Tuesday
16 October 2012

Volume 551
No. 49

HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY DEBATES

(HANSARD)

Tuesday 16 October 2012

£5·00

House of Commons

Tuesday 16 October 2012

The House met at half-past Eleven o'clock

PRAYERS

[Mr Speaker *in the Chair*]

BUSINESS BEFORE QUESTIONS

City of London (Various Powers) Bill [*Lords*]

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Tuesday 23 October.

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Act of Settlement

1. **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): What recent discussions he has had on the Act of Settlement 1700. [122130]

The Deputy Prime Minister (Mr Nick Clegg): As the House is aware, we have sadly lost two Members over the last few weeks. Before I reply to the hon. Gentleman's question, let me say that both Malcolm Wicks and Sir Stuart Bell will be very sorely missed.

The right hon. Member for Croydon North was an example to all who entered the House. He always held to the highest standards of public life, and was a credit to the House of Commons. On a personal level, I—along with everyone else, I am sure—was struck by his modesty, compassion and commitment. He worked tirelessly for his constituents. Whether he was dealing with fuel poverty or pursuing legislation to support carers, Malcolm tackled it all with true dedication.

We also heard the sad news of the death of the hon. Member for Middlesbrough. While, as pro-Europeans, Sir Stuart and I agreed on the importance of Europe to the United Kingdom, I think he made it abundantly clear at every opportunity that on pretty well everything else he strongly disagreed with me. He was a strong champion of Church matters in his 13-year role as Second Church Estates Commissioner, and he clearly cared deeply about the House and its traditions, earning the respect of Members in all parts of the House.

Our thoughts and prayers go to the families and friends of both Members at this difficult time.

My officials continue to work closely with the Government of New Zealand in their co-ordination of the proposed reforms of royal succession throughout the 16 Commonwealth realms, which were announced by the Prime Minister at the time of the Perth agreement on 28 October 2011.

Tom Greatrex: I thank the Deputy Prime Minister for his answer, and associate myself with his comments about our two former colleagues, recently departed.

The Deputy Prime Minister referred to the work of the New Zealand Government. He will know that legislation will soon be needed to enable those changes to be made, and that it will be initiated in the House of Commons. Given his unenviable record of success in relation to constitutional change, may I suggest that he pass responsibility for the legislation to another Minister, so that there will be some chance of its actually being introduced?

The Deputy Prime Minister: So there are to be Christmas cracker jokes from the very beginning.

No; we will pursue this. As the hon. Gentleman may know, we are already pursuing it, along with 15 other Commonwealth realms, but the process is very complex legally. Although the idea is simple—ending male primogeniture in the succession rules and allowing successors to the monarchy to marry Catholics, removing that discriminatory rule from the current arrangements—it is proving to be quite difficult and time-consuming to align all the legislative processes across all the realms, but I know that the New Zealand Government are doing all they can to expedite that.

Mr James Gray (North Wiltshire) (Con): Unlike the hon. Member for Rutherglen and Hamilton West (Tom Greatrex), I have every confidence that my right hon. Friend will do a brilliant job in introducing these long-overdue reforms. Is it not ironic that, had the Queen had a younger brother, she would not be Queen at this moment? Is it not time to introduce the other reform to which my right hon. Friend referred briefly? At present, not only a monarch but anyone in the line of succession may not marry a Roman Catholic or, indeed, become one. That is an absurdity, and we must surely do away with it as soon as we can.

The Deputy Prime Minister: I certainly agree that the current rules are anachronistic and explicitly discriminatory. That is the point of the reforms. It should be borne in mind that the new rules, particularly those on male primogeniture, came into effect from the moment that the declaration was made in Perth. Although some painstaking work is needed to extend the legislation to all the Commonwealth realms, it has already taken effect.

Recall of MPs

2. **Katy Clark** (North Ayrshire and Arran) (Lab): What plans he has to bring forward legislative proposals on the recall of hon. Members. [122131]

The Parliamentary Secretary, Cabinet Office (Miss Chloe Smith): The Government remain committed to establishing a recall mechanism that is transparent, robust and fair. We are grateful to the Select Committee on Political and

Constitutional Reform for its consideration of our proposals and we are now taking proper time to reflect on its recommendations.

Katy Clark: How does the Minister intend to define "serious wrongdoing" in the legislation?

Miss Smith: As I have noted, we intend to introduce a recall mechanism that is transparent, robust and fair. We have set out two different sets of triggers that apply and we are also working with the powers of the House of Commons on these matters, including the definition of serious wrongdoing.

House of Lords

3. **Mr John Spellar** (Warley) (Lab): What his policy is on the House of Lords (Cessation of Membership) Bill [*Lords*], Lords Bill 21 of Session 2012-13. [122132]

The Parliamentary Secretary, Cabinet Office (Miss Chloe Smith): As my right hon. Friend the Deputy Prime Minister made clear to the House on 3 September, the Government consider that the provisions of the Bill do not address the issues that make reform of the House of Lords necessary.

Mr Spellar: I suppose I am not surprised that the Deputy Prime Minister did not answer that question himself. He will be aware, probably more than most, that there are some gaps in the legislative programme for this Session of Parliament. Will he therefore arrange for Lord Steel's Bill to come before this House and allow adequate time for discussion of that modest but useful measure, rather than allow the best to be the enemy of the good?

Miss Smith: That is rather rich considering that it was the Opposition who refused to commit to a timetable motion on the original legislation. We are focusing on economic matters.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): Does my hon. Friend agree that now we appear to have sent House of Lords reform off into the distance we should be using any parliamentary time available to concentrate on the most important thing, which is getting growth back into our economy?

Miss Smith: Yes, I certainly do.

Andrew George (St Ives) (LD): Nevertheless, does the Minister not agree that in spite of the foundering of the House of Lords Reform Bill there are still many residual issues on Lords reform for which there is all-party support and that there is no reason for the House or the Government not to accept that those reforms can be brought forward?

Miss Smith: Minimal alternatives such as those set out in the noble Lord's Bill are, in the Government's view, no alternatives at all. The Government have been clear that any changes must include the introduction of elected Members to the House of Lords.

Political and Constitutional Reform

4. **Sheila Gilmore** (Edinburgh East) (Lab): What the Government's political and constitutional reform agenda is up to May 2015. [122133]

The Deputy Prime Minister (Mr Nick Clegg): The Government have already introduced fixed-term Parliaments, a significant constitutional change, and given people a say on the voting system for this House. We have established cross-party talks on party funding and work on individual electoral registration, recall and lobbying reform is ongoing. We have radical measures in train to shift power from the centre to local decision makers, whether that takes place through the reforms in the Localism Act 2011, the Local Government Finance Bill or the introduction of local enterprise partnerships and city deals. Although I imagine some people will say that withdrawal of the House of Lords Reform Bill marks the end of the Government's constitutional reform agenda, it is clear that that is not the case.

Sheila Gilmore: The Deputy Prime Minister originally said that his reforms would be ranked with those of the 1832 Great Reform Act, but given that the only legislation that is either through or nearly through—fixed-term Parliaments, the reduction in the number of MPs and individual voter registration—arguably demonstrates a lessening in democratic accountability, would not a better title be the "Great Reactionary" rather than the "Great Reformer"?

The Deputy Prime Minister: If the hon. Lady is such an ardent reformer, why did she not get her party to push for House of Lords reform? That was something her party used to believe in, but it was not prepared to will the means to meet the ends.

Sir Roger Gale (North Thanet) (Con): Given the right hon. Gentleman's European credentials, will he find the time to bring the UK into line with many European states and ensure that the perpetual right to vote for expat UK citizens is enshrined in law?

The Deputy Prime Minister: As the hon. Gentleman knows, there is a time limit of 15 years. Various member states and other countries around the world have time limits on how long expatriates can vote in the nation they come from, whereas others do not. So far, although we keep the rules under review, we have not come to the conclusion that we will seek to change them in any significant way.

Ms Margaret Ritchie (South Down) (SDLP): Given the public response to electoral reform and the right hon. Gentleman's disappointment over Lords reform, and given that the Boundary Commission for Northern Ireland today published its revised proposals for further consultation, can he confirm the Government's stated position on reducing the number of parliamentary seats?

The Deputy Prime Minister: As the hon. Lady knows, yes, the boundary commissions have published their latest revisions. Equally, I have made it clear that because of a failure to deliver the wider package of reforms that

we had agreed within the coalition Government, including House of Lords reform, when it comes to a vote the Liberal Democrats will not support these changes ahead of the election in 2015.

Bob Blackman (Harrow East) (Con): Can my right hon. Friend confirm the progress on individual voter registration so that we can not only get an accurate register, but combat electoral fraud?

The Deputy Prime Minister: We are now in the latter stages of the legislation. The hon. Gentleman is right to highlight that the central purpose of individual voter registration is to bear down on fraud. That is something with which I should have thought all Members would agree. The Labour Government had plans to introduce individual voter registration, to come into effect on a slightly slower timetable than the one that we are introducing, yet for some reason the Labour party has now decided that it is against this anti-fraud measure from first principles—a very curious change of mind.

Wayne David (Caerphilly) (Lab): I note that the Government are happy for the Scottish Parliament to allow 16 and 17-year-olds to vote in the Scottish referendum, but surely to be consistent the Government should extend the franchise to all 16 and 17-year-olds throughout the United Kingdom. If the Government are prepared to do that, we on the Labour Benches will support them. Will they accept our offer?

The Deputy Prime Minister: As the hon. Gentleman well knows, I personally am sympathetic to the principle of giving 16 and 17-year-olds the vote, but it is not something that we are going to proceed with as a Government because it is not agreed within the coalition. He should be precise about the powers that we have given to the Scottish Administration. We have given them a degree of discretion over the franchise that applies to referendums, which applies to all referendums because the franchise needs to be decided on a referendum-by-referendum basis. To that extent, the powers that we have granted to the Scottish Government are nothing exceptional to the decisions made on the franchise for each referendum, wherever that might take place.

Parliamentary Boundary Review

5. **Mr Peter Bone** (Wellingborough) (Con): When he plans to bring forward proposals to implement the parliamentary boundary review. [122134]

The Deputy Prime Minister: The boundary commissions are continuing with the boundary review in accordance with the legislation, which requires them to report before October next year. It will be for Parliament to consider the recommendations and vote on them in due course.

Mr Bone: The Conservative Members of the coalition delivered AV—*[Interruption.]* They delivered the opportunity for AV, and the biggest majority in this Parliament on a Second Reading was for House of Lords reform, so how can the Deputy Prime Minister then vote against the boundary review and expect to remain in the Government? Is it his view that that is a principle of the highest integrity and in the interests of democracy?

The Deputy Prime Minister: I am delighted that, if only fleetingly, the hon. Gentleman was in favour of AV and not just of the principle of holding a referendum on AV. As he knows, we are honouring the coalition agreement by leaving the boundary review legislation on the statute book. That is primary legislation from the past which Liberal Democrat Members passed, but for all the reasons that I have explained before, we are not going to introduce the changes ahead of the general election in 2015.

12. [122142] **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): The Deputy Prime Minister says that the Liberal Democrats will not vote for the boundary change proposals but the chair of the Conservative party, speaking for once using his real name, says that he has still not given up hope, so who should we have confidence in—himself or the chair of the Conservative party?

The Deputy Prime Minister: Yes, I have also read press reports that the chairman of the Conservative party wishes to strike a deal with us on boundaries in return for a party funding deal. I suppose that is finally a "get rich quick" scheme which he is prepared to put his name to. Let me be clear—*[Interruption.]*

Mr Speaker: Order. We want to hear the words of the Deputy Prime Minister. I want a full hearing.

The Deputy Prime Minister: Let me put it this way: a change of mind on my part on the issue as is likely as the hon. Member for Wellingborough (Mr Bone) going to Norway to accept the Nobel prize on behalf of the European Union. It is not going to happen.

Mr Andrew Turner (Isle of Wight) (Con): Why does the Deputy Prime Minister oppose the proposals by the Boundary Commission today when he was all in favour of them last September? Did anyone expect him to change his view by 180°?

The Deputy Prime Minister: I was surprised when parties and Members in this House, having fought on a manifesto commitment to reform the House of Lords, decided against simply voting in favour of a timetable motion to do so. These things happen, and I think that everybody in the country understands that a coalition Government is a deal. It is like a contract, and where one part of the contract is amended another part of the contract is amended as well, and we move on.

Sadiq Khan (Tooting) (Lab): I begin by welcoming the Parliamentary Secretary, Cabinet Office, the hon. Member for Norwich North (Miss Smith) and congratulating her on her new role. We genuinely wish her well. I also welcome the fact that the Deputy Prime Minister has finally found some principle and backbone. We welcome his rigour in answering the last question raised in relation to the one asked by the hon. Member for Wellingborough (Mr Bone). But bearing in mind that during the last year thousands of pounds of taxpayers' money has been spent on a boundary review that will be futile, and that there will be uncertainty and further taxpayers' money spent during the next 14 months, why not use his power to put a stop to it now?

The Deputy Prime Minister: As I have explained, the legislation is on the statute book and that will not change. I have merely made clear during the last few weeks and months the position of Liberal Democrat Members when the matter comes to a vote.

Economy (North-east)

6. **Sir Alan Beith** (Berwick-upon-Tweed) (LD): What terms of reference he has given to the commission of priorities for the economy of the north-east. [122135]

The Deputy Prime Minister: The terms of reference for a strategic, constructively critical review of the economy in the north-east have rightly been set by the north-east local enterprise partnership itself, not by Government. The partnership has commissioned a high-profile team of leaders from UK finance, industry, public and civil society to produce this review, and I believe it will be an excellent means of helping to drive growth in the north-east. I look forward, as I believe my right hon. Friend does too, to receiving the report early next year.

Sir Alan Beith: Is my right hon. Friend confident that this group, which has an important and valuable job to do, can take fully into account those things that matter to the economy of Northumberland, in particular the dualling of the A1 and the provision of broadband in rural areas?

The Deputy Prime Minister: Absolutely. I can assure my right hon. Friend on that because the group, as he knows, is independently constituted and can address itself to the concerns surrounding broadband infrastructure and road transport, which I know are deeply felt and on which he has long campaigned in the north-east.

Topical Questions

T1. [122145] **Diana Johnson** (Kingston upon Hull North) (Lab): If he will make a statement on his departmental responsibilities.

The Deputy Prime Minister (Mr Nick Clegg): As Deputy Prime Minister I support the Prime Minister on a full range of Government policies and initiatives, and I take special responsibility for the Government's programme of political and constitutional reform.

Diana Johnson: I am interested that the Deputy Prime Minister takes full responsibility. Given the waste of £12 million on the Boundary Commission review, which, from what the right hon. Gentleman has just said, will not go anywhere, and the £100 million wasted on the west coast rail franchise, is he proud of the Government's record in wasting taxpayers' money?

The Deputy Prime Minister: It seriously beggars belief that an Opposition Member, whose Government drove this country to the edge of bankruptcy, tries to make a point about value for money. The Government are repairing, rescuing and reforming the British economy because the hon. Lady's party wasted such monumental amounts of money over 13 years.

T4. [122149] **Neil Carmichael** (Stroud) (Con): Will the Deputy Prime Minister join me in saluting the fact that we now have a million new jobs in the private sector, largely through entrepreneurial activity? Will he further join me in suggesting that we need a greater focus on developing a culture for entrepreneurial activity in this country, and will he consider coming to my constituency to support my festival for engineering and manufacturing, where that is being put into practice now?

The Deputy Prime Minister: I certainly agree that an entrepreneurial culture and a backing for engineering and manufacturing is crucial to the rebalancing of the woefully unbalanced economy that we inherited from the Labour party, which spent all its time on a prawn cocktail charm offensive in the City of London, letting the banks get away with blue murder. We have a manufacturing festival in Sheffield that is extremely successful and I am delighted to hear that there is one in the hon. Gentleman's constituency as well.

Ms Harriet Harman (Camberwell and Peckham) (Lab): May I associate the Opposition with the Deputy Prime Minister's remarks about Sir Stuart Bell and Malcolm Wicks? I draw attention to Sir Stuart's work on the House of Commons Commission, which was not often seen by Members but was very important for Members on both sides of the House. When Leader of the House, I saw at first hand the painstaking commitment and dedication with which he carried out that work over many years. We will miss that work.

I also endorse what the Deputy Prime Minister said about Malcolm Wicks. He made an extraordinary and unique contribution to British politics. I believe that he was no less than the father of British family policy. His work moved us beyond what were sometimes stale arguments for or against marriage into substantive policy discussions about balancing work, bringing up children and supporting carers. Members on both sides of the House recognise that we will miss them both greatly.

Nobody can be in any doubt about the utmost seriousness of the vile abuse perpetrated by Jimmy Savile. It has come to light that Jimmy Savile committed these crimes at the BBC and at other public institutions. Does the Deputy Prime Minister agree that we need one inquiry that looks into what happened in each of the institutions to see whether there were patterns of systemic failure and so that we get a coherent picture? Does he agree that any inquiry must be completely independent? That is the very least that Savile's victims would expect if we are to get to the truth and learn the lessons. Will the Government now set up an independent inquiry?

