competition. That will make £250 million available to successful bidders to increase investment in key science and technology sectors, with the private sector contributing at least as much again. Not only that—we have made £50 million available to extend the future fund breakthrough scheme, which backs businesses focusing heavily on research and development.

Although the Chancellor did not mention it yesterday, we have also introduced important measures for equity investments, including a 10-year extension to the enterprise investment scheme and the venture capital trust scheme, giving investors and businesses the confidence, certainty and stability to invest, which underpins the system.

Secondly, this autumn statement contains a series of measures that will provide smaller businesses with practical help. As we prepare to mark Small Business Saturday next weekend—I am sure that Members across the House will visit their small businesses on 2 December—it could not be a more timely moment to announce our business rates support package. It will help high streets and protect smaller firms, which are the life blood of our local communities, saving the average independent pub more than £12,000 a year, and the average independent shop over £20,000.

In addition, the autumn statement will include measures to toughen our regulations to tackle late payments. I have seen at first hand how this scourge can crush even the most determined of business owners' dreams, so it is right that we act.

The Procurement Act 2023 means that the 30-day payment terms, which are already set for public sector contracts, will automatically apply through the subcontract supply chain. From April next year, any company bidding for large Government contracts will have to be able to demonstrate that they pay their own invoices within an average of 55 days and that will reduce progressively to 30 days.

Peter Grant (Glenrothes) (SNP): I am grateful to the Minister for the steps that he has announced today, but of course the proof of the pudding lies in the enforcement. Sex discrimination at work has been illegal for almost 50 years, but it still happens. The Minister will be aware that, as well as calling for action on late payment generally, I have often raised an issue that we get in the construction and civil engineering sectors, where the main contractor is paid on time but keeps the money for an inordinate length of time. If the main contractor then does a Carillion and goes down, all the money becomes part of its administration and very often the subcontractors get nothing. Can we have legislation, a code of practice or something to protect small business subcontractors from being dragged down when the main contractor goes under?

Kevin Hollinrake: I know that the hon. Gentleman has campaigned on this for some time and I have great regard for the work he does. It is worth him reading the "Payment and Cash Flow Review", which was published yesterday alongside the autumn statement. It includes some references to retentions, to which he refers. There are other measures from the small business commissioner as well as more transparency on late payments. I am happy to engage with him further on this issue.

Although taxes pay for vital public services, this Government are clear that they must not stifle business owners' ambitions. Quite simply, our economy relies on those ready to take risks and to innovate. Time and again, these entrepreneurs tell me that a simpler tax system would make life easier for them. This autumn statement will not just reduce tax but reform it, while putting more money into employees' pockets.

The abolition of class 2 national insurance will save the average self-employed person £192 a year. Alongside the 1% reduction in the rate of class 4 national insurance, some 2 million self-employed people will be saving an average of £350 a year from next April.

In addition, from next year we will merge the existing research and development expenditure credit and the small and medium-sized enterprise R&D scheme. This will allow companies to claim back a proportion of their spending in this area through their tax bill, further simplifying the system and boosting innovation.

Finally, and very significantly, we have unveiled game-changing plans to make full expensing permanent. As the Chancellor set out yesterday, expensing aims to stimulate investment by giving larger companies £250,000 off their tax bill for every £1 million they invest. It was introduced, as hon. Members know, by the Chancellor in the spring and was set to last for three years, but it has been such a success, and the calls for it to continue have been so loud and clear that yesterday the Chancellor made it a permanent policy. This is the largest single tax cut in modern British history. It means that we now have not just the lowest headline corporation tax rate in the G7, but the most generous capital allowances too. That is hugely appealing to any business looking for a home in a global market.

The Office for Budget Responsibility tells us that this move alone will increase annual investment by around £3 billion a year, and by £14 billion over the forecast period. We are able to do this only because we have met our borrowing rules early, have more than halved inflation, and are seeing our debt go down every year.

Alan Brown (Kilmarnock and Loudoun) (SNP): Going back to the tax regime in general, one of the measures in the autumn statement—line 50 of table 5.1—was entitled “HMRC: Investment in Debt Management Capability”. According to the statement, investment of £160 million into the debt management facility of His Majesty's Revenue and Customs will somehow unlock £1 billion a year in debt recovery. What is that investment, why was it not undertaken previously and how will it realise an extra £1 billion of income for HMRC?

Kevin Hollinrake: HMRC has a responsibility to be understanding and compassionate when it comes to business difficulties, but if debts are owed to the taxpayer it is only right that we seek to return them. Many more businesses may have that difficulty because of difficulties in recent years, but if the hon. Member is implying that we should not chase debts owed to the taxpayer—

Alan Brown indicated dissent.

Kevin Hollinrake: Perhaps we should have a conversation offline about that. I think it makes perfect sense to invest in reclaiming debt owed to the taxpayer.

I wish to turn now to another of my Department's spending measures: the advanced manufacturing plan. The UK is a global advanced manufacturing hub. Recently—this is not a statistic that is often quoted in the media—we overtook France to become the world's eighth-largest manufacturing nation. What is not to like about that? While we have a strong story to tell, there is fierce global competition. Already my Department has been instrumental in attracting significant global investment to our key future-leaning industries, including Tata's £4 billion gigafactory and a £600 million investment to build the next generation of electric Minis.

Our £4.5 billion advanced manufacturing plan will help to safeguard the sector's future and seal our reputation as the best place to start and grow a manufacturing business and to invest in this industry. It includes over £2 billion for the automotive industry—the single biggest Government investment ever in the UK sector—alongside £975 million for aerospace and £960 million for a green industries growth accelerator to support clean energy manufacturing. In short, the plan will ensure that our manufacturing success story can begin its most exciting chapter yet.

This is a Government who know business. We are for business because we are from business. This is a Government who believe in business. This is a Government who back business. Our autumn statement could not be a clearer illustration of those facts. Have no doubt that it will provide our most promising companies with the capital, certainty and support that they need to thrive long into the future. That is why I commend its measures to the House.

Madam Deputy Speaker (Dame Rosie Winterton): I call the shadow Secretary of State.

11.52 am

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Thank you, Madam Deputy Speaker. I hope that you will not mind me saying, as someone born and raised in the north-east of England, not too far from Stockton, that it is unequivocally a beautiful part of this country. Anyone on the Government Benches who is not aware of that should visit it for themselves.

Yesterday's autumn statement felt a bit like the season finale of this Conservative Government. While we might have been hoping for an uplifting twist in the tale, sadly what we were left with was a pitiful ending to an underwhelming story. It was an autumn statement made of pure fantasy: the Government Benches cheering a tax cut, when in fact taxes are higher than they have ever been; a Chancellor claiming to have delivered for working people, when in reality living standards face an unprecedented fall; the Conservatives desperately trying to address business investment, when in fact their chaos was what caused business investment to collapse to begin with.

I understand that it is tempting for Conservatives to buy into the Chancellor's fiction, but in the real world people can see the cost of the Conservatives in their bank balance, mortgage bill, high street and public services. This country desperately needs hope for the future and a change of course. For all the spin from the Chancellor, people know that they are worse off after 13 years of the Conservatives. The statement confirmed that nothing that the Government will now do will

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change that. The Conservatives promised that it would be a statement for growth, but the reality is that growth will be down next year, the year after that, and the year after that. The Chancellor said that we have turned a corner, but all we got was confirmation that Britain has hit a brick wall.

Let us get one thing clear at the beginning of this debate: when inflation went up after the invasion of Ukraine, the Government said, “It’s nothing to do with us; it’s all global pressures.” Now, when some of those pressures have reduced and the Bank of England has operated monetary policy in the way we would expect, the Prime Minister wants personal credit for inflation falling. Do the Government really think they can get away with that?

On inflation, the Government oppose the single most important thing they could do, which is to reduce our exposure to volatile fossil fuel prices so that we are never again so vulnerable and exposed. Labour has a plan for energy independence and security so that Britain is never again so badly exposed to those volatile fossil fuel prices. That is the lesson we need to learn.

Let us also not forget that, while we all welcome lower inflation, it is still high, particularly food inflation. When I do the big shop in my local supermarket in Stalybridge, I wince when I see the price of some food items. Families are working harder than ever before, only to have to put the little things that they treat themselves with back on the shelf, or to cut back on what they would once have considered essentials. This is no time for Conservative Ministers to go around asking for a pat on the back.

On the Chancellor’s central claim that lower inflation means he can now spend money, he is simply not being straight with people. The public finances have not meaningfully improved. It is high inflation, not a stronger economy, that has led to higher tax receipts. It is the fiscal illusion of higher tax receipts caused by high inflation, but rather than using that to meet higher costs in the public sector caused by that inflation, he has chosen to spend it. The Minister mentioned his own business career and, as he knows, I personally admire him very much for that career, but if he had run his businesses in the same way that this Chancellor is running the national finances, I think he knows he would have gone out of business very quickly indeed.

There has to be a reckoning for what that will mean for schools, the NHS, the police and the criminal justice system. While the Prime Minister and the Chancellor may live in a different world, our constituents can see the public realm literally crumbling around them. That is the reality of Conservative Britain, and some fiscal trickery will not be enough to convince people that everything is fine. It is also important to say that the Chancellor’s fiscal headroom is now entirely dependent on things such as a large rise in fuel duty next year—and I imagine that very few Conservative MPs have come to the debate today to say that they support that.

Another major focus of the Chancellor’s speech was business investment, and I welcomed that. I enjoyed that bit of the statement because, as I have made clear, I believe that is a fundamental weakness that we must address. The UK, as the Minister knows, has the lowest business investment in the G7. When British innovation is so abundant, that is an appalling effort from this

Government. Full expensing is not perfect, because there are issues with the scope of what is covered by the policy as it stands, but not making it permanent would have been untenable and our relative position in the ranking of attractiveness as a place to invest would have fallen off a cliff.

However, if the Government think that is enough to restore the business confidence that they have frittered away over the last 13 years, they are mistaken. The No. 1 thing that business leaders tell me they need is stability. I have been our shadow Business Secretary for two years, and in that time I have shadowed five different Business Secretaries, we have had four Chancellors and I think we have had three Prime Ministers. In the last 13 years, by my count, we have had 11 different growth strategies, and now it appears we are on to the 12th. We see that lack of consistency across every bit of Government.

Take HS2, which is a national embarrassment: billions of pounds wasted, businesses let down, regeneration plans lost, and a flagship Government policy that goes overnight when Parliament is not even sitting and is unable to ask the most basic of questions by way of scrutiny. Or take the phasing out of new petrol and diesel vehicles from 2030. There was a major announcement on the headline date, one not made at the request of business, that hugely undermines investment certainty, but without a corresponding change to the rest of the policy environment—the zero-emission vehicle mandate—that leads up to 2030. Therefore they lose the certainty and credibility of keeping the target, but do not gain any flexibility from moving it either. Businesses say to me time and again that they cannot rely on a word any Conservative Minister says, and they are right. What businesses need is a real industrial strategy that gives them certainty and co-ordination. They need real commitments on planning, to get Britain building again. They need politicians who are willing to say, “We need new homes and infrastructure, and we are willing to commit our political capital to deliver it.” They need reform of the apprenticeship levy, so that they have more flexibility over skills and training. They need a better trade and co-operation agreement with the European Union than the one we have at present.

On the energy transition, the Chancellor and the Minister spent some time attacking what Labour call our “green prosperity plan”—our policy commitment to ensure not only that the transition happens, but that the UK gets maximum economic benefits from it. We on the Labour Benches love wind turbines, but we are sick of seeing them built overseas. We love cars and vans, but we know that unless we build batteries for electric vehicles in the UK, we will not have an automotive sector in the long term. We want green steel, but we are not prepared to close down our blast furnaces and import virgin steel from the far east, as the Conservatives plan to do.

The key point is that the Government do not entirely disagree with us. In the last year, £0.5 billion in subsidy has been allocated to Tata Steel in Somerset. Similar sums have been promised for other steel. But what we want to know is what the Government will get for it. How do they get value for money if those are just ad hoc bilateral negotiations? How is public money protected? The difference between us is not the principle that the state will need to co-invest to deliver some of that private investment; it is a huge difference of ambition, transparency and effectiveness.

Labour will not respond to the challenges that we face through such panicked ad hoc announcements. We will face the future with confidence and with a full plan that delivers for British industry. That is what our national wealth fund will do: manage the investments that we will make and ensure that the British people see their money being well looked after. Fundamentally, we want to get the transition right rather than repeat the mistakes of the 1980s and 1990s, which still haunt many parts of the UK today.

Alan Brown: I agree with the principle of a sovereign wealth or investment fund. Look at Norway, which has a £1.1 trillion sovereign wealth fund—the largest in the world. Does the hon. Gentleman agree that Westminster has missed a trick for successive decades by not creating an oil and gas fund, and is that not a damning legacy?

Jonathan Reynolds: Unsurprisingly, I agree with part of what the hon. Member said. We could have a lengthy and robust debate on the weaknesses of Conservative Governments in the 1980s and the consequences of their short-term decisions. I would—

Kevin Hollinrake: What about between 1997 and 2010?

Jonathan Reynolds: I will give way to the Minister if he likes.

Kevin Hollinrake *rose*—

Jonathan Reynolds: I would simply say to SNP colleagues that their own independence White Paper made the fair case for a UK-wide energy market. That is because, as in many areas of policy, a UK-wide energy market is the best way to deliver for my constituents in England and for the constituents of the hon. Member for Kilmarnock and Loudoun (Alan Brown) in Scotland. That is a reality that I think SNP colleagues do not accept.

I think the Minister would like a second bite, so let us bring him in to see what he has to say.

Kevin Hollinrake: On the point about industrial strategy, can the hon. Gentleman answer a simple question with a yes or no? Will he reinstate the plans for HS2?

Jonathan Reynolds: You have sold the land; you have salted the earth.

Madam Deputy Speaker (Dame Rosie Winterton): Order. I have not sold anything.

Jonathan Reynolds: Absolutely. I apologise in full, Madam Deputy Speaker.

The Government not only made that decision in their own short-term interests, which compares very poorly even with previous Conservative Governments, but by selling the land, they did so in such a way as to prevent a future Government from trying to correct it. That is the controversy that the Minister makes. Of course, we are still very much committed to Northern Powerhouse Rail—the Crossrail project for the north of England—which would be important for my constituency, but of course, that plan itself relies partly on what was going to be HS2 infrastructure.

As the Minister knows, his Government are making a series of quite bizarre short-term decisions, and trying to use those decisions to present themselves as the party of change at the next election. We all face the consequences, which is regrettable. If the Minister were being totally candid in private, I think he would acknowledge that the north of England has really suffered from those short-term decisions, which we should all very much regret.

The Chancellor spoke at length about long-term sickness yesterday, and again, he was right to do so. We are the only country in the G7 where the participation rate is still below pre-pandemic levels, with long-term sickness at an all-time high of 2.6 million. Unfortunately, all we got was the same old rhetoric and the same old policies. What we needed to hear are two things. First, we need to have some efforts to get people off NHS waiting lists. That is what we would do, by providing 2 million more NHS appointments from the revenue we would get from abolishing the non-dom rule.

Secondly, we need to focus on mental health. That is why we would guarantee people a mental health appointment within a month and make mental health support available in schools, paid for by ending the tax breaks for private education. That would be real support. They are better choices than those the Government have chosen to make, because we in the Opposition know that a strong economy, good public services and social justice are not competing demands; they are all integral to one another.

Peter Grant: The hon. Gentleman mentioned the need for further investment in the NHS, which we on the SNP Benches would certainly support, but can he confirm the words of the shadow Health Secretary, the hon. Member for Ilford North (Wes Streeting)? Is it the intention of the Labour party to fight the next election on a manifesto that says it will “hold the door wide open” to the private sector in our NHS?

Jonathan Reynolds: No, and I think the hon. Member is being a little bit mischievous there, and he is aware of that. What my hon. Friend the shadow Health Secretary has reaffirmed is Labour’s historic and enduring commitment to a national health service that is free at the point of use and is managed and run as a national public service. He has also said that there clearly needs to be reform of the NHS to take advantage of new treatments and new ways of doing things; some incredibly exciting developments in life sciences and genomics have to be part of that. I think we would all recognise from our own constituency experiences that the NHS could do better in terms of how it interacts with people and how it gets people the treatment they need in a timely fashion.

What is relevant to this debate in particular is that, as well as being important issues about people needing healthcare and how they get it, these are economic issues. We want to get waiting lists down because we want people to have the medical treatment they need, but we also recognise that with so many people out of work and wanting to get back to work when they are waiting for treatment, it is imperative to get those waiting lists down. Under the last Labour Government, we saw tremendous progress in using the capacity available out there as part of a nationally run and nationally managed national health service to deliver that. Having

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successfully done that before in government, we believe we can successfully do it again, and that is what we intend to do.

Yesterday really lifted the lid on 13 years of Conservative economic failure. It laid bare the full scale of the damage that this Conservative party has done to our economy, and nothing that has been announced will remotely compensate for those 13 years. Only the Conservatives could preside over the greatest fall in living standards and call it a victory. Only the Conservatives could burden the country with the highest tax bill since the war and then pat themselves on the back for a cursory 2p national insurance cut. Only the Conservatives could crash the economy and send mortgages, food bills and energy costs rocketing and have the audacity to ask the country to trust them on the economy ever again.

As the credits roll on 13 years of Conservative failure, the reviews are in too: business has lost confidence in them, the public have lost patience with them, and even those on their own Benches know that this will not be enough to save them. While the Tories try to kid themselves, I do not believe the British public will be taken for fools. They know that after 13 years, we are all worse off under the Conservatives, and the only way we can truly turn the corner on this litany of failure is with a new and Labour Government—a Government who would put working people first, get energy bills down and get wages up; a Government who would give business the confidence to choose Britain again; a Government rebuilding our crumbling public services and getting waiting lists down; a Labour Government with the ambition, the ideas and the energy to get Britain's economy really moving and deliver the real change our country is crying out for.

12.8 pm

Sir Robert Syms (Poole) (Con): I tend to participate in these debates, because I think they are very important, and when we look at the Government's record and certainly this Chancellor's record, it is sometimes best to look back at the last three financial statements and Budgets. Twelve months ago, the Chancellor produced an autumn statement where the predictions were that Britain would have a major reduction in GDP and a recession. The Bank of England also produced similar forecasts, and I can remember the debate about the £50 to £60 billion black hole that the Treasury would have to deal with, which seems to have disappeared. The truth of the matter is that when we are dealing with very large figures and forward projections, we have to take them all with a pinch of salt. In all the time I have been in this House, we have been hearing that we are either about to go bust, or about to boom. The reality is that when it comes to economic forecasting, things are usually not as bad as people think, or not as good as they think.

The Chancellor is turning out to be a very good Chancellor: he is steady, he is solid, and the decisions he has taken have resulted in a better economic out-turn than people projected. What happened over the past year—did we have a recession? No, we have had growth. Even if we look at the OBR report, the balance of payments is showing signs of narrowing; post Brexit, that looks very hopeful, and we are doing a lot of very

good trade deals. If we look at the overall situation in terms of business investment, although I was a little sceptical about the rise in corporation tax—I would prefer us not to do it—full expensing has led to more people investing more money, and extending that for longer and making it permanent is a rather good thing. However, I would still like to see the top rate of corporation tax reduced, because I do think there is a point at which we benefit from having a lower rate, as the Government in Éire do.

We have seen a fall in inflation. It has been a bit stickier than people expected, but that is partly because the economy has been a little bit more robust than people have expected, and in reality, things have not been too bad over the past 12 months. People talk about falling living standards, but the Budget projected a higher rate of falling living standards than we have at the moment, and from the previous iteration of the autumn statement a year ago, people expected it to be even worse. The gap is closing; it may well be that by the time we get to a general election, there has been no fall in living standards over the last period of Government. Inflation could well be lower—many of my friends who are monetary economists think that will fall rather faster than people expect—and we all know that pay settlements may be a little higher. Combined with the reductions in national insurance that the Government have implemented, we may well be in a situation where people are not that much worse off.

The reasons for the problems include covid—the Government protected people as best they could, which had an impact on the economy—and the energy price spiral as a result of war in Europe. Again, we protected people: let us not forget that we extended the energy price support by a further three months. That is the reason why living standards are not at a higher level. We can talk about the 1950s, but most Governments since the 1950s have not faced pandemics or major increases in energy costs, and Governments have to deal with the world as it is, not as they would like it to be. The important point is that living standards will rise for most of the next 12 months.

I think the OBR is too pessimistic about growth in the short term. I have a slight fear about what is over the horizon: I think that the Bank of England, by pushing interest rates up as much as it has and doing quantitative tightening at the rate it is doing it, is reducing monetary growth. M2 has reduced substantially and M3X has also reduced, so there is the possibility of credit getting quite tight in about 12 months' time. If we have a better inflation outlook, we need to see interest rates coming down. I know that the Bank always pretends it is going to be stronger for longer, but it would not surprise me if in reality, we got back on track with interest rates at around 4% rather than 5%, which is what the OBR said in its previous report.

If we look at the result of the past 12 months, we can congratulate the Government on the fact that we made progress, but more progress has to be made. The reduction in national insurance is good: clearly, tax rates are going up because of the freeze on allowances, but I hope that this is the start of a process in which the Government are able to give more money back to working people, who have had to struggle over recent years. However, when we look at this in the context of the £104 billion that we put in to help people with the cost of living, still being able to reduce tax is quite a good result.

I support the triple lock. We made a pledge; we gave our word, and I do not believe in breaking our word. I have constituents who retire for 30 years. In the first 10 years, they have savings and pensions, and as life goes by, they may still have an expensive flat, but their ability to earn more money and their reliance on the state pension becomes much more important. As such, I am glad that the Government have kept their word on the triple lock.

I am also pleased that the Government are being realistic about energy policy, in terms of both nuclear and taking advantage of oil and gas. Today, 75% of our energy comes from oil and gas. It will remain a major factor—we will still need it after 2030—and it seems sensible that we produce it at home, rather than import it. At business questions, the hon. Member for Kirkcaldy and Cowdenbeath (Neale Hanvey) raised the possibility of the closure of refining capacity in Scotland. He made a very good point: if we are to continue producing oil and gas, we need to improve our refining capacity as well. In the recent energy crisis, we saw the shortage of refining capacity in the west and our reliance on some Russian refining capacity, which caused a problem with diesel.

The Government's approach has been to help businesses by making full expensing longer term; to help smaller businesses by providing help with the uniform business rate; and to help working people through a reduction in their national insurance contributions. Generally speaking, those are all good things, and we have also done our best to protect the most vulnerable in society by uprating benefits and giving them special payments. I do not think the Government have anything to apologise for; if I have any criticism of the Government, it is that sometimes they do not make the best case for what the Treasury is doing, which is actually a pretty good job.

It is going to be an interesting year. I suspect most of the speeches in this House are going to sound like party political broadcasts about who is doing what and who can do things better, but we all know that to some extent, "It's the economy, stupid." At the end of the day—in October or November of next year, I suspect—the question will be whether or not the Government continue to make progress, as they are doing, and whether the people accept that and decide to hold on to nurse for fear of something worse, or believe the rhetoric of the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) and others that they can do better. We have a very good political system—we have robust debate, and Britain benefits from that—but I still think that when it comes to deciding the future of our country, the British people will take a very sensible course.

I will end my speech with a couple of points. First, the flash purchasing managers' indexes for the British economy have today been revised up to over 50, which means that we may well have higher growth. Secondly, the eurozone looks like it is getting into deeper trouble, so the relative position of the British economy in three months, six months or 12 months may look rather better than that of other economies around the world. Let us face it: there are problems, but they are problems that the French, the Italians and the Germans also have. We also have opportunities, and in many areas such as fintech and technology, we are doing pretty well as a nation. If we can do more of what we do best and less of what we do badly, I think we will meet with great success.

Madam Deputy Speaker (Dame Rosie Winterton): I call the SNP spokesperson.

12.18 pm

Peter Grant (Glenrothes) (SNP): As with any major political announcement, the Government clearly had a whole series of long-term and short-term objectives for the autumn statement. I am pleased to confirm that the statement has already achieved what was probably the Government's single biggest objective: it got good headlines right across the front pages of the right-wing press. They were not true headlines—they were completely untrue—but when did that worry the present Conservative Government? On the one hand, we have *The Sun*, *The Times*, the *Daily Mail* and the *Daily Express*—all bastions of responsible journalism—celebrating a tax-cutting Budget, and on the other hand, we have the BBC, Channel 4 news, Sky News, the Office for Budget Responsibility, the Institute for Fiscal Studies and the Resolution Foundation all saying that it is a tax-increasing Budget and we are heading for the highest tax burden any of us can remember. Who do we believe? That is a difficult question: who do we believe?

Matt Western (Warwick and Leamington) (Lab): On that point, is it not a godsend that we do actually have something from the OBR this time, when 12 months ago we had nothing? That was a determined effort by the then Prime Minister and Chancellor not to have anything, so as to deceive the public.

Peter Grant: I do not know if I am allowed to repeat the verb that the hon. Member used—perhaps we should make it "persuade" the public, rather than "deceive" them, which I do not think we are allowed to say in this place—but I think the covid inquiry has blown that wide open. We have a Prime Minister who, as Chancellor, deliberately avoided asking for advice from the experts when he knew he was not going to like the advice he would get. It is barely a year since the Government Benches were full of people denouncing the idea of having an OBR because, in their words, "Economic forecasts are always wrong," but as soon as economic forecasts begin to suggest that things may be improving, they suddenly want us all to believe them.

It is clear that by the end of this period of Tory rule, people will be paying more in tax in real terms than they were before. I am not against asking people to pay tax if they can see some benefit to the general welfare as a result, but that is not what is happening. We are looking at the largest reduction in real living standards since the 1950s. I did a quick check, and that is before either I or the Minister was even born. Perhaps there are one or two Members here who were alive at that time—I will not look at anyone in particular—but there are not very many. This is what has been described to us in Scotland as the "broad shoulders of the Union". However, the broad shoulders of the Union have delivered the biggest reduction in real living standards in Scotland since before most of us were born.

While there are some aspects of this statement that we certainly welcome, the good bits do not go nearly far enough and the bad bits go far too far. I welcome the cut in national insurance, but let us not forget that that puts back into the pockets of workers only a quarter of the amount they are losing because tax thresholds have

[Peter Grant]

been frozen during a time of high inflation. When people have been getting 5% or 10% pay rises recently, it has not been a pay rise; it has just been trying to keep up with rising costs. Leaving the tax thresholds where they are means that somebody who in real terms is getting less top-line pay than they were two years ago is still having to pay more tax as a result.

The Chancellor boasted about the national insurance cut giving back, in his words, “nearly £450 per year” to average earners. Somehow he did not have time to mention that that drops to just £36 a year by the time we take account of the increases in real levels of income tax. Of course, as of this morning, it has been wiped out completely by the increase in fuel bills that we are all going to face next year. So this is not a giveaway budget; it is a pickpocket budget. It uses the classic pickpocket technique of using a nice thing to distract us—a tuppence cut in national insurance—while someone slips around the back and swipes the higher fuel bills, the higher income tax and higher everything else out of our back pocket at the same time.

We could have seen real action to address what is still the single biggest crisis affecting tens of millions of people on these islands, which is the very real panic people are in every week over the cost of living. We could have seen a continuation of the £400 energy bill rebate for households. We could have seen the Government funding a council tax freeze in the way the Scottish Government have done, meaning that Scotland now has the lowest—yes, the lowest—average council tax in the United Kingdom. They could have followed the SNP’s example and brought in a UK child payment similar to the game-changing Scottish child payment, lifting thousands of children out of poverty.

I welcome confirmation that benefits and pensions will not be cut in real terms. They are not increasing; they are being pegged in real terms, and that is all. However, the fact that that was under serious consideration until about 24 hours before the Chancellor’s statement tells us everything we need to know about where this Government’s values lie, and they do not lie in the same place as the values of Scotland. Alternatively, maybe there was never any danger of that cut being implemented, and they were just threatening it so they could make themselves look good when they announced no change. In the words of the Child Poverty Action Group:

“Struggling families have been worrying themselves sick for months about whether an unmanageable...cut was coming in order to provide the government with a rabbit-out-of-the-hat moment.”

Just as over the last few years we have seen the Tories wanting to punish homeless people for daring to be homeless and wanting to punish asylum seekers for daring to flee certain death, they are now planning to punish people who are ill and people with disabilities for daring to want to have a living at the same time as being ill or having a disability. We know what we should expect and what is coming next. The press were all trained to respond today, so we can expect an avalanche of rhetoric in the right-wing press denouncing anybody on disability benefits, in the same way that they have denounced migrants and asylum seekers for years and years. They denounced them as scroungers and fraudsters, all to give cover to a brutal and inhumane attack by a brutal and inhumane Government.

The party that last year demanded that all civil servants returned to full-time office working immediately, because working from home is not properly working, is now saying that people on disability-related benefits will face the choice between taking up a—non-existent—working from home vacancy or literally facing starvation. Yesterday, the Prime Minister either would not or could not tell us how many vacancies currently being advertised in DWP jobcentres would be suitable for home working, or maybe he just did not care enough to bother finding out. The answer, incidentally, is that about one in 20 of those vacancies might be suitable for home working, which is not nearly enough to get the number off benefits that the Chancellor claims to think is realistic.

More than 100 disability organisations have warned that the Government’s inhumane policy could lead to unnecessary deaths, and that is not a blank threat. Last year, a study by the Glasgow Centre for Population Health and Glasgow University found that over 300,000 deaths in Britain could be attributed to Government austerity policies. Austerity is not an economic necessity. Austerity is unnecessary, and those 300,000 deaths were unnecessary as well.

I welcome some of the measures announced to support small businesses. As I mentioned in an intervention, we still need to see real action to protect small subcontractors involved in big infrastructure projects, so that they do not go down if the main contractor goes down. A lot of small businesses have now stopped bidding for that kind of work because they are worried that it may put them out of business, rather than keep them in business.

It is disappointing that, yet again, there is no movement on the determined calls from the hospitality industry to reduce or abolish VAT on that sector, even temporarily. A few weeks ago, I lost yet another award-winning small business café in my constituency, because such people just cannot continue working eight hours a day and earning less than the legal minimum wage. It is a bit ironic that the Government who caused rampant inflation now expect us to cheer when they start to bring it down. It is a wee bit like an arsonist expecting a medal for helping to put out half the fire.

We welcome additional support for green industries, but look what is happening among our competitors. In the UK, the figure is £960 million in total by 2030—yes, very nice—but the equivalent figure in Germany is €4.1 billion and in France it is €500 million every year, according to the Institute for Public Policy Research.

What has happened to the hydrogen town announcements we were promised in March 2023? I have world-leading work going on in my constituency as part of the H100 project, which is a much smaller-scale project to assist in conversion from natural gas to hydrogen. That is a chance for Scotland, for Fife and for Methil to be at the centre of one of the world’s leading industries. Whether a bid from Fife or a bid from somewhere else is going to be successful we do not know, and we do not even know who has bid yet. That announcement was due in March, and it is now too late for that work to be done according to the original timetable. Can the Minister give us an update, or are the Government planning to just walk away from green hydrogen in the same way that they walked away from wave and tidal power in the 1980s and 1990s?

By comparison, despite the fact that the Scottish Government do not have anything like the borrowing power or indeed the legislative power of this place, and

despite the fact that more and more of Scotland's funding is having to go into the funding holes left by the policy failures of the UK Government, we now have 1.2 million people under the protection of a Scottish benefits system that explicitly on its home page puts "dignity, fairness and respect" at its heart. Those are not words that many people who use DWP services would use.

As I have said, the Scottish Government have frozen council tax, and are lifting children out of poverty with the Scottish child payment. They are providing support to mitigate the additional heating costs that households with very severely disabled children and young people face through the winter heating payment, and free school meals to all children in primary 1 to 5 and eligible children throughout school. Scotland has a much more widespread and more widely available bus concession scheme than the rest of the United Kingdom.

The Child Poverty Action Group has calculated that these policies mean that the cost of raising a child in SNP-governed Scotland is £27,000 less in total than for an equivalent family living under Tory rule in England. Is it any wonder that the Tories have no chance of being elected any time soon, or any time ever in Scotland? The Chancellor could have extended those benefits to hard-pressed families in England but he chose not to do it. It is not that he could not do it; it just was not important enough to him.

People in Scotland cannot afford to wait for a change in Government policy in Westminster to make things better. One of the features of this autumn statement is that things look bad enough just now, but they will get a million times worse immediately after the next election, so regardless of what the Opposition think they are going to be able to do if they win it, their hands will be tied. The warning to people in Scotland is, "You might think you're voting for a change, but if you vote Labour, you'll be voting for more of the same."

We are calling on the UK Government to transfer to the Scottish Parliament permanently the powers to act on energy, employment, welfare and the economy, so that Scotland gets the policies it votes for and that it needs. We must reinstate the £400 energy bill rebate, and follow the example of other countries such as France in taking proper action to bring food prices down. Increasing food prices are not making life any easier for farmers; they are losing out. They are not making bigger profits; the supermarkets might be but the farmers certainly are not. The Government could boost people's incomes by introducing a proper living wage that is actually enough to live on. They could also increase benefits in line with inflation and maybe a bit more, and match the Scottish child payment UK-wide.

Those policies represent our values; they represent the values of the Scottish National party, because they are the values of Scotland's people. It is becoming increasingly clear that no Westminster Government will ever deliver to Scotland the policies it votes for. The only way to have a set of Government policies that embeds the values of Scotland's people is to put those policies firmly into the hands of an independent Scottish Government.

12.31 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): In these unprecedented times, we stand at the crossroads of recovery and resilience, and the autumn statement gives

us a clear road map for the challenging economic terrain we still find ourselves in. I have a lot of time for the shadow Secretary of State for Business and Trade, the hon. Member for Stalybridge and Hyde (Jonathan Reynolds), but I gently remind him that when we came to power in 2010, the former Chief Secretary to the Treasury, the right hon. Member for Birmingham, Hodge Hill (Liam Byrne) had left a note saying there was no money left. We have made a lot of progress since then and taken long-term decisions, and it was only thanks to that that we were able to pay for the substantial financial support we rightly gave to families and businesses during the covid pandemic. But we are still paying for that support and that is part of the challenge we face. Targeted support schemes such as the furlough scheme demonstrated a deep understanding of the challenges faced by businesses and employees, and I remind the House that no such scheme was put in place after the financial crash overseen by the previous Labour Government.

We still have an aftershock from covid at home in terms of economic productivity, but we are much boosted by the new trade deals that have been secured and I look forward to our taking advantage of that. The key issue, however, is the illegal invasion of Ukraine by Putin and the impact on energy costs. Again, we have given unprecedented financial support in the past few years to households and businesses. I was, frankly, somewhat shocked by the hon. Member for Glenrothes (Peter Grant); I never thought of him as a Putin apologist. To try to suggest that this Government stimulated the inflation is far from the truth, and he knows it is that energy challenge that has really made the difference. That is why it is right that the Government are investing in the energy of the future while also making sure that we can keep the lights on.

I welcome the measures in the Chancellor's statement yesterday. They reflect a profound understanding of the evolving needs of our society and economy, highlighting the imperative to adapt and evolve.

Peter Grant: Will the right hon. Lady give way?

Dr Coffey: No, I will not.

The autumn statement unveiled a comprehensive plan that addresses immediate needs while also putting in place the foundations for long-term growth. The measures outlined in it serve as pillars of stability, fostering hope and laying the true foundations for a resilient and prosperous future. There are 110 measures, and I must admit that I have not read the entire Green Book, but some parts stood out to me, particularly those on backing business and making work pay. This autumn statement clearly sets the way for growth.

Given the challenges facing business, the full deduction is welcome and this is a good moment to make it permanent, especially as the UK will be hosting the global investment summit this coming Monday. I used to work for Mars, Incorporated and I know its investment in capital was pivotal to its manufacturing industry productivity and financial success, so I welcome this improvement and the long-term confidence in investment in manufacturing capital and other areas.

Businesses in my constituency, particularly those in hospitality and tourism, will welcome the business rates measure. It will help with cash flow, but I have heard today from Andrew Dalby, managing director of Brafe

[Dr Coffey]

Engineering in my constituency, a very successful business largely driven by exports, and he has made a point to me that I want to share with the House. He says:

“The R&D tax credits...must run in parallel to see the development through to profitability to then permit the investment in the selected capital equipment needed to boost production efficiency.”

There are other substantial elements, but Brafe Engineering needs to make its components part of the system in providing skills and equipment to energy companies. It needs to enhance how it manufactures those complex components, but there is no grant system to support that and to help its customers succeed. For that business, I encourage my right hon. Friend the Chancellor to consider further work on the benefits of adjusting the R&D tax credit claims. I am aware that when they were introduced about 15 years ago, there was abuse of them, particularly by financial firms, so I think the Treasury will continue to be cautious, but we need to make sure that in R&D we focus not just on research but on development too, because that is where the value will come from.

I am thrilled that we are finally getting on with the reforms to solvency II. I remember a meeting in Downing Street just after COP26. I had been encouraging a lot of financial institutions there to raise this issue, and I am very pleased that—after some resistance, I think, from some of the institutions in Government because of the uncertainty it would bring, and indeed some concerns on pension fiduciary duties—we have found a way through, as we must unlock that investment for the long term. This has always seemed odd to me: we want things such as the local government pension scheme, so why do they not invest in the infrastructure they want if they believe it represents good value for taxpayers’ money? I am not just referring to local government. There are plenty of other insurers and others who can try to get a better return from long-term investment and long-term pension increases.

One of the big highlights of the autumn statement were the big tax cuts, for employees in particular. That is very welcome. I will be surprised if any Member votes against the legislation announced for next Thursday, because it is very important that we help people in these challenging times with more money in their pockets.

I welcome the announcements about stability in benefits and pensions. We have twice voted in this Parliament to set aside the earnings lock, recognising what happened with the dip in earnings where if we had not changed the law we would have frozen pensions. That would not have been the right thing to do, so we put in place our triple lock and lifted pensions then by 2.5%. That was followed by a year when there was a surge or spike—almost a covid-related distortion—when again the House agreed to set aside the normal earnings link. I was in the Government then and I did say that that would be it and we would apply the triple lock policy for the remainder of the Parliament. I am conscious that this is one of the biggest earnings uplifts that people will enjoy and it is right that pensioners share in that success. I am delighted we have kept to our commitments, therefore.

The Government have wisely recognised the need for a change to the local housing allowance. We made a shift during covid but then froze that change. Increasing interest rates have led to challenges in terms of rents, so

I am pleased we have reinstated that. It represents a large sum of money. When we did this a few years ago, it cost an extra £1 billion just for the following year. There will be an extra £1.3 billion of spending, so I expect the amount of money taxpayers now pay in housing support will probably rise to about £32 billion or £33 billion a year. That is a substantial sum to help others, but I am conscious that there have been particular challenges with regard to local housing allowance and finding appropriate accommodation in various parts of the country.

The broader aspects of the back to work plan that have been announced and the reforms to welfare are welcome. Some of the catcalls directed at the Chancellor yesterday were completely undeserved. There is no greater dignity than being in work. Many people want to work, but feel that they cannot. They struggle to do so, and it is absolutely right that we help people into work. During my three years in the Department for Work and Pensions—we were in the covid pandemic for part of that—it was critical to try to help people’s mental health and wellbeing to support them to get back into work.

I am conscious of the issues that people have raised about access to mental health appointments and so on, but such things as the expansion of individual placement and support and other aspects of universal support go straight to the heart of trying to tackle some of the barriers that people face. Instead of focusing on some of the changes that will happen to fit notes, the whole focus has been—I worked on this for some time, and I am delighted that policies came through last year and we are seeing the funding to support them—on what people can do, not what they cannot.

I am conscious that GPs do not like to be the barrier to the gateway to benefits, but it must be good for their patients if, instead of just signing them off with even more time out of work, they were helping them to find a way through. If we wanted to be radical, perhaps the NHS budget should pay for disability benefits of people of working age. That would bring it together. I appreciate that may be a step too far at this moment, but it is about working together so that people have a fulfilling life. That is not only about being in work and away from social isolation, but the extra financial rewards that come from it.

Peter Grant: We are all in favour of helping people back to work, but is it not the case that by focusing on the punishment aspect, as the Chancellor and Prime Minister have done, we are talking not about helping people back to work, but about starving them back to work, whether or not they are fit to go back to work?

Dr Coffey: I am not sure why I gave way. I should have expected a low-quality comment like that.

In terms of the thinking about when we were coming out of covid, I worked with the now Prime Minister on the Way to Work, and we got 500,000 people back into jobs. A lot of that comes with support, but there were other aspects, such as bringing interviews into the jobcentres so that people actually turned up. I commend in particular our frontline work coaches. Candidly, if any Member of Parliament has not been to the jobcentre in their constituency or nearby, I strongly urge them to do so. They are a beacon of hope for people who are often desperate, but those who work there are frustrated by

the fraud they experience, and they would like to do more about it. This sort of approach—not a stick, but a carrot—helps people. It gives a lot of time and support.

I note the expansion of the restart programme, which is to be improved, and that is good, but it has been successful in getting people back into work. There are a few ghosts, I suppose, within the benefits system, and it can be challenging to identify them. I am conscious that the Department for Work and Pensions considers the vulnerability of its claimants. It is a sensible approach and a step forward, and I know it will be undertaken with great care.

One of the other aspects I will talk a bit more about is planning and energy. I commend the Secretary of State for Energy Security and Net Zero and the Government more broadly on one aspect: finally, we will have a much more co-ordinated approach on the national grid. I have been trying to get that sorted for my constituents for six or seven years, and the proposed reforms have come too late for them. We still have a disconnected element and we still have projects that should have come in as direct current, where the infrastructure was built to support that and the developer then changed their mind. New infrastructure then had to be built for the same developer. There are no jobs that come with that. It is not about being a nimby, but about trying to make sure that we have a co-ordinated grid for the future, recognising the dynamic change that has happened, instead of the traditional coal and gas plants that we had. We have moved to a situation where a lot more of our energy will be coming in directly from the coast.

I encourage the Government to look again at considering existing brownfield sites where there are already energy connections, whether that is the Isle of Grain or Bradwell in Essex, rather than ploughing up acres and hectares of land that is otherwise used for agricultural production. Indeed, I recognise my constituents' concerns about the change in status of a lot of this network to almost default approval; that goes against the normal way of doing planning. I understand why the Government are considering this, but it will be unwelcome in my constituency. We will be debating the national policy statements on energy at another time, so I will not dwell on that now. I understand that we have to move as quickly as possible, but I think that a more holistic approach, even for projects that are in the pipeline now, should be undertaken. My understanding is that that will not delay the connections in the future.

The port of Felixstowe is part of a freeport, and I welcome the extensions there, given the benefits. I ask the Minister to work with other Departments, particularly the Department for Levelling Up, Housing and Communities, to ensure that the freeports are effective and flowing, and to listen to the feedback from people in East Anglia about how we think some aspects could be improved. We will discuss the local government finance settlement on another occasion, but when it comes to spending I am conscious of the challenge that county councils in particular face on social care, special education needs and disabilities, and transport to school.

Historically, a constituency like mine would be seen as exceptionally prosperous; it always surprises people when I tell them that the median salary is far higher in Liverpool—apart from in Liverpool, Walton—than in my constituency. That is because a lot of people come to my part of the world to retire. There is quite long life

expectancy in the area, but people in the health system know that as soon as someone goes past 80, the likelihood that they engage the NHS and social care is much higher. This long life that people enjoy—I continue to welcome people who come to see the special coast of Suffolk Coastal—needs to be taken account of, rather than some of the traditional assumptions. Indeed, the chief medical officer Sir Chris Whitty recently highlighted that in his annual report.

I encourage the Government to go even further on a few things, on top of their 110 measures. One is continuing to focus on supply-side reform. We have already seen what is being proposed for energy, and trying to get a connection timeline down from five years to six months is sensible because it can be very frustrating for people wanting to connect. But we should go further. Yesterday I spoke in a Westminster Hall debate on the apprenticeship levy. Let us also go a bit further on childcare; the Government have done some really good things, but let us go further and see whether we do need Ofsted to be the arbiter. Why can we not rely on our local councils, which already have a statutory duty for children and adults? We could consider that, as it would localise provision as well.

I could go further. I have a particular pet project for the Department for Transport, which the Transport Secretary well knows. People who passed their driving test before 1997 can drive a D1, which is basically a minibus not for hire, and a C1, which is a typical Tesco or Ocado delivery van; they are also used by many other firms, like Amazon, DPD and so on. A European regulation then required people to undertake the expensive tests needed for HGVs. I think that is unnecessary. At the time, I guess it must have been a Labour Government, or perhaps it was still a Conservative one; I cannot quite remember—[*Interruption.*] I apologise: it must have been a Conservative Government who thankfully negotiated to keep grandfather rights. I say that we should get on and repeal this unnecessary law, as that would allow many more people into the market to drive these sort of vans. This is a particular issue for rural communities, which do not have extensive public transport, because so much community transport relies on volunteers to drive minibuses so that people can get to a variety of activities, and those areas are currently having to pay quite a lot of money to train people to do that. This is a really easy win. I keep being told that primary legislation would be required, but let us do that, if that is what is needed to boost that aspect of productivity.

There is much in the autumn statement of which I am proud, and I commend the Chancellor and the Prime Minister on their extensive work on it. The autumn statement resonates with compassion and foresight. It acknowledges the hardships faced by individuals and businesses alike. Our commitment to bolstering our economy while extending support to those most affected by recent upheavals is commendable and a clear demonstration of the principles of a Conservative Government. I commend the resolutions to the whole House.

12.51 pm

Matt Western (Warwick and Leamington) (Lab): It is a pleasure to follow the right hon. Member for Suffolk Coastal (Dr Coffey)—

John McDonnell (Hayes and Harlington) (Lab): Is it really? How generous.

Matt Western: We use those terms, my friend.

I agree with the right hon. Lady on legislation about drivers of C1 vehicles. However, on Ofsted and whether local authorities could take on that responsibility, my authorities, Warwick District Council and Warwickshire County Council, have been stripped bare, and I fear that under yesterday's announcement we will see a further decimation of our local services.

John McDonnell: Just to get it straight, the Local Government Association has said that there is a £4 billion gap in local council funding, so there is no room for manoeuvre on additional services to be provided directly by local councils.

Matt Western: My right hon. Friend is absolutely right. He and I, and I am sure all of us, know the immediate pressures that local authorities face, whether in addressing homelessness or in addressing social care, so it is not within their current capacity to absorb any more; in fact, they are shrinking by the month.

Dr Coffey: I understand what the hon. Member says about bandwidth. Of course, any additional duties, if the Government were minded to take that forward, should be accompanied by new burden funding.

Matt Western: I thank the right hon. Lady for that clarification. She is right but, as we saw through the pandemic, it was local authorities who did so much to make up for the failings of the over-centralised Government, who—through the covid-19 inquiry—we now understand were incapable of getting to grips with the pandemic in our communities. That is why local governance is so important. I will move on to my speech.

Wera Hobhouse (Bath) (LD): On the delivery of net zero projects, does the hon. Member agree that local authorities are well placed to deliver on the ground and that, rather than having centralised delivery, it is much better for them to do that work?

Matt Western: I absolutely agree. We should take pride in our local authorities. They understand the landscape and the needs of communities, but they must be properly funded to deliver these essential services. I am afraid that, as with the reinforced autoclaved aerated concrete problem we see right now in our schools—two particular schools, Myton School and Aylesford School, in my constituency have RAAC—we see delays in rectifying problems because the Government have become so over-centralised.

If I may, I will move on to my speech—I am sure that everyone is waiting for it. I am afraid that, in the last 24 hours, we have seen holes beginning to appear in the Chancellor's autumn statement. There are holes in the claims he made about lowering taxes, holes in its credibility and holes in the public finances, as my right hon. Friend the Member for Hayes and Harlington (John McDonnell) alluded to. For the public, the manifestation of that is probably most often seen and understood through the holes in our streets and on our roads. That is the reality of the decay we face across our country.

What surprises and disappoints me is the Government's chutzpah and the claim that they are making long-term decisions when just five weeks ago the supposedly cautious

Prime Minister and his Chancellor stated that it was “virtually impossible” to make tax cuts. It now seems that the Prime Minister realises not only that he got an election coming up soon but that he does not have many options, so it is best just to spend some money and run. His five pledges, even, have wasted away—they have reappeared as five long-term decisions. What will we expect next month on his five promises to the country? It is yet another reset—I think we have had 11 already.

As I mentioned in an intervention, we are a year on from the kamikaze Budget, which cost the country an estimated £40 billion—[*Interruption.*] Forgive me, Madam Deputy Speaker; my voice is quite weak due to a chest infection. At the time, I asked the then Chancellor, the right hon. Member for Spelthorne (Kwasi Kwarteng), whether he had

“not just fired the starting gun on a run on the pound”.—[*Official Report*, 23 September 2022; Vol. 719, c. 964.]

He was utterly dismissive of my assertion, but of course that is entirely what happened, and that is what we saw on the financial markets within minutes of him speaking. Of course, that translated into higher interest rates, which in turn meant higher interest rates for mortgages, so this year we see 1.5 million households moving off their fixed rates and facing higher mortgage costs averaging a further £250 a month. Next year, we will see a similar number of households moving to higher mortgage costs. That comes at a real cost to households up and down the country.

The Prime Minister talks about inflation being a tax, which is a bizarre way of considering it, but we have to remind the public of why we have such high inflation—he may suggest that he has managed to halve it; he is claiming the success from it, although he did not seem to claim responsibility when it went up—and why we faced higher inflation than the majority of the major G7 nations. The truth is, we still face an inflation premium relative to the United States, Germany, France and all the other major nations purely because of what happened a year ago. That is costing our households and businesses. It is costing us all; and, indeed, it has massively damaged our reputation.

That comes on top of 13 years of austerity and failure, with people really feeling the costs on their lives of the austerity that the Government imposed on us. They see services collapsing around them and feel the fabric of society being weakened by successive Conservative Governments.

As we look at the economy and what was announced yesterday, I am reminded of a photograph that I saw a couple of days ago of the Chancellor and the Prime Minister at a further education college. I do not know whether hon. Members noticed how both of them were trying to hold a screwdriver, but it was almost as if they had never held one before. There is a real need to reskill this country, and we could start with some of the people in power. We have a former Prime Minister who, we are now told, could not understand graphs or data, and therefore struggled to interpret how we should react to the pandemic.

We now face a stagnant economy, as we are told by the OBR and all the balanced economic observers: it was flatlining at just above zero for the last quarter, and we are looking at absolute zero in the current quarter. But somehow the Chancellor wants us to applaud growth

rates of 0.7% next year and, possibly, 1.4% in 2025—a huge downgrade on what was forecast earlier this year. The public are being duped by the claims the Government made yesterday that things are rosy and will be positive next year. The public know that they have suffered 13 years of mismanagement, in which the Government have failed to solve the productivity puzzle. I used to work in France, where the average worker is 20% more productive than the UK worker. Why is that? Is it down to employment legislation or the lack of investment incentive in this country? The harsh reality is that we all have to work much harder in order more or less to stand still versus the French.

The Chancellor quoted an aggregated growth figure in his statement, but any credible observer should have looked at growth per head, which is far weaker in the UK than in the US, Japan and Spain, and is fractionally ahead of France. In the real economy, people are feeling the impact of the last 13 years, and particularly the last couple of years. They have less money in their pocket, and the money is not going as far. They are suffering a real-term loss of income. We are told that next year their real-terms income will fall a further 1%. Energy costs now account for a much larger proportion of income, having increased by 50% over the last two years: gas has increased 60% in the two years since 2021, and electric is up 41%. Energy bills have increased an average of 51% versus 2021-22. This was not all necessary. We can talk about global energy price increases and inflationary pressures, but the UK suffered because we did not have the energy storage or resilience, particularly in low-cost onshore wind.

We also have some of the least efficient housing stock in Europe. People have to spend more to keep their homes warm, because their houses are inefficient. The houses built since 2016—1.2 million homes—should have been zero-carbon homes but, because all that legislation was torn up, they are not. Instead, they need more gas and electric, which means higher demand. Without that, total aggregate demand would have been brought down to a lower level.

Let me talk about the predicaments facing students. They face a much higher rate of inflation than the typical UK adult, but maintenance loans have not kept up with inflation. According to the House of Commons Library, there has been an 11% real-terms cut in maintenance loans. That equates to them being £1,200 worse off a year as a result of this Government.

I listened to the Chancellor on this morning's media round. It was only a matter of time before being economic with the truth would give way to the truth about the economy. He was asked whether there were tax cuts when taxes continue to rise, and about his selective approach to cuts being undermined by stealth and concealed taxes, resulting effectively in higher rates of tax brought on by what economists refer to as fiscal drag. He was asked about the freezing of tax thresholds that will see 7 million people overall paying higher levels of tax: 4 million who have never previously been liable having to pay income tax, and 3 million who have moved from the lower to the higher threshold. His promises on lower taxes are empty, and the public will know that.

Let us not forget that this Conservative Government have imposed the highest tax burden in the post-war period, and the most regressive. The Conservatives like to present themselves as the party of lower taxes, but let

us remember that when they came into power in 2010 the first thing they did was increase VAT, from 15% to 20% ultimately—33% up on the most regressive tax of all. There has been a whole raft of other stealth taxes, including on insurance. The public need to know that they face five years of further tax rises.

Let us be clear: the Chancellor is funding these tax cuts by tightening non-protected public services. Given the country's experience over the past 13 years, the Government's plans should ring alarm bells, because they sound remarkably like "Austerity II: the sequel." Given the deep damage they exacted on our communities and our social fabric, that will come with a real social cost.

It would be churlish not to acknowledge a few welcome moves—plagiarism is the most sincere form of flattery. The NHS workforce plan was something that Labour proposed. Planning reform is welcome, but the Government do not seem as ambitious as the Labour party. Elsewhere, I welcome the expensing changes to encourage business investment, but I do not know why it could not have happened earlier, because we have not seen the scale of investment in the UK that we should have seen. On support for innovation and certain developments, I would like to see more, particularly on the role of universities.

The support for the UK automotive sector is particularly welcome for companies such as Jaguar Land Rover, Aston Martin and the myriad supply companies in my constituency. The Government talk about an advanced manufacturing plan, but where has it been for the last few years? They have not had any form of industrial strategy. In fact, the former Chancellor could not even bring himself to use those words when he was in post. I add my support for the Winsor report and the rolling out of the grid. It is way too late, but we need to get on with it. It is essential that we electrify the UK economy.

Increasingly, this appears to be a Government without a cause. If they have a purpose, it is as a self-preservation society, as perhaps was exposed yesterday. At their heart is a weak Prime Minister. His King's speech betrayed a lack of vision and substance; out of ideas and out of road. I am afraid that the public will be underwhelmed by this statement, and by a Government so utterly out of touch. As they say in examinations: compare and contrast the clear direction and purpose of the five missions forged by my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) with the soft, fluid aims of the current Prime Minister.

Overnight, analysis from independent think-tanks such as the Institute for Public Policy Research and the Resolution Foundation has underlined the inequality in the tax burden, where those on the lowest income and those least able are paying disproportionately more under the Conservatives. Overall, the average household faces a £4,500 increase in taxes in the period 2019 to 2028. The Prime Minister and the Chancellor may pat each other on the back, but in this Parliament alone they have presided over a £1,900 tax increase, according to the Resolution Foundation. After 13 years of failure, chaos and mayhem, when energy prices are rising astronomically and food prices dramatically, we now see changes to the tax threshold. The public are really hurting. I am afraid the Government just do not get it.

1.9 pm

Darren Henry (Broxtowe) (Con): I welcome many of the announcements made yesterday in the autumn statement, in particular raising the minimum wage to

[Darren Henry]

£11.44, an increase of 9.8%, which will directly benefit those in my constituency. That means an increase of £1,800 in the annual earnings of a full-time worker on the national living wage and it is predicted to benefit over 2.7 million low-paid workers.

Yesterday I asked the Prime Minister to increase support for apprenticeships and back an apprenticeship hub in Broxtowe. Madam Deputy Speaker, I was delighted when, not 30 minutes later—and presumably because of my question—the Chancellor announced £50 million to increase apprenticeship training in engineering and other growth sectors. The two-year apprenticeship pilot will help create new opportunities for those who do not think university is the right option for them. In Broxtowe we have businesses, such as WEBS Training and Hairven, that are doing amazing work with apprentices. Adding a new apprenticeship hub to Broxtowe will mean people of all ages can train and retrain to join the huge variety of businesses and industries that we have in Broxtowe.

I welcome the announcements made in relation to veterans. As a veteran myself, I am passionate about increased support and making our country the best place in the world to be a veteran. The Chancellor announced £10 million to support the Veterans' Places, Pathways and People programme, as well as extending national insurance relief for employers of eligible veterans. Those announcements will ensure that our veterans have the support they need, whether that is for seeking employment, or for housing or mental health support.

I would like to see more industries creating further entry pathways specifically for veterans. In Nottinghamshire, I was proud to champion and open the first ever military service leavers pathway into policing, which gives veterans a direct pathway into the police force through the police constable degree apprenticeship. It ensures that skills gained in the military are transferred to a new career that can be entered following a shortened training scheme. I would really encourage other industries to look at similar pathways.

As a Member of Parliament from the east midlands, I was glad to see the announcement of a new east midlands investment zone. The Chancellor announced that the new investment zones will help catalyse more than £3.4 billion of private investment and 65,000 new jobs. I look forward to seeing further information published.

Before the autumn statement, I, along with a number of colleagues, called for an extension of the 75% discount on business rates, up to £110,000 for retail leisure and hospitality businesses. I am therefore thankful to hear that announcement made yesterday. It will have a hugely positive impact on my constituents in Broxtowe.

I am sure the majority of my colleagues across this Chamber experienced the unique difficulties that the pandemic held for those who were self-employed. The self-employed income support scheme was fantastic in supporting businesses, but I am aware that some missed out and so I was particularly pleased yesterday to see measures supporting the self-employed, such as abolishing class 2 national insurance altogether.

I welcome the Government honouring the triple lock in full by increasing the state pension by 8.5%, which will be worth up to up to £900 or more a year. That means the basic state pension will be £3,750 higher than

in 2010. The pension fund reforms will be promising news for my constituents contributing to their pensions. As the Chancellor laid out, the majority of defined contribution savers will have their pension pots managed in schemes of over £30 billion by 2030, and by 2040 all local government pension funds will be invested in pools of £200 billion or more. I welcome the consultation on the potential of giving savers a legal right requiring a new employer to pay pension contributions into their existing pension pot if they choose. I have previously spoken in the Chamber about the complications that can arise from multiple pension pots, so I hope this will simplify the pension scheme, meaning that people can move to having one pension pot for life.

Overall, I welcome the autumn statement and look forward to seeing the positive impact that the new measures have in Broxtowe.

1.14 pm

Bell Ribeiro-Addy (Streatham) (Lab): The Government have presided over a crash in the economy of Titanic proportions. They saw the iceberg of stagnation, persistently high inflation and falling living standards, and they decided to head straight for it. Yet they refuse to do the one thing left that would be useful to the rest of the country: abandon ship.

The Chancellor talked a great deal about the need for growth and called this his “autumn statement for growth” yesterday, but what is the reality? The OBR has cut the growth forecast for next year to just 0.7%. In fact, it has cut the growth forecast for the next three years. If it is right—I remind the House that it was the Government’s decision to devolve forecasting to the OBR—we will not hit a 2% real GDP growth target in the foreseeable future. Worse still, this will go down in history as the only Parliament where living standards were lower at the end of it than at the beginning. How is that a policy for growth? I do, however, agree with the Chancellor on one thing, that strong public services depend on a strong economy, but on the official forecasts we will have neither. I do not think I could be any more damning of the Government’s record and the economic legacy they will leave than the OBR itself. It says that, faced with weak growth and the giveaways in this statement, the Chancellor’s spending plans rely on implausible levels of austerity in local government and public services.

Implausible levels of austerity mean enormous levels of cuts, when we know that local government spending has already been cut to the bone. That is why councils of every political stripe up and down the country are now facing bankruptcy. At the same time, our public services are in crisis. People are now more likely to be on an NHS waiting list than ever before and our schools are literally falling apart. I could go on. The Chancellor’s policy for the crisis of funding for public and local services is typically Conservative—even more cuts.

In passing, we should explode the myth that a pre-election bribe is anything but the most cynical type of politics. More importantly, the voters will see through it. The Foreign Secretary, also known as the former, former, former, former Prime Minister and his Chancellor Osborne had a one-off increase in Government spending and investment in 2014 and then reimposed austerity once they were re-elected in 2015. I have no doubt that the Prime Minister and the Chancellor hope to emulate that con trick. The British public, however, will not be

taken for mugs, not least because on the Labour Benches we will warn them of it. The reality is that this is part of another bout of austerity, just as the OBR warns. The shiny bauble of cutting national insurance is to get the Conservative party through to the election without tearing itself apart—then the axe will fall.

As for the carrots to business to invest, we know they will not work. One reason they will not work is that the Government are cutting public investment. Why does that matter? Because the state sector is the single biggest investor in the economy. The whole notion that it crowds out private investment is nonsense and one of the many idiocies of the Thatcher era. Government have been “getting out of the way of business investing” for well over 40 years now. As a result, we have an abysmal record on investment, one of the worst in the industrialised world.

It is hard to imagine that any of the measures in the autumn statement were properly assessed for their impact on equalities in accordance with any of our laws. Despite literally being lawmakers, the Government have a strained relationship with complying with any of them. To prove it, we do not have to look much further than the callous announcements regarding disability benefits. In a cost of living crisis of the Government’s own making, an estimated 370,000 people with disabilities and debilitating chronic health conditions will be forced to work from home in jobs that do not exist whether they are physically or mentally able to or not, or lose up to £5,000 in income a year. How are they expected to survive, and how much more inhumanity dressed up as policy can this Government drag through the House before the country has an opportunity to vote them out? In case we have forgotten, they obviously want to remind us that they are the nasty party—nastier than ever.

Any reasonable equality assessment in accordance with our laws would have the author of this Budget sent back to the drawing board. In any scenario in which real incomes and living standards are falling, those at the bottom—those who are already facing discrimination and hardship—will be even worse off. This is the Conservatives’ economic legacy, and it is a shameful one.