The Deputy Prime Minister: I certainly accept that there might be a case for an inquiry and that, if one that is as broad as the right hon. and learned Lady suggests it should be were to be held, it should be independent and able to look at the full range of shocking revelations that have come to light. We are not ruling that out, but I think that the first priority must be to allow the police to conduct their work in relation to these deeply troubling and shocking revelations and allegations. Like her, I keep asking myself how on earth this was possible on this scale, over such a prolonged period of time and in so many different settings. In many ways it is the dark side of the cult of celebrity that might have intimidated

people from speaking out earlier. Now that we know these things and they are coming to light, we should proceed in a way that is led by what the police find and keep an open mind on the issue of an inquiry.

Ms Harman: The police are carrying out important investigations that obviously should not be impeded, but that does not mean that an independent inquiry should not be set up now. I ask the Deputy Prime Minister to reflect on that and think again, because revelations are coming forward daily and the victims of this abuse need to hear firmly that the truth will be discovered. I can assure him that we stand ready to discuss terms of reference to ensure that we have the full and thorough inquiry that is no less than what the victims deserve.

The Deputy Prime Minister: The right hon. and learned Lady says, reasonably enough, that there is no reason why we cannot establish an inquiry while the police are doing their work, but I think that the practical issue is the other way around: what kind of work could an inquiry do while the police are conducting their investigations? We should not imagine that an inquiry that cannot pursue certain avenues of investigation because the police are conducting their own investigations would necessarily be the best answer for the victims at this time. Let us at least agree that we must first do everything we can to ensure that proper answers are given to the victims. I am grateful to her for her signal that she is prepared to work together on a cross-party basis as we get to the bottom of what on earth happened.

Mr Speaker: Tim Loughton. Not here.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I ask the Deputy Prime Minister what he thinks politics in this country should be about? I remind him that he argued with some passion for more equal constituencies and fairer boundaries on their own merits. Is politics about arguing for what one believes in on a point of principle, or is it about getting what one can out of a particular situation for one's own political advantage, in which case why should we ever believe anything he says?

The Deputy Prime Minister: I am not sure that the hon. Gentleman has yet got his head around the politics of coalition. *[Interruption.]* He raises these questions month in, month out. His party did not win the general election; that is fact 1. Neither did my party; that is fact 2. Fact 3 is that we need to compromise for the benefit of the country as a whole; and when we compromise we enshrine that in a coalition agreement, which is like a deal. When one party does not abide by a certain part of that deal, it is perfectly legitimate for the other party to say that it will amend the terms of that deal. That is the meaning of coalition politics.

T2. [122146] **Kerry McCarthy** (Bristol East) (Lab): The Deputy Prime Minister, not for the first time, disappointed many people this week by refusing to support calls for the editor of *The Sun* to take the long overdue step of dropping page 3, saying that it would be illiberal to do so. Does his version of liberalism really prevent him from taking a public stand against the objectification of women? Whose interests is he most interested in protecting?

The Deputy Prime Minister: Not for the first time, the hon. Lady has entirely twisted what I said. I said—I would be interested to know whether she agrees with this—that it would be wholly illiberal and wrong for this House to seek to compel any editor to determine the content of their newspapers. If that is the kind of authoritarian nonsense she believes in, then I am perfectly content to say that we entirely disagree.

T13. [122159] **Lorely Burt** (Solihull) (LD): In addressing concerns over the operation of the European arrest warrant, does my right hon. Friend agree with our police that we must not throw out the baby with the bathwater and that rather than scrapping the arrest warrant we should be reforming it?

The Deputy Prime Minister: I think that there is widespread agreement in all parts of the House that the European arrest warrant is not perfect in its operation. There is clearly a legitimate concern about its disproportionate application to what are essentially judicially frivolous cases, and that is why it needs reform. The disagreement is between those who argue that we should reform it while remaining a full signatory to it, which is the Government's current position, and those who feel that we should abdicate from it altogether. The reason I am strongly opposed to the latter position is that criminals do not recognise borders. Paedophiles, murderers and terrorists need to be chased across borders. It is not about whether one is pro or anti-European or likes or loathes Brussels; it is about whether one is for or against going after nasty, wicked people. That is why I support continuing to be a full signatory to the European arrest warrant while, of course, continuing to argue for its reform.

Several hon. Members *rose—*

Mr Speaker: Order. We have a lot to get through, so we need to speed up from now on.

T3. [122148] **John Mann** (Bassetlaw) (Lab): As the man with his finger on the pulse of the nation, can the Deputy Prime Minister tell the House the level of the new CIL tax—community infrastructure levy—that is currently being introduced in his own Sheffield city region?

The Deputy Prime Minister: I cannot answer that question; I will get back to the hon. Gentleman.

James Wharton (Stockton South) (Con): In his answer to the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), the Deputy Prime Minister spoke about the north-east local enterprise partnership. Will he confirm that he is aware that there is more than one LEP in the north-east, and that the Tees Valley LEP, which is doing a great job of working with businesses, the Government and the regional growth fund to deliver employment, growth and investment in the south of the region, will have a place at the table when discussing the north of the country?

The Deputy Prime Minister: I agree with the hon. Gentleman that everybody who has a stake in the future success and prosperity of the north-east economy should have a voice in the important discussions that are taking

place. As he will know better than I do, one of the great strengths of One North East was that it spoke for the region as a whole. One of the strengths of LEPs is where they work most effectively together on behalf of a region as a whole.

T5. [122150] **Mr William Bain** (Glasgow North East) (Lab): Six months ago the Deputy Prime Minister described the new energy tariff agreement as a "landmark deal" for UK consumers, but now Which? has found that there are still over 230 tariffs in existence and that three out of four consumers are paying the highest possible tariff. When are the Government going to act to end this rip-off of 5 million consumers by the big six energy companies?

The Deputy Prime Minister: As the hon. Gentleman knows, we have announced new arrangements that will compel the big six utility companies to provide information to consumers about which tariff is best for them. That has not yet come fully into effect, but it will be a huge change. He is quite right: there is still far too much confusion and too much information, with too many contradictory messages being given to households and consumers about their energy bills and the tariffs available to them. This will, I hope, make a dramatic difference, because it means that in clear, simple terms people will be informed of the cheapest tariff that suits them best.

Tim Farron (Westmorland and Lonsdale) (LD): Does my right hon. Friend agree that it is very important that we tackle the threat to our economy and our society of climate change and that the messages given out by Ministers on both sides of the coalition are consistently and strongly pro-green, pro-green energy and pro-green manufacturing in order to give green business the confidence to invest?

The Deputy Prime Minister: As my hon. Friend will know, the coalition agreement commits this Government—across all parties—to be the greenest Government ever. We have achieved many radical new things, such as the carbon budget, the carbon floor price, the green investment bank and the green deal, which will be the first of its kind anywhere in Europe and will be unveiled in the next few months. I say to my hon. Friend that this is not just about whether we think it is right for the environment, but about what is right for our economy. The green sector employs close to 1 million people, was growing at about 4% or 5% last year and is one of the few sectors that runs a trade surplus. That is why he is right that we should be working consistently to deliver more investment and more jobs for the people of Britain.

T6. [122151] **Steve Rotheram** (Liverpool, Walton) (Lab): Is it not an affront to the Deputy Prime Minister's party that the Tories are trying to buy Lib Dem support for boundary changes by offering financial enticements? Given his record on constitutional reform, does he agree that the only way to ensure that those proposals never see the light of day would be for him to give them his full backing?

The Deputy Prime Minister: The hon. Gentleman probably writes his questions before he comes into the Chamber, but he will have heard me answer that question on three occasions over the past half an hour.

Zac Goldsmith (Richmond Park) (Con): Given the problems with the reform agenda so far, and given the fact that recall represents an opportunity for some real, meaningful change that voters will notice, many people are concerned that the assurances being given at the moment are vague at best. Will the Deputy Prime Minister give us a crystal-clear timeline and will he draw inspiration, as he rewrites it, from my private Member's Bill, the Recall of Elected Representatives Bill?

The Deputy Prime Minister: The hon. Gentleman and I have spoken and I pay tribute to him for his dogged sincerity and commitment to a radical, California-style model of recall. We have looked at it and, as he knows—we have discussed it—we have concerns about the danger of such a model of recall becoming a kangaroo-court process. There need to be some checks and balances. We recently received the Political and Constitutional Reform Committee's report, which makes certain observations and, indeed, strong criticisms of our approach, and we are considering our response.

T7. [122152] **Helen Jones** (Warrington North) (Lab): The Deputy Prime Minister has said that he will not support the implementation of the boundary proposals. Will he clarify whether that means he will vote against them or abstain?

The Deputy Prime Minister: Against.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): In light of my right hon. Friend's answer that he will vote against any boundary changes, will he confirm that he will, therefore, allow Government Ministers to vote against Government policy?

The Deputy Prime Minister: As I have said, it is an excellent tribute to both sides of the coalition that, notwithstanding huge pressures to do otherwise, we have religiously stuck to the commitments that we made together to the British people in the coalition agreement. On this particular occasion, for reasons I will not rehearse now, one party in the coalition felt unable to deliver one very important part of the constitutional reform agenda—House of Lords reform—so, reasonably enough, the other part of the coalition has reacted accordingly on the issue of boundaries. Those are circumscribed circumstances which will not and do not prevent the coalition Government from working very effectively on a broad waterfront of other issues, the most important of which, of course, is cleaning up the economic mess left by that lot on the Opposition Benches.

T8. [122153] **Helen Goodman** (Bishop Auckland) (Lab): I welcome the commission that has been set up on the north-east economy, because we need all the help we can get at the moment. Further to the question asked by the hon. Member for Stockton South (James Wharton), does the Deputy Prime Minister understand that the commission must report to both local enterprise partnerships, and was it not a mistake by the Government to split our region into two?

The Deputy Prime Minister: I do not think that it was a mistake for the Government to replace the layer of regional development agencies, many of which were

disconnected from the communities, cities and towns that they sought to represent. I am sure that the hon. Lady, who is fair-minded, will accept that RDAs were too often distant from the businesses and people that they sought to represent. I know that there was a lot of backing in the north-east for One North East, and that is why it is very important that all the LEPs in the north-east continue to work together to promote a cohesive approach to economic development that represents the whole of the north-east region.

Bob Blackman (Harrow East) (Con): One concern among voters is the alleged irregularities in postal voting, which have increased over the past few years. What changes does the Deputy Prime Minister propose to ensure that our elections are free and fair?

The Deputy Prime Minister: The main change, other than some important rule changes to the administration of the postal voting system, which the hon. Gentleman will know about, is the introduction of individual voter registration. That is the biggest single weapon that we have against the worrying instances of widespread electoral fraud in parts of the country. That is why I hope that, instead of constantly complaining about our attempts to stamp out electoral fraud, the Labour party will support them.

T10. [122155] **Dan Jarvis** (Barnsley Central) (Lab): The early intervention grant is used by local authorities to fund programmes that have the potential to transform the long-term life chances of deprived children. We discovered recently that hundreds of millions of pounds of that money will be diverted to fund the provision of nursery places for two-year-olds. We cannot tackle child poverty and improve social mobility by taking money from one set of essential services to pay for another. What steps does the Deputy Prime Minister propose to take to protect this specific pot of funding?

The Deputy Prime Minister: I recognise the hon. Gentleman's legitimate concern about an important area of Government policy, but he is just plain wrong when he says that money is being taken away from the EIG. We made it clear that some of the money under the EIG umbrella was dedicated to the two-year-olds offer. As he knows, that is a new offer of 15 hours' pre-school support for two-year-olds from the most deprived families in this country. It is a radical and progressive step towards greater social mobility and early intervention. We have retained the total amount of money for early intervention, but allowed the EIG to be used in a more flexible way. I ask him not to be preoccupied with which pot the money is in, but to focus on the fact that we will do big progressive things with exactly the same amount of money.

Greg Mulholland (Leeds North West) (LD): Specialist manufacturing is a huge growth opportunity for the economy. Surgical Innovations in my constituency is a great example of that. It is receiving £4.91 million from the regional growth fund. Will my right hon. Friend say when we can expect the next round to be announced, so that we can hear more good news stories like that?

The Deputy Prime Minister: We will make the impending announcement on the third round of the regional growth fund in the coming days. Although there have been criticisms about the pace of the disbursement of the money under rounds 1 and 2, my hon. Friend will be delighted to know that 60% of the projects from the total envelope of £2.5 billion are up and running, creating thousands upon thousands of jobs directly and tens of thousands of jobs indirectly, and enhancing private sector as well as public sector investment in our economy.

T11. [122157] **Karl Turner** (Kingston upon Hull East) (Lab): Does the Deputy Prime Minister believe that abusing police officers at the gates of Downing street and calling them "f***ing plebs" would constitute serious wrongdoing for the purposes of recall? What representations has he made to the Prime Minister on this issue?

The Deputy Prime Minister: My right hon. Friend the Chief Whip has made it clear that he acknowledges that what he did was wrong, he has apologised to the police officer in question, and the police officer has accepted his apology.

Karl Turner: Will he apologise?

The Deputy Prime Minister: I know a thing or two about apologies, musical and otherwise, and I think that when someone is big enough to say that they made—*[Interruption.]*

Mr Speaker: Order. It is not a criminal offence to shout at the Deputy Prime Minister, but it is notably discourteous. The hon. Member for Kingston upon Hull East (Karl Turner) is used to practising in the courts as a barrister. He is a senior and sober fellow, and should behave accordingly.

The Deputy Prime Minister: My right hon. Friend the Chief Whip has made it clear that he acknowledges that what he did was wrong, he has apologised, and the police officer in question has accepted that apology. I hope that we can move on from there.

Andrea Leadsom (South Northamptonshire) (Con): My right hon. Friend is right to say, as he has many times, that one of the great achievements of the coalition has been to come together in the national interest. Will he not, therefore, reconsider the fact that reducing the number of Members of Parliament and equalising the number of electors in each seat is clearly in the national interest?

The Deputy Prime Minister: As I sought to explain, the legislation on the boundary reviews remains on the statute book and there is no question of our seeking to repeal it. To that extent, we are honouring the coalition agreement commitment to introduce legislation to hold boundary reviews and reduce the number of MPs in this House. However, for all the reasons that I have explained, the legislation will not be introduced in effect before the next general election.

T12. [122158] **Sheila Gilmore** (Edinburgh East) (Lab): Earlier, the Deputy Prime Minister was asked about the economy, and he stated that he effectively had to enter into coalition to rescue the economy. Would that argument not be stronger but for the fact that none of the predictions about growth has actually happened over the past two and a half years?

The Deputy Prime Minister: The hon. Lady may lightly dismiss the fact that the Government have created 1 million new jobs in the private sector. She may lightly dismiss the fact that we have some of the lowest interest rates in the developed world, saving ordinary households thousands and thousands of pounds. She may lightly dismiss the fact that the bond markets are not on our necks as they are in so many other over-indebted countries. Those are huge achievements which were not made any easier by the Labour party's lamentable economic record in government.

ATTORNEY-GENERAL

The Attorney-General was asked—

Hillsborough

1. **Guy Opperman** (Hexham) (Con): What steps he is taking following the publication of the report of the Hillsborough independent panel in September 2012. [122175]

3. **Helen Jones** (Warrington North) (Lab): What recent steps he has taken to ensure that the Hillsborough families receive justice. [122177]

4. **Alison McGovern** (Wirral South) (Lab): What recent steps he has taken to ensure that the Hillsborough families receive justice. [122178]

8. **Mr David Hanson** (Delyn) (Lab): What assessment he has made of the recommendations of the Hillsborough independent panel. [122182]

9. **Mr Robert Buckland** (South Swindon) (Con): What steps he is taking following the publication of the report of the Hillsborough independent panel in September 2012. [122183]

The Attorney-General (Mr Dominic Grieve): My consideration of the evidence in this matter is far from complete, but as I do not wish to cause the families affected by this disaster any greater anxiety, I have decided to take an exceptional step and announce that, on the basis of what I have already seen, I am persuaded that an application to the Court for fresh inquests must be made.

Ninety-six people died as a result of what occurred at Hillsborough that day, and 96 inquests were held. I believe that, as all those deaths arose from a common chain of events, it would be better for me to apply for all 96 cases to be considered again. I want to allow all the families affected the opportunity to make representations to me on that issue, and I will be in contact with them.

I wish to make it clear that, having announced my decision, I will still need further time to prepare the application so that the strongest case can be made to the Court. I have given that work priority and I will continue to do so. I have today laid a written ministerial statement in both Houses announcing my decision.

Guy Opperman: All in the House and all the families involved will welcome the Attorney-General's decision today; they have lived with a completely wrong verdict for far too long. Will the Attorney-General assist the House by telling us about the speed of the process, so that urgent justice can prevail?

The Attorney-General: I need to complete my consideration of the evidence and, as I have said, I need to provide the families with the opportunity to make representations, and to consider any representations that are made. I need to complete my consideration of the legal issues, and I then need to make the application to the Court. When the case is heard will be a matter for the Court's listings. It is very difficult for me to give a precise timetable for my hon. Friend; I will move as quickly as I can.

Helen Jones: I say a genuine thank you to the Attorney-General for what he has announced today. The families who have waited so long for justice are at least now within reach of that justice. Will he assure the House that sufficient resources will be made available so that work on getting a new inquest can proceed as quickly as possible? Can he say whether that inquest will be held in Liverpool, as the families have always requested?