1.20 pm

Andrew Western (Stretford and Urmston) (Lab): After 13 long years of Conservative economic failure, Britain is stuck in a cycle of low growth and high taxes, with working people across the country paying the price. This autumn statement was a chance for an economic reset, but instead we got yet another political reset. The Chancellor is, I hope, good at maths, so perhaps he can count how many there have been so far.

It is the Conservatives’ election strategy that has shaped this statement, not the needs of the country, but my constituents will not be fooled by minor tax giveaways in an election year from the same party that has raised their taxes 25 times since 2019—and they are minor giveaways, given that they represent less than a quarter of the personal tax rises that the Conservatives imposed on working people last year, with fiscal drag hitting millions of households. We should be under no illusion: the Tories are still the party of high tax if they massively hike people’s taxes, but then give them a little bit back before an election. Of course, the reason they are a high-tax party is the fact that their record on growth is

so poor. If the economy had continued to grow at the rate that it did under the last Labour Government it would now be £150 billion larger, but instead growth in the UK has stagnated in the last 13 years, and is projected to be the lowest in the G7 next year.

When the Conservatives cannot generate the growth to fund public services, they raid the pockets of working people instead, but those people will rightly wonder where their hard-earned money is going, given that the NHS, our schools, local government and the courts are all on their knees. The situation for public services appears set to become bleaker still, given that yesterday’s tax cuts are to be funded by a projected £19 billion of cuts in departmental spending—spending cuts that look eerily similar to those made by the now Lord Cameron. The Conservatives are not just resurrecting former Prime Ministers to serve in this Government; they are resurrecting their failed and discredited policies too. Perhaps the Minister can shed some light on how and where they envisage these cuts being made—or does he accept that, as the Resolution Foundation has said, the cuts are “implausible” and

“rest on the fiscal fiction”

that higher inflation will not increase public spending? Is not the truth that there is no long-term commitment to these measures, that they are simply a pre-election cover, and that the fiscal black hole they create is likely to be someone else’s problem?

As the Leader of the Opposition asked yesterday, how can a labourer or a nurse contribute to economic growth if they are one of the 7.8 million people on an NHS waiting list in desperate need of an operation? A healthy society and a healthy economy are two sides of the same coin, but the NHS did not receive the support that it needs yesterday, and there are many other public services of which we could say the same. What of local government, for so long the poor relation, ruthlessly targeted by the Conservatives since 2010, with their Liberal Democrat friends complicit at the outset? I should state for the record that I am a vice-president of the Local Government Associations and a former chair of its resources board, as well as being a previous leader of my own local authority, Trafford Council.

For local government as a sector, the autumn statement was wholly depressing. There were no significant new funding announcements, there was nothing new on special educational needs and disability funding, and there was silence on the continuation of the household support fund. There was not a word about public sector pay. My local authority is assuming a 3% pay award, but higher inflation for longer has the potential to affect the 2024-25 pay negotiations. There was no mention of the impact of the living wage increase—welcome as it is—and what it will mean for social care contracts: a 9.8% uplift will blow a £2 million hole in my local authority’s assumptions.

Trafford’s position is not unique, but it is especially acute. Low levels of Government funding mean that we have the lowest spending power of all the 36 metropolitan districts. A recent study by the Institute for Fiscal Studies showed that Trafford has one of the largest funding shortfalls in relation to need, equivalent to £35 million in comparison with national averages; and, unsurprisingly, it is one of the F20 group of lowest-funded local authorities, with the prospect of a £55 million budget

[Andrew Western]

deficit over the next three years. The delivery of meaningful services will become unsustainable in the short term if this position is not addressed for Trafford and councils like it, but it was thin gruel yesterday for local authorities up and down the land, to whom Trafford's position sounds all too familiar.

It was thin gruel, too, for our broken housing market and our dysfunctional planning system. A desire to speed up business planning applications is welcome, but local authorities simply do not have the planners or the capacity to process the applications, a problem the Chancellor did not acknowledge or do anything to remedy yesterday. If the Government were serious about increasing housing supply, they would reverse their decision to scrap housing targets and build on parts of the green belt that offer nothing in environmental value, but plenty in economic potential. Perhaps we would then start to see the economic growth that we so desperately need.

There was some positive news on housing that I want to acknowledge: I do welcome the increase in local housing allowance rates. It is overdue, but it will be a vital tool in preventing homelessness. However, that is a silver lining among the very, very dark clouds of this autumn statement, because for all the bluster, there is no getting away from the most telling statistic to come out of yesterday. Between 2019 and 2025, families will experience the biggest drop in living standards since records began, and the tax burden as a percentage of GDP will be higher at the end of this Parliament than it was at the start.

Peter Grant: I commend the hon. Gentleman for picking up the point about the local housing allowance. Does he agree that if it is a good idea to unfreeze it for one year, it is not a good idea to refreeze it again in the following year?

Andrew Western: The hon. Gentleman has made his own case, but as a keen campaigner on all aspects of our housing crisis, I very much agree with his sentiment.

Wera Hobhouse: We have heard from the Government Benches that the taxpayer's bill for the local housing allowance is about £34 million. If the Government were finally willing to build a great many more social homes, the taxpayer would not have to face that enormous bill.

Andrew Western: The hon. Lady is right about social homes. A number of leading organisations working in the housing sector would say that we need 90,000 social homes per annum. However, let me gently point out that it is not just a question of the supply of social homes; the spike in rent that we have seen in recent years is also exacerbated by a broader shortage of housing supply of all types and all tenures. That is why my party has committed itself to a fundamental review of not just of our planning system but, importantly, the supply of land, and I hope that everyone in the Chamber who is serious about considering how we can build the homes that we need will commit themselves to a similar process.

I turn back to the thrust of my contribution. This autumn statement is a damning indictment of the Government, leaving people with a higher tax burden at

the end of this Parliament than when they were re-elected in 2019. It is the latest economic failure at the end of 13 years of national decline. It is time for change: a change away from high taxes, low growth and falling living standards; a change away from dodgy contracts, covid fast lanes and looking after their friends; a change away from the Conservatives.

The Labour party is offering that change, with a plan to cut household bills by £3,000 a year by investing in clean energy, building new homes and insulating the homes we already have; a plan to prevent another catastrophe like last year's mini-Budget by putting a fiscal lock into law; and a fully funded plan for a healthy society and a healthy economy by investing an additional £1.1 billion a year to deliver 2 million more NHS appointments, scans and operations so that people are genuinely supported back to work. That is Labour's offer and, if yesterday was the Conservatives firing the starting gun on the election, that day cannot come soon enough.

1.31 pm

John McDonnell (Hayes and Harlington) (Lab): Mr Deputy Speaker, you and I have been here for a couple of decades, and I have never known a second-day debate on an autumn statement to involve only one Government Back Bencher. The emptiness of the Chamber reflects that we are at the fag end of this Government, and people realise that. The seriousness of the Government's intentions in the coming months almost warrants despair among their own supporters, as well as in this House.

I sat through the Chancellor's statement yesterday, and he set the scene of an economy that has turned the corner and is looking for technology-fuelled sunny uplands. I have been here a while and have listened to previous autumn statements, so I can recognise a pre-election speech when I see one, and that is what it was.

The Prime Minister basically set out the Conservatives' election strategy the day before, and it is not a novel playbook—it is one they have used consistently. It is the same old Tory strategy. First, there are tax cuts as a pre-election bribe, then it goes on to the scapegoating of some vulnerable group, before making ludicrous claims about Labour's plans to try to petrify people into not voting for change. Even with the media that we have, I do not think that strategy is going to work this time.

On economic growth, the Chancellor's image of the economy turning a corner was absolutely shattered when the OBR report was published as soon as he sat down. It massively downgraded the growth forecast for every year of the forecast period. I listened to him talk on the radio this morning about how his investment in the economy will increase GDP by 0.5% over the coming four years. According to the Institute for Fiscal Studies, 0.5% produces about £7 billion of income tax returns to the Government, so there is no way this growth will somehow provide the resources we need to fund our public services.

I doubt any amount of tax cutting will restore confidence in a party that has doubled our debt, brought our public services to their knees and crashed our economy with the madcap escapades of the last two Prime Ministers. The cuts to national insurance were the headline proposal in yesterday's autumn statement, but in the cold light of day, less than 24 hours later, the analysis shows that all the benefit has been swept away by the continuing freeze

on tax thresholds. The IPPR analysis demonstrates that even the national insurance cuts will benefit the highest earners and the richest, and then the energy cap was lifted this morning. There is no way these tax cuts will restore a feelgood factor among the general public.

The most nauseating element of yesterday's appalling announcement was the scapegoating of the sick, the disabled and those with mental health problems. It is gutter politics. The Conservatives first tried to scapegoat asylum seekers, but that has not worked because, actually, people recognise that asylum seekers are coming to this country from war zones across the world, and they empathise with them. So the Government have now turned on the disabled, the sick and people struggling with their mental health. Hidden in yesterday's autumn statement is the reality that the Government are cutting £1.2 billion from benefits paid to people with disabilities. As my hon. Friend the Member for Streatham (Bell Ribeiro-Addy) said, it heralds the return of the nasty party.

I met the Public and Commercial Services Union last week, and the chronic staffing crisis in the Department for Work and Pensions means that the implementation of last year's sanctions policy is floundering because of the massive casework backlogs. Individual members of DWP staff have case loads of 2,000 cases, and obviously the system is collapsing. Loading more work on those workers will intensify the delays and will result—let us be honest—in more stress for the disabled, the sick and those with mental health problems.

Exactly as is predicted by a number of disability organisations, I fear this will push people over the edge. Those of us who were in the House remember what happened when the work capability assessment was first introduced. People were pushed so far over the edge that we saw a rise in the number of people taking their own life.

The Government have ludicrously claimed that Labour's plan to borrow to invest in greening our economy will somehow push up interest rates and borrowing costs. That is a bit rich coming from the Conservative party, under which the country's debt has risen. Let me be clear that Labour's plan to borrow to invest will generate green growth in the economy. It is not like what the Tories have done in the past, which is to borrow for day-to-day expenditure—in other words, borrowing to cover the costs of failure.

The cost of borrowing £28 billion, even at the current high interest rates, is just above £1 billion, which is readily recouped—that is what investment is all about—as a result of the multiplier effect of this investment and the increased tax income it will generate. The comments of even senior Ministers have been inane in the extreme and lower the level of debate on the future of our economy.

I thought the real question yesterday was whether the Chancellor would do the right thing with the additional headroom that the OBR found as a result of inflation, interest rates and rising tax receipts, and where that additional money would go. Last week, I went to a concert by the brilliant Liverpool singer Jamie Webster. He sang a song called "Voice of the Voiceless". Yesterday's autumn statement made it clear to me that, as the Chancellor decided where to spend the new money that had been found, the voices of those most in need of those additional resources went unheard. I therefore think Members have a responsibility to be the voice of the voiceless in this debate.

I think we should be the voice of children. According to the Child Poverty Action Group, over 4 million children are currently living in poverty in the United Kingdom, the sixth richest country in the world. The Joseph Rowntree Foundation has found that more than 1 million children are living in and experiencing destitution. Last week, I met people from Buttle UK, the charity supporting children in poverty, and they explained what destitution means. It means children going without the basic essentials needed to eat, stay warm and dry, and keep clean. That is why so many charities, religious groups, trade unions and others have called for a Government—any Government—to prioritise children in poverty for support. One straightforward suggestion is to lift the two-child limit, which would immediately lift 250,000 children out of poverty. This is why so many are campaigning for free school meals, to ensure that our children get at least one decent meal a day. It is also why many of us have called on the Chancellor to restore the £20 that the Government cut from universal credit after the pandemic.

We need to be the voice of disabled people, the sick and the mentally ill, who were under attack yesterday. The new onslaught against disabled people and the sick clearly provided evidence that their voices have been ignored again. If the Government were listening, they would have heard how those receiving benefits have already had to fight their way through a brutal benefits system to secure the help they have gained. The Government would have heard about many of the experiences with the work capability assessment, which has caused so much human suffering and harm—so much so that, as Members may recall, we discovered that the DWP was secretly monitoring coroners' reports on the suicide of people on benefits. David Cameron has just been reappointed, so I hope he points this out in government now. I remember when a person whose benefits had been cut starved to death in his constituency. The coroner's report related that to the withdrawal of benefits.

Disability groups are rightly predicting that, as sure as night follows day, this new round of dangerous threats to the benefits of the sick and the disabled, and especially those with mental health problems, will cause serious harm again.

Peter Grant: I am reluctant to intervene, as the right hon. Gentleman is, as always, giving a passionate and well-informed speech. Does he share my concern that one inevitable consequence of the propaganda onslaught is that people will be scared to claim the benefits they are entitled to, because they think they will be branded as cheats and fraudsters simply for claiming what is theirs by right?

John McDonnell: A wonderful piece of work was undertaken about the role the media and politicians played in stigmatising disabled people. This resulted, exactly as the hon. Gentleman said, in people not coming forward to claim their benefits. It also resulted in their ostracisation in their own community and the hardship that that caused, not only to them, but to their children when they went to school—this stuff is all coming back.

The irony has been pointed out by Members from across the House: wherever someone can work, we want to encourage them to do so and give them all the support they need, but people are being targeted with threats when we have 7.9 million people on the NHS waiting list—these are the very people who are waiting

[John McDonnell]

for the treatment to enable them to get back to work. This approach is particularly illogical and brutal. I urge hon. Members to look at the figures: 4 million people are already looking for additional hours of work in our economy, and unemployment has increased by a quarter of a million since the last autumn statement. These people will be struggling to compete for work that does not exist.

I want to be the voice of carers as well. I chair an unpaid carers group; we come together regularly and we have published our manifesto. There are 5 million unpaid carers in our community who are looking after their relatives and living off a miserly carer's allowance of just under £80 a week. As a result, many of them live in poverty and hardship. The last estimate, in the Carers UK survey, was that they save the country some £160 billion a year. That survey also demonstrated just how many of them are struggling to make ends meet. We did not hear a single word yesterday about these heroes and heroines; there was not a single measure in the autumn statement that will move forward their simple demand for a level of financial support that will lift them out of poverty.

We should also be the voice of the homeless. We now have 105,000 families in our community living in temporary accommodation. Some 131,000 children are being brought up without a secure roof over their heads, often in overcrowded and run-down accommodation—all of us have seen these places, some of which are dangerous to live in. Putting the local housing allowance back to the 30th decile, after freezing it for years and after it having been at the 50th decile only a few years ago, goes nowhere near to giving those families any hope of securing a decent and secure home. What we really need now, as an emergency measure, are rent controls. We also want a massive council house building programme, but what was offered yesterday, in the detail, was funding for 2,400 council homes, at a time when we need hundreds of thousands.

As others have said, we also need to be the voice for public services. The fact that there is no additional funding for them and instead a projected £19 billion cut confirmed that the voices of the nurses, doctors, paramedics, social care workers, teachers, council workers and council leaders themselves went completely unheard. As we have said, there is to be a £4 billion funding cut, which means the erosion of some of the basic services people rely on in order to have some form of quality of life.

To conclude, there is a lot of speculation that the autumn statement presages an early election, and I think it probably does. I pray that it does, because my community cannot take this any more. I have never witnessed such a level of disillusionment with politics, such a lack of hope that things can get better. It is not just generating anger; what worries me more is that it is generating absolute apathy among our communities. There is a great responsibility on our shoulders now to restore that hope and to do so soon. I urge the Government: bring on the election, let the people have their voice, and let us have it as soon as possible.

1.47 pm

Samantha Dixon (City of Chester) (Lab): It is an honour to follow such a passionate speech from my right hon. Friend the Member for Hayes and Harlington (John McDonnell).

As I listened to the Chancellor yesterday, the same thought kept racing through my mind: too little, too late. This Government have seriously let down working people for the past 13 years and now hope that offering breadcrumbs will solve everything. Staggeringly, measures announced yesterday are equivalent to handing back £1 for every £8 of the rise in tax since 2019-20. Worse, the Government probably expect people to be grateful for the announcements made yesterday. The Government are forgetting that they are the reason we are in this mess in the first place, and, sadly, their latest plan will not get us out of it.

Some of the measures mentioned in the Chancellor's speech will be welcome, but soundbite headline announcements simply do not measure up to the reality of the challenges facing my constituents and so many across the country. After 13 years of economic failure under the Conservatives, working people are simply worse off. According to the Resolution Foundation, real average earnings are not forecast to return to their 2008 peak until 2028. This is a totally unprecedented 20-year pay stagnation. Meanwhile, prices are still rising in the shops and energy bills are up. Electricity and gas prices are 40% and 60% higher respectively than they were two years ago. Mortgage payments are still sky-high, which is a serious worry for the 28% of the residents in Chester who have a mortgage and now must cut back or find extra cash to make their payments. Figures show that around 9,500 people in Chester face an annual mortgage increase of £2,700 this year. Let us not forget that this Government crashed the economy just over a year ago, resulting in these increases and plunging many hard-working people into further uncertainty about their lives and finances.

The mess does not stop there. Taxes are the highest they have been for 70 years, with households set to pay a staggering £4,300 more in tax each year. As colleagues have already pointed out, household incomes will still be 3.5% lower next year in real terms than they were before the pandemic, which is the biggest hit to living standards ever. The Resolution Foundation has stated that this is the first Parliament in which real household disposable incomes have fallen—let that sink in. It is no good hearing the Minister tell us to be “optimistic”—we are actually going backwards. Latest inflation data shows food prices are up 10% compared with last year, with a rise of 30% over the past two years.

With figures like these, it is no wonder that finances are so precarious for many families, as there is simply no way to make their budgets stack up. Chester's local foodbank recently reported feeding 170 people in just one week. One was a single mum, who was working and really well organised, cooking everything in batches and freezing it so the kids would have a hot meal every day, but then the freezer broke and everything was ruined. She was not being paid for another week, so literally had no way of recouping the loss.

Regular, hard-working people are turning to foodbanks because they can no longer make ends meet and make it to the end of the month. People have never been in this situation before. Things are dire. KidsBank, a local charity in my constituency that provides vital support to many in our local community, has reported a striking increase in the number of families using their services for the first time. So far, 1,659 children have been referred to them for support this year—a 23% increase from last year—and there has been a staggering 77% increase in referrals for school uniforms.

Behind each of these statistics is a family struggling to make ends meet and provide for their children, with real stories of heightened anxiety and mental health issues brought on by continued financial difficulties. Imagine being a mum whose husband has left, meaning a reduction in finances. Housing conditions are poor and the family faces anxiety, depression and other mental health issues, and then along comes Christmas. There is no money for warm clothing or Christmas presents. Small charities, such as KidsBank and many others who do brilliant work across the country, are their only lifeline and their only hope. It should not be like this, but that is the reality of many.

As I have said before, it is everywhere you look: our councils, schools, hospitals, police, fire service and courts are all starved of resources. Public sector services hardly got a mention in the statement, but they are on their knees and this Government intend to kick them harder. Britain cannot go on like this. My constituents cannot go on like this.

With Labour, families and businesses would be better off. Over the next decade, Labour's Better Off Plan would help families save £500 a year by insulating homes to make them more energy efficient; save £900 a year by building cheaper, greener, cleaner power across the country through the creation of Great British Energy, a new, publicly owned clean energy generation company; save £400 a year by cracking down on unfair car insurance practices, such as subscription traps and unfair postcode pricing; and save £1,200 a year on mortgage bills, by building 1.5 million homes over a Parliament to keep housing affordable.

The last 13 years have proved that the Conservatives cannot be trusted with the economy, and the autumn statement has shown yet again that they are out of touch. Scraps off the table will not keep hunger at bay. We need change. We need a general election and a Labour Government who will deliver for my constituents in Chester.

1.54 pm

Wera Hobhouse (Bath) (LD): The United Nations has warned that we are on track for 3°C of global warming. That is unacceptable and would be a catastrophe. We urgently need to limit global temperature rises to 1.5°C. We cannot pretend that the UK is safe from climate change. Last year, the UK suffered the most intense heatwave it has ever faced. Hospitals struggled to cope, there were around 3,000 more deaths among people aged over 65 and 20% of operations were cancelled. These impacts will only get worse.

Sadly, our Government are in denial. The Chancellor speaks about economic growth, yet fails to understand that reaching net zero is an opportunity as well as a necessity. The green transition can encourage billions of pounds' worth of investment, yet this Government are ignoring that unprecedented opportunity. The US Inflation Reduction Act and the EU's green industrial plan will see a combined \$670 billion of green investment. Even Canada, an economy smaller than ours, announced a package that offers nearly £50 billion-worth of tax credits for clean technologies. This autumn statement was an opportunity to equal the ambition of our international partners, but the Chancellor is explicit that the UK will not match the ambitions of other countries

If the UK does not invest now, we will turn our backs on investment worth potentially £1 trillion by 2030. I am pleased that the Government plan to halve the time taken to build new grid infrastructure, but why has it taken 13 years to see the problem? I am also pleased the Government will provide tax relief for meeting energy efficiency targets. However, why are they waiting until 2025 to put these measures in place?

All the dither and delay gives the Government time to U-turn on their commitments. Their record speaks for itself, including on transport. After months and years of defending HS2 and spending millions of pounds preparing for it to go ahead, the Government are now in chaos and without a vision. Transport is the largest emitting sector in the UK. Rail produces 76% less carbon dioxide emissions than the equivalent road journey. We must encourage a move away from polluting transport modes, towards greener public transport, such as trains.

Dr Coffey: I hear what the hon. Lady is saying, but instead of building the extra bit of HS2, the money will be used in a variety of ways, mostly on roads and the electrification of train lines. That is an important way of decarbonising our existing rail industry. Between 2010 and 2015, both Secretaries of State, including the current leader of the Liberal Democrat party, were Secretaries of State for the Department of Energy and Climate Change, so they were there when that policy was being developed in a variety of ways, early on in the lifetime of the Government.

Wera Hobhouse: I am not sure what the right hon. Member's question is, but I am not denying that we need to invest more in all these sectors. The worst thing about HS2 is the dither and delay, the back and forth about decisions. That is what wastes the millions of pounds of taxpayers' money and is unacceptable.

The decision to scrap the northern leg of HS2 will mean 500,000 more lorry journeys up and down the country. Meanwhile, as the right hon. Member for Suffolk Coastal (Dr Coffey) has just said, the Chancellor plans to take £8.6 billion meant for the railway to support road use.

The Government also want to increase aviation. I was shocked to hear that Luton Airport has called for an expansion in passenger numbers to 32 million a year. Hertfordshire's skies would become polluted with endless planes and noise. The plans directly contradict the Climate Change Committee's recommendation of no net expansion in airport capacity. I urge the Government to do the right thing: listen to local people from Harpenden and Berkhamsted and block the Luton Airport expansion, which flies in the face of our climate commitments.

This Government have failed to invest in renewables, have failed to support greener public transport, and are now failing to keep our constituents warm. Last winter was devastating, with the average annual household bill increasing by nearly 178%. Many people had to make severe sacrifices in order to heat their homes. It is a scandal that some people had to restrict themselves to one shower per week. This was not a blip. The Government need to realise that, even under the energy price cap, annual bills this winter will be 69% above summer 2021 levels. People need help. Lowering energy bills must be a priority, yet there was nothing in this autumn statement to support my constituents from the increase in energy bills.

[Wera Hobhouse]

We Liberal Democrats propose that the Government implement a social tariff. This would bring in lower energy bills for vulnerable customers. The Government must also ensure that the warm home discount is made available to all customers in vulnerable circumstances. That would prevent a repeat of last year, when suppliers set limits on the number of people who could access this money.

The green transition is a huge opportunity. We need a Government with the political courage to treat climate change with the urgency it demands. The country needs a bold Government with a bold plan. This autumn statement is simply another missed opportunity.

2.1 pm

Richard Burgon (Leeds East) (Lab): Listening to the Chancellor yesterday, it was clear that his words were simply at odds with the lives of millions of people up and down the country. The Tories are acting as if the crisis is over, but the reality is that millions of people in this country are going through the deepest social emergency in decades. Beyond the myths and distortions put out by the Downing Street spin machine, the truth of the autumn statement is that growth has been downgraded—even after what has been called the worst period of economic growth in a century. Living standards have had their largest fall since records began 75 years ago. Wages are set to be no higher in 2028 than in 2008, which means two lost decades of wages for workers. Furthermore, even deeper public service cuts are planned for after the next general election, if the Tories win, deepening the austerity that has not only caused harm to key services on which people rely, but severely undermined growth in the economy.

When we have these big set-piece economic events in Parliament, the economy is talked about, but in such a way that is almost entirely divorced from the lives of people. We should remind ourselves that the economy is meant to serve people. How well it is performing should be judged by how well it is delivering for the vast majority of people. By that simple measure, the economy is failing.

We have a deepening social emergency. Some 14 million people are living in poverty, including 4 million children, in what is meant to be the sixth richest economy on Earth. One in seven people face hunger across the UK, according to the Trussell Trust, which is around 10 million people. We have more branches of food banks than we have branches of McDonald's. Homelessness in our society is on the rise, as rents and mortgages soar, and of course that is just the tip of the iceberg, with many more families living in totally unsuitable, overcrowded and temporary accommodation.

Six million households are in fuel poverty, according to National Energy Action, and so are unable to afford to heat their homes to the temperature that is needed to keep warm and healthy. Sick people are unable to get the treatment they need because of the Government's neglect of the NHS, creating record waiting lists.

This social emergency is not affecting us all. For some, the past few years have been boom time. Britain's super-rich boosted their wealth by £31 billion over the past year alone, at a time when living standards have been under a near unprecedented attack for everyone else. This is no one-off; the wealth of British billionaires

has increased by more than £430 billion over the past decade. Such vast fortunes are hard to imagine, so to put it another way, they have increased their wealth by £120 million every single day for the past 10 years. This soaring wealth of the billionaire class is the flipside of the weak wages that we see across society. As the share of the economy going to workers has gone down, so the share of the economy going to the super-rich has gone up.

Such soaring inequality is one reason why I have been campaigning for a wealth tax. Such a tax could create a huge social emergency fund to help people during this crisis. It could provide the much-needed funds to help rebuild the public services that have been hit so hard by a decade of austerity, and fund the investment that we need to build the infrastructure for a greener, fairer, high-wage economy. An annual wealth tax of just 1.5% on assets over £10 million would raise around £12 billion a year. It is worth pointing out here that this would apply only to wealth above £10 million. This is a measure that is backed by three out of four people, including more than two thirds of Tory voters.

Other reforms to tackle wealth inequality could also raise billions of pounds more. For example: equalising capital gains tax with income tax rates would raise up to £15 billion a year; tackling the non-dom tax break for the super-rich would raise up to £3 billion a year; and ending fossil fuel subsidies for oil and gas companies could raise £4 billion a year.

I wish to end my comments today on one sector that has been doing very well out of this crisis, and that is the banks. The banks, in my view, must now be made to pay their fair share. Just like the energy companies, the banks have used this crisis to line their pockets with windfall profits. They have done that by charging higher interest rates for loans but not passing the money on to savers—easy money indeed. Therefore, just like the energy companies, the banks should face a windfall tax on such unexpected and frankly unmerited gains. The pre-tax profits of the four big banks—Lloyds, Barclays, HSBC and NatWest—are up 79% so far this year, compared with the same period in 2022.

Spain's progressive Government offer one example of what a windfall tax could look like. They introduced a 4.8% windfall levy on certain bank incomes above a threshold of €800 million. Replicating that here could raise almost £4 billion this year. But perhaps the simplest move would be to reverse the tax break for banks that the Prime Minister introduced. He slashed the surcharge on bank profits from 8% down to 3%, which has rightly been described by the TUC general secretary, Paul Nowak, as starving our public services of much-needed funds at the worst possible time. Reversing it could provide billions each year, for example, to introduce universal free school meals, to scrap the two-child cap, or to fund a proper pay rise for junior doctors. Let us not forget that the banks were bailed out when they were in trouble during the 2007 global financial crisis. It is now time for them to be taxed fairly, to help bail out our communities who are now in such difficulties.

2.9 pm

Paula Barker (Liverpool, Wavertree) (Lab): My constituents in Liverpool, Wavertree have suffered immensely over the past 13 years. I listened to the Chancellor talk about "compassionate" conservatism yesterday—a truly disgraceful claim. Where is the compassion in implementing mandatory

work placements for those on long-term disability benefits, or they run the risk of having their benefits cut off? The Government must think that we have forgotten the nightmare that came into force on 31 October this year when they lifted the cap on bankers' bonuses. Where is the compassion in that? It is the same old story, just a different day.

The story of the first five years of this Government were of the very poorest under attack, with savage cuts to local government and continual blows to the frontline services that those living at the sharp end relied on. However, house prices continued to rise, and the middle were squeezed but largely shielded from the effects of austerity. Household debt rose too, and now we have come full circle. One of the key architects of austerity is back as our new unelected Foreign Secretary, while his Chancellor, the former Member for Tatton, is thankfully sticking to podcasts and museums.

In so many of our communities over the past 13 years, the state has been peeled back, yet as a country we now spend more, working people are taxed through the nose and, worst of all, we receive significantly less in the way of essential services. School buildings are crumbling, statutory services such as social care are on their knees, and people cannot see their GP or get a hip replacement. Put a bit aside for a rainy day? Not a chance—that is now being spent on increased mortgage payments. Splash out on that much-needed family holiday abroad? Maybe next year.

The sums simply do not add up. People feel ripped off because they are getting ripped off by a Government who have abandoned their self-proclaimed base and retreated to their friends amongst the 1%—a Cabinet of millionaires who look after millionaires. No one in my economically diverse constituency in south Liverpool is now immune to the effects of the Government and their economic dogma—the rising tide that sinks all boats, apart from the yacht.

In Liverpool, those on moderate to higher incomes do not vote for the Conservative party, and where Liverpool leads, others of course follow. People are awakening to the con elsewhere. Using the Conservative party's own terms, it does not pay to be a striver under this Government. It certainly does not pay for someone to own their own home or be on a moderate income. No longer can Government Members sit there and hoodwink the British public. No longer can they take with one hand and give back with another.

I hope that my constituents tuned in to watch yesterday's autumn statement, to see at first hand the unedifying spectacle and back-slapping that we witnessed on the Government Front Bench. While the Chancellor was as pleased as Punch with his cut to national insurance, it was simply to lessen the blow that, come January, the energy price cap will rise by 5%, meaning that a typical household will pay between £30 and £45 more per month. That is the difference between heating and eating, as we so often hear. It was yet more of the smoke and mirrors that we have become accustomed to from the Government.

In the real world, my constituents are making real-life choices about how best to provide for themselves and their family, day in and day out, to make their rent and mortgage payments and have enough left over for a trip to the cinema later in the week, or to buy that item on their children's Christmas list that would induce a sharp

intake of breath from any parent. That is what economics is. It is how ordinary people live their lives—the lives that they are afforded to lead, and the choices that they can make. Are they able to flourish, provide for their loved ones and lead a life with human dignity at its core? For many millions of our people, life is so difficult now, and the Conservative party bears the responsibility.

Let me warn all major parties of Government. The private rented sector is out of control and has lost all sense of proportion. While I welcome yesterday's announcement on local housing allowance, the uplift in LHA is merely the Tories trying to rectify their own disastrous policies. Three years of freezing local housing allowance has resulted in a catastrophic surge in homelessness, with more than 130,000 children forced into temporary accommodation, and a soaring rise in destitution across the country. Never again can a Government freeze LHA without knowing that they are deliberately pouring gasoline on to the housing and homelessness emergency. To do so is not just morally reprehensible but economically illiterate. It shifts the responsibility to cash-strapped local authorities that are buckling under the strain of runaway costs in temporary accommodation, with the bill for England now sitting at a staggering £1.7 billion.

Behind the temporary accommodation figures are individual stories—over 100,000 human stories of trauma and despair. Children penned up in bed and breakfasts. Babies without cots, increasing the risk of sudden infant death syndrome. Domestic abuse victims languishing in hostels. Ex-offenders contemplating reoffending to spare themselves the indignity of years in a hostel. Like social care, the housing crisis is another elephant in the room. Until we have built the homes that this country needs, and brought the private rented sector under control, never again can we freeze local housing allowance. The consequences are simply far too grave.

Following yesterday's autumn statement, everyone in this House, in the media, and among the public is clear that Government Members are gearing up for a general election, probably in May. The simple thing would be for them to put us all out of our misery and call a general election now.

2.16 pm

Imran Hussain (Bradford East) (Lab): It is a privilege to follow some excellent speeches, largely from Opposition Members. I wish that I could say different. Whether people agree or disagree with my right hon. Friend the Member for Hayes and Harlington (John McDonnell), I think that everybody would agree that he has considerable experience in the decades that he has been here. For him to say that this is the first time that he has seen the Government Benches so empty on the day after an autumn statement speaks volumes. It is a tragedy that we now have a Government who not only have delivered an autumn statement that will do nothing to address the real issues in our communities, but fail to turn up to defend it.

Like hon. Members across the House, on the weekends I try to be out and about in my constituency, talking to local residents about their concerns. Outside of an election period, I usually expect some friendly chat—not always, but usually—and for local issues around transport, education, policing or the environment to be discussed. Last weekend, however, conversations were largely about the autumn statement—people's expectations, and their families' struggles with the rising cost of living.

[Imran Hussain]

What was clear from those I spoke to was the sense of utter despondency and despair about their economic situation, and that of the country, even among those living in the parts of my constituency that are considered more well off, and those who identified themselves as previous Tory voters. They knew that, while their family grapple with the rising cost of living, the Government just tinkered around the edges or sat on their hands, making it clear that the autumn statement would not deliver for my constituents, make their lives easier or leave them better off than before, regardless of how hard they worked. If they watched the Chancellor deliver his autumn statement yesterday, they will have been bitterly disappointed, but they will not have been surprised. They will have been vindicated in their low expectations of the Chancellor and in their realisation that ultimately they will never be better off under a Tory Government.

After all, what was there in this autumn statement for those who have just about managed to get by over the past 13 years—those who have just about managed to make ends meet with rising energy bills, rising food costs and rising fuel prices, but who last year had their household finances pushed over the brink by the reckless budget of an ex-Prime Minister who still, bizarrely, thinks that the country wants to hear her economic ideas? The answer to that question is “Nothing”.

The four-point plan that the Chancellor announced yesterday to tackle the cost of living included uprating benefits, unfreezing local housing allowance and increasing the state pension. While those are all welcome measures, none of them are applicable to a typical family struggling with mortgage, fuel, food and energy costs, and if the Government think that the fourth measure, which means that a pint will not cost any more than it does now, is the priority for that family, that just shows how woefully out of touch they really are.

What that typical family needed to hear yesterday was a real plan to spread economic growth across the country: a proper windfall tax on oil and gas giants, who continue to make billions of pounds, a guarantee that the very richest will pay their fair share, as that family is doing, and a strategy not just to raise the wage floor with a rise in minimum wage, but to raise middle and average incomes, which have stagnated in real terms over the past 13 years. Instead, they heard more of the same steps, measures and announcements that they have heard over those years, the same ones that have led us to the economic mess of low growth, low ambition and low pay that we are in now.

Not only does the Chancellor’s autumn statement fail to support such families, but it fails to offer any meaningful support to those in Bradford living in poverty, in some of the worst deprivation in the country, who need the greatest help in overcoming the barriers placed in their way through no fault of their own. As I have had to say in this Chamber before, 50% of my constituents are now living in poverty, and I should not have to say this, but they did not choose to be in poverty.

The tragedy is that time and again from Conservative Members and from this Government we see a narrative that somehow people wake up one day and choose to be born into poverty or to live in poverty. We are the fifth-richest country in the world. It is disgraceful. It is disgusting. The poverty that we have in our streets today

is sickening. The destitution we have today is disgraceful. It is disgraceful and sickening that children today are going without food, that people are being forced into homelessness and that mental ill health is now dramatically on the rise without any treatment whatever.

Let us be clear about what got us here. It is political choices, and 13 years of this Government, with their ideological austerity agenda and their attacks on the poorest, have contributed to that. What does this autumn statement do to address any of that? It does nothing. For the poorest and the most vulnerable, the Chancellor ultimately offered nothing—and in some cases, as other hon. Members have said, he even launched an outright assault on them.

The Chancellor may have increased benefits in line with the higher September rate of inflation, but not before dangling the possibility of a much lower rate, causing sleepless nights for 2 million households who have even had to turn their fridge or freezer off because of the cost of living crisis. He may have ended the local housing allowance freeze, but he has still not provided real investment to deliver social housing, which means that, while people will find it a little easier to pay their rent and put food on the table, many still will not have a table in their own home to put it on.

The Chancellor also failed to fix the vital welfare safety net, left broken by his predecessors, which is no longer able to guarantee the essentials for those facing hardship. He has also set in motion another wave of brutal austerity by front-loading his tax cuts and deferring the tough decisions, making it clear that not only is David Cameron, now Lord Cameron, back in Government, but so too is his brutal agenda of ideologically driven austerity cuts to services that the most vulnerable people rely on. The Chancellor has also deliberately ignored an opportunity to create a more compassionate system that is responsive to the needs of the less fortunate, and he has launched an outrageous attack on disabled people with his ill-thought-through plan to try to get them into work.

Last month, I spoke on a panel on how Governments can support disabled people in the workplace and into employment. The panel discussed improving flexible working arrangements, fixing a broken sick pay system and strengthening the rights of disabled people at work. It certainly did not discuss threats and coercion to force those who cannot work to take up employment. It is clear that once more the millions of disabled people across the country are being used as scapegoats by a Government that have lost their moral compass. All I have to say is, “Shame on the Chancellor and every Conservative Member who condoned this attack on some of the most vulnerable in our society.”

After the passage of 13 years, people across Bradford expected to be better off. They did not expect to be in a worse position than they were a decade ago. Yet, after this Government’s reckless mismanagement crashed our economy, that is sadly where we are. Instead of a real plan to fix the country and undo the mess that they have made while they have been in charge, all we got yesterday was a last-ditch effort from a Tory Chancellor to recover his own credibility and prop up the disastrous premiership of a Prime Minister whose fingerprints from his own time as Chancellor are all over the mess they have left us in.

I join the call, which I think the Opposition have made clear, for a general election now, so that the British people can have their say and remove this Government that have been in for too long, causing misery to people's lives.

2.28 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to follow the hon. Member for Bradford East (Imran Hussain). I hope those on his Front Bench were listening to the contributions from him and some of his fellow Labour Members, because it is important that we talk about plans to remedy things and help the poorest in our society.

This is clearly a zombie Budget from a zombie Government—a Budget so good that, as others have said, the Back Benches on the Government side are practically empty. If it was meant to be a pre-election Budget, it is a pre-election Budget that is not generating any confidence among Conservative Back Benchers, because none of them wants to be here to debate it and try to talk it up.

It is a bold Chancellor who tells us that he is cutting taxes when we still have the highest tax burden in 70 years, with more tax rises on the way, and at the same time living standards continue to fall. Just today, Ofgem has announced that the energy cap will increase again in January—it will still be approximately double what energy costs were two years ago. It is little wonder that the OBR predicts that living standards this year will be 3.5% lower than before the pandemic.

The Chancellor was bold enough to talk about wage growth, but let us look at the detail. The Resolution Foundation confirmed that it will take until 2028 to get overall wages back to 2008 levels—two lost decades of wage growth. At the next general election, it will be the first time ever that household incomes have been lower at the end of a Parliament than they were at the start.

It is clear that the Budget does nothing for the approximately 6.3 million fuel-poor households. Ofgem has confirmed record cumulative energy debts of £2.6 billion, so we are still in the grip of a cost of energy crisis. The Tories tell us that we should be grateful for the energy support package, which cost in the order of £40 billion, but let us look at the example of Norway, which is drawing a further £30 billion from its sovereign wealth fund this year alone. That will not even make a dent in its £1.1 trillion sovereign wealth fund—yes, £1.1 trillion, which makes it the biggest such fund in the world. Energy-rich Scotland still exports six times more oil and gas than it consumes, and yet we are supposed to be grateful that the UK as a whole is planning to slightly reduce its £2.5 trillion debt. All those oil and gas revenues have been frittered away through short-term planning. Norway did not create its fund until the 1990s, so it is a disgrace that we do not have a North sea legacy to fall back on in these hard times.

We are also supposed to be grateful about the 2% cut to national insurance contributions, and that the Tories have—so they claim—reduced inflation from 11.4%, even though they were partly responsible for the high rate because of the disastrous mini-Budget and the impacts of Brexit. It is curious that the Government tell us that they are not responsible for high inflation as it is a global issue, and that high interest rates are set by the wholly independent Bank of England, but now that inflation is falling, we are to believe from the autumn statement that the Government's actions have brought

it down. The Government appear to be responsible for inflation rates only when it is good news and they are going down—that is quite a trick.

Let me return to household energy. It is a scandal that about a fifth of UK households are living in fuel poverty. It is a bigger scandal that energy-rich Scotland has fuel poverty at all, as well as the highest energy bills and some of the highest standing charges just to access the energy grid. Those standing charges mean people cannot afford to heat their homes properly. Indeed, the Joseph Rowntree Foundation estimates that 2 million people are switching off their fridges and freezers intermittently to save on energy costs. This autumn statement will do nothing to help those people—or, if it does, any money that goes into their pockets in January will quickly be removed in April as the tax threshold freeze means more people become liable for income tax. Households are paying on average £800 a year more on energy costs than two years ago, but the warm home discount scheme has increased from £140 to £150 a year. It is plain: the sums do not add up. However, the Government have also reneged on their pledge for a social tariff to help the most vulnerable with their energy costs.

Let us look at the national insurance cut in the round. Although hard-working people, especially those on the eligibility threshold, will of course welcome having to pay less, it is unfortunately no coincidence that the £19 billion package to support the cut will be offset by £19 billion of public spending cuts that are still to be determined. Who is most affected by public spending cuts? Of course, it is the lowest paid and the poorest in our society. Such spending cuts make a further mockery of the Government's so-called levelling-up agenda. The budget of the Department for Levelling Up, Housing and Communities was halved in the statement, which says everything about levelling-up targets. If the Government introduce a tax cut via emergency legislation, only to pay for it through future departmental cuts, they cannot possibly claim that that is part of responsible Government taking long-term decisions for the economy. It is quite clearly a gimmick to capture headlines.

In Scotland, of course, we are also meant to be grateful for the Barnett consequential, which have already turned out to be lower than was announced. The Scottish block grant itself is being cut in real terms in the autumn statement. Next year, the grant increases from £35.8 billion to £36.9 billion, but if we compare that increase with headline inflation from September, it is clearly a real-terms budget cut of about 3.5%, or £1.3 billion, for Scotland.

Then there is the capital budget allocated to the Scottish Government, which is being cut outright from £6.2 billion to £5.6 billion in two years' time. That is not even a real-terms budget cut, but a hugely damaging slashing of the budget, at a time when the Scottish Tories demand that the Scottish Government invest in all sorts of infrastructure projects. I am sure that the Scottish Tories will recognise this conundrum of a cut budget, demand that the capital budget is restored, and recognise the pressures on the Scottish Government, let alone the inflationary pressures on projects that are already under way. *[Interruption.]* As my hon. Friend the Member for Glenrothes (Peter Grant) points out, no Scottish Tories are even here to talk about the statement.

On infrastructure, we are yet again being let down by the lack of progress on agreeing an electricity cap and floor mechanism for pumped storage hydro. That means

[Alan Brown]

further delays to SSE's Coire Glas scheme and Drax's Cruachan dam extension. We keep hearing that the Government want to unlock private investment. In pumped storage hydro, private investment in the order of £2 billion to £2.5 billion would be unlocked by agreeing an electricity export mechanism for those schemes. That would create jobs in the highlands of Scotland and, importantly, provide better balance for the grid, reducing bills overall. Why the continued intransigence from the Government on pumped storage hydro?

Despite talk of investment in green energy, the statement and the Green Book do not mention energy storage even once—that is a dereliction of duty. Tidal stream, in which Scotland leads the way, is not mentioned either. Looking at the statement in detail, the so-called £4.5 billion manufacturing investment and the £960 million green growth accelerator do not have corresponding budget lines, so those announcements are clearly recycled announcements, in the finest style of this Government.

As we have heard, the indicative blank cheque for nuclear was mentioned once again. We have the fantasy of small modular reactors, but they are not actually small. First, they exceed the industry definition in terms of generation capacity, and secondly, they are the size of two football pitches, which is not exactly a small footprint. The terminology is designed to make them sound small and cosy when they are anything but.

Let us look at the evidence on the development of these projects. The most advanced SMR project in the world, NuScale in Utah, has just been shelved because capital costs have increased to \$9 billion—the equivalent of over £7 billion. That is evidence that SMRs are too expensive to progress, but the UK Government are pretending they can deliver them for about £2 billion per reactor. That makes no sense, especially when nuclear technology is generally more expensive in the UK anyway.

We now come to my hobby-horse: Sizewell C. Despite the cost of Hinkley Point C increasing from £18 billion to £33 billion, the rampant inflation we still have and Sizewell C being built on an area subject to coastal erosion and flood risk, we are told that it will magically provide value for money and be cheaper than Hinkley Point C. It is truly delusional. No pension funds want to invest in Sizewell C, and the Government have the begging bowl out. Despite introducing the regulated asset base model and transferring further risk to bill payers, they are still struggling to raise finance.

It is time that the Government ended this charade. It is bad enough that over £1 billion has already been spent just on design development for Sizewell C. That is £1 billion that could have been spent on energy efficiency measures, infrastructure or even further energy support schemes.

Peter Grant: Is my hon. Friend surprised or disappointed, or is it purely to be expected, that there is not a single word about insulation or energy efficiency measures anywhere in the autumn statement?

Alan Brown: All of the above. It is infuriating. If the Government were to listen, even the energy supply companies want them to invest more in energy efficiency and insulation. Right now, in the ECO4 scheme—energy company obligation 4—the companies cannot even find

the requisite number of properties to upgrade. As that goes on, we are losing the supply chain instead of building it up.

If we really want green growth, green jobs and lower energy bills, it is perfectly obvious that more money should be spent on energy efficiency. Ironically, the Government never listen to that, but they should listen to the third sector and the energy companies who praise the Scottish Government for their direct investment in support of energy efficiency programmes. In contrast to the Government's blank cheque for nuclear, Scottish renewable projects still have to pay the grid charging penalty, making it harder for them to compete in the contract for difference auctions.

This autumn statement means that we still have an incoherent energy policy. It does nothing for Scotland. Hard-working families are still going to suffer, living standards are still falling, and the disabled are now threatened with losing support unless they are forced into jobs not of their choosing. It is not difficult to choose a different path for Scotland—it is a path that other smaller countries in western Europe are already on, so why not Scotland? It is time we took that different route.

Mr Deputy Speaker (Mr Nigel Evans): We now come to the winding-up speeches. I call the shadow Minister.

2.41 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): I want to paint a clear picture of the economic landscape facing families and working people across our nation—a landscape marked by challenges and hardships under the current Government. This reality is not just my opinion but has been highlighted most starkly by the Resolution Foundation. Households are expected to be £1,900 poorer because of the policies implemented by this Tory Government. As the shadow Chancellor, my right hon. Friend the Member for Leeds West (Rachel Reeves), eloquently explained, this is the first Parliament in which real household disposable incomes have fallen. This confirms what people feel in their pocket and see on their bank statements.

Today, as I close this debate on an issue of paramount importance for not only our economy but the lives and livelihoods of millions across our country, I am reminded of two words: thirteen years. The last 13 years have been not just unlucky for some but devastating for millions who are finding it harder to get by and for everyone using public services, which have literally been run into the ground. After 13 years of Conservative Government, this is where we find ourselves.

Globally, in the last 13 years we have seen technology leap from flip-phones to virtual reality, witnessed three World cups and three royal weddings, and seen humanity land a rover on Mars. Perhaps it is easier to explore other planets than it is for this Conservative Government to get our economy growing and improve the living standards of working people. Over the last 13 years, the Conservatives have weakened our national health service, made working people worse off, increased our rates of relative poverty, reduced opportunities and hampered economic growth.

As my hon. Friend the Member for Stretford and Urmston (Andrew Western) rightly said, this statement reveals the scale of Conservative economic failure. Household incomes are set to be 3.5% lower next year

in real terms than they were pre-pandemic—the biggest hit to living standards on record, as elucidated by my hon. Friend the Member for Streatham (Bell Ribeiro-Addy). Real wages are set not to rise but instead to fall this year by 0.7% and are almost flat next year. Real average earnings, according to the Resolution Foundation, are not forecast to return to their 2008 peak until 2028, marking a totally unprecedented 20-year pay stagnation—a point hammered home by my hon. Friend the Member for Leeds East (Richard Burgon).

Worse still, the highly respected independent Office for Budget Responsibility confirms that the worst is yet to come for mortgage holders, with rates peaking at far higher than previously expected. The Government's economic recklessness means a Tory mortgage penalty right across the country now and in the future. My hon. Friend the Member for City of Chester (Samantha Dixon) lamented the dire predicament faced by her constituents. Likewise, in my Slough constituency, families with a mortgage are now expected to find £290 more per month. I ask the Minister quite simply, where are they meant to find that in their already stretched budgets?

This Government's rhetoric is at odds with their tax-raising reality over this Parliament, as explained at length by my right hon. Friend the Member for Hayes and Harlington (John McDonnell), who spoke with great passion and experience. Sadly, people cannot pay the bills with the boasts and hot air from Conservative Ministers. Let us not forget that in this autumn statement, despite their pledge to cut taxes and reward hard work, the Conservatives have introduced 25 tax rises—yes, 25—hitting working people and business. Are this Government the proud parent of this 13-year-long project? Growth has stagnated and opportunities have dwindled. As the shadow Secretary of State for Business and Trade, my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds), remarked, growth has been revised down for next year, the year after that and the year after that as well.

While Ministers try to explain away their failures, let us look at our international standing. The UK economy currently stands in sharp contrast to the dynamism and potential seen in other sectors globally. The UK is set to have the weakest growth among the G7 in 2024, according to the International Monetary Fund. It is as if those on the Government Benches have entered the race but are still stuck in first gear. This failure to get a grip of our economy has serious consequences, including poverty, which my hon. Friend the Member for Liverpool, Wavertree (Paula Barker) described in painstaking detail.

Under the Conservatives, the tax burden has risen by a staggering £4,300 per household. Despite the rhetoric of tax cuts, the reality is that this autumn statement has failed miserably to alleviate the burden placed on people by this Government. Going into the autumn statement, the Conservatives had already put in place tax increases worth the equivalent of a 10p increase in national insurance. Yesterday's much-hyped 2p cut clearly will not compensate for the Government's tax increases; neither will it compensate for higher monthly mortgages or for worse public services, which, as my hon. Friend the Member for Warwick and Leamington (Matt Western) highlighted at length, have been decimated. The Conservatives are like a burglar who empties your entire home, but then expects you to be grateful when they give you back your toaster. The public will rightly see through what the Chancellor has presented in this autumn statement.

In an era where innovation should be flourishing, we are instead witnessing a climate of hesitancy and stagnation. Businesses—which are the backbone of the economy—feel this, and Labour rightly understands it. From my personal journey of building and growing a start-up construction business, I know full well the challenges that need to be faced in order to reach success. That experience in the growth economy contrasts starkly with the current economic climate under this Government. Yesterday, for example, the Institution of Civil Engineers highlighted the National Infrastructure Commission's call to make faster progress on long-term goals for infrastructure. The ICE's verdict on the Government was that

“for those looking for direction from the chancellor on how the UK will pick up the pace, today's autumn statement was disappointing.”

It is right to be concerned.

The OBR projects that long-term business investment will continue to fall, with gross fixed capital formation by corporations now significantly lower than under the last Labour Government 13 years ago. That trend is only exacerbated by the autumn statement's lack of a coherent industrial strategy—indeed, where is the Government's industrial strategy? Their myopic policies fail to inspire confidence or stability in our business sector.

Some important and powerful contributions have been made in this debate, including that of my hon. Friend the Member for Bradford East (Imran Hussain), who encapsulated exactly why the British people have had enough.

Alan Brown: On the topic of construction and the hon. Gentleman's connected point about industrial strategy, does he agree that instead of spending £30 billion to £40 billion on Sizewell C nuclear power station, that money would be much better invested in renewable energy, accompanied by an industrial strategy to create a proper UK-based supply chain?

Mr Dhesi: The Labour party believes that we must see a focus on renewable energies as we transition the economy, which includes investment in the nuclear sector. The hon. Gentleman rightly highlighted the construction industry; from my various conversations with leaders in that industry, I know they have been put in a very difficult position by this Government's lack of direction, especially with regards to the building of housing. As many hon. Members have rightly highlighted, we have a housing crisis, so where is the Government's investment to deal with that crisis and ensure that our construction industry grows, thereby providing more jobs for the hard-working British people?

Dr Coffey: Can the hon. Gentleman clarify the answer he just gave to the hon. Member for Kilmarnock and Loudoun (Alan Brown)? Sizewell C is in my constituency, so I just want to get clarity: does the Labour party support what the Government have done so far in investing in Sizewell C, and does Labour support its ongoing construction?

Mr Dhesi: I am not here to speak at length about the particular details of each project, including the sizeable project in the right hon. Lady's constituency, but as far as the Labour party is concerned, we believe in various forms of energy, but they must come with value for money for the taxpayer. That is why we will have an office for value for money under a Labour Government.

[Mr Dhesi]

To conclude—as I am sure you will be pleased to hear, Mr Deputy Speaker—it is clear that we need a new direction. After 13 years of missed opportunities and fiscal mismanagement, Labour is ready to write a new chapter for Great Britain, and one in which hard-working people are rewarded, not penalised. We understand the challenges faced and have a clear actionable plan. We will lift the barriers to business investment through our long-term industrial strategy and our green prosperity plan, resolving to create jobs, grow our economy and cut energy bills, as well as being transparent on economic management and always ensuring value for money for the taxpayer. Our country has phenomenal potential. Britain deserves better than the Conservatives, who over their 13 years in power, have made most people in our country much worse off. It is time for a change. It is time for a Labour Government.

2.55 pm

The Exchequer Secretary to the Treasury (Gareth Davies):

I think this is my first opportunity to welcome the hon. Member for Slough (Mr Dhesi) to his position, and I wish him well in it, but obviously not too well.

I pay tribute to the Under-Secretary of State for Business and Trade, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake), who opened this debate brilliantly. He is someone who knows business because he comes from business. I also want to thank all right hon. and hon. Members from across the House who have spoken for their very detailed and thoughtful contributions, and I will try to respond to as many points as I can.

Before I do that, I want to reflect on the measures that we are here to discuss and which were set out in the Chancellor's autumn statement yesterday. I take the view that everyone in this House wants the best for their communities and the people of this country, and I think we broadly agree on several points in that regard. I think we agree that we want a thriving economy, with well-paid reliable work available in every corner of the country for years to come. We want households to be better off than they were in years gone by, and we want opportunities for everyone to progress in life and to provide for the people they care about. If we can agree on that, I would hope that we all agree that this is an autumn statement that delivers, and principally delivers growth.

This autumn statement announces a range of measures to grow the supply side of our economy by supporting increased business investment. Taken together, these measures will build over time to raise business investment by some £20 billion per year and reduce the business investment gap that has grown to what we have today. It is because we are backing business—British businesses—that our economy and our investment levels will rise. It is business that creates jobs, which raise household incomes. It is businesses that design and build the technologies of tomorrow, and level up our towns, our committee and our villages. It is businesses that contribute billions and billions in tax revenue, which pays for our public services. To back our businesses is to back our economy and our country's prospects for the future.

Businesses are vital to our future technology and our future ambitions when it comes to net zero, as was mentioned by the hon. Member for Bath (Wera Hobhouse). The £4.5 billion we are making available to our strategic

manufacturing sectors over five years will mean more zero-emission vehicles. It will mean more aerospace and life sciences technologies, and more green energy solutions built right here in this United Kingdom. We are providing £960 million for the green industries growth accelerator, pushing even further on our advantages in offshore wind, nuclear, CCUS and hydrogen. I just say to the hon. Member for Kilmarnock and Loudoun (Alan Brown), who is a long-standing campaigner on energy, that we do need a balanced mix in our energy provision, and that is key to our national security as part of our energy security.

Businesses are vital for our high streets, so we have extended the 75% business rates discount for retail, hospitality and leisure businesses for another year, saving the average pub more than £12,800 next year. I pay tribute to my hon. Friend the Member for Broxtowe (Darren Henry) not just for the speech he made, but for the campaign he led on that measure. Businesses are vital for spreading opportunities, so my right hon. Friend the Chancellor has extended the investment zones programme and the freeport tax reliefs from five years to 10 years. He announced plans to set up a new £150 million investment opportunity fund to capitalise further investment in that programme. That goes alongside the 13 new investment zones—in west Yorkshire, the east midlands, the west midlands, Greater Manchester, Wrexham and Flintshire and several other places—which will generate billions of pounds in investment and create thousands of jobs throughout the country.

However, what is most eye-catching for all businesses is that we have listened to the asks of the CBI, Make UK, Siemens and more than 200 business leaders and industry bodies who said that the single most transformational thing we could do for business and investment growth was make full expensing permanent, so that is exactly what we did. It is something we can only do because of the strong economic position we have built in this country, and I pay tribute to my right hon. Friend the Member for Suffolk Coastal (Dr Coffey) for her support for this measure. Every £1 million a company invests as a result of this measure means they will get £250,000 off their tax bill the very same year. This gives us the lowest headline corporation tax in the G7, as well as the most generous plant and machinery capital allowance anywhere. Again, the OBR says that this will make a huge contribution to our economy, increasing annual investment by £3 billion a year and a total of £14 billion in the forecast period.

While the United States, Canada and Australia are all dispensing with full expensing, we are making this a cornerstone of our economic approach, giving a clear welcome to international businesses that want to come here, set up and employ our people. Coupled with the headline recommendations of the Harrington review, this can make the UK a brilliant place for international investment—even more so than it already is today.

But our plans are not only for large businesses. By cutting class 4 national insurance by 1%—again, as referenced by my hon. Friend the Member for Broxtowe—and abolishing the class 2 national insurance entirely, we are saving some 2 million self-employed people an average of £350 a year from April. Together with our national insurance cut for 27 million workers, this is proof that, whether people work for themselves or for someone else, under this Government work will always be rewarded.

We on the Conservative side of the House believe in the dignity of work and the security of a regular pay cheque. That is why we did not just cut national insurance; we have increased the national living wage by a record amount. But we know that inflation has hit families hard. It has hit individuals and businesses throughout this country. Inflation makes everybody poorer. It was caused by a global pandemic and a global energy shock, and although we have seen it come down, we need to keep on going.

The hon. Member for Leeds East (Richard Burgon), the right hon. Member for Hayes and Harlington (John McDonnell), the hon. Member for Glenrothes (Peter Grant) and others have all raised concerns about living standards, and I share them. It is why we have increased pensions by 8.5%, as referenced by my hon. Friend the Member for Poole (Sir Robert Syms), it is why we have uprated benefits by 6.7%, and it is why we have uprated the local housing allowance. That is on top of the £94 billion on energy support and the £900 cost of living payments that are going out throughout the country.

Peter Grant: Is it correct that the prediction that we are going to see the biggest fall in living standards that most of us have ever lived through is after all the things in the autumn statement the Minister has just referred to, so even taking into account all the good measures he has mentioned today and his colleague the Chancellor outlined yesterday, people are going to be poorer, with the biggest drop in living standards that any of us has ever seen?

Gareth Davies: As I have said, we know that families have suffered through a period of dramatic inflation. It peaked at 11%. We made a commitment at the start of this year to cut it in half and we met that commitment last week. The No. 1 thing we can do to make people feel better is bring down inflation. The provisions in the autumn statement will undoubtedly put money in the pockets of the people who need it most, but ultimately on this side of the House we believe in the dignity of work; we believe that the best route out of poverty is through a job, and the growth that we will boost through these measures will help achieve that.

We have made inflation our top priority and we have delivered on that commitment, as I just mentioned to the hon. Gentleman. I want to pick up, however, on one point raised throughout the debate, not least from the Opposition, who implied that the Government had done nothing to bring down inflation and that was nothing to do with this Government. I want to stress that the International Monetary Fund disagrees with them. The IMF has said that we have taken decisive action to bring down inflation, complementing the Bank of England. The Bank of England has the primary monetary policy tool of interest rates, but we in the Treasury and across Government have taken incredibly difficult decisions to ensure that we do not exacerbate inflation. We have also introduced measures such as the energy price guarantee, which essentially paid for half of people's energy bills across the country. That, by the way, was referenced by the OBR as knocking 2% off headline inflation.

Matt Western: I welcome the hon. Gentleman to his place. He was talking about the Government having a role in inflation and responsibility for it, but he must

accept that the decisions made a year ago with that kamikaze Budget fuelled inflation. That is why we have an inflation premium compared with other nations.

Gareth Davies: I am grateful that the hon. Gentleman raises that point, as I looked into it, and there is zero evidence for what he suggests. If he has evidence, he should provide it. We know that inflation was caused by two major factors, and I am happy to go through that in detail at another time. Global inflation was caused by global factors caused by the impact of a global pandemic. Supply chain shortages have caused prices to rise across the world, and then we had the war in mainland Europe, caused by Putin's invasion of Ukraine, which caused energy prices to spike, and gas prices went up around the world. We in the UK are particularly dependent on gas, which is why inflation increased. It is also why we stepped in with the energy price guarantee to cut every constituent's bills in half.

Alan Brown *rose*—

Peter Grant *rose*—

Gareth Davies: I do not know how they want to fight it out. I will take the hon. Member for Glenrothes (Peter Grant).

Peter Grant: On the question of dependency on gas, the Minister's country might be dependent on imported gas, but can he explain to constituents in Scotland how a country that has more energy than it needs should be so badly affected when the price of that energy increases?

Gareth Davies: I simply point out that that did not stop the Scottish Government accepting our energy price guarantee for Scottish households, where we paid half of energy Bills. However, the hon. Member makes a broader point about energy supply. We on the Government Benches fully support the Scottish oil and gas industry. We believe that we will need oil and gas for years to come, and we will support the 200,000 jobs that the industry supports.

Alan Brown: Will the Minister give way?

Gareth Davies: I will make a bit more progress, if that is all right.