The Attorney-General: I am satisfied that there will be sufficient resources to take this forward. The venue of any eventual hearing is not really a matter for me. Should—I stress this for the House—the application that I make to the Court be successful, it will be for the Court and the coroner to decide where the inquests take place. I am sure that representations can then be made in respect of that, but it is not my decision.

Alison McGovern: I thank the Attorney-General for his very important statement; he will know what a hugely important day this is for Merseyside and the many people around the world who care about putting right the injustice of Hillsborough. Will he meet a delegation of Members of Parliament, with the families, so that we can talk about some of the complexities of what he has announced today?

The Attorney-General: I am always happy to see Members of Parliament. As for meeting with delegations, the hon. Lady will appreciate that one feature of my work is that I must take it independently. If there is a good reason for meeting people, I am certainly always happy to do so, but she will appreciate that I have already undertaken to consult representatives of the families. We will do that as a formal process, and I would obviously wish to avoid something that does not appear sufficiently structured.

Mr Hanson: I genuinely thank the right hon. and learned Gentleman for his announcement, which will be of great comfort to my constituents whose family members died at Hillsborough, and particularly to the families of

those who died after the 3.15 pm cut-off. Will he indicate whether he expects the Director of Public Prosecutions' potential consideration of criminal charges to have any impact on the timing of the inquest?

The Attorney-General: Clearly, the consideration of charges is done independently by the DPP and I have no role in it. It is perhaps trite to say—I think I have said this before—but were there to be criminal proceedings, that could undoubtedly impact on when an inquest could take place. However, I do not think that it has any impact on the timing of my making an application to the Court for it to order inquests to take place if it is so minded.

Mr Buckland: The Attorney-General's announcement is indeed welcome news. Will he assure me that adequate parliamentary time will be given for the fullest of debates into the shocking revelations that we heard last month?

The Attorney-General: It is my understanding that there will be the opportunity for a debate on this matter next Monday, 22 October, which I believe will be led by my right hon. Friend the Home Secretary. Obviously, I will be present for as much of the debate as possible to listen to what is said.

Emily Thornberry (Islington South and Finsbury) (Lab): The Attorney-General's statement is greatly to be welcomed, and the families had a very positive meeting with the DPP yesterday. All hon. Members hope that justice for the Hillsborough families is finally in sight. However, the Crown Prosecution Service faced criticism for failing to act 14 years ago when it was presented with evidence of the wholesale alteration of witness statements by South Yorkshire police and their solicitors. In order to build further public confidence in the process launched by the DPP last week, will the Attorney-General consider discussing with the DPP the value of instructing, at the outset, a senior and independent-minded Queen's counsel to lead the review of evidence and the decision-making process on any possible prosecutions? Does he agree that such an additional check and balance would be helpful and positive?

The Attorney-General: I thank the hon. Lady for her comments. I understand that she wrote to the DPP on 8 October, which I believe his office received last Friday, to raise some of those issues. I understand that she will get a reply from him as soon as possible.

May I reiterate that the DPP, under our constitutional system, acts entirely independently from myself, although I have superintendence. I am sure he will have noted the hon. Lady's comments. The question as to how he best goes about conducting his operations within the CPS, bringing prosecutions or reviewing any matter that is historic, is a matter for him, but it is always open to him to discuss it with me.

Simon Hughes (Bermondsey and Old Southwark) (LD): The Attorney-General's announcement will be welcome not just on Merseyside and in Yorkshire, but by football supporters in the whole country. Will he, at an appropriate time, and perhaps with colleagues from the Ministry of Justice, talk to the new chief coroner to ensure that the lessons of this experience are learned for all future inquests?

The Attorney-General: I thank my right hon. Friend for what he said and I think I agree with him. It is worth bearing it in mind that the world has moved on quite a lot since the events surrounding the original inquests. We have much better systems in place. One of the challenges, should the Court be minded to grant my application, will be how to structure the new inquests, if they are to take place. I have no doubt that tried and tested methods—they have already been used with great success in other recent, high-profile matters—are in place.

Steve Rotheram (Liverpool, Walton) (Lab): Can the Attorney-General guarantee that the costs of any new inquests will be borne by the state?

The Attorney-General: That is a rather difficult question for me to answer. Ultimately, costs can be a matter for the Court. As I have indicated, at the moment, the costs of the preliminary work that is taking place are borne by my Department. I cannot assess how much those will be. Once the matter is within the court process, the courts have discretion, but I suspect—it is probably inevitable—that the taxpayer will pay a considerable amount of the cost.

Angela Smith (Penistone and Stocksbridge) (Lab): I note the Attorney-General's comments about where the inquest might be held, but is it his view that the inquest should definitely not be held in Sheffield?

The Attorney-General: The hon. Lady has made her point, but it is not for me to start giving views or instructions to the Court or coroner about how they should conduct an inquest, if one is held. I have no doubt, however, that representations made by hon. Members and representatives of the families will be noted by those concerned.

Disability Hate Crimes

2. **Diana Johnson** (Kingston upon Hull North) (Lab): What recent discussions he has had with the Director of Public Prosecutions on the prosecution of disability hate crimes by the Crown Prosecution Service. [122176]

The Solicitor-General (Oliver Heald): The whole country marvelled this summer at the achievements of the Paralympians, which provided a huge opportunity for changing attitudes towards disability. The CPS takes disability hate crime very seriously and the DPP has made his own commitment very clear. I have not had the opportunity to discuss the matter with him yet, but I can assure her that the CPS prosecutes these cases whenever it can.

Diana Johnson: I start by welcoming the Solicitor-General to his new position.

In 2011, the number of disability hate crimes rose by one third to 2,000, but only 523 convictions were upheld. When he has such conversations, will he talk through how that conviction rate might be increased?

The Solicitor-General: The hon. Lady has spent much time and effort campaigning for disability rights, including within the criminal justice system, and I respect the point she makes. Nevertheless, it is important to recognise

that progress has been made: the number of convictions has risen steadily from 141—I believe—in 2007-08 to the 480 concluded in the past year. However, yes, more progress needs to be made, and the DPP has explained in the past that he thinks a lot more needs to be done.

Rehman Chishti (Gillingham and Rainham) (Con): According to the CPS website, there is no legal definition of a disability hate crime. Will the Solicitor-General look into this matter and see whether it can be reviewed?

The Solicitor-General: My hon. Friend makes an important point. It is important to monitor and identify crimes, particularly violent and public order crimes involving an element of disability hate. The CPS has issued new guidance on this matter to its prosecutors, who of course have the right in appropriate cases to ask, under section 146 of the Criminal Justice Act 2003, for an uplift in the sentence. That needs to be done in appropriate cases.

Media Prosecutions (Guidelines)

5. **George Hollingbery** (Meon Valley) (Con): What changes he expects following the publication of the Director of Public Prosecution's final guidelines for prosecutors in cases involving the media. [122179]

The Attorney-General (Mr Dominic Grieve): The guidelines issued on 13 September by the DPP should ensure a more consistent approach by prosecutors and provide transparency to the public over how such cases are handled.

George Hollingbery: Weighing the competing elements of public interest and criminality in this area of the media will always be a nuanced matter. Is my right hon. and learned Friend confident that the new guidelines bring greater clarity to prosecutors and will lead to increased robustness in decision making?

The Attorney-General: Yes, I am. As my hon. Friend will be aware, the guidelines arose from a response by the DPP to the Leveson inquiry and from evidence he gave before it. Essentially, the guidelines encapsulate in a transparent fashion the practice of the CPS in this area. I therefore have every confidence that they provide, and will continue to provide, a robust application of the law. There is no special law for journalists in this context, but there are public interest considerations which, as the DPP has shown in the guidelines, will be taken into account.

Fiona Mactaggart (Slough) (Lab): As I read the guidelines, it is unlikely that they will make much difference to two of the ways in which social media have been horrifyingly used for criminal purposes. One is paedophiles using Twitter and the other—perhaps not criminal, but certainly shocking to large numbers of our constituents—is the use of YouTube to mock Islam. What more has the Attorney-General done to prevent that kind of crime, as opposed to prosecuting it?

The Attorney-General: Crime committed on social media is crime. I would like to reassure the hon. Lady that if there are examples of criminal behaviour taking place on social media—incitement, sex crimes or incitement to religious or racial hatred—it is for the police to investigate initially, as she will appreciate. However, if that evidence is then brought to the Crown Prosecution Service, it would be surprising if it were not in the public interest to bring a prosecution. As she will be aware, there are already instances of individuals who have committed crime on social media having been successfully prosecuted.

Advanced Language Solutions

6. **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): What progress Advanced Language Solutions has made on reporting to the Crown Prosecution Service the results of checks to ensure that all of its interpreters have been security vetted. [122180]

The Solicitor-General (Oliver Heald): Advanced Language Solutions has completed its review and has provided assurances to the Crown Prosecution Service that a full audit trail is now held in respect of the 1,100 interpreters on its list and that all vetting information has been fully verified.

Meg Hillier: The Government have overseen a shambles in the provision of interpreting services. They have procured an IT system, at a cost to the taxpayer of £42 million, to ensure that interpreters turn up in court, but they are not turning up. Justice is being delayed, and in many cases it is being denied. What action is the Attorney-General taking to ensure that the Ministry of Justice is taking proper action to ensure that justice is not ill served by such chaos?

The Solicitor-General: It is important that there should be strong performance in this area. There has been a major improvement since the early months of the contract, when there were the problems that the hon. Lady has rightly outlined. The picture is one of improvement and one where the Government are saving £15 million a year, so we are also ensuring good value for money. There has been an improvement, and we will continue to monitor the area closely.

Burglary (Prosecutions)

7. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What proportion of prosecutions for burglary were successful in each of the last three years; and if he will make a statement. [122181]

The Solicitor-General (Oliver Heald): The Crown Prosecution Service's records show that the proportion of defendants prosecuted successfully for burglary in each of the past three years was 86.1% in 2009-10, 85.8% in 2010-11 and 85.6% in 2011-12.

Miss McIntosh: I congratulate my hon. Friend on his new position and thank him for that answer. Does he believe that fewer prosecutions will be brought if the new offence of using grossly disproportionate force, which the Justice Secretary intends to introduce, is brought in?

The Solicitor-General: No. The intention is to be firm on burglary. In fact, the number of successful prosecutions increased from 23,700 to 25,077 between 2009 and the most recent figures. The approach is to be firm on burglary.

Tony Lloyd (Manchester Central) (Lab): Is there any systematic review examining the causes where prosecutions fail? Obviously it could be quite right that the court should find a person not guilty, but sometimes there is a failure to pursue the prosecution adequately, either because witnesses do not match up or the case is not properly put, so is there any systematic review of where prosecutions fail?

The Solicitor-General: Yes, this is something in which the Director of Public Prosecutions takes a particular interest. As Law Officers, we are in the position of superintending the process, and we ask the sort of probing questions that the hon. Gentleman would wish us to ask.

European Court of Human Rights

10. **Jeremy Corbyn** (Islington North) (Lab): What assessment he has made of progress in reforming the European Court of Human Rights; and if he will make a statement. [122184]

The Attorney-General (Mr Dominic Grieve): Good progress has been made in clearing the backlog of inadmissible cases before the Court. As the hon. Gentleman will be aware, the Government have approached the need to reform the European Court of Human Rights through the Brighton declaration. Reaching agreement on the declaration represents a substantial step towards realising the Government's ambitions, particularly on the extent to which the Court should get involved in questions that national courts have already fully considered. We need now to ensure that the reforms are implemented swiftly. The first key step—preparation of a draft protocol to reflect the required amendments to the convention—is due to be completed by April 2013.

Jeremy Corbyn: I thank the Attorney-General for that answer, but will he give a complete and categorical assurance to the House that there is no question of Britain withdrawing from the European convention on human rights? Doing so would mean being the only country, alongside Belarus, that was not part of the convention, which has performed an important role in promoting and defending human rights across every one of its member states. We should be part of that process, not turn away from it.

The Attorney-General: I entirely agree with the hon. Gentleman. There is no question of the United Kingdom withdrawing from the convention. We helped to draft it and we support it strongly. It has already contributed to widespread changes across Europe, including the decriminalisation of homosexuality, the recognition of the freedom of religion in the former Soviet countries, the prevention of ill treatment in police stations and elsewhere, and the removal of military judges from civilian courts. Those are all very good reasons for it continuing its very good work.

Speaker's Statement

12.35 pm

Mr Speaker: Nominations closed at midday for candidates for the post of Chair of the Procedure Committee. Two nominations have been received: Mr James Gray and Mr Charles Walker. A ballot of all Members of the House will therefore be held tomorrow between 11 am and 1 pm in Committee Room 16. I expect to be able to announce the result to the House later tomorrow.

Extradition

12.35 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement about the case of Gary McKinnon and the Government's response to Sir Scott Baker's review of our extradition arrangements. I will turn first to Mr McKinnon's case. I should explain to the House that the statutory process under the Extradition Act 2003 has long ended. Since I came into office, the sole issue on which I have been required to make a decision is whether Mr McKinnon's extradition to the United States would breach his human rights.

Mr McKinnon is accused of serious crimes, but there is also no doubt that he is seriously ill. He has Asperger's syndrome and suffers from depressive illness. The legal question before me is now whether the extent of that illness is sufficient to preclude extradition. As the House would expect, I have very carefully considered the representations made on Mr McKinnon's behalf, including from a number of clinicians. I have obtained my own medical advice from practitioners recommended to me by the chief medical officer, and I have taken extensive legal advice.

After careful consideration of all of the relevant material, I have concluded that Mr McKinnon's extradition would give rise to such a high risk of him ending his life that a decision to extradite would be incompatible with Mr McKinnon's human rights. I have therefore withdrawn the extradition order against Mr McKinnon. It will now be for the Director of Public Prosecutions to decide whether Mr McKinnon has a case to answer in a UK court. This has been a difficult and exceptional case, and I would like to pay tribute to all the Home Office officials and lawyers who have worked on the case over the years.

Extradition is a vital tool. In a world in which criminals and crimes can easily cross borders, it is vital to the interests of justice and public protection that criminals cannot avoid justice simply by sheltering behind a border, but concerns about the working of our extradition law have grown over recent years. There has been public concern about the extradition regime operating in the European Union, about the European arrest warrant, and about the extradition arrangements outside the EU, principally with the United States.

That is why, in September 2010, I commissioned a review into our extradition arrangements. That review was undertaken by Sir Scott Baker—a former judge in the Court of Appeal—and a distinguished and expert panel including David Perry QC and Anand Doobay. I am extremely grateful to them for the professional and thorough way in which they went about their work. Nobody who has read their near-500 page report can be anything but impressed by the depth and clarity of its analysis.

At the same time, there has been considerable parliamentary interest in extradition. In a debate last December, Parliament agreed unanimously that it believed there were problems with our US and EU extradition arrangements. In coming to a decision on how the Government should respond to the Baker review, I have taken full account of the review's recommendations as well as of the views of Parliament. Yesterday, I announced

that the Government's current thinking is that we will opt out of all pre-Lisbon treaty police and criminal justice measures. The Government will give careful consideration to those measures, including the European arrest warrant, and will then seek to opt back into those individual measures where it is in our national interest to do so.

The European arrest warrant has had some success in streamlining the extradition process within the EU, but there have also been problems. There are concerns in particular about the disproportionate use of the EAW for trivial offences, and for actions that are not considered to be crimes in the UK. There are also issues around the lengthy pre-trial detention of some British citizens overseas. We know these concerns are shared by other member states. We will therefore work with the European Commission and with other member states to consider what changes can be made to improve the EAW's operation. I believe this is necessary to ensure that the EAW provides the protections that our citizens demand.

There are also concerns about our extradition arrangements with countries outside Europe. A key reason for the loss of public and parliamentary confidence in our extradition arrangements has been the perceived lack of transparency in the process. I believe extradition decisions must not only be fair, but must be seen to be fair, and they must be made in open court where decisions can be challenged and explained. That is why I have decided to introduce a forum bar. This will mean that where prosecution is possible in both the UK and in another state, the British courts will be able to bar prosecution overseas, if they believe it is in the interests of justice to do so.

I have been conscious, however, of Sir Scott Baker's concern that the introduction of the existing forum legislation would lead to delays and satellite litigation. So rather than commence the existing provisions, I will bring forward, as soon as parliamentary time allows, a new forum bar that will be carefully designed to minimise delays. In parallel, the Director of Public Prosecutions will independently publish draft prosecutors' guidance for cases of concurrent jurisdiction, and a bilateral protocol governing the approach of investigators and prosecutors in the UK and the US is being updated alongside this guidance.

As for the United States-United Kingdom extradition treaty, I agree with the Baker review that our arrangements are broadly sound and that the treaty brings benefits to both our countries. Less than two weeks ago, for example, we saw the extradition to America of Abu Hamza and four other terror suspects. Although there is a perception that the evidence tests used by the US and the UK —probable cause and reasonable suspicion respectively—are unbalanced, Sir Scott Baker found that there is no significant difference between these two tests.

I have also accepted the Baker review's recommendations that a prima facie evidence test should not be reintroduced for those countries where it is not currently required. The courts are already able to subject requests from all countries to sufficient scrutiny to identify and address injustice or oppression. Reintroducing prima facie evidence would be likely to lead to further delays, and it is absurd to propose that we should require prima facie evidence from countries such as the United States, Canada and Australia, when we do not require such evidence of other countries with far less mature judicial systems.