I also want to address the comments of the hon. Member for Warwick and Leamington (Matt Western) on France. It is a great country, but I have to tell him that since 2010 the UK has grown faster than France. Indeed, the IMF has forecast that the UK will grow faster than Germany, France and Japan by 2028, so I do not recognise his comparisons. However, he is right that productivity is a problem in this country, which is why we are investing in our businesses to grow and improve productivity, but in order to boost growth sustainably we need to focus on business investment, and that is what this statement does.

This statement backs business to create jobs, to innovate and to ensure that as a country we can go from strength to strength. That is why I will be proud to vote for its many measures to support the entire country.

Ordered, That the debate be now adjourned.—(Joy Morrissey.)

Debate to be resumed on Monday 27 November.

Isle of Wight Local Government Finance

Motion made, and Question proposed, That this House do now adjourn.—(Joy Morrissey.)

3.8 pm

Bob Seely (Isle of Wight) (Con): It is good to see you in the Chair again, Mr Deputy Speaker. Islanders sometimes ask me what the purpose of these debates is, and the answer is simple: they are occasions for me, as the Member of Parliament for the Isle of Wight, to raise issues of importance for the Island and to do so on the public record—in *Hansard*—and then to get a considered response from a Minister of the Crown, who in this case is my hon. Friend the Member for North Dorset (Simon Hoare), and I welcome him to his new role. His predecessor, my hon. Friend the Member for North East Derbyshire (Lee Rowley), was good enough to visit the Island and engage in this issue consistently. I know that the Minister has some big decisions to make in a short amount of time, so I will help him make those decisions as much as I can by trying to make as strong a case as I can.

The critical point that I will argue is that the Isle of Wight is the largest island by population in England—an island being separated by sea from the mainland—and the only island authority in the UK that does not receive a permanent uplift to council funding to reflect the additional costs resulting from separation by sea from the mainland. I will make two arguments. The first is on why the Isle of Wight is treated differently from every other island with a sizeable population separated by sea from the mainland. Secondly, I will look at what that uplift in financial terms would be.

A couple of hours ago, I received a letter from the Minister in which he said:

“Island funding is an issue you have raised with the Department numerous times, and I am pleased we have progressed this issue to this stage.”

He is certainly right that I have raised it numerous times. I have raised it on dozens of occasions, with the most significant of those—debates in the House and letters to Prime Ministers—being: 9 May 2018; 25 September 2019; twice in October 2019; twice in October 2020; 15 June 2021; 10 August 2021; 30 November 2021; 28 November 2022; and 26 September 2023. As I said, there were multiple occasions in between.

We do not get an island factor and, as I said, we are the only island that does not. We were recognised to have that analysed in the fair funding formula, and it was the Prime Minister, when he was in my hon. Friend's role as local government Minister, who committed in the fair funding review to look at the cost of providing services on an island and on the Isle of Wight. Sadly, thanks to covid, that fair funding review was never implemented. I consider that to be an historic injustice. We have in effect gone back to the era of modern government that started in the 1960s.

There is a generalised rule for islands that is not being applied to my constituency of the Isle of Wight. There is no logic or consistency to that position, and I suspect it is one that would be difficult to defend, either morally here or legally in a court of law, because one of the principles of modern governance is consistency and fairness, neither of which seem to apply in this case.

I turn to a series of studies. Since 1989 there have been six major studies into the impact of separation by sea on the funding of public services on the Isle of

Wight. The most recent was published by the University of Portsmouth, to which I am grateful for its work—it shows the value of working with academic institutions and doing really good quality, peer-reviewed work. Portsmouth argued that the additional costs of providing government services on the island were up to 25% of net expenditure. It identified three factors that inflated our costs and made it difficult to provide Government services for the same amount of money.

The problem for my hon. Friend the Minister is the methodology. If the inputs are incorrect, the outputs will not be correct either, and if nobody is taking into account the additional costs of providing government services because the methodology does not allow that, we will not get outputs that are fair and consistent either with other authorities of the same size or with islands.

Portsmouth identified three factors: first, the lack of a spillover of public goods between the mainland and the Isle of Wight, which forces us to be self-sufficient, but at a cost; secondly, the Island premium of higher prices charged by suppliers on the Island because there is a smaller market, combined with the ferry costs—I will come to that—and thirdly, the additional costs to the Island that result from physical and perceived dislocation. Personally, I do not understand why anyone would not want to live on the Isle of Wight—considering that there are 8 billion people on the planet, it is probably quite good that most choose not to—but it is sometimes quite difficult for us to find experts, such as senior NHS doctors. Those are the three factors.

I want to make it clear that since I became the Member of Parliament in 2017, working with other people, the NHS and the council, we have got and delivered a better deal for the Island. We have got major investment in the NHS, the railway has undergone significant repair, Isle of Wight College is about to be demolished and rebuilt, and both our levelling-up bids have been accepted. We have also saved shipbuilding in East Cowes and got £20 million from the towns fund for Ryde. We have £175 million in total, which is buying good things like a better health service, better jobs and better life chances for our constituents. I am proud of that record, but that £175 million is a capital sum. The issue is the annual funding settlement to the council. It is an element of getting a better deal. We have a better deal in many areas, but I want a better funding settlement for my council.

Related to all that, the elephant in the room is the ferry crossing, which has one of the highest costs in the world. I will not dwell too long on this, because I want to hear the Minister's eloquent response, but we have some of the most expensive ferries on earth. We have had lots of good ideas about what to do about them, but we have never had a shared manifesto that the MP and the council can agree on. The Island's council has no powers over the ferries, despite being the transport authority, and as far as I can see it has never taken a policy position. We have the Transport Infrastructure Board, under the great leadership of Christopher Garnett, but the ferry firms' participation is voluntary, and I think that is wrong.

I understand that soon the ferries will start to have discussions about grants and Government support to move to net zero. At that point, when public money is being spent, there should be a quid pro quo, such as a public service obligation of some kind. I am also moving

towards the idea of a Solent ferry regulator, which would have the legal power to sign off on timetables, debt levels, changes to ownership and other issues related to the ferries. The council should also have a seat on both the Wightlink and Red Funnel boards.

I will leave the ferries element there because I will develop it in the new year, but it is part of the additional costs that the Island faces, adding cost to everything physical that we try to get over, and to people coming over as well. In fact, I think the fair funding formula said that a foot passenger adds about 35 miles, and a vehicle bringing stuff on to the Isle of Wight adds the equivalent of a drive from London to Peterborough—about 70 miles.

Going back to the reports on the Isle of Wight, the most recent one, commissioned last year by one of the Minister's predecessors, was won by a company called LG Futures, which is a local government think-tank that does good work developing ideas for local government. The Government commissioned the report to review the evidence and work out the additional cost of providing public services on the Island. LG Futures peer-reviewed the evidence and concluded that every relevant study undertaken independently—that is the key word—confirmed the additional costs of providing parity of public services on the Island. The critical point is that the Island cannot simply access the services provided by neighbouring authorities, because we are separated by sea. We have the dislocation and the island factor—eloquently outlined in the University of Portsmouth's report, and indeed reports going all the way back to the Edwards commission in the 1960s. Therefore, the Island provides fewer services compared with comparative councils, neighbours and unitary authorities. That is why we believe that the current system is unfair.

I will speak for another eight minutes or so, because I want to make sure that the Minister can get a word in edgeways. I persuaded the Government to reopen the examination of Island funding earlier this year, and I thank the Minister's predecessor for doing so. We have engaged closely with his Department. The work we have done this year is probably the most detailed to date. Throughout the process, the Isle of Wight gathered all the data that we have been able to, and we made estimations where we were not able to get statistical data. One of the issues we have found is that perfect data is not readily available, therefore a level of ministerial judgment is needed. In our evidence, we believe that the total net expenditure and unit costs on the Island are about 14% above the statistical average of our neighbours. When Portsmouth says up to 25% and zero is no change, the estimates we have come up with this summer, working with the Minister's Department, show an additional cost of 14%.

There has been a series of letters, and I know the Minister wants to have another look at the evidence. He is perhaps writing to us again. I am very grateful for that, because it is another chance for us to make our case. Once we provide that evidence again, I would like to speak to the Minister again, if he has time, just to make sure that he understands the arguments we are presenting. His own Department now says that "there may be additional costs associated with Island status."

I am grateful for that acceptance of our case. It is somewhat hedged because we are dealing with public servants and there is a degree of ministerial judgment

here, but I disagree with the equivocation. There are clearly associated costs. For me, it is a question of how much. Unless the Minister seriously wants to argue today that we can provide the same level of public services for the same money on an island with a smaller market and hyper-expensive ferries as we can on the mainland, then with great respect to him—I am sure he will not be making that argument—that would simply not be a credible argument.

That brings me back to the core point and the issue of the principle here: why is the Isle of Wight treated differently from other islands that are effectively the same, separated by sea? Once we accept the principle, what is the monetary value put on it? For England's only other island authority, the Isles of Scilly, the uplift or island factor is 50%. It is different from the Isle of Wight. It is smaller and there is an increased difficulty in providing services—I get that—but that is a 50% uplift. If we look at perhaps more comparative islands, the special islands needs allowance in Scotland provides a 10% uplift in general funding for Orkney, Shetland and the Outer Hebrides. For councils with significant populations, the allowance is allocated between 5%, 20% and 50%. In all cases, a simple fact is recognised: there is an island uplift because it costs more to provide Government services on an island.

I come back to my central point. I sent the Minister my speech early. I have edited and tweaked it a little bit, but he has had a copy of it for a day or so. I would like very much to ask him for the Government to accept in principle that the Isle of Wight should have an island uplift, as all other islands separated by sea from the mainland do, and then to work with me and the council's experts to find a number. For me, the most important element is the acceptance that the Isle of Wight should be treated equally—I think that is legally and morally justified—as an island as others are. We negotiated last year what the Government described as a temporary uplift. It was about £1 million. I would like to see that uplift at the heart of an island settlement that is then, frankly, increased. I am very grateful for the £1 million, but it is not a great deal of money.

To sum up, I am very grateful to the Minister for listening so closely and I really appreciate the work he is doing on this issue. It is a complex area and he is trying to balance lots of things. I would say that a significant uplift for the Isle of Wight is effectively an accounting error for most large councils. Relatively modest sums would make a great deal of difference. For example, they would enable us to keep our regeneration team. We need that team. We had two levelling-up bids accepted, which shows we need the money, and that we had the professionalism to put good cases and go out and get it. If we have no non-discretionary spending at all, it makes it very difficult for us to build a future that we want for our islanders.

The Isle of Wight is an exception to the current rule. I think that is wrong and that we are seeing an historic injustice. The study suggests that our island status, the fact of being the Isle of Wight, makes it between 4% and 25% more expensive—between £10 million and £60 million—to provide similar sets of services. I urge the Government and the Minister to continue to talk with me and, on the first point, to recognise that the island should be treated the same as other islands separated by sea, and secondly, to work to provide a realistic figure that will make a difference to my constituents and my council.

3.24 pm

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Simon Hoare): I congratulate my hon. Friend the Member for Isle of Wight (Bob Seely) not only on securing this important debate, but on advancing the argument in the way that he did. Let me also add my thanks to Wendy Perera, the chief executive of my hon. Friend's council, to Councillor Phil Jordan, its leader, and, of course, to Chris Ward, the section 151 officer. They all work very closely with my Department, advocating for the Isle of Wight as my hon. Friend does, and my Department and I are very grateful to them for their engagement over this period.

Let me start by saying that the Government are, of course, committed to serving the needs of diverse communities across our country. This debate has provided an excellent opportunity to discuss the Island communities for whom my hon. Friend has long been an effective campaigner. As he mentioned, my predecessor visited the Island recently, and found it immensely helpful to hear from local voices about the issues faced by Island authorities.

I now have a confession to make. I have never visited the Isle of Wight. If my hon. Friend would like me to undertake a state visit with full pomp and ceremony, with flags and with town bands playing, I should of course be delighted to accept. I must warn him that I do get a little seasick, so we had better choose a slightly calm sailing day.

I have heard what my hon. Friend has had to say, as has my predecessor and as have officials in the Department. I say this in no way to rile him, and he should not take it personally—in fact, I know he does not—but having been in this job for nine days and in this place for eight and a half years, I have yet to see any right hon. or hon. Member doing cartwheels up and down the Library Corridor or across Central Lobby while declaring how perfectly satisfied they are with their local government settlement. There is always room for improvement.

My hon. Friend, and the House, will know that the local government finance settlement is in progress, and I want to give as much correct information in as timely a fashion as I can throughout that process to local councils across the country. Against that backdrop—very much early doors, as it were—I know my hon. Friend will appreciate that I cannot and will not pre-empt the formal process of determination and decision making, but I hear very clearly what he has said both in this debate and in representations. He kindly acknowledged that he was in receipt of my letter of today's date—which shows that the systems are working—and it may be helpful if I read some of it into the record. It includes these words:

“we have concluded the evidence-gathering part of this process and I would like to take this opportunity to once again thank you”—

—my hon. Friend—

“and the Isle of Wight Council for your co-operation throughout this process. Island funding is an issue that you have raised with the Department numerous times, and I am pleased we have progressed this issue to this stage.

My officials are currently assessing the evidence submitted by your council and intend to share a draft of the report for comment to...Council officers in due course.”

Let me assure my hon. Friend that this will happen during the process of making final determinations on the funding settlement, not afterwards. It will be done in a timely and sequential way.

My letter explained that the council officers

“will then have the opportunity to comment on the report and my officials are happy to respond to any further questions and comments”

that may arise from that process—as, of course, am I.

A go-to phrase of Ministers at the Dispatch Box is to refer to a right hon. or hon. Friend as a “doughty champion”. That phrase sits well in the parliamentary vocabulary, but if it were to be worn as a crown—I say this in all sincerity to my hon. Friend, and I hope it gives confidence to his constituents and to those other deliverers of public services across the Isle of Wight—then, based on the list of correspondence and strong representations he makes not only to my Department but to Departments across Government, that crown would fit his head as if bespoke tailored. I congratulate him for all he does on behalf of his constituents, who should be very proud that they have such a doughty champion.

Let me turn to the hard figures. As a statement of principle and fact, we recognise the key role that local government plays in and across our communities. The word that we share is, of course, “government”—central and local. So long as the Prime Minister keeps me in post, I want to advance cordial relations and co-operative and collaborative working. Whether in town hall or Whitehall, we are all focused on serving people's needs, and very often those people are among our most needy and vulnerable constituents. The work done by local government in helping to meet those needs is profound and widely recognised.

This year's local government finance settlement for the Isle of Wight was £162.9 million—a more than 10% increase in core spending compared with the previous year. As the local authority has responsibilities for social care, the demographics of the Isle of Wight will throw up particular challenges, as do the demographics in many rural areas across the country. I know the council benefited from the additional social care funding announced last year, receiving an increase of over £4 million in its social care grant allocation. That was in addition to funding from the improved better care fund and the market sustainability and improvement fund. The increase was above the 9.4% average for local authorities across England. Overall, the Government made available up to £59.7 billion for local government—an increase in core spending power of up to £5.1 billion compared with 2022-23.

My hon. Friend is correct to say that the challenges and opportunities faced by island communities differ greatly from those facing other authorities in England. The separation from the mainland by water can lead to increased costs in some areas. I pause for a moment to say that, as a Member of Parliament for a rural constituency, I have long argued in speeches and representations to Ministers from the Back Benches that the additional costs of delivering public services in a rural area should be taken into account. Of course, we do that through the rural services delivery grant.

Bob Seely: I completely accept the argument about isolation in a rural area, be it Dorset or Cumbria—a large part of the Isle of Wight qualifies as a rural area, too—but there is a specific additional cost that comes from ferry use, in terms of time, funds and the greater difficulty in sharing services. Does the Minister accept that point?

Simon Hoare: The fact that the best way to get to the Isle of Wight is by ferry is not something that any Minister of the Crown would wish to dispute with anybody who lives on the Isle of Wight. That is, of course, true, and I will turn to that in a moment. I hope my hon. Friend recognises that the Government have taken it into account, and I intend to continue taking it into account in my deliberations.

It is, of course, for that reason that the Government have consistently stood alongside the islands of our country to provide additional support in recognition of the unique circumstances they face, as my hon. Friend has set out for the House this afternoon. As he will be aware, the Isles of Scilly, for example, receives bespoke funding at the local government finance settlement for that. Our response to my hon. Friend's previous calls for the Government and my Department to recognise that has been that in recent years, as he has noted, we have provided an additional £1 million in grant funding to the Isle of Wight, in the light of the exceptional circumstances faced by the authority.

I am certain that he would have liked that money to be more, but, again, I say to him that the Government and I have to take decisions in the round, against the backdrop of a series of interdepartmental calls for public money and very strong calls for public money within the Department for different elements of the delivery of local government. That is why I said earlier, not as some flippant point, but as a serious one, that he should not take this personally. I receive and am receiving representations from Members from across the House and from across the geographies of our kingdom about how the Government will support local government this coming year.

Let me say a word or two about the evidence base and evidence gathering. My hon. Friend has mentioned that my Department has worked productively with the Isle of Wight Council this year on evidence gathering, to help us better understand the additional costs faced by the Island. As he highlights, it is challenging to quantify an island effect, but I hope he will agree that the joint work on the evidence gathering exercise has been a valuable process, both for the Isle of Wight and for the Government. Let me assure him and, through him, his constituents that my Department and I will make the very best use of this information, provided by the Isle of Wight Council, in order to come to a decision.

Too often, I fear, these things are commissioned and looked at, and then someone realises that a window with a slightly dodgy sash needs a bit of a prop if they are to have ventilation and these reports are used for that purpose, or for propping open a door while people are coming in and out. The documentation submitted will be on my desk and it will be at the forefront of my mind when I look at the figures on the settlement for the coming financial year. As always, we will be announcing our proposals, which are subject to consultation, in the upcoming local government finance settlement. We will do that in the usual way later this year.

The autumn statement, which many have welcomed, was comparatively late this year, which means that my officials and Department will have to work at pace to get the figures out to local authorities for them to think about their draft budgets and for us to undertake our consultation. I have set two challenges for my officials. Let me pause to say, albeit having been only nine days in the job, that I have unchallengeable support and admiration for them. They are the most phenomenal team of public

servants, who are fully seized of and alert to the challenges of delivering public service in the local government arena. They have risen to the challenges I have set them and accepted them with alacrity. The challenges are that the data that we provide to local authorities must be delivered in as timely a fashion as possible; and, more importantly, that any figure work that we provide to them must be correct and beyond peradventure.

Bob Seely: My hon. Friend will be delighted to know that the invitation to visit the Isle of Wight is in his private office as we speak. Tennyson used to invite people in poetry, but I am afraid that, just because of the time, I have done it in prose. For many of the figures that he is talking about, we will be able to get Chris, Wendy and others, including the NHS, to come to talk about the additional costs. We hope that he will be able to see proper, physical, practical examples to back up the numbers that we have provided.

Simon Hoare: I am grateful to my hon. Friend for his uber efficiency in organising such a trip. My Speedos will be dusted off—don't get excited, Mr Deputy Speaker—and I hope to share a 99 with him at some bracing seaside venue. In sincerity, I am grateful to my hon. Friend and I look forward to that hugely.

To draw my remarks to some form of conclusion, I hear the representations that my hon. Friend has made. In turn, I hope he has heard my total commitment from the Treasury Bench to studying with great care, as my predecessor did and as my officials do, all and any submissions made by him and his council. We hope to arrive at a circumstance and solution that works for the people of the Isle of Wight.

Government support to the Isle of Wight, as my hon. Friend was kind enough to reference in his remarks, is manifest outwith the local government finance settlement. We are investing in key capital projects across the Island, as part of our aim to level up all parts of the country. The fantastic and magnificent work of the Under-Secretary of State for Levelling Up, Housing and Communities, my hon. Friend the Member for Redcar (Jacob Young) is testimony to that. In recent funding announcements, the Island has benefited from £20 million for the town partnerships endowment, which will support the town of Ryde in the development of a new long-term plan; £5.8 million in round 1 levelling-up funding to the East Cowes marine hub; and, only this week, £13.6 million from the levelling-up fund to deliver the Island green link, providing cycle and walking infrastructure extending from Ryde in the east to Yarmouth in the west of the Island.

I am grateful to my hon. Friend for raising the issue. While I am not able to give him the figures in pounds, shillings and pence, I hope I have been able to persuade him of the seriousness with which I take his case and with which I will approach this issue over the coming weeks and months. I am committed, as are the Government, to doing as much as we possibly can to ensure our fantastic councils, not just in the Isle of Wight but across the United Kingdom, can work alongside us and deliver for all of our constituents.

Mr Deputy Speaker (Mr Nigel Evans): I have been to the Isle of Wight and it is beyond glorious, so the Minister and his Speedos are in for a real treat.

Question put and agreed to.

3.42 pm

House adjourned.

Westminster Hall

Thursday 23 November 2023

[MR PHILIP HOLLOBONE *in the Chair*]

Batteries for Electric Vehicle Manufacturing

BUSINESS AND TRADE COMMITTEE

Select Committee statement

1.30 pm

Mr Philip Hollobone (in the Chair): We begin with the Select Committee statement. Liam Byrne will speak on the publication of the first report of the Business and Trade Committee, “Batteries for electric vehicle manufacturing”, HC 196, for up to 10 minutes, during which no interventions may be taken. At the conclusion of the statement, I will call Members to put questions on the subject of the statement, and call Liam Byrne to respond to these in turn. Questions should be brief, and Members may only ask one question each. I call the Chair of the Business and Trade Committee, Liam Byrne.

Liam Byrne (Birmingham, Hodge Hill) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful to the Liaison Committee for making time available for this statement today. I understand that the Backbench Business Committee was reinstated last night, so Select Committees and their Chairs will now have the opportunity to make applications to it, but I am grateful for the time granted by the Liaison Committee today.

When the great steam engine tycoon Matthew Boulton, who was from my neck of the woods, in Birmingham, welcomed people to the Soho manufactory—the first great steam engine factory in the world—he used to say, “I make here, Sir, what all the world desires—power;” and he was right. Just as power was at the heart of the industrial revolution all those centuries ago, so power will be at the heart of the green industrial revolution in the years to come. Our nation has to move fast now to transform the battery industry, to create jobs, and to safeguard the 165,000 workers in the automotive industry and the other 800,000 in the supply chain.

Batteries are big and heavy, and they are expensive to move around. We have to wake up to the risk that, if we do not build the gigafactories that make those batteries here in this country, our great automotive factories will up sticks and move to where the gigafactories are being built—perhaps in the United States or Europe. If we do not do that, we risk becoming dependent on imports from China, where, as we know, there are questions about the integrity of the supply chain and the labour that is used.

The challenge the Committee wants to flag is that we are now falling behind our competitors and need to take steps urgently to create a better environment for electric vehicle battery production. We have a huge gigafactory gap; the estimates are quite widely developed in the industry and academia, but even under the Minister’s

own estimates, we are going to need about 100 GW of manufacturing capacity just to supply the automotive industry for us by 2030. But the demands will be much greater than that, because there will be all sorts of other applications too. Right now, we have online just 2 GW of capacity and deals in place that cover barely half the capacity we will need.

We conclude in our report that the Government have done well to reinforce this country’s strengths in battery research and development—we are, after all, the nation of Faraday. We also conclude that the lack of a stable, long-term industrial strategy has hampered our ability to secure long-term investment. As a country, we have real competitive advantages. We could harness the UK’s low-carbon energy sources to ensure that we become a global frontrunner in making sustainable and ethical batteries.

I am conscious that tomorrow is a big day for the Minister—she has just arrived back from Kazakhstan, and I am grateful she could join us today. We know that an advanced manufacturing plan and a UK battery strategy are coming. These things—or some of them—may arrive tomorrow but we do not know yet. We as a Committee wanted to set out the seven things we would like to see in those strategies, so that we could mark the autumn statement, and the House would have a way of judging whether the Minister’s strategy is what the country needs.

First, we cannot escape the fact that public subsidies will be needed. American cash for battery firms could total \$150 billion over the next 10 years, which is an enormous amount of subsidy, while European subsidies are at around three times what we are currently providing. By contrast, the UK’s automotive transformation fund has just £850 million, and some of that has been burgled for other purposes. We think the Chancellor will need to put in more money for subsidies, and we call for an international study to benchmark what subsidies others are providing, so that we can ensure that our financial offer is internationally competitive.

Yesterday, the Chancellor announced £2 billion for zero-emission vehicles, batteries and associated supply chains over five years, but those five years begin in 2025. That was part of a £4.5 billion fund for advanced manufacturing. We do not yet know, but we assume, that the £2 billion extra is in addition to the £850 million already in the automotive transformation fund. Presumably, that fund will be the mechanism through which new funding is invested. There have been problems in the way the fund has been administered, and there are crucial questions about the timing of the funding, because the Government have only a very short window to get the advanced manufacturing money moving.

The autumn statement also said the Government are “unlocking new sources of finance for advanced manufacturing.” There was not a lot of detail about that, apart from a side reference to the UK Infrastructure Bank. I know that the Government’s priorities for the bank include investing in the critical mineral supply chain, on which the Minister has been working, but it is not yet clear what plans the Government have in place to unlock that new finance.

The Government also announced a ministerial investment group that will

“increase resourcing for the Office for Investment, strengthening the UK’s world-class concierge service for investors.”

[Liam Byrne]

In our report, we recommended that the Department for Business and Trade establish an office within the Department to bring together the various bodies involved in getting gigafactory investments to happen faster and more efficiently, so I hope what the Government have announced will help to address that point.

Our second key point was on energy and long-term certainty for battery supply chains on accessing electricity at comparable rates. From what we could see, there was nothing in the autumn statement on that. That is a big concern across the battery supply chain.

Thirdly, we wanted to see strategically important sites designated. There is a tiny bit of progress on that, and I hope the investment zone announced for the west midlands and around Coventry airport will help ensure that there is progress in Coventry. However, we wanted to see a bigger plan than simply Coventry; we wanted to see the key sites that are needed across the country designated.

Fourthly, we wanted to see real action on addressing skills gaps across the battery supply chain and gigafactories specifically. There is a tongue-twister in yesterday's autumn statement: the Government say that they are going to support

“plans to catalyse the growth sectors by committing £50 million to deliver a two-year apprenticeships pilot to explore ways to stimulate training in these sectors and address barriers to entry in high-value standards.”

If we can interpret and understand what that might mean, and ensure that the training funding is in the right places, we may make progress, but right now we are not clear. Our key point was that we want to see devolved funding to those areas where there are gigafactory sites, so that they have the funding for adult skills that they are going to need.

Our fifth conclusion was that we needed to secure tariff-free access to global markets for electric vehicles so that we could trade easily and well. We advised the Government to seek a three-year extension to the rules of origin agreement with the EU, because we certainly do not have the battery capacity we need to meet those new rules, and we are not sure that Europe does either, frankly, because of displacement of investment into America.

Our sixth recommendation was about de-risking access to the requisite critical minerals and supply chains. I know that the Minister was working hard on that up to her flight home last night. It is hugely important that we work closely with our partners, particularly in Africa, to help unlock the \$1.9 trillion of investment that is needed in critical minerals, and to help build a processing industry in Africa so that we are not critically dependent on countries such as China.

Finally, we need to continue something that I know the Government believe in: putting research and development in battery technology on a long-term footing. Power was always at the heart of the industrial revolution, and it will be at the heart of the green industrial revolution. It was Michael Faraday, the pioneer of the electricity industry, who, when explaining this to Gladstone, was greeted by the question, “Well, man, what is the use of it?” to which Faraday answered, “Well, sir, there is every chance that you may one day be able to tax it.”

We see the battery industry as mission-critical to safeguarding and growing the huge numbers of jobs in the automotive industry and the wider supply chains.

The truth is that, if we are to compete with Beijing, Bidenomics and Brussels, we will have to raise our game. The time to do that is now.

Mr Philip Hollobone (in the Chair): I thank the right hon. Gentleman for his statement. Although it has been thrilling for all of us to hear it, I would not want him to be under the impression that he can make these statements only in Westminster Hall. He can apply for time in the main Chamber, and that may be something he wants to consider for the future.

Gareth Thomas (Harrow West) (Lab/Co-op): I commend the Select Committee for its work, and my right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne) for the way in which he introduced the Committee's report.

One issue, I want to touch on, which the report rightly highlights, is the looming cliff edge in the trade and co-operation agreement, with much tighter rules of origin for electric vehicles from 1 January. As I understand it, Ministers have still not set up a key working group on automotive parts, which was agreed in the TCA. That group could have helped industry to get heard a lot earlier and in its understandable call, backed by the Committee, for a three-year extension to the current rules of origin. Ministers seem to have gone quiet on whether agreement will be reached on a three-year extension. Indeed, the Prime Minister appears to have taken little interest in what could be a significant drag on UK exports of electric vehicles in the coming months. Will the Chair of the Select Committee update the House on what he knows about the current state of negotiations and Ministers' current efforts to win a three-year extension to the rules of origin?

Liam Byrne: I am grateful to my hon. Friend. As ever, he is on the money. The rules of origin framework was put in place with the best intentions, to try to incentivise people in Europe and the United Kingdom to get gigafactory investments in place, but that has not yet happened. We have a looming gigafactory gap in this country, and if we do not negotiate an extension to the rules of origin, we will have tariffs of up to 10% on some of our exports, which will have a really serious impact on hundreds of thousands of jobs. Given how much is at stake and how many jobs are in peril, we were surprised to see almost no news about where the renegotiation of the rules of origin had got to. That was one reason why we stated it so clearly as a requirement in our conclusions—so that the Government now have to go on the record to explain to the House, and indeed the country, precisely what they are doing.

Jim Shannon (Strangford) (DUP): I thank the Chair of the Select Committee for his statement. I have a specific question, which I spoke to him about beforehand. As I understand it, EV batteries used in the UK are likely to be sourced from Europe and elsewhere, so we very much welcome talk about British production of batteries. In my constituency of Strangford—the Chair of the Committee has referred to regionalisation, to which my question relates—there is much interest in electric and hybrid vehicles, and many engineering companies there are willing to get involved in the production of batteries. I have asked about this in oral questions in the main Chamber, but today I ask the Chair of the

Committee the same question: does he agree that there is an opportunity for Northern Ireland and my constituency of Strangford to get involved in the production of EV batteries, and that any legislation that comes forward in this place must take on board, and extend to, the devolved institutions as well?

Liam Byrne: I am grateful for that question. Although I do not have the specific details of the opportunities in the constituency of the hon. Member for Strangford (Jim Shannon), the spirit of the Committee's report is that we need to be using industrial policy to do three things: to de-risk supply chains, to decarbonise, and to decentralise the sources of economic growth. That is why we are so clear about the need for the Government to designate strategically critical sites for gigafactories in the future. As to quite how many we need, the Minister and I may have different views, but we know how much capacity we need, and that can perhaps be delivered by between five and eight gigafactories, depending on how much each factory can produce. But the broad point is that we cannot be producing batteries simply for the automotive industry; we need a wide range of applications for them in the future.

Once we have designated the sites, we need to think about how industrial policy helps to unlock the wide range of policy levers that any place will need. That includes access to low-cost electricity, skills, and incentives and subsidies to get factories built in the first place. Of course, we then need the trading arrangements, so that people can export and we can ensure that the export of EV batteries is a real growth sector for our economy. The point the hon. Member for Strangford made is therefore absolutely the right one, and we have sought to provide the checklist of things he needs to be asking of Ministers.

Matt Western (Warwick and Leamington) (Lab): I thank the Chair and the Select Committee for putting together such a comprehensive and valuable report. As the chair of the all-party parliamentary group on electric vehicles and the all-party parliamentary motor group, I agree with him: my frustration is that we find ourselves behind our major competitors—China, the US, Japan, Germany, France and many others—in our capacity to manufacture battery units for electric vehicles and other uses.

That is frustrating because, from what I sense from the report and more widely, we have an energy advantage in the UK—indeed, we should have a huge energy advantage over other nations. In my constituency, National Grid reminds me of what we can do by bringing green energy to this country through the interconnectors. We also have organisations such as Warwick Manufacturing Group, which is at the forefront of the development of new battery units. We have two great advantages, but

because of what the Chair of the Select Committee describes as a lack of industrial strategy, we are way off the pace.

I have a couple of points on skills—not just on the manufacturing side, but in terms of what we will need up and down the country in our franchise dealer network and other vehicle marketing sites. In terms of what we need to do on infrastructure for the consumer—

Mr Philip Hollobone (in the Chair): Order. The hon. Gentleman is meant to be asking a question, not making a second statement. We are running out of time, so if he could put a question to Liam Byrne, Liam Byrne might answer him.

Matt Western: I apologise, Mr Hollobone. My question is about infrastructure for consumers. Also, I hear that Europe will perhaps grant us a three-year extension on the issue of rules of origin, which would be advantageous. Does my right hon. Friend know any more about that? And what is his estimation of how long it will take the UK to catch up with our major competitors, such as Germany and France?

Liam Byrne: I commend my hon. Friend's work; his leadership of the all-party parliamentary group on electric vehicles and the all-party parliamentary motor group has been so important in ensuring that we in Parliament can benefit from informed debate.

We are two to three years behind our European competition, and we therefore have to move quickly to catch up. The lack of certainty has damaged confidence—moving the goalposts on phasing out petrol engines, for example, has hurt confidence. Ultimately, despite the public investment that needs to go into building things such as gigafactories, the investment overwhelmingly comes from the private sector, and when we damage confidence, we damage the speed of that private investment. I am afraid that the Committee came to the conclusion that the lack of an industrial policy has hampered our ability to secure the needed investment.

It is not too late to catch up. There is a real risk that we cannot win a subsidy race with the United States, or indeed Europe, so we will need a smart policy framework—the seven things I set out. They include devolved funding on skills and guarantees around infrastructure and low-cost energy access. My hon. Friend is absolutely right that there is a niche—in the global market, it is a huge niche—for the UK to provide, build and sell batteries built with low-carbon energy and with the highest levels of integrity right through the supply chain. That is a big opportunity for the UK, which we should be seizing with both hands.

Mr Philip Hollobone (in the Chair): I thank the Chairman of the Select Committee for his statement.

World Stroke Day

1.49 pm

Sir Robert Neill (Bromley and Chislehurst) (Con): I beg to move,

That this House has considered World Stroke Day.

As ever, it is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful for the opportunity to raise this important topic. This year, World Stroke Day fell on 29 October. We had hoped to have this debate a little nearer to then, but the date we were originally given had to be vacated because of the Prorogation of Parliament. I am grateful to the Chairman of Ways and Means for so swiftly rescheduling it.

I refer Members to my interest as co-chair of the all-party parliamentary group on stroke. I am delighted to see one of the vice-chairs, the hon. Member for York Central (Rachael Maskell), in her place. I also declare a personal interest. My wife Anne-Louise suffered a stroke four years ago, as many in this House know. She made a courageous fight to recover, and I think we have discovered a number of areas where much more work needs to be done because stroke is very often, to a degree, a hidden condition. It does not receive as much publicity as heart attack or cancer, for example. Although we have made improvements and advances in recognising early stroke symptoms so that swift treatment can be given, the thrust of the debate is to say that much more needs to be done.

Matt Western (Warwick and Leamington) (Lab): The hon. Member is making a powerful speech, and I appreciate his passion. He spoke of awareness, understanding and education about strokes. We need much more work on that; many people are unaware of stroke symptoms. They should be aware of what might be happening to a family member or friend before their very eyes.

Sir Robert Neill: That is right and that is why I commend the Stroke Association for raising awareness and recognition of symptoms. It promotes the Act FAST campaign, which details the symptoms that should be looked out for: if someone shows facial weakness, arm weakness or speech problems, then it is time to call 999. That has been important in raising awareness. I thank the Stroke Association for the briefing it has provided, as well as others who have assisted in the preparation of my comments, including the Royal College of Radiologists and, from the private sector, Ipsen UK, a biopharmaceutical company that works in this field. I will refer to its research.

The essence of the matter is this: stroke is not often recognised, but even when it is, the quantity is not talked about enough. In the UK, stroke strikes every five minutes and more than 100,000 people have strokes every year. It is a leading cause of adult disability; two thirds of stroke survivors leave hospital with a disability. Sadly, it is also a leading cause of death in the UK. Leaving aside the human cost, there is also an economic cost. Too many survivors are unable to return to work. A conservative estimate of the cost to the economy is some £26 billion a year. Some would suggest that it is even more. Never mind the care costs and the burdens on unpaid carers, which some of us know all too well.

Stroke is preventable. In about 80% of cases, it can be treated by changing risk factors, checking for high blood pressure and atrial fibrillation, but we still lag

behind other countries on stroke outcomes. The Stroke Association told me that, for every minute a stroke is left untreated, nearly 2 million brain cells die. The brain is both extraordinary and fragile, which is why fast treatment and swift responses are so important. That means getting somebody to a specialist stroke unit as soon as possible. In Anne-Louise's case, we were lucky that that was not far away, but sadly there will always be disability thereafter. However, that can be reduced through investment in treatments, such as mechanical thrombectomy. If a patient gets mechanical thrombectomy swiftly, their level of impairment is greatly reduced.

Sadly, access to mechanical thrombectomy greatly varies across the country. In Greater London, where my constituency is, the percentage of patients given a thrombectomy in 2021—there may be updated figures, but this is the latest one the Stroke Association had—was 7.8%. In the east of England, it was 0.3%. In most other parts of the country, it hovers around 2%. Even if that has grown somewhat, it is still far less than we would wish to see. I welcome the Minister and am grateful to see him in his place, and I am sure that he is aware that investment across the piece would greatly improve people's outcomes. That needs to be mainstreamed into investment plans, and we certainly seek to do that. I hope the Minister will commit to removing that postcode lottery in survival according to where a person is when they have the misfortune of having a stroke. If we do not do anything about this, the cost I referred to is predicted to increase to about £75 billion by 2035. We cannot afford for that to happen, either economically or in human terms.

We have talked about prevention and thrombectomies, which can be a game changer, but we do not have anything like the numbers accessing them that other countries do and the figures are not in line with the Government's own targets. Perhaps the Minister could tell us what is being done to catch up and spread availability across the piece, because at the moment only about a third of the people who need that treatment receive it. That is simply not good enough for the two thirds that were unlucky enough to be in the wrong place at the wrong time. That is important, but there is also the issue of the workforce. I am indebted to the Royal College of Radiologists on this point. Early diagnosis, of course, can help through either thrombectomy or other interventions, but we have a shortfall in the number of clinical radiology consultants of some 30%. They are needed to do the imaging—the MRIs and all the other things—that could enable those other treatments to take place swiftly. Without further action, that shortfall of consultants in radiology is forecast to increase to 41% by 2027—2,890-odd posts. What is being done to address the shortfall in that specialism and, indeed, others?

Only 48% of hospital trusts can provide adequate 24/7 interventional radiology services, largely because of that workforce shortage. I am sure the Minister will once again agree that that is not satisfactory. The use of interventional radiology—image-guided surgical treatments, effectively—is critical in the modern treatment of strokes. When we look at the national health service's workforce plan, what are the plans specifically to recruit the workforce—the skilled specialists we need to support those new procedures, which will save lives and improve lives for survivors?

As well as the key issues of intervention and treatment, the other issue I want to touch on is what happens thereafter, because the outcomes can vary greatly. Some

people, as we all know, are fortunate enough to be out of hospital quite quickly, whereas others—my wife included—spend much longer there. What troubled me was when Anne-Louise eventually left the rehabilitation unit in Orpington, where she had excellent care, we were lucky enough to be able to continue care at a proper level, through our own resources as a family. There was a young woman in there, probably in her mid-40s, who was a single parent. She lived on her own and had no one to take care of her. She was there before Anne-Louise arrived in the unit; she was still there when Anne-Louise left. What happens to someone in that condition is a real worry to us.

I am sure the Minister will rightly observe that the percentage of patients discharged into community stroke services has risen from 53% to 61% in 2022-23, but the quality and consistency of the community service provision is very variable. There are real shortfalls in the number of specialists—again—so we have a workforce problem in the community as well when it comes to physiotherapists, speech and language therapists and neuropsychiatrists.

We sometimes forget that, as well as the very real physical impacts of stroke—which can be a lack of mobility or balance, a level of paralysis, speech impairment and post-stroke spasticity, as it is called, which I will come back to in a moment—there is very frequently a degree of mental ill health associated with such a life-changing event. Many stroke survivors suffer from varying degrees of depression, and the lack of neuropsychiatrists and psychologists to assist them is very stark.

We know that nearly half of stroke survivors experience some degree of post-stroke spasticity within six months of having a stroke, and some will be classed as severely disabled. We then find that some 80% of survivors may develop it at some point unless they get that proper and consistent treatment. At the moment, we do not deliver the recommended levels of community care in the therapies, of all kinds, that are recommended by the nationally accepted guidelines. What is being done to improve that?

At the moment, in the community setting, post-stroke patients experiencing post-stroke spasticity may have to wait four to seven months to be seen for a multi-disciplinary-team assessment. That is far too long. I have a constituent who has been waiting for nearly a year to be assessed to receive the multidisciplinary treatment that she needs. Accessing that support surely should not be done on such a fragile basis.

Ipsen has recently published a report, “Neuro-rehabilitation: State of the Nation”, which discusses this issue. It found that there is a lack of foundational awareness about spasticity and that it is not picked up often or soon enough. In fact, there are issues with the sporadic nature of treatment and a five to six months average waiting time for spasticity services. One in four NHS sites in England do not have access to specialist services for spasticity—there are only 0.26 consultants per 1,000 in prescribed specialist services in England and Wales compared with two to three in most European countries. Something like two in three stroke survivors do not receive a six-month review of their care, and that is one of the fundamental targets set out in the national guidelines. If two thirds are not receiving it, then clearly something is failing us badly.

We would like the Government to designate stroke as a major condition, and they also ought to consider post-stroke spasticity management as an integral part

of the major conditions strategy. Perhaps the Minister will take that away and consider it. What can be done to level up the commissioning and provision of those rehabilitation services? What can be done to look at the high-level priority areas for stroke research that have been identified? These are important matters and we would hope that that could be done. There are other things that I hope the Minister will take a look at. Can we continue to improve availability at community level? Can we ensure that everybody receives the treatment set out in the National Institute for Health and Care Excellence guidelines? As I say, at the moment we are falling significantly short.

In conclusion, having set out those points—I could go on for much longer if we wanted—I hope that my speech highlights some of the real areas of concern. I also want to say a word about the voluntary groups; most of us in the field have become aware of the work of the very well-established Stroke Association, but we have a number of other groups, and in some cases entirely survivor-led groups give each other mutual self-support without any support from public funding.

I want to pay tribute to one group—frankly, the one that helps my wife and that she has received a great deal of assistance from being a member of. It is called Sidcup Speakability Group, and, as the name implies, it operates in our part of south-east London. It is the group’s 10th anniversary, so I just wanted to put on the record what it has done. It works entirely off its own back, and the level of conditions that people have varies greatly. But it proves that there is willingness. It is also worth remembering, as any senior consultant in the field will say, that there is sometimes a myth that a patient gets to a stage where they can never improve any more. Obviously, a patient has the best improvement earlier on. That is why early treatment and interventions are so important, and why the waiting times are so unacceptable. But even if the rate might be less, if people work continually, gains can still always be made incrementally. That is what the people at Speakability have found. To do that, we cannot expect the burden to fall simply upon friends and families. We need specialist treatment to be consistently available. That can turn people’s lives around. In our case, it may not be enough to turn it around in time, but it will be for others. That will be worth our while. The more people we can get back into work, as they wish, the more people can lead enriching lives, to a greater or lesser extent, as many stroke survivors do. There is light at the end of the tunnel, but we have to give them those fundamental services to start with.

I am very grateful to the Minister for paying great attention to the issue, and I hope he will take away those specific asks. Perhaps he could keep in touch with us, as a group, on how we could roll out services much more consistently and give people the level of treatment they deserve. I know a number of us in this room have been affected by stroke within our families, and I think we all want to work together—there is no party political issue in this—to have a proper strategy to sort it out.

Mr Philip Hollobone (in the Chair): The debate can last until 10 minutes past 3. I am obliged to call the Scottish National party spokesperson no later than 2.37 pm. The guideline limits are 10 minutes for the SNP; 10 minutes for His Majesty’s Opposition; 10 minutes

[Mr Philip Hollobone (in the Chair)]

for the Minister; and then Sir Bob Neill will have three minutes to sum up at the end of the debate. We have half an hour of Backbench time, and I have to decide which of two stellar Members I should call first. I will go on the principle of ladies first, but also because I understand that the hon. Member for York Central (Rachael Maskell) is vice-chair of the all-party parliamentary group on stroke, so is probably far more qualified to talk about these issues than the delightful hon. Member for Strangford (Jim Shannon).

2.7 pm

Rachael Maskell (York Central) (Lab/Co-op): Thank you for those kind words, Mr Hollobone. I will open by saying that I used to be a physiotherapist working in acute care, specialising in stroke care, so I bring other experience to the debate as well. I serve on the all-party parliamentary group on stroke, and I am indebted to the hon. Member for Bromley and Chislehurst (Sir Robert Neill) for securing today's debate. We work assiduously on this issue here in Parliament, and it is so important for all our constituents. We believe there is real scope for change within the Government's approach to help our constituents not only to prevent stroke, but to survive stroke, and to benefit from that.

As the hon. Member for Bromley and Chislehurst said, every single five minutes, somebody will experience a stroke. For some people, it will be brief—a transient ischaemic attack. For other people, it will clearly be very serious indeed, and for some people it will lead to mortality. To bring that home, during the course of the debate another 18 people will have experienced strokes. The urgency is now, and we cannot lose time. Over the course of a year, around 100,000 individuals experience stroke, but that means that 100,000 families also come into contact with the NHS. As a result, it is really important that the Government renew their focus. Although we welcome the major conditions strategy, it is simply not enough. Of course, the major conditions strategy is so major that the necessary focus needs to be brought to the fore. I suggest that we make 2024 a year of stroke, so that we really bring that focus down to deliver. If we had that focus across the system, we could make such a difference.

I will not go into all the statistics that my hon. Friend the Member for Bromley and Chislehurst did, but I just want to say that stroke is very avoidable. Of the people who experience it, 80% will have risk factors that can be controlled. We must talk about prevention. As a vice-chair of the Health and Social Care Committee, I must mention our inquiry into prevention in health and social care, which I am sure the Minister will pay much attention to. We must look at how we prevent individuals having stroke. Of course, we can undertake monitoring, for instance around blood pressure, with high blood pressure being an indicator and also atrial fibrillation. This is also about lifestyle choices; it is really important that we remember that smoking is still a major cause of stroke. We must ensure that individuals have early help, not least if there is a familial issue with stroke, to see how we can avoid that.

I also want to talk about health checks. It is really important to make those early interventions. We heard today about a 41-year-old who experienced a stroke, and one in four people who experience a stroke are

under retirement age, so we must remember that it is often younger people who experience the need for this process. As a result, we should monitor people. The health checks that came in for those aged 40 are not often applied within integrated care board areas. We need a real sea change there, because monitoring things such as what is happening with blood pressure as early as we can, with really quick tests, can make a sizeable difference.

The Health and Social Care Committee has just returned from Singapore, where we heard about the early healthcare interventions being made there and, of course, saw the outcomes. If the Minister is determined to make a difference in his short time in the role before my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) takes charge, introducing those interventions to monitor what is happening could be a life-changer.

I also want to highlight how we need to respond. Response is too slow, and I want to challenge the system. For ambulances, a stroke is currently a category 2 call. I would like it to be made a category 1 call and the response expedited, because every minute that passes in the golden hour can make a difference to somebody's future and whether they will experience severe disability—or, indeed, die—or receive interventions that could prevent such disability. Changing the categorisation would save both money and lives. It is important to look at that again. It could make a difference, not least because the time lags for the ambulance service on category 1 and category 2 calls at the moment mean that categorisations are insufficient to get patients to the right place at the right time in order to get the right interventions. I hope that the Minister will take that away and carry out some work in that area to expedite the process towards diagnosis and treatment.

I turn to diagnosis. In a country like Germany, individuals are diagnosed at the kerbside, at home, or wherever they have their stroke, and the process will start immediately. At the point that the patient is experiencing deficits—perhaps they are still going through a cerebral event—or as soon as the ambulance is called, the clock starts on the diagnostic process and then treatment. Using the best diagnostic techniques to scan at the kerbside, using AI to help, we know—[*Interruption.*] It looks like the Minister is in some pain; perhaps he needs my physio skills.

The Minister of State, Department of Health and Social Care (Andrew Stephenson): Sorry; it is my shoulder.

Rachael Maskell: Being able to undertake the diagnostic process really early means being able to get the information into the stroke unit of the hospital as early as possible, so that when the patient arrives at the door, they are whipped through the system and interventions can start. The problem is that we have such a time lag that intervention is often too late. Will the Minister look at what is happening on a global scale with interventions that could really make a difference?

Of course, there are two types of stroke: some people have a cerebral bleed and some have an infarct, or a blockage, where the brain is starved of oxygen. As a result, different treatments are undertaken. There is thrombolysis, which is a medical intervention to blast a clot through, and mechanical thrombectomy, which the hon. Member for Bromley and Chislehurst talked about, where a wire is fed through the femoral artery into the

brain, captures the clot and withdraws it. As a result, the brain can receive the oxygen it needs so that it does not experience the damage that we have heard about.

We need to increase the specialist interventional neuroradiologist workforce. It is a highly trained specialism; we need enough of them, and a sufficient supply. We should have a workforce plan for the specialism to ensure we are training sufficiently and expanding the workforce. In other countries, there has been a real increase in the number of people able to access this treatment. As we have heard, the average across the UK is 3.3%, but in other countries it is 10%. Not all patients can benefit from this life-saving treatment, but of those who can, only about a third get access to it.

We need to think about where the centres are based. It is important that they are in major centres because doctors need to do a lot of these procedures to be expert in them. We need people to be expert in them, but we also need more centres. I ask the Minister to look at the mapping of that, and at specialist commissioning through NHS England to ensure provision right across the country. Will he also work with the ICBs in this area?

We need a specialist workforce. It is positive that we are training more people in stroke specialisms, but in physiotherapy, for example, significant further training is needed on Bobath—a technique used in stroke rehabilitation—and we need to ensure that it is easily accessible. Other professionals do not get the same access to training budgets as medics, so there is often a lag in getting people through the specialist training that is needed. I ask the Minister to look at that to ensure that the workforce is trained in the best techniques to treat stroke, and to carry that specialism.

This is all about investing to save money, because the better the intervention, the better the outcome for the patient. We need physios, occupational therapists, speech and language specialists—there is a significant shortage of them—and clinical psychologists to work as a team around the patient. They often work together. To give hon. Members an idea of how long it takes, a physio can spend an hour a day with a patient, because they have to break down and rebuild their tone and spasticity, which takes time. But as they are sitting the patient up, the speech therapist often comes along and does a swallow test, and an OT may do some function work. That team needs to come together. Unfortunately, the gaps in the workforce mean that it is hard to have the quality of treatment that will benefit the patient, from the most acute phases of the stroke right through to rehabilitation.

Of course, we want patients to go to stroke units—specialist rehabilitation places—where they can benefit from therapeutic intervention and get the best outcomes possible to optimise their baseline before they are discharged back home. Being in that environment is really important, but at the point of discharge, after all that cost—we have talked about diagnosis, intervention and therapy—what happens? Well, experiences are very varied, and 45% of survivors feel abandoned, so we know something is going wrong. Individuals can easily lose confidence and function.

If an individual is on a pathway to a care home, the care home should be properly trained in supporting people who have had a stroke. Everything matters: the person's positioning, how they lie in bed, how they sit in a chair and how their hand rests can make a real

difference to their function, and their hygiene and personal care. It is necessary to ensure that, if they are mobilising, it has an impact. How patients are transferred can make a difference to those outcomes, so it is important that a person is discharged not just to a care home, but to a care home that has undergone proper training. If someone is moving to the community, we need to ensure that the family around them are trained in how to support them, just as carers who provide domiciliary care must be.

I want to pick up on what the hon. Member for Bromley and Chislehurst said about people seeing improvements in their baseline functioning. It is possible that individuals do and will. Through the process of neuroplasticity, a person's brain changes and can make alterations and repair, so we need to ensure that, when somebody gets home, there is ongoing therapeutic intervention. It is easy to slip into bad ways and take shortcuts, which can undo some of that good work, and those interventions to top people up can make a difference and keep people functional, mobile and independent. If people miss out on those interventions, they will rapidly require more acute care.

I draw the Minister's attention to that and ask him to look at the whole pipeline. The lack of support is clear: only 37% of patients got their six-month check last year, which is completely insufficient. We need the figure to be 100%, so there is clearly some work for the Government to do. We are talking about 40,000 people who missed out altogether, which affects ongoing care and support. In the same way that a cancer care navigator works with patients, we need somebody who co-ordinates care and individual support on the stroke pathway, as a permanent process.

As I have already said, we have an opportunity next year to make a seismic difference to individuals by focusing on stroke. I hope that the Minister will take that opportunity, with a laser focus on a new stroke strategy across the country. If he does not, I will badger my hon. Friend the Member for Denton and Reddish to take that on, whenever he gets the first opportunity. It is important that we do that.

Finally, research in this area could be improved, and investment in research is needed. As we have seen in recent times, investment in thrombectomy has been a game changer. It gives people who experience a stroke real hope. Other interventions can and will be made: we need to understand more about our brain health, therapeutic interventions, and how to use new technologies to help people to be independent and live full and comprehensive lives. I trust that the Government will look at the research base and at investment in research as an opportunity. I trust that they will also work with the voluntary organisations that work so hard in this area—they are real experts—to ensure that we have the best stroke strategy and stroke outcomes that any country could ever have.

Mr Philip Hollobone (in the Chair): No Westminster Hall debate would be complete without a contribution from Jim Shannon.

4.23 pm

Jim Shannon (Strangford) (DUP): You are most kind, Mr Hollobone; thank you for calling me. May I say what a pleasure it is to follow the hon. Member for York Central (Rachael Maskell)? Her contribution was truly magnificent. It was full of the detail, knowledge and

[*Jim Shannon*]

experience that the hon. Lady brings to these debates. To be honest, I am a bit in awe of her contribution, because it was exceptional. We thank her for it.

I thank the hon. Member for Bromley and Chislehurst (Sir Robert Neill) for leading the debate. He has spoken on these matters in the main Chamber and in Westminster Hall, and he speaks from personal knowledge and experience. We all have him and his wife in our thoughts. I mean that sincerely and honestly; I cannot begin to understand the difficulties and experiences that he has had. He should be assured that he is in our thoughts.

As my party's spokesperson for health, it is great to be here to mark World Stroke Day. I am sure that everyone present has been touched by the impact that strokes can have on families and friends. Over the years, I have had a number of friends who have had strokes, and they have been greatly physically disadvantaged. It is not just that; there is also an emotional aspect.

I was recently made aware of the "Neurorehabilitation: State of the Nation" report, published in October by Ipsen UK—which the hon. Member for Bromley and Chislehurst referred to—and Different Strokes. The report outlines the state of UK stroke rehabilitation services, with a focus on post-stroke spasticity, and uses 2022 data to assess the extent of post-pandemic recovery. Post-stroke spasticity is pain and muscle stiffness caused by stroke and nerve damage. Almost half of people who survive a stroke experience it within six months, and it quickly forms part of their physical disability and contributes to the loss of their ability to have a normal life. It interferes with someone's normal physical function, speech and daily activities, and it is linked to poor health outcomes, including anxiety and depression. People are not able to do what they once did or follow their normal routine—that is the reality of their new physical condition.

The report's findings demonstrate that many of the needs resulting from the impact of the covid-19 pandemic still have not been actively addressed. Its recommendations include levelling up neurorehabilitation service infrastructure across the United Kingdom of Great Britain and Northern Ireland. It is so important that we all do the same thing everywhere. The report also recommends the adoption of a standardised commissioning framework for those services to balance out regional health inequalities. We do not want to find that there is a postcode where services are good, but that in our postcode they are not so good. Other recommendations include better continuity of care after patients are discharged into the community, to ensure that they have access to rehabilitation and treatments needed to manage their spasticity, and better integration of post-stroke spasticity needs into wider stroke policy, such as the upcoming major conditions strategy.

Every three hours, someone has a stroke in Northern Ireland. There are more than 40,000 stroke survivors in Northern Ireland. Northern Ireland Chest Heart & Stroke is an active charity, and I put on record my thanks to it. The hon. Member for Bromley and Chislehurst referred to charities and volunteers. There are so many groups that do such great work; it is purely voluntary, but it really affects, challenges and helps people.

Stroke is one of the biggest killers in Northern Ireland and a leading cause of adult disability. In addition, we have the second-highest incidence of stroke in the UK

and the second-highest mortality rate; in Northern Ireland, whether it is because of our lifestyle or the anxieties and problems of the last 40 years, we have a high mortality rate. For my constituency of Strangford, which is fairly rural, transforming stroke services is crucial in ensuring that patients have immediate access to the care that they need. The hon. Member for York Central outlined the necessity of stroke patients going to the right place and the right home. If they receive at-home care, it should be of a level that can give the necessary assistance.

The recommendations in the major conditions strategy are also applicable to Northern Ireland. While this debate is probably GB-specific, the recommendations and the way forward are clear, and they are things that we would wish to replicate in Northern Ireland. In summer 2022, the Northern Ireland Department of Health published its stroke action plan, detailing future steps in stroke care in Northern Ireland. However, progress implementing the plan is slow, with many stroke patients still not receiving treatment. The hon. Members for Bromley and Chislehurst and for York Central both mentioned that. It is so important, whenever someone's life is changing physically and emotionally—and family weighs on top of that—that they have all the help they need to ensure that they can deal with their new condition and circumstances.

There is no doubt that there is still work to be done nationwide in our NHS. This debate will raise awareness of that and ensure that we move forward in a positive fashion. We must ensure that stroke patients are able to access the care and aftercare support that they require.

I look forward very much to hearing what the two shadow Ministers, the hon. Members for Denton and Reddish (Andrew Gwynne) and for Motherwell and Wishaw (Marion Fellows), have to say; I do not think there has been any Westminster Hall debate about health that the hon. Member for Denton and Reddish and I have not been in together—in most cases, we say the same thing. As I say, I also look forward to what my friend and colleague the hon. Member for Motherwell and Wishaw, who speaks for the Scots Nats, says. I especially look forward to hearing from the Minister. He is a man of compassion and understanding. I am quite confident that he will endorse what we are requesting.

One thing that we can all take away from this debate is knowledge of the earliest signs of a stroke, not only for ourselves individually but for the people around us—those whom we love and have been good to us, as we have been good to them, and our friends. With the right specialist support, research and campaigning, it is possible—this is the ambition—to rebuild even more lives and support people through their post-stroke treatment. That is my wish. I am sure it is also the wish of the hon. Members for Bromley and Chislehurst and for York Central, who spoke before, and the two who will speak after, the hon. Members for Denton and Reddish and for Motherwell and Wishaw.

I am pleased that we have been able to revisit this topic after Parliament was prorogued. I thank the Stroke Association and Ipsen in particular for their delightful and helpful insights into this debate.

2.31 pm

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for

Bromley and Chislehurst (Sir Robert Neill) on securing this debate. It is always better in any debate if there is a degree of experience and I think we all benefited from his. It is very good of him to share it.

The Scottish Government recently published their Stroke Improvement Plan 2023. In many cases Scotland is more fortunate because we have our own NHS and a smaller area to cover; there are only seven health boards, so there is less difference across the country. I am not saying there is not any difference, but it is much easier for the Government to work with individual health boards and organisations and produce a plan that everyone has bought into.

Unfortunately, strokes remain a leading cause of death in Scotland. The Scottish Government's new stroke improvement plan seeks to minimise strokes. It is difficult to imagine that anyone in this room will not have had contact with someone who has had a stroke or who knows of someone still suffering. It is still the leading cause of death and disability in Scotland.

I hate to say this, but age is the most important factor. A stroke is most likely to occur after the age of 55—I will say no more on that at the moment—but younger people can be affected as well. It is the fourth single leading cause of death in the UK.

Some good news is that the number of deaths from stroke is going down, partly due to a reduction in the incidence of strokes, but also thanks to the greater awareness of symptoms. As the hon. Member for Bromley and Chislehurst told us, the FAST programme was the first advertising campaign. It was really useful: most people can now recognise what a stroke is, what the factors are and can try their very best to get people into hospital much more quickly.

I will not go down the path of describing the treatments available because that was done in an exceptional manner—in a way that even I can understand—by the hon. Member for York Central (Rachael Maskell). But it is really important that we are all aware of what we and Governments can do to help people have better health in general. If someone has high blood pressure, high cholesterol, an irregular heartbeat or diabetes, that makes them more likely to have a stroke.

One of the things the Scottish Government are trying to do is reduce health inequalities across Scotland. It is really important that the Scottish Government use a human rights approach on this basis. Poverty is also one of the leading factors for bad health. As Lorraine Tulloch, the programme lead of Obesity Action Scotland said, those facing the choice of heating or eating amid the ongoing cost of living crisis are likely to be more focused on ensuring that there is enough food to go around than noting the nutritional value of food. In Scotland, we are having to deal with the consequences of poor diet and higher weight—we also need to look at poverty, which is the leading cause of those two things.

In Glasgow, the Scottish Government are investing £500 million through the city region deal, and regional partners have secured £300,000 of Health Foundation funding as part of their work to align economic development and improved health conditions. This will include the development of a capital investment health inequalities impact assessment tool, which will ensure that the health inequality impacts on the people who live and work in the Glasgow region—which includes my own constituency of Motherwell and Wishaw—are

considered throughout the life of the project. Again, the Scottish Government are doing all they can to minimise the impact of poverty, but it is really difficult.

It is also important that the plan looks at the psychological issues referred to by the hon. Member for Bromley and Chislehurst—and it does. Often, someone who has a stroke needs not only physical recovery, but the right recovery from depression and the psychological impact. I have had some personal experience of that with people I know who have had strokes. Often, they may be accepting of the fact that they will not recover all their mobility, but they find it quite difficult to lose the life they had. That is something we must all take into account. The range of disabilities stroke can give is greater than for any other condition: limb weakness; visual problems; language and communication problems; extreme fatigue; and depression, as I have already mentioned. They are all common. The really difficult thing is that two thirds of working-age survivors are unable to return to work. That leads again to further depression and anxiety.