I also agree with the Baker review's recommendation that the breadth of the Home Secretary's involvement in extradition cases should be reduced. Matters such as representations on human rights grounds should, in future, be considered by the High Court rather than the Home Secretary. This change, which will significantly reduce delays in certain cases, will require primary legislation.

Finally, I propose to reduce delays in the extradition system, in the light of the recent extradition of terrorist suspects to the United States. In addition to the measures I have just announced, the Government will look further at proposals in the Baker review to introduce a permission stage for appeals to the UK courts. We will work closely with the European Court of Human Rights on a programme to reduce the wholly unacceptable delays that have occurred there, and we have also been considering how we can reduce delays in the deportation of foreign nationals who pose a threat to our national security. There is scope for reforming rights of appeal, streamlining the stages, expediting cases through the court and looking again at the provision of legal aid for terrorist suspects.

As Sir John Thomas, the judge in the Abu Hamza case said, it is in the overwhelming public interest that our extradition arrangements function properly. They must also be fair. We must balance both strong safeguards for those accused of cross-border crimes with assurance that justice will be done. That is the Government's aim; that is what our proposals will produce, and I commend this statement to the House.

12.43 pm

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): This was clearly not an easy decision for the Home Secretary to make. I know that she has asked for additional legal advice, medical advice and other evidence over the two and a half years in which she has had to consider this matter. That is testimony to the difficulties she has faced and to the challenges of the case. I have not seen any of the papers—the legal advice, the criminal evidence or the medical evidence—and it is for the Home Secretary alone to make a judgment that people will respect. She will know that it is not for me to second-guess her decision on this matter today. I do, however, want to ask her about the wider reforms that she has proposed, and also about the consequences of this judgment for other cases.

Let me first ask the right hon. Lady about the forum bar that she has proposed. As she will know, the last Government legislated for a forum bar, but the legislation has not been implemented. I think that that is because of concerns raised not only by Scott Baker but by the present and the last Government about some of the practical implications. Clearly delays, and the risk of delays, are important issues, but we shall be happy to work on the detail with the Home Secretary, through Parliament, and to discuss how the problems could be solved. However, I think that there is a wider issue that may not yet have been considered in the legal debate about forum bars. I refer to internet crimes, which constitute a growing proportion of overall crime. Conceivably such crimes could be committed in several jurisdictions at once. Wider discussions are needed about where they should be dealt with, and about ways in which our traditional extradition arrangements may not have caught up with a different kind of crime that is going to increase.

[Yvette Cooper]

There will clearly need to be international co-operation and consideration of how the problem should be addressed. I urge the Home Secretary to set up a high-level group with the United States, the European Union and other main countries with which we have arrangements specifically to consider internet crimes. However, I should like to know whether she feels able to do that, given her diplomatic relations with other countries.

We need a fair framework for justice in relation to cross-border crimes. We need to be able to bring people back to Britain to face justice, and we need a fair framework for extraditions from the UK. However, that fair framework will be possible only if it is drawn up through negotiation and co-operation with other countries. As the Home Secretary will know, there is already considerable concern about whether her approach to the EU, the opting out and opting in and the current relationship between the Government and the EU will make it harder to secure the sensible reforms of the European arrest warrant that we need.

Obviously our historic relationship with the United States gives us an opportunity to work together, whether on the bilateral protocol to which the right hon. Lady referred or on other arrangements. May I ask her whether there is a positive relationship between the Home Office and the US Government to ensure that such arrangements and reforms can be agreed to?

May I also ask whether today's judgment has implications for other cases? Other people who are subject to extradition or immigration proceedings cite medical conditions as a reason for them not to be extradited. It would be useful for Parliament and the courts to understand the test that the right hon. Lady has applied, and to know whether it will set precedents for other cases.

Have the right hon. Lady's medical advisers proposed any threshold for these decisions? She said that she had sought her own medical advice. Did that constitute a separate medical assessment of Gary McKinnon, which I understand she had sought, or a review of the assessment made by his doctors? Does the test have any implications or set any precedent for other extradition cases, such as the case of Haroon Rashid Aswat? The US Government have sought his extradition alongside that of Abu Hamza and others which the Home Secretary has supported. He is in Broadmoor at present, having, I understand, been diagnosed with schizophrenia. Has the Home Secretary changed her position on his case, or does it remain the same? Clearly there were issues involving his medical condition that she had to consider. Finally, let me ask her about the case of Richard O'Dwyer, whose extradition she has confirmed and who has not raised any medical issues. Will his case be affected by any of the changes that she has announced today?

I agree with the right hon. Lady that it is sensible to remove the role of the Home Secretary from decisions such as this. It has taken a very long time for this decision to be made. I think we would all agree that such cases take too long, and that it is in the interests of justice, the families involved and the victims of crimes for them to be dealt with far more speedily.

Mrs May: I thank the right hon. Lady for her approach in response to my statement. She raised three key issues. The first was about the forum bar and our ability to work together to consider these issues across the House and I welcome her suggestion of cross-party work. We all want to ensure that the measure can be introduced in a way that does not introduce delays to extradition proceedings and does not permit significant satellite litigation. I am sure that my right hon. and learned Friend the Attorney-General will have noted her offer.

The right hon. Lady then raised the question of cyber and internet crime, which is a key issue. We are conscious of the growth of cybercrime. That is why there will be a cybercrime unit in the National Crime Agency and why, when the Government took office, we set aside a significant sum of money over the four years of the comprehensive spending review to deal with both cyber-security and cybercrime. It is important to work internationally and I have already been party to a number of discussions with other member states in the European Union and with the United States; those discussions are ongoing. We all have a mutual interest in ensuring that we address cybercrime.

Finally, she asked a number of questions about my decision on Mr McKinnon. I have given the most careful consideration to all the material, medical and otherwise, in this difficult and exceptional case and I have concluded that the ordering of his extradition and his subsequent removal would give rise to such risk to his health and, in particular, to a high risk of his ending his life that a decision to that effect would be incompatible with his human rights under article 3. My decision is based on Mr McKinnon's human rights under article 3.

Mr David Burrowes (Enfield, Southgate) (Con): I warmly congratulate the Home Secretary on saving the life of my constituent, Gary McKinnon, today. I also praise the tireless campaigning of Gary's mother, Janis Sharp, and the huge public support. Today is a victory for compassion and the keeping of pre-election promises. May we make another promise that after the reforms announced today, a vulnerable UK citizen will never again have to endure 10 years of mental torture, as Gary McKinnon did, and that the British principles of justice and fair play will return to extradition?

Mrs May: May I commend my hon. Friend, who has been assiduous in his work on behalf of his constituent, which is recognised and respected across the House? On his second point, I have become increasingly concerned, and not just because of the recent cases of Abu Hamza and others. Obviously, Mr McKinnon's case has been under consideration for some time. It is important that the Government consider the whole extradition process so that while we make sure that people can obtain their proper legal rights we also ensure that there is no excessive delay in the system, so that decisions are brought to a conclusion at an earlier stage.

Mr Dennis Skinner (Bolsover) (Lab): Does the Home Secretary agree that although a lot of people on both sides of the House might want to take some credit for the decision—and they would be right to do so, based on the part they have played—there is no doubt that without the extra-parliamentary activity of my constituent Janis Sharp, Gary McKinnon's mother, this decision could not have been made in the way that it has been made today? I want to thank my constituent for all that

Bolsover fighting spirit. She has won the case after a long, drawn out 10 years and when she gets on that television, she never misses a chance.

Mrs May: The hon. Gentleman is also assiduous in standing up for his constituent and I recognise the campaign that has been fought over the years by many people. As I said earlier, however, my decision was based on the material that was available to me.

Sir Menzies Campbell (North East Fife) (LD): I understand the difficult nature of the decision that my right hon. Friend has had to take. Extracts of some of the medical reports have been circulating in the House of Commons today and it seems to me that under the terms of the medical advice she received there was no other conclusion to reach that was consistent with Mr McKinnon's human rights but that she should bring an end to the extradition process. As we have already heard, that is subject to universal acceptance.

I also agree with what my right hon. Friend said about a forum bar and the need, even with such a procedure embodied in our law, to ensure that it does not become the source of undue delay. Regrettably, however, I must disagree with her on the question of standard of proof. Once again, I respectfully disagree with the conclusions reached in the Baker report. In that, I am supported by a large body of credible legal opinion, not to mention many right hon. and hon. Members on both sides of the House. Does she understand that sooner or later it will not be the perception that will be challenged but the substance of the distinction? Would not the protocol to which she referred as being necessary between the United Kingdom and the United States be an exact and appropriate vehicle in which to state that no one will be extradited from Great Britain to the United States unless there is probable cause for doing so?

Mrs May: I am grateful for my right hon. and learned Friend's remarks on a number of my announcements today. I fully recognise the concern expressed in this House and elsewhere about the perception that there is a difference. Sir Scott Baker considered the issue very carefully and came to the conclusion that there was no significant difference between the requirements on either side of the Atlantic and that in effect there was no practical difference between the two. I recognise, however, the opinion expressed by my right hon. and learned Friend today.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): Given the politically and emotionally charged atmosphere around this case, I think that we all understand why the Home Secretary has taken the decision she has. There have been efforts—of which she and my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson), her predecessor, are aware—to try to find a way around the situation so that it does not create a precedent for the future, particularly in relation to the cybercrime issues raised by the shadow Home Secretary. That has involved trying to organise video-conferencing and for sentences to be served in the United Kingdom. Without that, surely we will create a rod for our backs in that individual cases will be judged on the support they get from the public rather than on the logic and legal requirements that must be applied in any extradition case.

Mrs May: I have taken this decision after, as I have said, the most careful consideration of all the material—medical and other—that has been available to me. Having considered that material, I took the decision announced to the House this afternoon. The right hon. Gentleman mentioned video-conferencing. The American Government have made it clear that undertaking such video-conferences would not be possible under their constitution. Cybercrime is an issue, obviously, but he hints at the question of whether someone should physically be tried in the UK or prosecuted and tried in another country, be it the United States or elsewhere. Of course, the introduction of the forum bar will offer a transparent process whereby people will see how decisions are taken on whether it is right for someone who is subject to an extradition request to be tried here in the UK or in the US.

Mr John Redwood (Wokingham) (Con): I warmly welcome the Home Secretary's wish to improve our extradition arrangements. Does she accept that many of us in this House feel that the US-UK arrangements were unfair to the UK and that the European arrest warrant is unfair to the UK? We look to her to reform to give Britain and her people a better deal.

Mrs May: I thank my right hon. Friend for his comment. As I said in my statement, I think that the UK-US treaty is, as Sir Scott Baker found, broadly sound. It is important that we have a robust treaty on extradition with the United States and that we ensure that extradition can take place both ways across the Atlantic. As I have said, there are a number of ways in which we need to change how we operate so that people can see that the extradition arrangements are fair and can take comfort and have confidence in them. The British people need to have confidence in our extradition arrangements.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): As the Home Secretary said, Gary McKinnon is accused of very serious offences. The US was perfectly within its rights and it was reasonable for it to seek his extradition. We now do not know whether Gary McKinnon will ever have to face justice on those accusations. Can the right hon. Lady confirm that US authorities were willing to allow him to serve any sentence in the UK? On the issue of High Court judges making these decisions, Lord Justice Burnton said in the High Court in July 2009 that Gary McKinnon's case did not even "approach Article 3 severity". He quoted all the precedents for this. What does the Home Secretary think she knows that Lord Justice Burnton did not? She has made a decision today that is in her party's best interest; it is not in the best interests of the country.

Mrs May: I recognise that the right hon. Gentleman had a decision to take in this case in his time as Home Secretary. I respect the decision that he took on the material that was available to him at the time. I believe that the decision of the judge that he referred to was in 2008.

Alan Johnson: It was in 2009.

Mrs May: I stand corrected. It was said that it was 2008, but I recognise that the right hon. Gentleman says 2009. As I said, I have given very careful consideration

[Mrs May]

to the material, medical and otherwise, that has been available to me and I have come to the decision that extradition would not be appropriate in relation to Mr McKinnon's human rights under article 3. That is the decision that I have taken on the material available to me.

Mr Speaker: I call Mr David Davis.

Mr David Davis (Haltemprice and Howden) (Con) *rose—*

David T. C. Davies (Monmouth) (Con) *rose—*

Mr Speaker: Order. We will hear from Top Cat in a moment, not just yet. I should have explained. Mr David Davis—he with the slightly greyer hair and the longer service in the House.

Mr Davis: I, for one, congratulate the Home Secretary wholeheartedly on her decision on Gary McKinnon today, but I also share some of the concerns of my right hon. and learned Friend the Member for North East Fife (Sir Menzies Campbell). There are a number of cases where there are concerns over justice being done, with respect to both Europe and the USA—in particular, in respect of the USA, there are fears that the intimidatory use of the plea bargaining arrangements force possibly innocent people to make guilty pleas, and similar problems in the justice systems of other European countries. Will the Home Secretary give the House an undertaking that what she proposes to bring about today will give protection to UK citizens equal to that which American citizens get from their constitution?

Mrs May: As I said in response to my right hon. and learned Friend the Member for North East Fife (Sir Menzies Campbell), I understand that a number of Members, including my right hon. Friend the Member for Haltemprice and Howden (Mr Davis), still have concerns about the perception of the imbalance between the probable cause and reasonable suspicion tests. As I say, Sir Scott Baker looked at this and found that there was no significant difference between them—that in practice the application of those two tests was not significantly different as between the US requests and the UK requests. I can assure my right hon. Friend that Sir Scott Baker's decision was relevant to those from the UK whose extradition to the United States was requested, and vice versa.

Keith Vaz (Leicester East) (Lab): I warmly welcome the decision that the Home Secretary has made today, which is fully in keeping with the recommendations of the Home Affairs Committee over the past three years, and I commend the work of the hon. Member for Enfield, Southgate (Mr Burrowes) and Janis Sharp. I agree with the Home Secretary that a forum bar has to be introduced but I disagree on the evidence test. We need an evidence test and we need to renegotiate the treaty, which is unfair and unbalanced. I disagree with those on both Front Benches on ministerial discretion. As the Home Secretary has ably demonstrated today, Home Secretaries must make these decisions. We cannot hand all the decisions to the judges to make on our behalf.

Mrs May: The right hon. Gentleman knows that I have set out my position in relation to the Secretary of State's discretion, so on that matter we will have to disagree. As I said, I recognise that there may continue to be some concerns in the House in relation to the perception of the information or evidence available on both sides of the Atlantic when an extradition case is being considered one way or the other. I think I am right in saying that the United States has never refused an extradition request from the United Kingdom, and that should be recognised. Very often people look at the treaty and assume that all it ever does is extradite UK citizens to the United States. Of course, the opposite is true. A good number of people have been extradited from the United States to the UK to stand trial.

David T. C. Davies: As a member of the Home Affairs Committee which considered the matter, I offer my warmest congratulations on behalf of all those who feel that the Home Secretary has stood up for the rights of British nationals and, in her subsequent comments, for the wider British national interest.

Mrs May: I think I am grateful, Mr Speaker, that you allowed both Members with the surname Davis or Davies on our Benches to speak.

Mr David Winnick (Walsall North) (Lab): Despite the comments of my right hon. and respected Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson), a former Home Secretary, is the Home Secretary aware that the decision that she has made on this individual case will be widely and warmly welcomed, not only in the House but outside? It is a very good decision and she should be proud of it. However, on the extradition treaty with the United States, may I remind her how critical she and the Liberal Democrats were in opposition? Like a number of Members, I remain of the view that the treaty needs to be looked at again.

Mrs May: I had a hopeful moment there when the hon. Gentleman was speaking! I thank him for his earlier remarks. I am well aware that this was a matter on which there was considerable discussion when it went through the House. I am also aware that the forum bar arrangements that are in the Police and Justice Act 2006 were moved by the then shadow Home Affairs team, led by my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), who is now the Attorney-General, so we are well aware of the issues that were raised at the time. I believe that the introduction of the forum bar will ensure that people see that justice is being done in relation to the decision whether extradition should take place and where prosecution should take place. Other changes that we will introduce on the extradition proceedings will ensure that people can see that this is a process in which they can take comfort and have confidence.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I congratulate my right hon. Friend on making an excellent decision, and my hon. Friend the Member for Enfield, Southgate (Mr Burrowes), who has been tireless

in his support of Gary McKinnon and his family. The decision today will move forward the understanding of people with autism. Will my right hon. Friend make sure that the benefits are spread more widely by undertaking a review of the treatment of people with autism within the criminal justice system as they often suffer disproportionately because of their condition?

Mrs May: I thank my right hon. Friend for her comments and commend her for the work that she did in introducing her private Member's Bill that became the Autism Act 2009, which has had a significant impact. When she talks about the criminal justice system, part of that is for the Home Office, but some of the issues that she is thinking about may be more appropriate for the Justice Secretary in relation to the treatment of those individuals with autism in prison and in other custodial circumstances. I have certainly noted her comment and will bring it to the attention of the Justice Secretary.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Home Secretary says that the matter is now for the Director of Public Prosecutions. Has she referred the case to him? Given her extensive knowledge of the medical evidence, does she think it likely that Mr McKinnon will be fit to stand trial in this country?

Mrs May: The hon. Gentleman is absolutely right: it is now for the Director of Public Prosecutions to decide whether the case should be prosecuted. Very simply, it is not the case that politicians tell the Director of Public Prosecutions what to do, who to investigate or who to prosecute, so he will come to his decision based on the information available to him.