In order for those who experience stroke to be best placed to navigate their journey, stroke care should be provided in line with the principles of realistic medicine, which include listening to and understanding the patient's problems and care preferences; ensuring that patients are allowed to take part in the decision making; and ensuring that patients have access to the clear and understandable information required to make an informed choice about their care.

I am not quite finished. I would like to talk about something that I find really interesting and that is a wee bit more uplifting than what we have been hearing. The hon. Member for Bromley and Chislehurst referred to self-led post-stroke care groups. He and I have to declare an interest: my son's father-in-law leads one of those in Wishaw. I know from him and some of the people in his group how beneficial they find that kind of thing. But it would be much better for everyone if they did not have the problem of finding premises and all the other things. Across the UK, that should be something that Governments can take on and fund, because it helps with the psychological distress, anxiety and depression.

I recently heard about a tech-enriched rehab programme that recently opened at University Hospital Wishaw—or “Wishy General”, as most of my constituents would refer to it. It is to help meet the overwhelming demand for rehabilitation. I talked to a patient who was treated there, and she says how wonderful it is and how good it is to get something like that locally. This incredibly exciting pilot between the University of Strathclyde and NHS Lanarkshire is aimed at reducing disability and bettering outcomes after strokes. Recent research conducted at the University of Strathclyde has shown this type of model to be safe and feasible when used by people in the chronic phase of stroke recovery and has led to improved outcomes. It is really exciting to hear of these kinds of trials; it is something the Minister might consider looking into in order to benefit folk across the United Kingdom.

I make no apologies for being a Scottish nationalist and for praising my Government for what they do, but I do not think anyone could ever accuse me of not caring about people across the UK. It is important that we share knowledge and understanding to benefit all the people in what the hon. Member for Strangford (Jim Shannon) refers to as this United Kingdom of

[*Marion Fellows*]

Great Britain and Northern Ireland. I know that the Minister will have listened carefully. I hope he will take on board what has been said and look to Scotland for answers in some of the things that we do that might help to improve lives here in England and in Northern Ireland and Wales.

2.41 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. Like others, I begin by thanking my hon. Friend—I will call him that, because we are friends—the Member for Bromley and Chislehurst (Sir Robert Neill) for securing this important debate to mark World Stroke Day. I thank him for not just his continued advocacy and the work he does here in Parliament, but sharing his personal experiences. On behalf of the whole House, we send our love to his wife and to him for the work he does to look after her.

We have had a small but perfectly formed debate. I want to thank my hon. Friend the Member for York Central (Rachael Maskell) in particular for her powerful contribution. She speaks with experience that I could only ever dream of; it is so important that her expertise, knowledge and past experiences should shape and inform the debate. I thank her for that. Likewise, I thank the hon. Member for Strangford (Jim Shannon) and the hon. Member for Motherwell and Wishaw (Marion Fellows), who leads on health issues for the SNP, for their contributions. We have had a good, thorough debate, covering a lot of issues. Hopefully we have marked World Stroke Day well in this place today.

It is stating the obvious to say that stroke can have a life-changing impact. As we have already heard, the statistics show that in the time we are here this afternoon, 14 people across the United Kingdom will have had a stroke—that is one stroke every five minutes. Although often a sudden event, the lasting impact of stroke for patients can be devastating. It is one of the leading causes of adult disability across the United Kingdom. Two thirds of stroke patients—let that sink in—will leave hospital with a permanent disability, often needing lifelong care. Sadly, stroke is often fatal, causing around 35,000 fatalities across the UK every year, making it the fourth leading cause of adult death.

What those statistics demonstrate to me is that however far we have come on the journey with stroke, we need more concerted action going forwards—not just from a patient care perspective, but given the significant impact that not acting on stroke has on the economy. There is an economic argument, not just a patient care argument.

I pay tribute to the work of the Stroke Association, which does incredible advocacy, campaigning and research in this area, as well as other organisations across the UK. Stroke Association research shows that by 2035, stroke is expected to cost the British economy £75 billion a year. That is up from £26 billion as recently as 2015—a rise of 190% in just two decades. Given the strain already on stroke pathways across our health and care system, that is simply unsustainable. The need is clear, and the need is now.

One of the issues holding us back in our fight against stroke is the workforce, as is so often the case and as we have heard today in other contributions. A well-skilled,

well-resourced workforce is vital to saving lives and improving the outcomes for patients. However, for too many across the United Kingdom, the workforce is simply not there for them or not there for them in adequate numbers. Half of all stroke units across the country have at least one vacant consultancy post, with the average vacancy being left open for 18 months.

When it comes to thrombectomy—a life-changing treatment that can have a fundamental impact on patient outcomes, as the hon. Member for Bromley and Chislehurst set out—the postcode lottery for care only gets worse. A third of clinicians in this country who can perform thrombectomy are based in London. That is good for Londoners but not for other parts of the country. Given that speed of treatment is critical when it comes to long-term outcomes for strokes, this lottery facing so many people cannot be allowed to continue.

Further along the stroke treatment pathway, other issues persist. Only a quarter of community rehab teams and early supported discharge services are offering support seven days a week. That is not good enough. With patients waiting too long for treatment when they need it and too long for support in the community following treatment, it is clear that the system is broken. That is why I am proud of Labour's firm commitments on giving our NHS the workforce it needs to get patients seen on time, by delivering an extra 7,500 medical school places, training an extra 700 district nurses each year and ensuring that at every stage of the treatment pathway stroke patients will have access to the care they need when they need it.

But there is so much more work we can do to break down the barriers that too many stroke patients face on their care journey. Breaking down those barriers will take innovation and all parts of the system to be pulling in the same direction. For stroke patients, that is exactly what is needed. Given the crucial role played by primary, acute and social care services in delivering positive, long-term outcomes for stroke patients, co-ordination is the key. However, in too many cases, that co-ordination is simply not happening, and patients are suffering as a result.

We have a primary care system with vast variety in detection of key stroke indicators, such as heart conditions, atrial fibrillation and so on. We have people not getting to the right place in hospital, with only 40% of stroke patients admitted to a stroke unit within four hours of arrival. We have a community care system without the resources it needs to deliver for patients, with the Stroke Association's report about life after stroke highlighting that only 37% of stroke patients receive a six-month post-stroke review of their needs. It smacks of a system that is not working for anyone.

Rachael Maskell: My hon. Friend is making an excellent speech. When it comes to social care, people are often untrained and as a result could cause more harm than good if they do not know how to care for a patient who has had a stroke. Will he ensure that Labour discusses how it will train our care workforce to have the right skills to deliver ongoing care?

Andrew Gwynne: My hon. Friend makes an important point. Some of the discussions that I have had, including this week, with professionals in the care sector have been about how we upskill care professionals working

in our social care system so that they are able to genuinely—in an integrated fashion, with the NHS—work in accordance with the interests of the person they are caring for and take that person's needs as a whole. It is also important for these workers to have the professional development, and parity of esteem, terms and conditions and so on with the NHS, to be able to take on those extra responsibilities. My hon. Friend is absolutely right, and that issue is certainly on the radar of the shadow health and social care team as we develop our plans—not just Labour's workforce plan for coming into government, but our plans on the road map to a national care service.

Whether it is by training more GPs to ease the immense pressure on our primary care system, by putting an end to dangerous hospital waits or through a 10-year plan for fundamental social care reform delivered in partnership with users and their families, Labour is determined to get the system working again. We are determined to build a national health service that is fit for the future, with a long-term vision for a national care service firmly integrated within it. Only by doing all that, getting it right and taking people with us on that journey can we deliver on our long-term mission of cutting stroke deaths by a quarter within the next decade. That is a mission. It is something we are determined to do, because at the heart of this are people's lives and we want to ensure that we have in place the stroke services that patients deserve.

2.51 pm

The Minister of State, Department of Health and Social Care (Andrew Stephenson): It is a great pleasure to see you in the Chair, Mr Hollobone. I congratulate my hon. Friend the Member for Bromley and Chislehurst (Sir Robert Neill) on opening today's debate, which is on such an important issue. He is a tireless campaigner for stroke survivors, and his experience is invaluable in bringing their voice into this place. I am sure that his wife is very proud of the work that he does.

I pay tribute to the hon. Member for York Central (Rachael Maskell) for her thoughtful contribution, drawing on her own professional experience, and for the helpful and constructive suggestions that she put forward during the debate. I also pay tribute to the hon. Member for Strangford (Jim Shannon) for his contribution and his kind words. As he knows, I have family in Northern Ireland, and I think it is vital that on issues as important as this, England, Scotland, Wales and Northern Ireland work together where we can to deliver the best outcomes for patients—something that I was also very grateful to hear the SNP spokesperson, the hon. Member for Motherwell and Wishaw (Marion Fellows), making clear in her response to the debate. I also thank the shadow Minister, the hon. Member for Denton and Reddish (Andrew Gwynne), for his contribution.

[SIR GEORGE HOWARTH *in the Chair*]

Finally, I thank my hard-working Parliamentary Private Secretary, my hon. Friend the Member for North Norfolk (Duncan Baker). He is not allowed to speak in the debate, but he was a founder member of the all-party parliamentary group on stroke. He lost his stepfather to a stroke in July 2019, just five months before he was elected to this place, and the stroke issue is a huge priority for him; he has done an awful lot of work on it since he was elected to the House.

I would like to start as my hon. Friend the Member for Bromley and Chislehurst and so many of the contributors today did, by paying tribute to the outstanding charities that support people up and down the country to thrive after stroke. I know that my hon. Friend works closely with the Stroke Association. I was pleased to meet its CEO, Juliet Bouverie, this morning while on a visit to the Royal Berkshire Hospital to see the innovative ways that the hospital is harnessing technology to improve stroke care. I look forward to continuing to engage with her, including on the major conditions strategy, which I will cover later in my speech. I also commend the many other charities involved in this field of work, such as The Brain Charity, Think Ahead Stroke and the other—many much smaller—charities referred to by many hon. Members today. They all do fantastic work to support patients and drive forward improvements in care.

Sir George, it is excellent to see you now in the Chair. In recent years we have made great progress in understanding the condition, but as has been said, more than 100,000 people have a stroke in the UK every year. As the hon. Member for York Central reminded us, that means that during this one debate alone, 18 people will have experienced a stroke. One third of them will be left with some form of long-term disability. I am grateful to hon. Members for giving me the opportunity, less than a month after World Stroke Day, to update the House on the work that the Government are doing in this space.

I will now address as many of the points that have been raised in the debate as I can. The Government's priority is to prevent stroke in the first place. That is why I am pleased that we are rolling out an innovative, new digital NHS health check in the spring. The original programme saw the highest number of NHS checks between April and June since its creation in 2013. We are backing the programme with £17 million to deliver a million extra checks in the first four years. We have also appointed Professor John Deanfield to develop an ambitious vision for a modern, personalised cardiovascular disease prevention service. We are investing up to £645 million over two years to expand services offered by community pharmacies, including expanding blood pressure services. That extra capacity in the first year could prevent over 1,350 cardiovascular events, including strokes.

One ambition of the NHS long-term plan is the inclusion of a national stroke programme, seeking to improve stroke services through increased access to specialist stroke units, with a flexible and skilled workforce and better rehabilitation services. We are making progress on expanding the range of scanning across the country. Between April and June, over 95% of stroke patients were scanned within 12 hours of arrival into hospital, and 87% of patients eligible for thrombolysis received clot-busting drugs to treat their stroke. While there is of course more to be done, stroke patients now have better access to scans than ever before, but as many have said, integration is key. That is why, since April 2021, we have established 20 integrated stroke delivery networks, which bring together key partners in our fight against stroke to deliver joined-up whole pathway transformation across integrated care systems. They are now responsible for delivering optimum stroke pathways and ensuring that patients receive high-quality specialist care from before they are admitted to hospital through to rehabilitation and life after stroke.

[Andrew Stephenson]

Over the past 10 years there have been clear improvements in access to community stroke care, and the percentage of patients discharged from hospital to community stroke services has risen to 61% from just 41% 10 years ago. Every patient with acute stroke should gain swift access to a stroke unit within four hours and receive early multidisciplinary assessment. The latest data shows that 60% of patients are currently admitted to a stroke unit within that time. We have to ensure that we do better across the whole United Kingdom. That has improved over the past five years, but I recognise, as many have said, that more needs to be done. I am pleased that NHS England is trialling a new virtual consultation project between paramedics and stroke teams. We are confident that these innovative pilots will ensure timely access for patients accessing stroke units. That is being promoted across the country, and I am pleased that phase 1 was successfully completed this month and phase 2 began last month.

The hon. Member for York Central made an interesting point about whether stroke cases could be classified as cat 1 by the ambulance service. That is something I am quite passionate about. For the past nine years, I have been a community first responder with North West Ambulance Service. She will probably be aware that at the moment only cardiac and respiratory arrests are classified as cat 1, so I am not sure that that is a change I instinctively would support. However, I completely and utterly agree that it is critical that ambulances arrive as soon as possible, and that we triage patients to the correct services as soon as possible. I am happy to look at that and some of the other suggestions she made because she suggested an awful lot of good things that if we are not already looking at, we should be.

There is strong evidence that, when used appropriately, thrombectomy significantly reduces the severity of disability caused by stroke. Thrombectomy is a suitable treatment for around 10% of stroke patients and is available now in 24 centres in England, with a further two non-neuroscience centres on the way. NHS England has assured me that it remains committed and on track to reach its 10% target for all eligible patients to receive a thrombectomy by the end of 2025-26. The latest data shows that the thrombectomy rate has more than doubled in the past three years. To reach the target, the General Medical Council has approved the thrombectomy credential to support neuroradiologists to perform the procedure and increase the number that can be conducted. We have made great progress in getting cutting-edge AI technology into now over 90% of acute stroke-care providers in England. AI brain-scanning is now installed in all these thrombectomy units, reducing the time between patients' first experiencing stroke-like symptoms and receiving treatment by more than 60 minutes. I saw that for myself this morning at the Royal Berkshire Hospital and I was incredibly impressed.

We know that stroke survivors commonly experience serious psychological, emotional and cognitive effects. Those greatly impact a person's rehabilitation, quality of life and ability to return to work. We understand that there is a high level of demand for space in hospitals for rehabilitation services, which play an important role in a patient's recovery and discharge from hospital. NHS England has taken important steps to increase capacity

as part of its winter planning by ensuring that functions such as physiotherapy have the space they need in hospitals to operate effectively.

Of course, stroke treatment is dependent on our amazing NHS staff providing the care. There has been good progress in addressing staff shortages in several rehabilitation areas, although again I appreciate that more needs to be done. Between 2019 and 2023, we grew the number of full-time equivalent physiotherapists working in the NHS by almost a fifth, to over 23,000. NHSE has been working to increase the number of available student placements, and we have developed the speech therapy apprenticeship. Clinical neuropsychologists are a flexible workforce specifically trained to intervene across multiple care pathways, including stroke, acquired brain injury and other conditions. By 2024, NHSE will have doubled the number of training places available compared with the start of 2022.

The major conditions strategy will tackle conditions that contribute most to morbidity and mortality across the population in England. The strategy will cover prevention and treatment for cardiovascular disease across a person's whole lifetime. As I have already touched upon, some of the key planks of the strategy include prevention, unlocking the transformative power of AI, and tackling the comorbidities that cause ill health in the first place. We published the strategy in August, and I hope to keep my hon. Friend the Member for Bromley and Chislehurst and other Members across the House updated on progress.

My hon. Friend—and most Members who spoke—raised concerns about the variation of stroke services across England. The NHS England national thrombectomy implementation group is gathering data on regional variations in access to mechanical thrombectomy. It will report on the outcomes of that by the end of this year, and if I can, I look forward to sharing that information with the APPG and others. The major conditions strategy will set out that integrated care systems tackle clusters of disadvantages in their local areas. That will include addressing variations in outcomes and the care that people receive in the context of the recovery from the pandemic.

This Government have a profound ambition to improve the lives and health outcomes of people in this country who have survived a stroke. The contributions today have played a vital role in pushing this agenda forward. I am happy to reassure my hon. Friend, and the other Members who have spoken, that I will continue to do everything I can for this matter to remain a top priority for our health service, and that the thrombectomy target will stay on track. I am especially grateful to my hon. Friend for everything that he has done to encourage his constituents to sign up for the Our Future Health programme. Our work here will have huge benefits both to patients and to our NHS overall, so that all survivors may survive and thrive after stroke.

3.4 pm

Sir Robert Neill: It is good to see you in the Chair, Sir George. I warmly thank all hon. Members who have spoken. I am grateful to them for their support from both the Front and Back Benches. I particularly thank my vice-chairman of the APPG on stroke, the hon. Member for York Central (Rachael Maskell), whose expertise in this area is phenomenal.

I also thank the hon. Member for Strangford (Jim Shannon) for his characteristically compassionate remarks, as well as the hon. Member for Motherwell and Wishaw (Marion Fellows) and the shadow Minister, the hon. Member for Denton and Reddish (Andrew Gwynne). We all agree that we want better outcomes for people who suffer from this condition and that there are ways in which that can be done.

I look forward to working with the Minister, as do all the members of the APPG, and I am glad that he paid tribute to his Parliamentary Private Secretary, my hon. Friend the Member for North Norfolk (Duncan Baker), who was a driving force in setting up the all-party parliamentary group. I know that he will kindly and discreetly, but firmly, hold the feet at the Department to the fire on this matter. That will make our task easier.

I appreciated the references to some interesting developments. The pilot in Strathclyde, which the hon. Member for Motherwell and Wishaw mentioned, is particularly useful and interesting. In the short time I have left, I would like to mention one more—an online speech therapy app called Beautiful Voice. It has finished a useability pilot, and is run by a mixture of entrepreneurs, therapists and academics with virtually no Government funding, apart from sometimes a bit of research funding. From our experience as a family, it has been useful. Given the shortage of speech and language therapists, anything that can enable people to undertake therapy in their own home is something that I hope the Minister will look at. The Beautiful Voice app, which is available online, is delivered in conjunction with Hobbs Rehabilitation and the MiNT Academy, so there is an academic background. I hope the Government will try to find out more about that and get behind it.

With thanks to everyone, I hope that we continue to keep up the pressure. I know that it is not for want of intention, but the fact is that there is still a way to go to get us to where we want to be. If it can be done elsewhere, this is a classic case in which some investment up front—in thrombectomy, for example—and support for some of these therapies can save the country money in the long run. Above all, it can save human life and it can save and improve human experience, which is more important than anything. I am very grateful for the opportunity to debate this issue.

Question put and agreed to.

Resolved,

That this House has considered World Stroke Day.

3.7 pm

Sitting suspended.

Energy Social Tariffs

3.10 pm

Sir George Howarth (in the Chair): Before I call Marion Fellows to move the motion, I remind Members that if they wish to take part in the debate, they must bob.

Marion Fellows (Motherwell and Wishaw) (SNP): I beg to move,

That this House has considered energy social tariffs.

It is a pleasure to serve under your chairmanship, Sir George, in this debate on the introduction of an energy social tariff to support disabled people with the cost of living crisis. I thank the Backbench Business Committee for originally timetabling it and the Chairman of Ways and Means for giving me the opportunity to bring this urgent issue here today.

As we enter the winter months, lots of us are really looking forward to the festive period, but for many the winter months, with their colder weather, are a time of genuine worry, stress and anxiety. That is the case for many vulnerable people, particularly in low-income and disabled households, who once again are greatly concerned about high energy bills over the coming winter. That concern has been relayed to me by constituents and all the disabled organisations I regularly meet, which have been stressing to me for months their members' real concerns about energy bills. It is a top priority for them.

At the outset, I would like to thank the many organisations that sent me briefings for today's debate: Sense, Scope, the Cystic Fibrosis Trust, Mencap, Marie Curie, Age UK, and Kidney Care UK, as well as Citizens Advice, National Energy Action, Warm This Winter and Centrica—a record amount of briefings for me. Yesterday's disappointing autumn statement did nothing to address the concerns of low-income, vulnerable and disabled households about energy bills this winter.

Alongside that, Ofgem's announcement means that households will start paying higher prices for their energy as they enter 2024. I was reliably informed that the new price cap represents a £94 increase on the current rate, but I have since received an email from National Energy Action saying:

“At first glance, it might look like prices are only increasing slightly, but they are not. That's because Ofgem has just changed how it calculates 'typical use'. Just three months ago this was a 2-3 bedroom household using 2,900 kWh of electricity and 12,000 kWh of gas a year. Now it's based on a household using 2,700 kWh of electricity”—

2,000 kWh fewer—

“and 11,500 kWh of gas. It's important to note the price cap isn't a cap on the total bill but on the price per kWh of energy.”

I was originally given a figure for a typical annual bill of £1,928, which is now £2,023 if it is based on the same criteria used previously by Ofgem. This will only add to the worry of millions up and down the country.

During the autumn statement one year ago, this very same Government committed to developing a new approach to consumer protection in energy markets by working with consumer groups and industry to consider the best approach, including options such as social tariffs. That commitment has been repeated multiple times since, including by the Prime Minister and others. In April, the Department for Energy Security and Net Zero reiterated that pledge by promising to consult on an energy social tariff in the summer of 2023. However,

[Marion Fellows]

despite multiple commitments, a consultation has never materialised, and as we approach the end of November there is a significant risk that no new protections will be in place in April 2024. All the while, the very real anxieties of low-income and disabled households over their ability to heat their homes this winter have risen exponentially.

The great need for an energy social tariff is best demonstrated by the wide and varied support for the implementation of one. Disability groups, debt advice groups, politicians across the political spectrum, consumer groups, local authorities, housing providers, Ofgem and even energy companies are in favour. That exemplifies the united front on this vital issue and makes it even more surprising that the UK Government have failed even to hold the consultation they promised. They have continued to bury their head in the sand, despite the fact that National Energy Action, Energy Action Scotland, Age UK, Scope, Citizens Advice, Money Saving Expert and 150 other organisations, as well as MPs, wrote to the Prime Minister in September to call for a consultation on an energy social tariff, as promised last year.

Sir George, you may ask what an energy social tariff is. It is a system of targeted support, through a reduction in energy bills for vulnerable, low-income and disabled households, in response to incredibly high energy bills. The need for a social tariff cannot be stressed enough, as one in three households will spend more this winter on energy bills than they did last winter, and the figure is closer to half for the poorest households. Citizens Advice research shows that energy bills are 61% higher than 2021 levels. Other research suggests that high energy bills will become the new normal for the rest of the decade, highlighting the desperate need for meaningful long-term support.

The year 2022 was widely seen as the turning point in the cost of living crisis in terms of energy bills. The Government continually said that global factors were responsible for the rise, but even though we are told that the energy market has stabilised, bills remain sky high, and 2023 is projected to be much worse due to the huge levels of energy debt accrued last winter. Ofgem and Citizens Advice research shows that energy debt is at the highest level ever. It is clear that action is needed to address the looming debt crisis. Additionally, Ofgem CEO Jonathan Brearley has said:

“we think there is a case for examining, with urgency, the feasibility of a social tariff”.

Furthermore, in the absence of an energy bill support scheme this winter, bills will be 13% higher than last, and today’s announcement confirms that. Rising costs have a huge impact on disabled and low-income households. Many people have to choose between heating and eating. They live in cold, dark homes, struggling to cook meals. For those with disabilities, the results can be catastrophic for their physical and mental wellbeing. Disabled households have significantly higher energy needs, as mobility and hygiene can require increased consumption of electricity—for example, to run electric wheelchairs or to use washing machines frequently. Additionally, some conditions require the constant charging of essential, life-saving equipment, such as oxygen concentrators or feeding pumps.

Scope’s 2023 disability price tag shows that the average monthly cost for a disabled household is already a staggering £975 extra. However, for some conditions, it

could be even more. Last year’s Government support—the additional £150 offered to disabled people—did not come close to covering their additional costs. According to Mencap, half of all low-income disabled households have been in arrears on at least one household bill since winter 2022.

The impact is not just financial. The rationing of energy can have a devastating impact on the health of those with disabilities. Some 31% of those surveyed by Scope said that going without heating would severely impact their health, and 9% said it would put their life at risk. According to Marie Curie, there is also a huge impact on those receiving end-of-life care. Many have to spend their final days in hospital, rather than in their own home. That also puts pressure on the NHS, and the costs are significant. Marie Curie says that an NHS in-patient palliative care bed costs £349 a day. Currently, about 5.5 million bed days are required by people at the end of their life in England alone.

Age UK highlights the concerns of some of my constituents, of whom 8,000 live in fuel poverty, about the lack of Government support:

“I am so very tired of being old and invisible. I am frightened to death!!! I can’t seem to save anything to help us for the winter to come, not even credit on the energy bill which I was counting on to help this winter. I worry daily.”

To show the stark reality of the energy consumption that some conditions require, I was going to discuss the power use of life-saving machines such as nebulisers, extra fridges and all that, but I do not have time to go through them all. They are a huge cost for many disabled families, who worry about being able to run them. If they cannot afford to run them because of the cost of electricity, what does the Minister think will happen? People will end up in hospital, or they will not make it to hospital. Do we expect people to fall deeper into debt to protect their health, or do we simply let their conditions deteriorate? The disabled and most vulnerable need more support, and this Government must listen to them.

An energy social tariff is the best way forward. The organisations I have talked to say that such a tariff has five main principles: it must be additional to the warm home discount and the default tariff price cap; it must be targeted to those most in need and go beyond the benefits system—National Energy Action estimates that approximately two thirds of fuel-poor households are not in receipt of any social security payments; it must be mandated across all suppliers; all eligible consumers should be auto-enrolled using suppliers’ existing data and/or data shared by the Department for Work and Pensions; and the tariff must reduce costs for consumers to pre-crisis levels. It is important that people are able to stop worrying this winter about how they are going to deal with the increased prices, which, as I have explained, are even higher than I first thought.

National Energy Action believes that an energy social tariff should meet several tests. Although prices have dropped significantly, they are still high—the July price cap is 80% more than pre-crisis levels—so an energy social tariff must be sufficiently discounted to make a difference. We also have to consider whether an energy social tariff would capture enough households automatically and whether there would be enough support for eligible households. That is particularly relevant to disabled households that are medically dependent on high-demand medical equipment and need to—must—live in warmer

homes. It is also relevant to those who live in a home that is not energy efficient, and the UK has the least energy-efficient homes in western Europe.

Will such a tariff work for the legacy prepayment meters used by some of the most vulnerable households in the country? Last year, 20% of the money earmarked for those households went unused, because of difficulties redeeming vouchers. Automatic enrolment is therefore essential. Will support be available for those in Northern Ireland? There must not be disparities across devolved nations in the roll-out. Will it be funded in a fair way? I am assuming that the Government are going to listen to this plea—not from me, but from all the organisations I have listed.

Let us be realistic: we all know that an energy social tariff will cost money. It is essential that the costs are met in a progressive way. If not, there is a risk that the tariff will create a significant cliff edge, where those who narrowly miss out will be much worse off. It is essential that that is avoided. National Energy Action, Citizens Advice and Centrica all say that an energy social tariff should be funded by general taxation, rather than a levy on everyone's bills, as happens now. That would ensure the greatest level of fairness. If that cannot be done, low-income households on the fringes of support must be exempted from paying towards the social tariff.

A social tariff is affordable. Recent reports show significant headroom in Government finances, and the Prime Minister and Secretary of State have said that the Government's new round of oil and gas licensing would raise money to reduce bills. A social tariff would have numerous economic benefits; it would also offset the costs. For example, illnesses brought on by having a cold and damp home cost the NHS between £500 million and £1.4 billion a year.

Energy debt is also dramatically reducing the spending power of households who can no longer spend money in their local communities and high streets. That point was reiterated by people interviewed by Scope. One member said:

"I want a social tariff for energy...What that would mean to my quality of life would be incredible...I'd be able to buy a wheelchair, I'd be able to pay for my medicine, I would be able to go to the cinema and I'd be able to eat without going to a food bank. It would change my life."

Another Scope member in Scotland has highlighted how not being able to afford to pay energy bills puts additional strain on the NHS:

"The house has to be warm, due to my COPD. If it gets too cold, it can lead to chest infection and respiratory failure. If the house is cold, my arthritis pain increases, and mobility is impaired even more. If I get disconnected, I will most likely be taken into hospital."

That perfectly demonstrates how an energy social tariff could change the quality of life for everyone.

There is additional money for the Government to pay for this. The warm home discount, energy bills support scheme, and energy bills support scheme alternative funding—all designed to help the most vulnerable households—had a cumulative underspend of £440 million last year. That is alongside an additional £1.1 billion extra that the Government generated in VAT from high energy bills. In Scotland, that totalled £96 million that could be distributed to low-income and vulnerable households. Dame Clare Moriarty, chief executive of CAB, has said:

"Energy affordability is a long-term problem that needs a long-term solution. A social tariff protects millions of people from spending excessive amounts on their bills."

My question to the Minister is this: what level does this crisis have to reach before the Government will commit to supporting households facing high prices for decades? How many vulnerable constituents need to sit in cold, dark houses this winter? How many more years of anxiety do parents of disabled children have to endure, worrying whether they can afford to charge their child's lifesaving medical equipment? I know things like that are true: my assistant has talked to parents who worry about them. When will people with disabilities get the support necessary to keep warm and manage their condition through the colder months? How many low-income households have to plunge themselves deeper into debt this winter and endure the mental health consequences?

The Government may feel comfortable breaking promises to the most vulnerable in society as the quality of their lives diminishes, but I will continue to fight their corner, as will many others, including all the organisations I have referred to. When will we finally see a consultation on energy social tariffs? It is now too late to introduce an energy social tariff this winter, because it will take about six months. Can we have progress next year? If we cannot have an energy social tariff, will the Minister commit to reinstating the £400 rebate on energy bills and put additional support in place for people with disabilities? Will she commit to expanding the eligibility criteria for the £300 cost of living payments, so that disabled households in receipt of contribution-based or new-style employment and support allowance are eligible?

I know that, in an independent Scotland, we could assist those in need of support, just as other small, independent countries are helping their citizens—for example, Ireland is giving €450 in support to all households. Will the Government extend the energy price guarantee for disabled households beyond March 2024, until a social tariff is introduced? Finally, will the Minister commit to reversing changes to the eligibility criteria for the warm home discount and expand the scheme to provide short-term help for those in need this winter?

3.30 pm

Peter Aldous (Waveney) (Con): It is a pleasure to serve with you in the Chair, Sir George. I congratulate the hon. Member for Motherwell and Wishaw (Marion Fellows) on securing this debate and setting out in comprehensive detail the evidence base for an energy social tariff. I also thank the Backbench Business Committee for granting the debate.

Everyone should have access to a warm and secure home. For the majority of people, that will be provided through the marketplace, although our energy market is imperfect and invariably, at all times, in the interest of fairness, there is a need for Government intervention. Before the current cost of living crisis, that intervention was provided predominantly through the energy price cap, which, while not perfect, performed an important role. The energy price cap has been increased today, although from what we have heard from the hon. Lady, and from the feedback that I am receiving, that will be of limited relevance to many of those who are struggling with their bills.

The dramatic increase in energy prices, primarily caused by the Russian invasion of Ukraine, has necessitated a different approach, and to their credit the Government have stepped in with more direct support over the past

[Peter Aldous]

18 months to two years. My right hon. Friend the Chancellor of the Exchequer continued with that strategy yesterday in his autumn statement, and I particularly welcome the increase in the local housing allowance. I have also heard that, as the hon. Lady has outlined, there is some concern as to whether he has done enough. I think he has tried, and I hope he has done enough, but in many ways I am on tenterhooks to see whether he actually has.