Sir Roger Gale (North Thanet) (Con): Further to my question to my right hon. Friend yesterday and in the interests of those of us who have or have had constituents who have been held for long periods in European and foreign prisons—people who are United Kingdom citizens—will she seriously consider ensuring that no United Kingdom citizen may be extradited to another country where the period of detention before trial is very considerably longer than that in the United Kingdom?

Mrs May: We will seek to consider with the Commission and other member states the issues that have arisen in relation to the operation of the European arrest warrant. This view is not held solely by the United Kingdom. Across a number of member states, there are concerns about the way in which the EAW has been operating, and we shall be working on that matter as part of our consideration of closed measures that we may choose to opt back into, or wish to opt back into, in relation to the 2014 justice and home affairs powers. However, I have certainly heard the point that my hon. Friend makes.

Caroline Lucas (Brighton, Pavilion) (Green): I too warmly welcome the decisions on Gary McKinnon and the forum bar, and only wish that they had been made sooner. Why, if the Home Secretary accepts that the law needs to change, did she sanction the extraditions of Babar Ahmad and Talha Ahsan? Surely they should also be benefiting from a fair extradition process. They were extradited on 5 October, and it will be a year at least before they even come to trial. They are British citizens accused of committing crimes here in Britain, and they should be tried in Britain, not in the United States.

Mrs May: I consider that the process that Abu Hamza and the other four individuals went through was fair. Where it was relevant, consideration would have been given to the issue of prosecution in the UK and the decision taken that that was not appropriate.

John Hemming (Birmingham, Yardley) (LD): I welcome the Home Secretary's statement and echo the comments of the right hon. Member for Haltemprice and Howden (Mr Davis) about plea bargaining in the US and the effect that that has on British citizens extradited there. In her discussions with the Secretary of State for Justice in respect of changes to the appellate process, will she please take into account that domestic proceedings can be exhausted in the county court, which is a very low level for appeals from the magistrates court?

Mrs May: I note my hon. Friend's point. As I said and as he recognises, the matter is being considered between the Home Office, the Ministry of Justice and other relevant Ministers, and we will seek to ensure that we can produce a process that does not involve excessive delays, but which gives appropriate fairness and proper regard to individuals' legal rights.

Mr Kevin Barron (Rother Valley) (Lab): The Home Secretary says that she agrees with the Baker review recommendations that the breadth of the Home Secretary's involvement in extradition cases should be reduced, and that will need primary legislation. Can she give us an idea of when that primary legislation will come before the House?

Mrs May: We will be exploring a number of options for that primary legislation to come before the House. Obviously, as the right hon. Gentleman will be aware, I cannot say at this moment when that will be. It will be when parliamentary time allows.

Mr Robert Buckland (South Swindon) (Con): On behalf of the all-party parliamentary group on autism, I warmly welcome my right hon. Friend's decision today. Will she make sure that her Department redoubles its efforts to ensure that all people with autism, Asperger's syndrome and related conditions are treated properly and their needs addressed when they are detained and arrested prior to any charge?

Mrs May: I note my hon. Friend's point, which echoes that made by my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan). I will take it away and consider it.

Dr Hywel Francis (Aberavon) (Lab): On behalf of the Joint Committee on Human Rights, I warmly welcome the Home Secretary's decision on Gary McKinnon. Will she look again at the JCHR's report on extradition, particularly with regard to the evidence given to us on the European arrest warrant?

Mrs May: I thank the hon. Gentleman for his question and thank him and the right hon. Member for Leicester East (Keith Vaz) for the work that their two Committees

[Mrs May]

did on extradition arrangements. The Government will respond, I hope later today, to his Committee's report, and obviously will refer to the issue that he has raised.

Dr Julian Huppert (Cambridge) (LD): I warmly congratulate the Home Secretary on her decision not to extradite Gary McKinnon and to introduce a forum bar, and join all those paying tribute to Gary and to Janis Sharp for their extremely long 10-year struggle.

The Home Secretary made her correct decision, based, as she explained, on the European Convention on Human Rights. Will she ensure that all her other decisions are also founded on that excellent bedrock? *[Interruption.]*

Mrs May: The Attorney-General has just said that they have to be. Any legislation that I bring before the House I have to sign to say that it is indeed compatible.

Jeremy Corbyn (Islington North) (Lab): I commend the Home Secretary for her welcome decision on Gary McKinnon and all those who campaigned for so long for this justice.

In answer to the hon. Member for Brighton, Pavilion (Caroline Lucas), the Home Secretary referred to the case of Babar Ahmad and Talha Ahsan. They have been deported to the USA, they faced no prosecution in this country and they were in prison for a long time in this country. Under the new procedures that she envisages, could such a deportation take place in the future? Does she not accept that their case is materially different from those who were deported at that time and that we should have some respect for the fact that they were never prosecuted in this country yet they are now being prosecuted in the USA?

Mrs May: The cases that the hon. Gentleman raises were considered through a series of proceedings in the courts in the United Kingdom and by the European Court of Human Rights. All those courts determined that it was perfectly appropriate for those individuals to be extradited to the United States.

Stephen Phillips (Sleaford and North Hykeham) (Con): The correct decision to which my right hon. Friend has come has been warmly welcomed across the House, and I join in welcoming it. She referred to the fact that she is having discussion internationally, both with the United States and with EU member states, in relation to our extradition arrangements. Are any changes to the European arrest warrant being suggested by other EU member states, and what does she propose to do to carry those forward?

Mrs May: If I may just clarify, I think that my hon. and learned Friend has picked up on the discussions that I referred to in response to the shadow Home Secretary, which were international discussions about cybercrime. We will indeed be having discussions with other member states on the European arrest warrant. It is already the case that other member states have raised issues, for example, on proportionality. This is a matter of concern for other member states, not just the United Kingdom.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): We must welcome the fact that decisions in these cases are based on fairness and justice, and I welcome the decision today if that is the case. But is the Home Secretary aware of the number of cases involving fugitives who have fled to Pakistan? It seems almost impossible to get an arrangement with the Pakistan Government to bring back people such as Shahid Mohammed, who was alleged to be part of a gang that killed a family of eight children in a firebomb incident. The rest of the accused have been committed to prison, but he is still at large in Pakistan and there is no arrangement whereby he can be extradited. Will she look into this case so that we can have fairness and justice for the Chishti family in my constituency?

Mrs May: I recognise the hon. Gentleman's concern about that particular case. He is right to say that no arrangements are in place to enable us to deal with that matter. I assure him that I and the Attorney-General have heard his comments and I will look into the circumstances of the case that he raises.

Mark Reckless (Rochester and Strood) (Con): Confidence in our extradition arrangements had fallen so low that few members of the public would have been surprised if Gary McKinnon had been extradited yet Abu Hamza had been allowed to stay. Does the Home Secretary believe that her statement today, combined with her statement yesterday on the European arrest warrant, provides a sufficient basis on which she can restore confidence in our extradition processes?

Mrs May: Yes, I sincerely hope that that is exactly what will happen as a result of the changes that the Government will bring about. People have been concerned. There has been general public disquiet about some of our extradition arrangements. The proposals that I have put before the House today and that will come before the House in primary legislation will give people confidence in our extradition system.

Mr Andy Slaughter (Hammersmith) (Lab): Will the Home Secretary answer the question that she has avoided twice in relation to forum and the cases of Babar Ahmad and Talha Ahsan? In both those cases, forum was the key issue; it was not in the other cases that she conflates them with. How does she explain her timing in introducing the forum bar only days after they were removed from the country?

Mrs May: The decision that those individuals be extradited went through all the proper and appropriate processes, including the European Court, and in all those stages extradition was considered appropriate. We have a process already whereby decisions are taken as to whether individuals should be prosecuted in the UK or in any other country asking for extradition, and those decisions are properly taken by the courts. We will in future be changing the way that that takes place so that it is more open and transparent.

Mr Dominic Raab (Esher and Walton) (Con): I welcome the fact that we have a Home Secretary with the backbone to stand up for British citizens and British principles of justice. I also welcome the shadow Home Secretary's acknowledgment—her first, I think—that the European

arrest warrant needs reform, because in quantity and quality those cases have proved far more serious than our arrangements with the United States, including in relation to my constituent Colin Dines. Does the Home Secretary agree that the best bet for common-sense reform of the EAW would be to exercise the block opt-out and then use our leverage to press for modest safeguards so that we do not continue to hang innocent citizens out to dry?

Mrs May: I thank my hon. Friend for his observations and comments. As he knows, the Government's current thinking is that we will exercise the block opt-out and then seek to opt in to a number of measures. We will obviously consider the matter carefully and, as I said earlier, discuss the whole question of the European arrest warrant with the European Commission and other member states. As I have indicated, I am aware that other member states are also concerned about certain aspects of the European arrest warrant's operation.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): I fear that the Home Secretary is gambling with the justice for British victims of foreign criminals who flee to their home countries in Europe. She has chosen to opt out of the EAW, with no guarantee that we can opt in again, which could mean that British citizens will be denied justice. Will she outline in more detail what conversations she is having with other EU member states and what plan B is? Is it bilateral treaties with every single member state?

Mrs May: I am surprised that the hon. Lady does not understand the process a little better than her question suggests. I announced yesterday that the Government's current thinking is that we will exercise the block opt-out. It is not open to us to opt out of individual measures; we can only block opt in or block opt out and then seek to rejoin certain measures. That is the process that the Government are currently going through. We will be talking with the European Commission and other member states about arrangements for the opt-ins and the specific measures that the Government choose to opt in to. The circumstances she sets out in her question are quite far from the reality.

Nick de Bois (Enfield North) (Con): I warmly congratulate the Home Secretary on her decision on Gary McKinnon and my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) on his efforts; there are now two Enfield constituents who have benefited directly from the Home Secretary's interest in and positive response to extradition matters. On the problem of British nationals languishing in jails for unacceptable periods of time pre-trial in Europe, does she recognise that that is in large part because the EAW is based on the rather flawed principle of mutual recognition of each others' judicial systems, and will she ensure that she challenges and examines that in any future negotiations?

Mrs May: I recognise my hon. Friend's concern about that issue, which he has expressed on a number of occasions. I can assure him we will be looking in detail at the operation of the European arrest warrant, not only as part of our internal consideration but as part of our discussions with the European Commission and other member states.

Yasmin Qureshi (Bolton South East) (Lab): I, too, welcome the Home Secretary's decision regarding Gary McKinnon. When she reviews these particular provisions, I want to ask her to consider three things in relation to extradition: whether extradition to another country can be for actions that are not criminal offences in this country; whether a proper case has to be made in a British court before someone can be extradited; and, if a significant part of the alleged conduct has occurred in the United Kingdom, whether the trial must be heard in the United Kingdom.

Mrs May: The point of introducing the forum bar is that there will be a transparent process for considering, challenging and examining whether a prosecution should take place in the UK or in another country. The decision taken by the courts will be transparent and open, and that is what I believe will give people more confidence in our extradition arrangements.

Michael Ellis (Northampton North) (Con): My right hon. Friend must of course look at such cases individually, but does she agree that the Anglo-American extradition treaty is sound, fair and balanced between our two countries, which are on a generally equal footing, as Sir Scott Baker found in his extensive report; that there is no imbalance in the evidence tests that currently apply; and that there is no need for a prima facie test, which after all we do not apply to other countries that have far less mature justice systems? Will she also take the opportunity to indicate that she has full confidence in the American justice system, which is infinitely preferable to those of many other countries with which we have extradition arrangements?

Mr Speaker: Order. I am listening with great interest to the hon. Gentleman, but I must say to him that if he had been paid by the word when practising in the UK courts he would now be an immensely wealthy man.

Mrs May: I do indeed agree with my hon. Friend that the UK-US extradition treaty is broadly sound. It is important that we have good, well-working extradition arrangements between the UK and the US, and we have seen the benefit of that in relation to a number of cases in which people have been extradited to the US or back to the UK. He is right: Sir Scott Baker did say that there was no need for a prima facie test, which is why I do not propose to introduce such a test in the new arrangements we are proposing. I repeat that it is important that we have well-working extradition arrangements with the US that people can have confidence in. I believe that the limited changes I have announced today will give people that confidence.

Mr Denis MacShane (Rotherham) (Lab): Is the Home Secretary aware that it is not a crime in France to have sex with a 15-year-old child but it is here; and that it is not a crime here to wear a Nazi uniform, throw up Heil Hitler salutes and swagger around talking about the Third Reich but it is in Germany? I worry that Interior Ministers in our partner countries will hear her statement and think, "Well, if something is not a crime here, why send someone back? If someone brings in a chit stating that they are depressed and not very well, why send them back?" I am not disputing the sincerity and integrity

[Mr Denis MacShane]

of her decision, but I hope she thinks a bit longer and harder before in effect telling many other countries that they do not need to extradite people back to us.

Mrs May: There is no hint in anything I have said that that will be the case. The right hon. Gentleman raised a concern yesterday about the European arrest warrant, and I will repeat what I said yesterday: we will be looking, with the Commission and other member states, at the operation of the European arrest warrant because, although there have been benefits, there have been problems. That is exactly what I said in my statement, and I think that it is right that we look at it properly and carefully.

Mr Graham Stuart (Beverley and Holderness) (Con): I, too, welcome the Home Secretary's statement and think that her lustre will have been burnished further in the Bone household, if I may say so in the absence of our hon. Friend the Member for Wellingborough (Mr Bone). Has she made any estimate of the number of people who are currently extradited but who in future are likely to be tried in this country rather than abroad after the introduction of a forum bar, and who will decide the criteria on which the judges will make those decisions?

Mrs May: Every individual case must be considered on its merits, so it is not possible to look ahead to future cases and predict how many people would be prosecuted here in the UK rather than abroad. We will obviously look at the arrangements for the forum bar and how it will operate when we introduce it in primary legislation. As it is necessary to introduce it in primary legislation, the House will be able to scrutinise the arrangements that are put in place.

Jim Shannon (Strangford) (DUP): I, too, welcome the Home Secretary's statement and congratulate her on a victory for the democratic process and for fair play. Can she confirm that a precedent has not been set with regard to the reasons to stop an extradition? What assurance can she give that the two outstanding extradition requests from the US, and indeed any future extradition requests, will not be affected by this decision?

Mrs May: My decision is based on the issue of Mr McKinnon's human rights under article 3 and, as I have just indicated in response to my hon. Friend the Member for Beverley and Holderness (Mr Stuart), each individual case will be determined on its own merits.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): Thank you, Mr Speaker, for giving me the opportunity to be the last Member here to congratulate my right hon. Friend on her decision and on bringing Gary McKinnon's 10-year nightmare to an end. I can assure her that my constituents will welcome today's announcement, both the specifics and the more general reforms she has proposed. I encourage her to bring those forward as soon as possible so that cases do not drag on like this in future.

Mrs May: I recognise the eagerness with which my hon. Friend, and indeed others, wish the Government to bring forward these changes. I can assure him that we, too, are eager to bring them forward as soon as possible, but that will of course be as parliamentary time allows.

Mr Speaker: I am grateful to the Home Secretary and to colleagues.

Vehicle Fuel Receipts (Transparency of Taxation)

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

1.29 pm

Robert Halfon (Harlow) (Con): I beg to move,

That leave be given to bring in a Bill to make provision for receipts for vehicle fuel to display the amount of fuel duty paid and the amount of that duty to be spent on road building; and for connected purposes.

Before I begin, Mr Speaker, I am grateful for your permission to mention that in Harlow on Monday there was a tragic fire in which four children and their mother lost their lives. I want to express my heartfelt condolences to their extended family and to their community and to thank the emergency services for all that they have done.

The principle of the Bill is very simple—that taxes should be clear to the people who pay them. At the moment, they are not. To their credit, the Government believe in transparency. As the Prime Minister has said,

"We want to be the most open and transparent Government in the world…With a presumption in favour of transparency".

I am glad to say that this Government have moved towards a "right to data", putting on to the internet information on Whitehall spending, as well as on ministerial meetings and procurement contracts. They are rightly supporting the idea of my hon. Friend the Member for Ipswich (Ben Gummer) and giving taxpayers a statement of where their tax goes. These are important steps towards transparency.

Why not do that for fuel duty as well? After all, this Government believe in cheaper petrol. Ministers have done more to cut fuel duty in two years than the previous Government managed in 13. Petrol is now 10p cheaper than planned in Labour's last Budget, but the problem is that fuel duty is still a stealth tax. At the moment, when we fill up our car our receipt says "Fuel £50, VAT £10". This is wrong. If my receipt was accurate, it would say how much fuel duty I am paying, which is currently disguised in the price. It would say something more like: "Fuel £25, duty £25, VAT £10". There should also be some mention of how much of that tax is spent on our roads.

I want to explain three things: first, that fuel duty was never meant to be a millstone around our necks; secondly, what I am proposing; and thirdly, why transparency works. The history of car taxation is a textbook case of how a tax becomes entrenched. First, it is temporary and hypothecated for a specific purpose, then it is expanded, and finally it is folded into general taxation. As I have set out to the House before, this is exactly what happened to fuel duty between 1909 and 1937. In the early years of the 20th century, funding for roads was drawn mainly from local ratepayers. The 1909 Budget put a new duty on motor spirit—that is, petrol—but it was ring-fenced for a road improvement fund, and David Lloyd George promised that it would always be devoted exclusively to the roads. However, through the 1920s the road fund was repeatedly raided to prop up the Treasury, and from 1937 it was treated as a general tax.

By 1966, the result was that just one third of the revenue was actually spent on roads; by 2008, it was just one fifth. The proportion being spent on roads has shrunk hugely, but at the same time fuel duty has risen. Over the years, a series of temporary increases were brought in. The fuel duty escalator began in 1956 with the Hydrocarbon Oil Duties (Temporary Increase) Act 1956. At that time, duty was fluctuating between 5p and 6p a litre, and VAT did not exist because we had not yet joined the European Community. The temporary increase was a mirage. Fuel duty is now 58p, with 20% VAT on top—an increase of more than 1,000%. My argument is that on every receipt of every fuel bill the tax burden should be clear and transparent, and there should be some indication of how much is being spent on our roads. So my receipt would say: "Fuel £25, duty £25, VAT £10, amount spent on roads approximately £7".

This campaign has been supported by FairFuelUK, which has gained 15,000 signatures on a petition specifically on this issue, and hugely by the TaxPayers Alliance, which has put leaflets out on forecourts around the country, as well as by the independent fuel retailers, led by Brian Madderson.

Some Treasury officials may be sceptical about this Bill. "Isn't this up to the retailers?", says Sir Humphrey. To them I say that the Government have complex rules about what one can and cannot put on a receipt, especially if VAT is involved. On Her Majesty's Revenue and Customs' website, there is a 15-bullet-point list of what precisely a VAT receipt must show. The point of my Bill is to bake transparency into the system, to give clarity to retailers, and to make it standard across the whole country. That is something that only a Bill could easily achieve.

Why is this necessary? First, we need to be honest with motorists. The average family in my constituency of Harlow spend a tenth of their income on fuel—more than they spend on the weekly shop. In essence, they are facing petrol and diesel poverty, and morally they have a right to know why their bills are so high. Secondly, tax transparency would act as a deterrent to stop any future Government hiking fuel duty without good reason, because people will see the increase on their receipts. Thirdly, it would make it easier to hold the big oil companies to account. The Government say that their actions have a low impact compared with huge swings in the oil price. My proposal would give people the hard evidence, on a weekly basis, to know that falls in the oil price are being passed on to consumers, as campaigned for by PetrolPromise.com. As an aside, I should say that earlier today I, and many colleagues, met Clive Maxwell of the Office of Fair Trading. I am glad that he is now looking very carefully at the petrol and diesel market and will report in January.

This proposal would be a small step towards the kind of white van Conservatism that the Prime Minister talked about in his conference speech. At least those of us on these Benches are all white van Conservatives now. It might even help to make the case for ditching Labour's 3p rise in fuel duty, which this Government have so far delayed to January 2013. I urge Front Benchers to delay the rise further, because too many people are still suffering from the high cost of petrol and diesel.

[Robert Halfon]

This is a simple Bill that does what it says on the tin. It would give us basic transparency on fuel duty, about what people pay, and where the money goes. It would make the system more honest, act as a deterrent against tax rises, and add pressure on the oil companies to be fair. I hope that the whole House will support it.

Question put and agreed to.

Ordered,

That Robert Halfon, Martin Vickers, Jason McCartney, Anne Marie Morris, Caroline Nokes, Nick de Bois, Jim Shannon, Mr Angus Brendan MacNeil, Nadine Dorries, Charlie Elphicke and Marcus Jones present the Bill.

Robert Halfon accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 30 November and to be printed (Bill 72).

Enterprise and Regulatory Reform Bill (Programme) (No. 2)

1.39 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Jo Swinson): I beg to move,

That the Order of 11 June 2012 (Enterprise and Regulatory Reform Bill (Programme)) be varied as follows:

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

2. Proceedings on Consideration and Third Reading shall be completed in two days.

3. Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.

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

TABLE

Proceedings	*Time for conclusion of proceedings*
New Clauses relating to civil liability for the breach of health and safety duties; new Clauses and new Schedules relating to the determination of bankruptcy applications by adjudicators.	4.15 pm on the first day
New Clauses relating to the Equality Act 2010.	6.00 pm on the first day
New Clauses relating to the regulation of estate agents; new Clauses and new Schedules relating to listed buildings and amendments to Schedule 16; new Clauses relating to the Osborne estate.	7.00 pm on the first day
New Clauses and new Schedules relating to, and amendments to, Part 2; new Clauses and new Schedules relating to, and amendments to, Part 1.	4.00 pm on the second day
Amendments to Clauses 61 to 64; amendments to Part 6 (other than amendments to Clauses 61 to 64); remaining new Clauses and remaining new Schedules relating to, and amendments to, Part 5 (other than amendments to Schedule 16); new Clauses and new Schedules relating to, and amendments to, Parts 3 and 4; remaining new Clauses; remaining new Schedules; remaining proceedings on Consideration.	6.00 pm on the second day

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 pm on the second day.

The Bill aims to promote long-term growth and simplify regulation. The Government have tabled new clauses, introducing a number of further measures to improve regulation, and amendments, which followed from the useful and detailed deliberations in Committee. The Government recognise the importance of the Bill and of the new measures that have been added, so we have provided two days for Report and Third Reading. The first day is for the consideration of new areas that we propose be added to the Bill. On the second day,

we will deal with amendments to the existing clauses, as well as other new clauses that have been suggested. We have provided for an order that takes into account the issues that Labour Members have told us they particularly wish to focus on.

We have provided for timetabling of the two days. We can, of course, go faster than the timetable set out, but this arrangement will ensure that the debate is not too drawn out on any specific areas and so we will be able to cover the entirety of the Bill appropriately. We have provided to Opposition Members, and also placed in the Library of the House and on the Department for Business, Innovation and Skills website, an explanation of all the Government amendments, which is in line with the new procedures that the Leader of the House has been keen to encourage on Report. Such an approach builds on the requests made and the work encouraged by the hon. Member for Brighton, Pavilion (Caroline Lucas), as well as others from across the parties in this House. We have also provided a short summary, as will now be done for all Bills in the future. We hope that that will help to facilitate understanding and the debate.

1.40 pm

Mr Chuka Umunna (Streatham) (Lab): I do not intend to speak for long. As I said on Second Reading, this really is a mishmash of a Bill; it is a missed opportunity and it certainly does not provide the compelling vision or plan for growth that we need. Its provisions range widely from the setting up of the green investment bank to extending the primary authority scheme; and from reforming our entire competition regime to implementing measures relating to the Osborne estate—for the avoidance of doubt, I should say that that does not refer to the estate of the Chancellor of the Exchequer. In what has been labelled an "enterprise Bill", this Government are seeking to make fundamental changes not only to the rights at work of every person in this country, but to the remit of the body charged in this country with promoting human rights and a society free from discrimination.

I am grateful that two days have been given for the debate of the remaining stages of this Bill, including the extra 15 minutes afforded for the debate of the measures relating to the Equality and Human Rights Commission —we must be grateful for small mercies. However, given the sheer variety of issues covered, which do not all hang together, and the seriousness of the changes envisaged to people's basic rights in this Bill, the time that has been given to debate it is simply insufficient. That is all the more the case in the light of the Government's last-minute new clauses, which seek to abolish the provisions of the Equality Act 2010 relating to third-party harassment of employees—no trivial matter—and other provisions, including those relating to discrimination questionnaires. Those provisions relate to ensuring that employees can work free from sexual, racial or other harassment, and they should be properly debated in a timely fashion.

In the light of everything I have just said, the lack of time afforded is thrown into particular sharp relief when we look at the running order for the second day —tomorrow—when a raft of provisions relating to people's rights at work will be debated in the same breath as measures establishing a green investment bank. The House is expected to do all that in less than two hours. So it is for this reason that the Opposition oppose today's programme motion.

Question put,

The House divided: Ayes 273, Noes 217.

Division No. 71] [1.44 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Sir Tony
Baldwin, Harriett
Barclay, Stephen
Barker, rh Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Sir Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, rh Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Chishti, Rehman
Chope, Mr Christopher
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Crockart, Mike
Crouch, Tracey
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Sir Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gyimah, Mr Sam
Halfon, Robert
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Sir Nick
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Sir Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kelly, Chris

Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Dr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Sir James
Parish, Neil
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, rh Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Sir Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon

Tellers for the Ayes:
Jenny Willott and Stephen Crabb

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Chapman, Jenny
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
David, Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Francis, Dr Hywel
Galloway, George
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Malhotra, Seema
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim

McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Dame Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Phil Wilson and Yvonne Fovargue

Question accordingly agreed to.

Enterprise and Regulatory Reform Bill

[1st Allocated Day]

Consideration of Bill, as amended in the Public Bill Committee.

New Clause 14

Civil liability for breach of health and safety duties

'(1) Section 47 of the Health and Safety at Work etc. Act 1974 (civil liability) is amended as set out in subsections (2) to (7).

(2) In subsection (1), omit paragraph (b) (including the "or" at the end of that paragraph).

(3) For subsection (2) substitute—

"(2) Breach of a duty imposed by a statutory instrument containing (whether alone or with other provision) health and safety regulations shall not be actionable except to the extent that regulations under this section so provide.

(2A) Breach of a duty imposed by an existing statutory provision shall not be actionable except to the extent that regulations under this section so provide (including by modifying any of the existing statutory provisions).

(2B) Regulations under this section may make provision about the extent to which breach of a duty imposed by other health and safety legislation is actionable (including by modifying that legislation).

(2C) The reference in subsection (2B) to "other health and safety legislation" is to—

(a) any provision of an enactment which relates to any matter relevant to any of the general purposes of this Part but is not among the relevant statutory provisions; and

(b) any provision of an instrument made or having effect under any such enactment as is mentioned in paragraph (a) other than a provision of a statutory instrument that contains (with other provision) health and safety regulations.

(2D) Regulations under this section may include provision for—

(a) a defence to be available in any action for breach of the duty mentioned in subsection (2), (2A) or (2B);

(b) any term of an agreement which purports to exclude or restrict any liability for such a breach to be void."

(4) In subsection (3), omit the words from ", whether brought by virtue of subsection (2)" to the end.

(5) In subsection (4)—

(a) for "and (2)" substitute ", (2) and (2A)", and

(b) for "(3)" substitute "(2D)(a)".

(6) Omit subsections (5) and (6).

(7) After subsection (6) insert—

"(7) The power to make regulations under this section shall be exercisable by the Secretary of State.

(8) The Secretary of State must obtain the consent of the Welsh Ministers before making any regulations by virtue of subsection (2B) that contain provision which would be within the legislative competence of the National Assembly for Wales if it were contained in an Act of the Assembly."

(8) In section 82 of the Health and Safety at Work etc. Act 1974 (general provisions as to regulations)—

(a) in subsection (3), after "subsection (4)" insert "or (5)", and

(b) after subsection (4) insert—

"(5) A statutory instrument containing (whether alone or with other provision) regulations made by virtue of section 47(2B) shall not be made unless a draft has been laid before and approved by resolution of each House of Parliament."

(9) Where, on the commencement of this section, there is in force an Order in Council made under section 84(3) of the Health and Safety at Work etc. Act 1974 that applies to matters outside Great Britain any of the provisions of that Act that are amended by this section, that Order is to be taken as applying those provisions as so amended.

(10) The amendments made by this section do not apply in relation to breach of a duty which it would be within the legislative competence of the Scottish Parliament to impose by an Act of that Parliament.

(11) The amendments made by this section do not apply in relation to breach of a duty where that breach occurs before the commencement of this section.'.—*(Matthew Hancock.)*

Brought up, and read the First time.

1.58 pm

The Parliamentary Under-Secretary of State for Skills (Matthew Hancock): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss Government amendment 34.

Matthew Hancock: Government new clause 14 relates to civil liability for breaches of health and safety duties. It fulfils our commitment in the Budget to introduce measures to reduce the burden of health and safety, following the recommendations made in the independent Löfstedt report. Professor Löfstedt considered the impact that the perception of a compensation culture has had in driving over-compliance with health and safety at work regulations. The fear of being sued drives businesses to exceed what is required by the criminal law, diverting them from focusing on sensible preventive health and safety management and resulting in unnecessary costs and burdens.

Professor Löfstedt identified the unfairness that can arise when health and safety at work regulations impose a strict duty on employers that makes them liable to pay compensation to employees injured or made ill by their work, despite all reasonable steps having been taken to protect them from harm. Employers can, for example, be held liable for damages when an injury is caused by equipment failure, even when a rigorous examination would not have revealed the defect. The new clause is designed to address that and other unfair consequences of the existing health and safety system.

We all have different reasons for coming into politics. When I was growing up, I had one of the experiences that brought me to this place, concerning the over-burdensome intervention of health and safety officers. I worked in a family computer software company when an over-long health and safety investigation took place, which took up huge amounts time for the officers and senior management. The only result at the end of it was the recommendation that some bleach in a cupboard must be labelled correctly. After a sign was put up saying, "There is bleach in the cupboard. Please do not drink it," the company was passed under the health and safety regulations.

These changes will ensure that there is a reasonableness defence in the consideration of some health and safety cases.

Guy Opperman (Hexham) (Con): I am enjoying the march back through time to the Minister's computer existence. I speak as a former health and safety barrister—on behalf of the prosecution, I should say. I welcome the changes recommended in the independent report. Is not what we are trying to do to bring flexibility and fairness to a system that is too old and defunct?

Matthew Hancock: We are ensuring that due health and safety measures are protected, but that there is a test of reasonableness for the actions of employers, so that those who have taken all reasonable precautions cannot be prosecuted for a technical breach. That will reduce the impression among many businesses, especially small businesses, that they are liable to health and safety legislation in many cases when they are not. It will reduce that impression while ensuring that taking reasonable steps to abate health and safety difficulties remains a vital part of everybody's responsibilities. Indeed, the new clause does not change the criminal procedures in relation to health and safety.

How do we propose to do this? Civil claims for personal injury can be brought by two routes: a breach of the common-law duty of care, in which case negligence has to be proved, or a breach of statutory duty, in which case the failure to meet the particular legal standard alleged to have been breached has to be proved. The new clause will amend the Health and Safety at Work etc. Act 1974 to remove the right to bring civil claims for breach of a statutory duty contained in certain health and safety legislation.

John Cryer (Leyton and Wanstead) (Lab): As I am sure the Minister knows, the 1974 Act is riddled with the phrase

"so far as is reasonably practicable".

Does that not give the protection against flimsy claims that he has been talking about?

Matthew Hancock: The 1974 Act does not give that protection, because a test of negligence is not required to proceed with a prosecution. In future, proof of negligence will be required to bring a case. It will be possible to bring a civil action for a breach of common-law duty of care only on the basis that the employer has been negligent.

Claire Perry (Devizes) (Con): I am enjoying the Minister's attention to detail on this important matter. Will he reassure us that this provision will not add to the burden for small businesses because of the process of providing proof? Has he done any number crunching to show what it will mean for the businesses that matter so much to Britain?

Matthew Hancock: My hon. Friend anticipates my speech, because this provision will reduce the burdens on business. It is difficult to know precisely by how much because businesses react not only to the letter of the law, but to the perception of the law. There are perceived health and safety requirements that go beyond technical breaches of the law, and we want to remove them. One can go to the new Government website and ask whether something is required by health and safety legislation. Many of the cases that are brought to the Government's attention are not required by health and safety legislation. The problem is the perception of

health and safety legislation. By including a reasonableness defence, we will help to remove the implied, expected and perceived burdens on business.

Julian Smith (Skipton and Ripon) (Con): When my hon. Friend became a Minister, what assessment did he make of the previous Labour Government's attempts to lift the burdens on business and the perception of those burdens over the 13 years that they were in office?

Matthew Hancock: I have found no evidence of that. If my hon. Friend can point any out to me, I would be extremely grateful.

David Rutley (Macclesfield) (Con): I welcome the direction in which the Minister is taking the debate and the policy. I will never forget a conversation that I had in Macclesfield marketplace, a place with which I know he is familiar. A lady told me how disturbed she was that the perception of health and safety was giving it a bad name. I asked who she worked for and she said the Health and Safety Executive. The situation is going too far. Does the Minister agree that it is important to move to a common-sense approach, which I think is the direction in which he is taking Government policy?

Matthew Hancock: It is important to have a health and safety framework in which responsible businesses act in a way that supports and enhances the safety of the people who work for them. Indeed, it is vital that we all have a duty to behave reasonably on questions of health and safety.

I hope that making negligence a requirement before a health and safety case can be brought will mean that those who behave reasonably have no reason to fear health and safety legislation and that those who think carefully and responsibly about the businesses that they run will know that they are behaving not only reasonably, but lawfully.

Chris Kelly (Dudley South) (Con): I thank the Minister for his speech. Does he agree that the managers of companies who are acting reasonably will be freed up to go out and win more export business, including those in the manufacturing and engineering companies in my constituency of Dudley South?

Matthew Hancock: Indeed, this action will reduce the burdens on business and help Britain to compete. It also provides important reassurance to employers that they will be liable to pay compensation only when it can be proved that they have been negligent.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): I well recall when I worked in the shipyards watching the white particles of dust and asking whether they had any health and safety implications, only for the employer to tell me, "Don't be stupid. Get on with your lot, young man. It won't do you any harm." Hundreds of thousands of people are now suffering from mesothelioma. Is that the kind of employer that the Minister wants to support?