That said, it is clear that in the medium-to-long term—when I talk about the medium term, realistically I am now talking about 2024-25 onwards—a different approach is required to protect the most vulnerable. The energy price cap on its own has run its course, and it is thus appropriate to consider a social tariff, which can provide longer-term, more targeted support for the most vulnerable households.

The fact that we need such support is clear from the evidence base we heard about from the hon. Lady and from the feedback that we all receive in our constituencies from those who come into our surgeries, often with heartbreaking stories of the challenges they face. Those messages are reinforced by the briefings we all received ahead of this debate—as the hon. Lady said, we have received a great many of them—from such organisations as Citizens Advice, Mencap, Marie Curie, the Royal National Institute of Blind People, the Cystic Fibrosis Trust and Scope. All those organisations have one thing in common: their clients—the people they look after, whom they support and whose needs they articulate to us as Members of Parliament—are the most vulnerable. They are the people who are the most challenged at this time.

It is also important to thank those churches and other faith groups, charities and volunteers, aided by local councils right throughout the country, who have reached out and are supporting those who are struggling with their energy bills. A network of warm rooms has now sprung up across the UK, which shows British society operating at its very best.

From my perspective, as I have said, the case for a social tariff is proven. It is now necessary to move on to the more complicated and difficult challenge: how to design that tariff and then introduce it. We have received a great many representations ahead of this debate; the one I found particularly interesting and relevant was the report of the Social Market Foundation from March this year, entitled “Fairer, warmer, cheaper”. That report is a good starting point for the discussion about the form that a social energy tariff might take.

As we have heard, the Social Market Foundation concluded:

“The current system of policies supporting households with high energy bills is inadequate for an era of high energy bills”—one that is, I fear, likely to continue for the foreseeable future. It recommends a social tariff arrangement whereby households that spend an excessive proportion of their income on energy bills should receive targeted financial support to reduce those bills in the form of a social tariff. The Social Market Foundation also points out that the precise form of the social tariff warrants further consideration, but its own analysis suggests that the most progressive and fiscally efficient form is a lump sum payment. I will return in a minute to the precise form that the tariff might take.

The Social Market Foundation believes that the social tariff should be funded from general taxation—a view that the hon. Member for Motherwell and Wishaw articulated and with which I concur. It also rightly emphasises that at the same time as we introduce an energy social tariff, we need to significantly expand the energy company obligation scheme so as to improve the energy efficiency of homes. As we have heard, we have a very leaky housing stock; we have made some progress in improving it, but there is a long way to go. It is absolutely vital that we are not diverted from that pressing and crucial task, and we must significantly step up our efforts in that regard, with funding for the ECO continuing to be raised via on-bill levies.

As I have mentioned, the issue on which there is some dispute and where there is a need for discussion is the form that the tariff should take: whether it should be a social tariff or what is known as a block tariff. That is a complicated debate and I am not going to go into it in any great detail now—that is why we need the consultation that I am going to plead for in a minute, and which the hon. Lady already asked for. National Energy Action, which does great work in this field, favours a social tariff: it believes that a block tariff would be distributionally unfair and would create very vulnerable users. The counter-argument in favour of a block tariff is that it would incentivise energy efficiency, which should be a long-term goal and objective and is a challenge we must not shirk.

In conclusion, although I shall not go into any detail as to the design of the tariff, we need to get on straightaway and talk about it. It is ironic that, as the hon. Member for Motherwell and Wishaw said, we are having this debate the day after this year’s autumn statement. If we go back a year to the autumn statement of 2022, my right hon. Friend the Chancellor undertook to

“develop a new approach to consumer protection in energy markets, which will apply from April 2024 onwards.”

That commitment was reiterated in the April just gone by the Department for Energy Security and Net Zero, which set out the intention to consult this summer.

This is a very important task, as well as an incredibly complicated one, and we need to be getting on with it as quickly as possible. April 2024 is six months away, and I am not sure that that provides us with sufficient time to have an energy tariff in place for 2024-25. I know that there will be other distractions but, for an awful lot of vulnerable people, it is vital that we put that longer-term arrangement in place. I am not begrudging the support that has been given—the sticking-plaster approach of short-term support—but the longer-term approach is vital.

I would be grateful if, in her summing up, my hon. Friend the Minister, who does great work in this policy area, could provide us with details of when the consultation will get under way. Time is of the essence. We will not have it in place this winter—no way—but we do need it in place for 2024-25.

3.41 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): It is a pleasure to see you in the Chair, Sir George. I congratulate the hon. Member for Motherwell and Wishaw (Marion Fellows) on securing this important debate.

It is pleasing that the Ofgem chief executive has called for a “serious assessment” of an energy social tariff and that energy suppliers are saying they stand

ready to work with the Government to deliver one. That leaves me curious to know what the hold-up is. Surely it cannot be that difficult if water companies and broadband businesses already use this very approach. We are not used to congratulating water companies in this place, but I am aware that Severn Trent and, I believe, all the other water companies in the country use a scheme called WaterSure, which is a social tariff to cap water bills for vulnerable households. Ofcom goes out of its way to advertise social tariffs for broadband and phone packages for those on benefits—the very people I assume the Chancellor expects to work from home on pain of losing their benefits.

As we have heard, in last year's autumn statement we were told that the Government planned to consult this summer on long-term measures, including a social tariff. Perhaps I missed the Chancellor's update yesterday, but I would be grateful if the Minister could update us on what has happened to the consultation on the energy social tariff and when she expects to announce some progress.

This is a particular issue for disabled people and those with long-term medical conditions. A survey for the disability equality charity Scope, which the hon. Member for Motherwell and Wishaw mentioned—it is very active in Scotland and throughout England—found that in the west midlands, the region I represent, the number of disabled people getting into debt because of energy costs was double that of non-disabled households, and around 37% of disabled people said they were reduced to buying lower-quality food, skipping meals and often eating less than they felt they needed. There are numerous reports—I recall questions in the House and a debate on this—of people who need their homes at constant temperatures because of their medical conditions. Those who suffer from severe arthritis would be a good example, as would those who rely on medical devices to keep them alive. Those people are having enormous difficulty paying bills.

I assume the Minister will tell me that there is an NHS electricity rebate scheme for some kinds of equipment—I think dialysis machines are one example—but she will also be aware of recent research that suggests that that support is reaching only a relatively small proportion of eligible consumers, and often fails to reflect the costs of running the relevant technology. The problem is that it not only threatens their health but impacts on their general wellbeing and quality of life. In too many cases, as I think Scope puts it rather well, people cannot thrive because they are too busy trying to survive. There are even accounts of people having to give up their pets—their dogs and their cats; sometimes their only companion—because they have to choose between looking after them and trying to pay excessive energy bills.

The hon. Member for Motherwell and Wishaw touched on this, but I reiterate that four groups in particular would benefit from an energy social tariff: people who receive means-tested benefits, people who receive disability benefits, those who receive the carer's allowance, and those who are struggling with bills but are just below the criteria for support from the welfare system. Poor pensioners who just miss out on pension credit would be a particularly good example. I am sure that the Minister will have come across the same kind of people in her constituency as I have—pensioners who just fail to meet the threshold for pension credit but are struggling by all other metrics to survive.

The Work and Pensions Committee, on which I serve, recently inquired into the cost of living payments and concluded that the £150 disability payment is just not enough to support disabled people during this cost of living crisis. The Committee advised that the Government should increase the financial support for those with disabilities in proportion to the additional costs that they actually incur. It would have been nice to have heard some recognition of that from the Chancellor yesterday. There are things the Government could do in the interim. They could, as we have heard, reinstate the warm home discount for 300,000 disabled people, who lost it when the Government changed the eligibility criteria. You will remember, Sir George, that they rearranged it so that it was determined by the size of the property, which meant that many people who had previously qualified lost access to that support.

The Government might also consider extending the proposed ban on prepayment meters to cover homes where there is a disabled person, and permit households where one has already been installed to have it removed. More than 30% of those in energy debt are on prepayment meters. As we have heard, in the absence of a scheme that, with the best will in the world, almost certainly will not be available this winter, the Government could extend the energy price guarantee for disabled households until such time as a social tariff is introduced. I do not doubt for a second that the Minister shares my concern about the struggles the people I have referred to are experiencing, but it would be good if she could reassure us that the Government have listened and will act to address the issue.

3.49 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I will not go into great detail this afternoon on behalf of the Opposition on the background and the need for a social tariff, or a similar instrument, because the hon. Members who have taken part in the debate have made the case for one excellently. I congratulate the hon. Member for Motherwell and Wishaw (Marion Fellows), who introduced the debate, not only on the debate, but on the comprehensive way in which she presented the case for social tariffs and urged the action that needs to be taken.

I very much commend the contribution—thoughtful, as always—from the hon. Member for Waveney (Peter Aldous). On other occasions, I have said that he is virtually an hon. Friend on these issues. I commend him for the forthright and detailed way in which he not only made the case for social tariffs, but also talked about what we ought to be talking about this afternoon, which is what happens after we have concluded that this is the right thing to do. He covered the fact that the onus is on the Government to take action and what considerations we have to undertake to secure not just a sticking-plaster solution for perhaps one winter, but something that applies long term and targets the right people in society, giving them the help that they need to keep their energy bills affordable.

I also very much commend the contribution of my hon. Friend the Member for Birmingham, Selly Oak (Steve McCabe), my actual hon. Friend. Among other things, he set out the groups of people involved. In particular, he talked about those in very difficult circumstances that have not just arisen from the energy price shock that we had a little while ago, but that affect their daily living requirements on a longer-term basis. They are the

[Dr Alan Whitehead]

people who would very much be eligible and we should think very seriously about ensuring that those people have that long-term social tariff support.

That point is very much underlined by Ofgem's very recent announcement on the energy price cap. The announcement underlines—if underlining were necessary—just what a difficult situation the people we are talking about continue to find themselves in. The price cap comes to just under £2,000 for a dual fuel tariff. Of course, that is not the actual bill that anyone will pay; it is an average of the sort of bill that people can expect to pay under the price cap. A lot of people—particularly those in disadvantaged and difficult situations—will pay a huge amount more, either because of their need for constant heat, because of their circumstances, or because they have other issues such as a combination of difficult living circumstances, inadequately insulated homes and high heating bills all at the same time. The price cap is the very least indication of where a lot of those people will be. Not only that, but we know from projections that the cap will be something like that for a very long time to come.

The price cap is not a way station in the downward curve of energy bills for the future. All the projections we have, particularly from Cornwall Insight, are that it is likely to remain at the same level, certainly throughout 2024 and probably going into 2025, and that they will not dip much below about £2,000 on average. As recently as April 2021, the price cap was precisely half that amount.

The people we are talking about are faced with the prospect of paying twice as much as they were as recently as two years ago for the next two or three years, with all the affordability issues that that will continue to bring into play. That underlines the point made by hon. Members this afternoon. It would be great if we had a social tariff this winter that could effectively continue the price support that has been applied previously, but that energy price support is coming to an end. After this winter, at the latest, it is not being replaced. That underlines the fact that a social tariff should not just be for Christmas—it needs to endure in providing assistance and help for those groups in society.

That is the problem with the other key point that has been mentioned this afternoon—namely, where is the consultation? It is not that the Government have said that a social tariff is a terrible idea that will never be done by Government ever. It is difficult to remember exactly which Minister of State for Energy it was, because they keep changing, but in January the Minister said:

“we will look at a social tariff and at how vulnerable people are looked after, but we have to look at it in a considered manner.”—[*Official Report*, 25 January 2023; Vol. 726, c. 1031.]

On 18 April, the then Secretary of State for Energy Security and Net Zero said:

“We do think that things like a social tariff could be very helpful”.—[*Official Report*, 18 April 2023; Vol. 731, c. 111.]

Then, in May, the Government stated, in response to a petition:

“The Government is considering potential approaches to consumer energy protection post-April 2024. The Government intends to consult on options in summer 2023...Government officials are considering potential options, including discounted tariffs, for a new approach to consumer protection in energy markets that will apply from April 2024”.

They have said all these things. They have said that there will be a consultation. What has not actually happened is a consultation.

It is difficult for us in this Chamber to home in on what a social tariff might look like, because the Government have not said anything about the sort of area that the social tariff would fall into as part of any consultation. We do not need just a consultation; we need to see the substance of that consultation and what the Government are minded to do about the commitments they have already made. That is completely lacking at the moment.

We can speculate to some extent on why there has been no consultation. Personally, I think the Government were rather hoping that this energy price crisis would be completely a thing of the past by now, and that instead of the energy price trajectory going down and flattening out, there would be a more straightforward downward price trajectory so that we would return to the position in 2021, when prices were about £1,000. Then the Government could say, “Well, actually, we don't need a social tariff because it is much more affordable for everybody now, and we can tweak various other forms of assistance to make sure that life is good.” That has not happened. The data from just the past few days shows that it has not happened and will not happen in the near future, which should concentrate minds about what solutions need to be proposed.

This may be a little bit of speculation, but perhaps the Government are thinking, “Well, maybe we do need a social tariff.” But as hon. Members have mentioned, where will that be funded from? Will it be smeared across customer bills? Will it come from general taxation or some other arrangement? Of course, because there is no consultation, we do not know what the Government are thinking.

I could see the Government thinking, “Ooh, we've spent all this money on price support during the height of the crisis. Do we want to commit ourselves to another fairly substantial amount of taxpayer support for energy bills for the future?” Many of us would say the answer is yes, they should. But the Government may have other views and, indeed, there may even have been tension between Departments on the enactment and funding of that policy. I do not know, but that could have been the case.

There are ways of establishing a social tariff—the hon. Member for Waveney alluded to this—that do not actually cost the amount of money that the Government perhaps think it will. They involve changes in how the energy retail market works, but can deliver very solid back-up arrangements for social tariffs on a sustainable basis, which is what we all want, without that necessary and apparently large chunk of money coming from the Treasury. Again, as was the case for the hon. Member for Waveney, it would be inappropriate to expatiate on that at great length this afternoon, but I think that there are interesting ways we can examine it.

Steve McCabe: I am extremely grateful to my hon. Friend, who is making a very valuable point. It would be very helpful if the Minister could tell us what discussions the Government have already had with the energy suppliers and the director of Ofgem, since they have both indicated that they are in favour of a social tariff. Some of the work referred to by my hon. Friend must have been done—we just need to hear what has been discussed.

Dr Whitehead: My hon. Friend is absolutely right. Basically, what we need on the table now is—as they say about homework—for the Government to show their workings. That is why I emphasised that we need not just the promise of a consultation, but a consultation with some substance in the consultation document. We need to see how the thinking process has emerged and what propositions there might be. I agree that getting a social tariff right is quite a long way further on from deciding that there should be one.

It is absolutely right to undertake that process, but we have virtually no information. The Government have certainly not conveyed anything to me about their workings. All I know, along with everybody else, is that there is no consultation. It appears that no action is taking place at all. I would certainly be happy to talk to the Minister about ways to establish a decent social tariff without placing a substantial burden on the taxpayer in order to bring it into being over time. That is an open offer, but we will see whether it is taken up.

To conclude, the onus is on the Minister to stand up this afternoon to say that first, yes, there will be a consultation; secondly, that although we have missed out on help that could have come forward this winter, we will urgently consider what can be done in the meantime to help stabilise some of those bills in light of the new price cap for this winter; and, thirdly, that the Government, as my hon. Friend the Member for Birmingham, Selly Oak has said, will lay their workings on the table at a very early date so that we can collectively take part in the debate as to how we get a social tariff that works in the long term and that protects the people and makes their energy affordable in the way that we all want.

4.5 pm

The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Amanda Solloway): This is an incredibly important issue, and I thank hon. Members from across the House for their contributions to the informed, interesting and heartfelt discussion. I particularly wish to thank the hon. Member for Motherwell and Wishaw (Marion Fellows) for raising this important topic for debate and for the previous conversations that we have had on this subject—I have had similar such conversations with many Members across all political parties. I also thank the hon. Members for Birmingham, Selly Oak (Steve McCabe) and for Southampton, Test (Dr Whitehead) and my hon. Friend the Member for Waveney (Peter Aldous) for their valuable contributions to this important debate.

As the Minister for energy, consumers and affordability, I am working really hard to try to bring down bills for households and to tackle fuel poverty as it is clearly the most important thing on my mind. I recognise the challenges that families face and continue to stand firm behind energy consumers.

Last winter, as Members will know, we spent £40 billion on an unprecedented package of support for households and businesses. That meant that a typical family have saved £1,500 through the energy price guarantee and energy bill support scheme since last October.

The hon. Members for Motherwell and Wishaw and for Birmingham, Selly Oak both raised the important issue of support for disabled people, particularly those with in-home medical equipment. The Government's support package assists the most vulnerable with rising energy bills, including charges incurred by patients

dependent on medical equipment and devices as part of their homecare. I am reminded of my mother who suffered with chronic obstructive pulmonary disease and who sadly died at the age of 67, so I am very conscious of the kind of care that we should be giving to this important group of people.

We have certain specialised NHS services, which include the provision of financial support to offset increased energy costs faced by patients using medical equipment at home. Home oxygen suppliers, as I have previously mentioned, also reimburse patients for the cost of electricity that is required to run oxygen-concentrate devices in a patient's home.

As the departmental ministerial disability champion, I am aware that energy prices are a major concern for those with a disability or a long-term health condition. I am proud of the support that the Government offer to those with disabilities. That includes, for example, more than 6 million people across the UK eligible for extra costs disability benefits who have already received the £150 disability cost of living payment. It also includes the personal independence payment, which pays up to £172.75 a week to those with the greatest additional needs. Our national disability strategy, published in 2021, sets out the actions that the Government are taking to improve the lives of disabled people.

Members have my assurance that I continue to discuss with charities how we can best tackle fuel poverty and other such issues. I have had many recent meetings with Mencap, Scope, the Motor Neurone Disease Association and Citizens Advice, as well as many other stakeholders.

We set out in our 2022 autumn statement that we were exploring the best approach to consumer protection as part of wider retail market reform. The outlook has improved significantly since then, with the Ofgem price cap more than halving since its peak earlier this year. However, even with prices dropping, energy bills represent a challenge to many low-income and vulnerable households, leading to debt and self-disconnections. We have taken additional steps to support those households. The term “social tariff” means different things, but ultimately it is about providing financial support to those who struggle to afford bills, for one reason or another. We are approaching that in three ways. First, we are working closely with Ofgem, which I have very regular meetings with, and suppliers—of course, as the hon. Member for Southampton, Test asked, I have meetings with suppliers—in relation to those facing energy issues such as debt. Secondly, we are supporting those who face challenges particularly linked to energy—for example, because they live in a poorly insulated home. Lastly, we are supporting those with cost of living pressures.

However, it is important to consider any further energy support in the context of wider changes to incomes and Government support, including that which my right hon. Friend the Chancellor of the Exchequer set out in yesterday's autumn statement. Although prices have stabilised, they could rise in the future. It is important that any new approach can respond to a future price spike. I was listening to all the hon. Members when they talked about long-term solutions rather than just putting a sticking plaster over this. That is one of the challenges that we face.

The energy price guarantee will remain in place until the end of March 2024 to have protection in place should energy bills increase significantly during this

[Amanda Solloway]

period. The Government have also ended the prepayment meter premium by providing a discount to prepayment meter customers through the energy price guarantee. As laid out in yesterday's autumn statement, the Government continue to invest in infrastructure and will deliver more than £600 billion of planned public sector investment over the next five years, underpinning our future growth and supporting energy security, net zero and, of course, vital public services. We have also highlighted proposals to offer electricity bill discounts for properties close to electricity transmission infrastructure. That could be up to £1,000 per year over 10 years for those properties.

In the past year, we have worked with Ofgem and energy companies to ensure better treatment for energy consumers. I chaired a supplier roundtable on 24 October. I have of course had previous discussions, but at this meeting we discussed how the energy market can work better for all consumers, including the most vulnerable. We have already taken steps to stop prepayment meters being forcibly installed where they should not be. Suppliers are no longer permitted to forcibly install prepayment meters in households with certain categories of vulnerabilities, including people over the age of 75 and those who may be medically dependent on a continuous source of energy or heating.

Steve McCabe: I acknowledge the work that the Government have undertaken on prepayment meters. Would the Minister be willing to consider extending that to households in which a disabled person is living?

Amanda Solloway: I thank the hon. Member for that intervention. Of course, from a prepayment meter point of view, one thing that we really wanted to ensure was that we were not penalising those who were vulnerable. I am always very happy to consider anything that would help and enable us to ensure that.

We also welcome Ofgem's new rules to ensure that all consumers get the service that they deserve. Suppliers will now be required to prioritise vulnerable customers first when they request help, offer timely repayment plans for those struggling with bills and make customer ratings easy to find on their websites. Furthermore, the Government and Ofgem have been working to progress towards a shared priority services register, which could make things easier for customers and better prioritise services to vulnerable consumers who are dependent on a regular energy supply.

Overall, the best approach to consumer protection is to have an effective retail market. That is why we are pursuing retail market reforms that will set us on a path to unlocking competition, investment and innovation, which will empower consumers and enable suppliers to succeed and usher in new business models.

The Government are reviewing the fuel poverty strategy for England. Under the current approach, we see energy efficiency as the best way to tackle fuel poverty as it contributes to the long-term reduction of energy bills, as well as reducing carbon emissions in line with net zero. There are multiple targeted schemes in place in England to deliver efficiency measures to low-income and fuel-poor households. Targeted energy efficiency support is provided to fuel-poor households in England, Wales and Scotland through the energy company obligation.

Last winter, we extended and expanded the warm home discount scheme, which supported fuel-poor households by taking £150 directly off their energy bills. For this winter, we expect over 3 million households to receive a rebate under the scheme. As the hon. Member for Birmingham, Selly Oak said, following a public consultation in 2021 we reformed the scheme in England and Wales to better target households in fuel poverty and provide the vast majority of rebates automatically. Last winter, around 95% of eligible households received their rebates automatically, without having to take any action, under this element of the scheme. The remaining 5% received their rebates after confirming their details to the Government's warm home discount helpline.

Under the reformed scheme, we have focused the support to households in receipt of means-tested benefits who are living in properties that we estimate to be relatively costly to heat. We have used data on benefits and property characteristics to identify eligible households, and we estimate that the reformed scheme should enable around 560,000 more fuel-poor households to receive a rebate, including around 160,000 more households with a person who is disabled or has a long-term illness. At the time of the Government's response to the consultation, we assessed that the proportion of rebates received by households with a disability or long-term illness should remain higher than the proportion of the fuel-poor population with a disability, and higher than the proportion of the overall population with a disability. Although the reforms were not possible in Scotland, because of differences in Government-held data, we implemented an expansion of the scheme in Scotland to support more fuel-poor households. The scheme obligates energy suppliers to provide additional energy-related and financial support, known as industry initiatives, to households in or at risk of fuel poverty. The industry initiatives may include benefit entitlement checks, energy advice, energy efficiency measures, financial assistance and debt write-off, and can be given to households regardless of their eligibility for a rebate.

The Government are also assisting households' and individuals' rising cost of living. That assistance will total over £94 billion for 2022-23 and 2023-24. For 2023-24, it will include providing over 8 million households on eligible means-tested benefits with additional cost of living payments that total up to £900, over 6 million people on eligible extra-costs disability benefits with a further £150 disability cost of living payment, and over 8 million pensioner households across the UK with an additional £300 cost of living payment.

The Government continue to stand firm behind energy consumers, especially our most vulnerable households. The Government are determined to drive down cost of living pressures, having already met our goal to halve inflation. As set out yesterday in the autumn statement, lower wholesale energy prices have been the main driver of lower inflation, but we recognise that we must continue to monitor the situation closely. We are committed, and I particularly commit, to delivering a fair deal for consumers, and most of all for vulnerable households.

4.19 pm

Marion Fellows: I thank the hon. Members for Waveney (Peter Aldous), for Birmingham, Selly Oak (Steve McCabe) and for Southampton, Test (Dr Whitehead) for their contributions. I also thank the Minister for her perspicacity;

she managed to go through everything that the Government have done for disabled people and to protect consumers. However, I am still waiting to hear that there will be a consultation on an energy social tariff. I am disappointed that I have not heard that there will, because so many disability organisations have listened to this debate and wanted to hear good news.

I thank the Minister, and I note some of the work that has been done. But in spite of all that work that has been done, and that the Minister said will be done,

disability organisations are still—I will use the Scottish term, which the hon. Member for Birmingham, Selly Oak will understand—ragin. The Government have to do better.

Question put and agreed to.

Resolved,

That this House has considered energy social tariffs.

4.20 pm

Sitting adjourned.

Written Statement

Thursday 23 November 2023

LEVELLING UP, HOUSING AND COMMUNITIES

Levelling Up, Housing and Planning Update

The Secretary of State for Levelling Up, Housing and Communities (Michael Gove): The autumn statement made further significant progress to level up and deliver positive change across the UK.

Levelling Up

Levelling up is at the core of this Government's mission. The autumn statement confirmed £450 million in new funding for levelling up on top of the billions already allocated—through new levelling-up partnerships, investment zones, an investment opportunity fund, and additional money for transformative projects across the country.

Investment zones will embed innovation throughout the economy—supporting the growth of priority sectors and leveraging existing strengths to drive rapid expansion. This week we announced new investment zones which build on existing private sector investment in these areas. These zones will be focused on advanced manufacturing in Greater Manchester and the west midlands, on green industries in the east midlands, and on life sciences in West Yorkshire. In partnership with the Welsh Government, we have also announced two investment zones for Wales—one in Cardiff and Newport, and a second in Wrexham and Flintshire. We have also doubled the duration of incentives within investment zones and freeports to 10 years—doubling their value to communities across the United Kingdom. Alongside this, the Government are creating a £150 million flexible investment opportunity fund to support investment zones and freeports to secure business investment across the UK over the next five years.

In Scotland we announced four new levelling-up partnerships—through a selection methodology developed in collaboration with the Scottish Government—bringing £80 million of investment to Na h-Eileanan an Iar, Argyll and Bute, Dundee city, and the Scottish Borders. We will also work with the Welsh Government on potential opportunities in Wales and continue to work with local stakeholders on how best to level up communities in Northern Ireland.

The Department has also announced successful projects from the third round of the levelling-up fund, which has now awarded £4.8 billion to a range of initiatives across Great Britain. We will also fund five additional projects that were previously shortlisted across regeneration, transport, and culture: the Isles of Scilly Museum and Cultural Centre; Fakenham Sports and Fitness Centre; the Inspiring Eden enterprise facility; transport in Chepstow; and improved connections in Warrington.

In addition, to ensure targeted funding reaches each of the priority places based on the levelling-up White Paper metrics, we have allocated £15 million to Bolsover.

There will also be £5 million for Barrow-in-Furness to unlock housing growth, regenerate the town centre, and deliver a range of measures across transport, skills and education, alongside the area's significant and growing contributions to our national security. My Department will also continue to work with the UK Infrastructure Bank, the British Business Bank, Homes England, and other Departments to consider—with local and private sector partners—how to support levelling up through improving access to finance.

Devolution

As set out in the levelling-up White Paper, this Government believe in driving power down to local communities. A core principle of our partnership with local leaders is giving them the authority to take decisions that most affect their local people. To that end, we have confirmed four new devolution deals: level 3 mayoral deals for Greater Lincolnshire, and Hull and East Yorkshire; and level 2 non-mayoral deals for Cornwall and Lancashire. We are also in advanced negotiations with Devon and Torbay about a level 2 devolution deal for the area.

As we widen the pool of devolution, we also continue to deepen it: a new level 4 deal in our devolution framework offers local authorities more devolved power in the future, greater influence over spending from the affordable homes programme, and more local control over adult skills, transport, and achieving net zero. For Greater Manchester and the west midlands, we have also published a new memorandum of understanding that sets out how new single funding settlements will work.

Housing

In July I set out my long-term housing plan and this autumn statement continues to deliver it. That includes ambitious plans to accelerate inner-city developments in Cambridge, Leeds and London. We will tackle their respective challenges, whether that is by addressing water scarcity near Cambridge or supporting plans for a new West Yorkshire mass transit system, as part of Network North. In Cambridge, we are allocating £9 million—including £5 million of new funding—to improve the barrier of water scarcity and accelerate the new Cambridge Delivery Group. In Leeds, £2 million will support Leeds City Council to develop integrated plans for three new city quarters—bringing together housing, transport and economic investments to transform the liveability and productivity of the city centre. In London, subject to business case, the allocation of £23 million for a new bus network will unlock housing as part of Docklands 2.0.

Our housing associations and local authorities are critical to boosting overall housing supply: we cannot build the homes we need without them. By extending the affordable homes guarantee scheme by £3 billion we will help the already successful scheme support the delivery of a total of 20,000 new affordable homes, as well as supporting works to improve quality and energy efficiency.

As well as building the homes of the future, this Government are committed to removing the barriers that make buying a home unnecessarily difficult. We will exploit the potential of new technology to improve the buying and selling process, including running pilots to develop proptech products and digitise council property data. We will continue our reforms to the process of purchasing and selling homes.

Planning

We will maintain a focus on the blockers to development, recognising the scale of the challenge. The House of Lords voted against Government proposals that would have unlocked over 100,000 homes, while protecting and improving the environment. This is despite the reforms having had the strong support of house builders and local authorities. The Government are now focusing on making rapid progress in unlocking homes within the existing legal framework in order to meet our manifesto commitment to build 1 million homes over this Parliament. That is why we will make £110 million available through the local nutrient mitigation fund, to help planning authorities in affected areas deliver tens of thousands more homes before the end of the decade. We are injecting up to £17 million in additional funding for the planning system, of which £14 million is new funding, to help local authorities reduce planning application backlogs, accelerate the delivery of nationally significant infrastructure, and unlock commercial development where it is needed. Where there are reasonable proposals to reconfigure homes, where the exterior is unchanged, we will make this easier, consulting extensively with the public, councils and MPs on a new permitted development right to streamline planning decisions for homeowners.

We are also publishing a new prospectus on infrastructure delivery that sets out how we will go further to unlock and speed up projects that are critical to our national prosperity. Only by building major infrastructure faster

and cheaper will we prepare the UK for the challenges of the 2030s and 2040s, lay the foundations for the economy of the future, and make sure that everyone, everywhere, benefits from the opportunities ahead.

Alleviating housing need and supporting communities

We are also allocating £450 million across two years to a third round of the local authority housing fund, which will help support those in temporary housing need. This funding allows councils to manage homelessness pressures more effectively and makes it easier for vulnerable people to find a permanent home.

The Government are providing £120 million for local authorities across the UK to invest in homelessness prevention, supporting private renters to remain in their homes and providing temporary accommodation to families and individuals. We will also continue to support our guests from Ukraine, extending the “thank you” payments for sponsors across the UK into a third year. The level will remain at £500 after a guest’s first 12 months in the UK.

The Government are increasing the local housing allowance to cover the 30th percentile of local market rents. This will make 1.6 million low-income households better off, with an average gain of £800 in 2024-25. Rates will be raised across Great Britain in April 2024.

Copies of the relevant documents will also be placed in the Library of the House.

[HCWS67]

ORAL ANSWERS

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