Matthew Hancock: The hon. Gentleman gives a good explanation of why there is cross-party support for health and safety measures that are reasonable. After all, it was a Conservative Government who brought in the Factory Acts. On the specific point that he raises, the provision is forward looking and is not retrospective. It will not have an impact on acts that were committed in the past, but is about actions that take place in the future. He raises an important question and I hope that I have reassured him.

Mr David Anderson (Blaydon) (Lab): I thank the Minister for giving way; he is being very helpful. Will he clarify whether there is currently—or will be in the legislation—a legal definition of what "reasonable" actually means?

Matthew Hancock: The definition of reasonableness will come from the common-law interpretation, and the concept is already well regarded and specified in law.

The new clause makes a significant contribution to the Government's reform of civil litigation to redress the balance between claimants and defendants. It is good for Britain's competitiveness, reduces burdens on businesses, and strengthens and underpins our health and safety system, thereby ensuring that people think it is fit for purpose.

Julie Hilling (Bolton West) (Lab): I am concerned by the Minister's remarks because far too many people are already killed at work each year, and people are also injured through faulty or wrong seating and other things that happen. The office is not a safe working space, and when the Minister says that we worry too much about health and safety, I am worried that we will make things far worse for people not only in heavy industry but in other working situations. Health and safety legislation exists to protect those people from back injury, repetitive strain injury and all the other things that occur. This legislation will completely reduce that issue in people's minds.

Matthew Hancock: On the contrary, although I share the hon. Lady's concerns to ensure that health and safety legislation is regarded and reasonably interpreted throughout work forces, whether in industry, agriculture or offices, and although such legislation is an important part of the modern workplace, it is unhelpful when health and safety becomes a byword for regulations that get in the way and stop businesses competing or, for instance, children from being taken on school trips once reasonable precautions have been put in place, and instead bring the whole system into disrepute. That is what the Government are trying to stop. The key defence of negligence ensures that if people breach health and safety rules or have not acted reasonably, that will—of course—be taken into account under the system, and the new clause will not change criminal health and safety procedures. We must, however, ensure that unreasonable claims, and the existing perception of health and safety legislation, do not get in the way of Britain's ability to compete.

Stewart Hosie (Dundee East) (SNP): The Minister is pushing the point about perception. He is right: businesses do respond to perception, and sometimes go further than is legally required. However, if they respond to perception in one direction, they may well respond to a new perception in another direction and do less than is

[Stewart Hosie]

required. If that is the case, how many injuries or deaths will it take for the Minister to be back at the Dispatch Box rewinding some of the changes?

Matthew Hancock: If businesses behave unreasonably and are negligent, they will be caught by the system. That proves the point about why we have to strike a good balance between a health and safety system that everybody supports and under which employers—and others—have to behave reasonably and take reasonable precautions, and a system in which the test of having acted reasonably is not a defence in civil law. That is the change being made; it will help to free up business, and I commend the new clause to the House.

Mr Deputy Speaker (Mr Nigel Evans): I call the Minister *[Interruption.]* I meant the shadow Minister.

Mr Iain Wright (Hartlepool) (Lab): If only, Mr Deputy Speaker.

This is my first opportunity to congratulate the hon. Member for West Suffolk (Matthew Hancock) on his promotion. It is a pleasure to see him at the Dispatch Box, as he has been many times in his guise as Disraeli, Churchill, or perhaps Sir Robert Peel, and it is good to see him in his current incarnation.

In his opening remarks, the Minister mentioned that the new clause seeks to deal with perception. We should not, however, be legislating on the basis of perception, and as he spoke I became increasingly concerned that this is yet another example of an insensitive, out-of-touch Government who somehow deem all regulation as inherently bad, and health and safety legislation as all-encompassing, bureaucratic and often unnecessary.

2.15 pm

Julian Smith: Will the hon. Gentleman give way?

Mr Wright: I have missed the hon. Member for Skipton and Ripon (Julian Smith) over the course of the summer, and I remember with affection some of his interventions in Committee. I welcome him back; it is good to see him.

Julian Smith: I reciprocate the hon. Gentleman's remarks. Does he agree with the Government that perception is important in health and safety legislation in almost the same way as in employment law? Does he claim that there is no issue with perception, and does he totally disagree with what the Government are trying to do?

Mr Wright: On perception, there is a feeling in the country—it is often fuelled by the media—that the so-called health and safety culture is inevitably a drag on economic growth and recovery. We must, however, set the context, and I want to make an important point to the Minister. The TUC estimates that every year at least 20,000 people die prematurely as a result of injuries, illnesses, or accidents caused by or in their place of work. That is far too many. The shocking figure from the Health and Safety Executive of 173 workers who were fatally injured at work often excludes a large number of other work-related deaths, but that figure alone means that 173 people went to work and did not come back, and that should not happen in a modern, compassionate society.

Alison Seabeck (Plymouth, Moor View) (Lab): Does my hon. Friend agree that improvements to the health and safety regime were out there for all to see during the construction of the Olympic site? There were no deaths and few injuries, which was because the health and safety regime had been properly applied.

Mr Wright: I agree with my hon. Friend. In the great and almost universal celebration of the London Olympics this summer, we should never forget that we saw the first Olympic stadium and village in the history of the games to be built without a single fatality. That is something to be proud of and was a result of the good partnership between Government—of all political persuasions—management and trade unions, together with workers, working to ensure that nobody was injured or killed while doing such important work.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op) *rose—*

Guy Opperman *rose—*

Andrew Bridgen (North West Leicestershire) (Con) *rose—*

Mr Wright: I will give way to a fellow member of the Public Bill Committee, and then to a fellow north-eastern MP.

Andrew Bridgen: Not only did I serve on the Public Bill Committee for this important Bill, but I served on the Löfstedt review into health and safety reform, as did a representative from the Trades Union Congress, Sarah Veale. I assure the shadow Minister that there was absolute agreement among those on the Löfstedt review, including the TUC, that the perception of health and safety legislation—indeed, over-perception—is wrong in this country, and is holding back business and giving health and safety a bad name. The new clause goes some way in addressing that.

Mr Wright: I will go on to address the Löfstedt report in specific terms, and say where we agree with it and where we disagree, particularly with regard to the new clause, and if the hon. Gentleman will allow me, I will expand on that point. I am conscious that my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), a proud member of the Union of Construction, Allied Trades and Technicians, also wants to intervene, but I will first give way to the hon. Member for Hexham (Guy Opperman).

Guy Opperman: I am most grateful. All hon. Members will support the fact that the Olympics produced a death-free environment during the construction phase. However, changing laws on limited civil issues from strict liability to a balance of proof civil liability would not necessarily have affected or changed that. I hope that the hon. Gentleman will agree with and acknowledge that.

Mr Wright: I understand where the hon. Gentleman is coming from. In his opening remarks, however, the Minister mentioned a degree of concern about perception. Health and safety is first and foremost an important means to achieve safety for the worker, but a safe and healthy work force and workplace can also be efficient and productive. I wish to expand on that point, but I will first give way to my hon. Friend.

Luciana Berger: My hon. Friend is generous in giving way, and I echo his welcome for the fact that there were no deaths during the construction of the Olympic site. However, there were 50 deaths in this country last year on construction sites, and as he said, 173 fatal injuries, which was only two fewer deaths than the previous year, which indicates that we have a long way to go; 173 families have been affected. The Minister spoke of perception, but I am concerned about the reality for the families of those who have tragically died at work.

Mr Wright: My hon. Friend is absolutely right. It is important that the House and the country has 28 April—workers memorial day—as a focus for remembering that people should not go to work and not come back, and that families should not be disrupted by death and injury at work. We need to pull together to ensure that health and safety is considered not as peripheral and a nice thing to have, but as central to our society and a productive economy.

Neil Carmichael (Stroud) (Con) *rose—*

Mr Wright: If the hon. Gentleman will allow me, I will move on.

There are benefits to business from an effective and proportionate health and safety regime. As I mentioned, a safe and healthy work force can be a productive and effective work force. The Institution of Occupational Safety and Health estimates that, by having an effective health and safety regime, employers could save up to £7.8 billion, individuals could save up to £5.12 billion, and the economy, each and every year, could save up to £22.2 billion. It is important that health and safety is classed not as unnecessary and bureaucratic, but as conducive to good, effective and sustainable economic growth.

It is with those figures in mind that we should consider the merits of health and safety regulations and legislation, and the long-established premise of strict liability. As we know and as the Minister said, Professor Löfstedt reported in November last year. My right hon. Friend the Member for East Ham (Stephen Timms), who speaks for the Opposition on health and safety, welcomed many aspects of Löfstedt's review. As my right hon. Friend said, most of it was positive, sensible and evidence-based, which is not a phrase we have heard often in deliberations on the Bill, and reinforced the view that health and safety is not a burden.

Over a number of years, the Health and Safety Executive has undertaken simplification exercises, which had support from both trade unions and employers. There are 46% fewer regulations than 35 years ago, and there has been a 57% reduction in the number of forms used. There is a perception that firms, and particularly small firms, spend disproportionate time on health and safety to the detriment of business and growth, but the average business spends 20 hours and just over £350 a year on health and safety risk management and assessment, according to the Minister's Department. Such activities therefore do not exactly take up a huge amount of businesses' time.

Julian Smith: The shadow Minister might be about to say this, but does what he just said mean he will get on the side of the small business in Britain, as the Government are doing, and vote with them on new clause 14, or will he oppose it?

Mr Wright: The Labour party has always been on the side of small businesses, and Labour Members will continue to be so. In the 13 years of Labour government from 1997 to 2010, 1.2 million businesses were created, whereas 50 businesses each and every day are folding as a result of the current Government's macro-economic polices and the double-dip recession. I shall therefore take no lessons from the hon. Gentleman.

Professor Löfstedt suggested that the UK needs a greater understanding of risk. We need to reject tabloid claims and the perception at the centre of the debate so far that health and safety legislation has somehow gone too far. He also recommends that education is provided to employers, workers and students on the dangers they face. However, the short section on strict liability in Professor Löfstedt's report offers no argument or evidence for changing the current legislative arrangements, but rather an assumption that strict liability is unfair on employers. In fact, Löfstedt refers to three cases, but two were not strict liability cases, so would not be affected by the new clause. The assumption that the Government are guilty of making—they have been guilty of making many such assumptions on employment rights—is that the removal of that type of liability in some cases will boost the economy. That is economically illiterate, however, and not the solution that businesses, including small businesses, want to get us out of the double-dip recession that has been made in Downing street.

I mentioned the accusation of there being no evidence—we have heard that phrase time and again during the consideration of the Bill. There has been no consultation on the measure, which means that there could well be unintended consequences, because the Government have not sought the expertise of those who deal intimately with such issues. There has been no impact assessment on the measure, but can the Minister say why not? What are the expected costs and benefits of implementing the measure, which is supposed to liberate businesses to concentrate on economic growth? Does he have tangible, quantifiable, empirical evidence to support such claims?

Health and safety regulation has always contained a balance between different types of obligation—the majority are qualified by the phrase "reasonable practicability", but some are strict. Although Professor Löfstedt had the insight that "reasonable practicability" has underpinned health and safety regulation, it has never been the key concept. A central point of the Opposition's argument is that the balance has existed since the Factories Act 1937, which have been mentioned. In that three quarters of a century, the balance has been generally considered fair. Removing it risks taking us back to a 19th century mill owner's view of health and safety, which the Opposition could never support.

[Mr Iain Wright]

If someone is injured because of a defect in a piece of equipment provided by their employer, the law is that it is no defence for the employer to say that they had a proper system of maintenance and inspection. Most people would think that right and fair, so it is unfortunate that the Government do not. They believe it is unfair for an employer to be the subject of civil action and pay compensation when they are not at fault, but what about fairness and justice for the injured worker? They are not at fault and did not ask to be injured. The new clause would remove the right to compensation for workers in those circumstances unless they can prove fault. The Government seek to place the burden on vulnerable employees, but the employer, and not the employee, selects and provides the work equipment. Regardless of fault, it is therefore the employer and not the employee who creates the risk. That is important.

Alison Seabeck: Prior to my previous question, I should have declared an indirect interest, which is already on record.

Given the emphasis placed on business concerns by Conservative Members, does my hon. Friend agree that it is slightly surprising that the Federation of Small Businesses briefing to MPs does not mention them? Perhaps that suggests that the line he is taking is the correct one.

Mr Wright: The FSB has been incredibly important throughout the consideration of the Bill, including on green investment bank and ensuring that the supply chain can derive benefit from the potential in the new green economy, but it did not mention such concerns. The measure is not a priority for business and its absence is not a hindrance to economic growth. The balance, which has been well established for three quarters of a century, works well and will not hinder growth or recovery.

2.30 pm

I mentioned that it was the employer, not the employee, who creates the risk. Importantly, however, it is also the employer who can better distribute the cost that the risk creates. Indeed, the employee has no ability to distribute the costs at all. Removing strict liability does nothing to remove unfairness or to mitigate risk. All it does is move it elsewhere to the detriment of the vulnerable employee. There is an inevitable unfairness in that scenario that requires such a policy choice—between innocent employee and innocent employer—and there seems to be no compelling reason why the loss should fall on the employee.

Where there is no fault among the employer or employee, one sensible solution would be to allow employers to sue third parties—for instance, manufacturers or suppliers of potentially defective goods—because it would allow them to manage risk and effectively recoup compensation made to employees. What consideration has the Minister given to this sensible approach in an area that has been overlooked? I urge him not to pursue it by tampering with an approach to regulation that has served us well since the 1937 Act and certainly since the 1974 Act.

This is yet another example of Ministers seeking to water down vital civil redress on the basis of anecdote, ideology and perception. Such a measure should not be in what the Government deem to be an enterprise Bill.

Mr Anderson: In Committee, mention was made of anecdote, a lack of evidence and perceptions, but we have to add a new one, which the Minister led with—impressions. We now have a Government run by impressions, but they are not very good at making impressions.

Mr Wright: The Minister is the Mike Yarwood of the House of Commons. It is nice to see a good, relevant, pertinent and timely reference to popular culture, from my own point of view.

The new clause will do nothing to enhance recovery and enterprise, and might have the unintended consequence of making the health and safety environment less safe and therefore less productive and efficient. I ask the Minister to think again, because this does nothing to aid the recovery that the country so badly needs.

Mr Anderson: The Minister started with his experience in the world of health and safety. My experience is based not only on my life as someone who worked for 20 years in the coal mining industry and then as a care worker but before that on the experience of my father, who worked the coal mines in the 1930s, when, in this country, one coal miner was killed every six hours on average. Think about that. One thousand men a year did not go home, in part because health and safety was a laughing matter and put to one side, because production was all. My father was twice buried alive—thankfully, he got out both times—and had a very close friend die in his arms, having had his head crushed between two mining coal tubs. It was not a satisfactory way to spend your life.

As a result of that history, the Government in 1947 nationalised the coal mines, set up a train of processes that included health and safety committees in the mining industry and joint consultative committees, and started planning for legislation that produced the Mines and Quarries Act 1954. That Act was actually put in place by a one-nation Tory Government, but they did it for the right reasons—to improve the conditions of people who were vital to the economic success of this country. As a result of that legislation and the improved techniques and machinery, the number of people dying in mines in the 1980s could be counted in single figures. The work force was depleted by about 70% between the 1930s and 1980s, but the number of health and safety measures fell from 1,000 to fewer than 10. For me, that history is vital to understanding how important health and safety issues are.

In 1989, I moved from the mines to become a care worker taking care of elderly people. Members might think that that is a completely different scenario, but let us think about it. The Minister gave the example of the bottle of bleach in the cupboard. It is important to know what is in cupboards to which people might well have access, particularly older people who might not have the capacity to understand what they are dealing with. That is why we introduced measures such as the Control of Substances Hazardous to Health Regulations 2002, which were about protecting people dealing with dangerous liquids.

There were issues around the lifting and handling of people who were not mobile. The impact on care businesses was huge. People accepted, however, that if they wanted to do things properly and protect not only the workers but the people they were taking care of, they needed to introduce such measures. There were other issues around medication—how to supply it, how to make it safe, how to make sure it was not given to the wrong person, how to make sure that medication records were kept up to speed—that were all part and parcel of the health and safety measures that we should all be pleased are in place.

The discussions on the Bill have been marked, certainly in Committee, by a lack of real evidence. The man tasked by the Prime Minister with reviewing employment law, Adrian Beecroft, was questioned during the evidence-taking sessions, particularly by my hon. Friend the Member for Vale of Clwyd (Chris Ruane). In response to the question about what the empirical evidence and research was based on, Adrian Beecroft said:

"I accept the accusation that my views on whether the change would improve the efficiency of people working in businesses are based on conversations with a sample of people, which is not statistically valid."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 21 June 2012; c. 145, Q330.]

Justin Tomlinson (North Swindon) (Con): The hon. Gentleman is making some important points, but, regarding evidence, perhaps we could learn lessons from our European partners. For example, the nursery staff ratio in Germany is considerably less than here, which has driven down the costs while maintaining safety. So there is evidence, if we look further afield.

Mr Anderson: I am more than happy to follow that knowledge. If we want examples, let us look at Germany right across the board—at its employment legislation and practices, including on health and safety. It is a good example of an economy that is growing while having much tighter working rights and better regulation than this country does.

Mr Jim Cunningham (Coventry South) (Lab): I was interested in what the hon. Member for North Swindon (Justin Tomlinson) said about Germany, but he forgot one thing—after the war, it was a Labour Government who, along with their allies, set up the German industrial and other structures.

Mr Anderson: That is absolutely right. We took the best of what we had in this country, and thankfully the Germans picked it up. It would be a good idea if we looked at what they did and brought it here.

To repeat, Adrian Beecroft talked about

"conversations with a sample of people, which is not statistically valid."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 21 June 2012; c. 145, Q330.]

So there is no evidence base. It is a couple of guys talking in the pub, at a football match or out playing golf. It is two old guys sitting in deck chairs, saying, "Wouldn't it be nice if we got rid of all this health and safety stuff and all these employment rights? Then everyone could make more money."

Ian Lavery (Wansbeck) (Lab): Whether perception or reality, one thing we know for certain is that nearly 200 people were killed in the workplace last year and that in excess of 20,000 people were killed or died as a result of work. That is the evidence base. That is factually correct. There is little evidence other than that. Does my hon. Friend agree?

Mr Anderson: I could not agree more with my hon. Friend. He speaks from the history of the real world, not from just reading books and studying things at university. He has been in the real world and seen how people are affected when health and safety is allowed to go by the board. The words that were used continually in Committee were: "The perception is this", "The impression is this". It was based on anecdotes and assumptions. There was no evidence. If we create laws without evidence, we create nonsense.

In conclusion, I return to the word that I asked the Minister to define—"reasonableness". In 20 or 30 years of negotiating contracts for people at work, that is one of the words I used to hate in any contract, because "reasonable" is made of elastic. It is a word used by lawyers and others to get around things. I will give hon. Members a real example. I used to represent home care workers, who went into people's houses and took care of some of the most vulnerable people in this country. Their contracts included a range of duties, and included the words, "and other reasonable things". There were questions: is it reasonable for a home care worker to bathe an old man or old woman? Is it reasonable for a home care worker to distribute medication to a man or woman? One would think, "Well, of course it is," but if something went wrong, the employer would say, "You shouldn't have been doing that. You're not paid to do that. You shouldn't have given that medication; you didn't know whether they'd had it earlier in the day." I am therefore concerned when the Minister says that the word "reasonable" can apply in that way, because it is a word that will be argued over and tossed around whenever there is a dispute.

Let me return to the point, which was mentioned earlier, that the Bill will create a "new impression". It will create the impression that all bets are off—that employers do not have to care about health and safety, and that people can do what they want as long as they believe it is reasonable. It will not be reasonable when the statistics that my hon. Friend the Member for Wansbeck (Ian Lavery) spoke about earlier are not 200 people but 300 people a year killed in the workplace. Indeed, it will not be 20,000 people dying from injuries, but 30,000 people. We will come to regret this; it should be stopped at this stage.

Jim Sheridan: I rise to speak as chair of the all-party health and safety group. Unfortunately there are no active junior coalition partners on the group; hence the reason we have such a poor turnout from the junior coalition partners for this debate. I have no doubt that at the next election the Under-Secretary of State for Business, Innovation and Skills, the hon. Member for East Dunbartonshire (Jo Swinson)—who is in her place on the Front Bench—will be telling people in the west of Scotland that she stood up for workers. However, we will be reminding her of what her party has been doing for the workers.

The all-party group's activities include producing reports. Just recently we published a report in conjunction with the TUC on asbestos in schools. I would encourage

[Jim Sheridan]

the Minister to get a copy of that report, which basically suggests that we have to challenge perceptions. Who would have thought that there was a health and safety issue in our schools? But there is. Some of our decaying schools are riddled with asbestos, and pupils, teachers, janitors and other people working in schools are being exposed to it. People do not see it, so they think there is not a problem, but there is in fact a major problem. Despite representations to the coalition Government to take action, they have so far refused to do so, which is unacceptable. Indeed, I am told that this place is being shut down for a number of years to deal with asbestos, so it is quite okay to clear the asbestos in this place, so that we can all live safely, but we cannot do it for our children in the schools. That for me tests the perception of this coalition Government when it comes to health and safety.

As I have said, in my earlier days when I worked in the shipyards in the west of Scotland in Glasgow, I remember seeing white flakes floating down and being told by the employer, "You're just a trouble maker. There's nothing wrong with them; it's just rays of sunshine coming through." I have to admit that we do not get many rays of sunshine in Glasgow, but on the days that we did, we could see those white flakes floating down. We raised concerns, but we were told that we were just being stroppy and obtrusive, when in fact we were talking about something that caused a real disease that people could not see. Since then I have attended far too many funerals of people who worked in the shipyards and had died a horrible death from mesothelioma. Indeed, even insurance companies are now refusing to pay out. Those poor people and their families who are chasing compensation are having to deal with unscrupulous insurance companies that even today are denying them the opportunity of compensation. I hope that those on the Government Benches will be able to tell their constituents who are suffering from asbestos-related disease that they are doing the right thing for future generations, because at the moment that is exactly what they are not doing.

Julie Elliott (Sunderland Central) (Lab): Does my hon. Friend accept that asbestos is not only a hazard in the workplace? I know of numerous cases where people who just used to give their dad a cuddle when he came home in his work clothes died some years later of mesothelioma or asbestosis. Indeed, we have not yet reached the peak incidence of such cases, because it takes so long before the disease manifests itself. Will the changes being proposed today not make the problem so much worse?

2.45 pm

Jim Sheridan: My hon. Friend is absolutely right. There is nothing more concerning for people who work with asbestos than to see their relatives catching such a serious disease as mesothelioma. Indeed, I know of one person who worked in a shipyard who had the displeasure of burying his daughter who had died from mesothelioma, simply because when he came home at night she used to sit on his knee. The dust was still there and she was swallowing it, but they did not see it and she was suffering. It was horrible to watch that father bury his daughter.

Every week in this House the Prime Minister and the Leader of the Opposition pay tribute to our armed forces in conflicts throughout the world, and quite rightly so. However, when it comes to fatalities and near fatalities, there are more people killed or injured in the workplace than there are members of our armed forces affected in conflict areas around the world, yet we do not talk about them. Indeed, instead of talking about those people, we want to introduce legislation that will increase their number. When we talk about the armed forces and people losing their lives, please let us remember the workers who are losing their lives, of whom there will be more as a direct result of the Government's legislation.

Julie Hilling: Does my hon. Friend agree that this debate is not just about those terrible deaths and injuries? It is also about the long-term conditions that people develop—for example, because their desk is crammed in a corner and they cannot sit at it properly, or because they get repetitive strain injuries. The Bill will make things worse for the conditions that give rise to such long-term problems. Ministers may say that the Bill will not affect deaths and injuries—we question that—but I am sure that my hon. Friend is convinced, as I am, that it will make things much worse for those long-term conditions.

Jim Sheridan: My hon. Friend is absolutely right. Indeed, there is a school of thought that says, "If you work in an office, there are no health and safety hazards," but that is not true. Indeed, the reality is quite different.

We also have to consider the excessive burden put on the NHS as a result of accidents in the workplace. However, we are only talking about the accidents that are reported. We need to understand that more accidents happen in the workplace that go unreported, because the individuals do not want to report them in case they get the sack. We are therefore not getting the true figure for people injured in the workplace.

Ian Lavery: With regard to mesothelioma and asbestos-related diseases, at any one time we have roughly 9 million children in school, which is a huge concern. There are also about 800,000 to 900,000 teachers in schools where there is asbestos. Should we not be looking immediately for the full withdrawal of asbestos from schools? It has been done in other countries, by the way, Northern Ireland being one. Should we not be looking for a phased removal and, in the meantime, managing asbestos properly in schools to prevent people from dying? The problem is that such diseases have a latency period of between 30 and 40 years, so people do not report them. They do not develop diseases until 30 or 40 years later, and even then they are not where they have come from.

Mr Deputy Speaker (Mr Nigel Evans): Order. I did not want to interrupt the hon. Gentleman, who I know was making an important point, but I should just remind the House that this is not a general debate on health and safety; rather, we are talking about new clause 14.

Jim Sheridan: I appreciate that, Mr Deputy Speaker. I congratulate my hon. Friend the Member for Wansbeck (Ian Lavery), who is secretary to the all-party health

and safety group. He is absolutely right about asbestos and schools. He has done an extensive job of work on that and the point he makes is absolutely right.

On the overall question of accidents or fatalities in the workplace, may I remind the Minister of the extensive amount of money that it will cost the NHS to treat people who have been injured at work through no fault of their own? It is a false economy to have unscrupulous employers putting their workers in danger and then for the NHS—that is, the taxpayer—to have to pick up the bill. That is completely wrong.

On the perception of employers, I worked for a number of years for an excellent and progressive employer, Thales, in the defence industry. It looked after its employees and had a health and safety director, and people reacted accordingly. If we treat people sensibly, we get a sensible response.

I recently asked my local chamber of commerce what problems it had in creating jobs and moving the economy forward, and what barriers were caused by the current health and safety situation. It told me clearly that it did not have a problem with health and safety legislation in the workplace, and that it wanted the Government to concentrate more on restarting the economy, creating jobs, getting money back into the economy and employing people. It said that the Government should focus on that, not on going back to the old Conservative days of saying that the trade unions are the enemy within and should be dealt with accordingly.

The Minister mentioned a bottle of bleach in a cupboard, but there are occasions when children are in offices or other places where there are bottles of bleach lying about, perhaps because of a lack of child care facilities. If those bottles are not clearly identified, there is every possibility that a child could lift one up and drink from it. I would not like to think of any child suffering as a result of that. The new clause is a complete diversion from where the country has been going. There is no appetite in the country for this type of waste of parliamentary time.

Mr Jim Cunningham: Does my hon. Friend agree that when the Conservative manifesto at the last election mentioned cutting red tape, as previous Conservative Governments have, it actually meant an attack on working people's rights in the factories and coal mines?

Jim Sheridan: There is no doubt about that. We know the rationale behind it—it is just a backhanded attack on trade unions and health and safety representation in the workplace. I worked in the construction industry for many years, and there is clear evidence that where there is trade union organisation on construction sites, safety is considered paramount and the number of accidents is far lower than on non-organised sites.

I do not believe that there is any appetite for the new clause among either our constituents or our businesses, large or small. They want the coalition Government to focus on doing what they were elected to do—getting us through these difficult times, getting people back to work, getting our kids educated and rediscovering our health service. This self-indulgent new clause is not worth the paper it is written on, and there are far more important things to be discussed.

Matthew Hancock: We have had impassioned contributions to the debate, not least from the hon. Members for Blaydon (Mr Anderson) and for Paisley and Renfrewshire North (Jim Sheridan). Several Opposition Members have made the point about a lack of consultation with the Opposition Front Benchers. However, the Löfstedt review involved a consultation, to which there were something like 400 submissions. That review published some of the evidence on which our proposal is based, not least evidence showing that most employers do not make a distinction between health and safety measures on a civil and a criminal basis. They are therefore more likely to waste time over-complying—the hon. Member for Paisley and Renfrewshire North mentioned the problem of time being wasted—than to focus on the need to ensure rigorous health and safety so that they can reduce the number of deaths and serious injuries in the workplace. That is what is valuable, and Opposition Members have spoken powerfully about it. That is where the focus should be, rather than on over-compliance with the details and technicalities that are often put in place, which are not required and not helpful for safety purposes. Instead, they give health and safety a bad name.

Mr Anderson: Is not the danger, though, that we will end up with under-compliance, which will lead to more people dying? I would rather waste time, as the Minister puts it, than waste lives.

Matthew Hancock: I assure the hon. Gentleman that if there is under-compliance, people will have been negligent and the full force of both the criminal and civil law will be available.

The hon. Member for Hartlepool (Mr Wright) mentioned the Federation of Small Businesses, but it has stated:

> "A wider problem for small businesses is that many do not feel confident that they are compliant owing to confusion about what is absolutely necessary, and so feel the need to gold-plate the law to protect them."

Indeed, an FSB survey showed that 87% of its members supported the Löfstedt approach. Given that figure, and given that the FSB is clear about the lack of confidence caused by the current confusion in the law, I hope he will accept that it is very much behind the Government's approach.

Likewise, EEF, the manufacturers' organisation, has stated:

> "The current compensation system is serving the needs of neither employees nor employers and is the source of many of the media stories and public concern about excessive health and safety."

That concern has been part of our debate. Of course, the substance of when technical breaches occur is a crucial part of the change that we are making, but I am glad that the hon. Gentleman acknowledged that there is also the problem of perception, which leads to over-complication. Both those problems need to be addressed, and they will be by our changes.

John Howell (Henley) (Con): I was moved, as I am sure everyone else in the House was, by the earnest statements that Opposition Members made about how members of their families and other people they knew had been killed by industrial diseases. However, difficulties such as those that we find in the current legislation do not help to prevent such cases.

Matthew Hancock: Indeed, and over-compliance and the fear of technical breach bring the wider health and safety law into disrepute. All parties support that law. As has been acknowledged, it was introduced by a Conservative Government, and it has been vigorously supported by Labour Governments over the past century or so. However, it is undermined when the impression is given that the system is over-complicated, confusing and aimed at technical, rather than substantive, breaches.

Andrew Bridgen: I, too, was impressed with the genuine passion of Opposition Members who talked about health and safety, but I honestly believe that they missed one fundamental point. They seem to believe that there is no cost to over-compliance with regulations, but there is not only a cost to our economy and the Exchequer, which is important at the moment, but a cost borne by the long-term unemployed and the workless. They pay for over-compliance by not having access to the workplace, which vastly decreases their life expectancy. They are the people paying the price.

Matthew Hancock: My hon. Friend makes the point with great power that those who are out of work pay for an uncompetitive economy. They are the people whom we need to support.

Mr Iain Wright: If this is about costs and benefits, why is there not an impact assessment for the new clause?

Matthew Hancock: The benefits are set out clearly in Löfstedt. Most importantly, because it is necessarily difficult to ascertain the amount of over-compliance, Britain's health and safety system will benefit from being able to compete and focus its resources on avoiding substantive breaches of health and safety law rather than on technicalities and over-compliance. All parties should focus on problems such as death in the workplace due to negligence. The hon. Member for Paisley and North Renewfreshire—*[Laughter.]* North Renewfershire—

Ian Lavery: If the proposals are passed by Parliament, does the Minister envisage a great reduction in the number of fatalities in the workplace next year?

3 pm

Matthew Hancock: I would expect the focus to be on the substantive breaches and negligence that, sadly, bring about the injuries and deaths in the workplace that we all want to minimise.

The hon. Member for Paisley and elsewhere mentioned the problems with asbestos in educational institutions, and especially in further education colleges. I want to give him the reassurance that past actions will not be affected by the changes in the law, should it be passed according to the will of Parliament. Now that the problems with asbestos are widely known and documented, I anticipate that people who ignore those problems will be ruled negligent by the courts, rather than such instances merely being considered technical breaches. I therefore do not see that question applying in such circumstances.

Jim Sheridan: For the benefit of *Hansard*, I should like to point out that my constituency is Paisley and Renfrewshire North. Concern has been expressed that this whole debate has been driven by B-list celebrities and B-list journalists on *The Daily Mail* who have probably never worked in such a workplace in their lives. Can the Minister name one company that has clearly told him that it will employ more people if the Bill goes through?

Matthew Hancock: As I have said, 87% of FSB members support the Löfstedt approach—[Hon. Members: "Name them!"] I am sure that if the hon. Gentleman asks the FSB, it will give him the names of some of those supporters. I prefer to be driven by evidence such as that survey, rather than by unnecessary concerns, given that precautions are being put in place through these amendments. The hon. Gentleman mentioned sunshine in Glasgow, and I hope that the new jobs and benefits to business that will result from the ability to remove the perception of a fear of health and safety will bring that sunshine not only to Glasgow but to the rest of the country. I hope that the new clause will reduce the effects of the perception of a need for over-compliance with health and safety measures, and that instead the focus can be placed on substantive breaches of health and safety regulations. I commend the new clause to the House.

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

The House divided: Ayes 295, Noes 215.

Division No. 72] [3.3 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Sir Tony
Baldwin, Harriett
Barclay, Stephen
Barker, rh Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Sir Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, rh Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip

Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Field, Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Sir Roger
Garnier, Sir Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Griffiths, Andrew
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Sir Gerald
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Sir James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, rh Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Sir Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, David
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, rh Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George

Tellers for the Ayes:
Mark Hunter and Mark Lancaster

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Jenny
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Darling, rh Mr Alistair
David, Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank

Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hosie, Stewart
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Reed, Mr Jamie
Reeves, Rachel
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Dame Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Heidi Alexander and Phil Wilson

Question accordingly agreed to.

New clause 14 read a Second time, and added to the Bill.

New Clause 16

ADJUDICATORS

'(1) In Part 14 of the Insolvency Act 1986 (public administration (England and Wales)), before section 399 and the cross-heading which precedes it insert—

"Adjudicators

398A Appointment etc of adjudicators and assistants

'(1) The Secretary of State may appoint persons to the office of adjudicator.

(2) A person appointed under subsection (1)—

(a) is to be paid out of money provided by Parliament such salary as the Secretary of State may direct,

(b) holds office on such other terms and conditions as the Secretary of State may direct, and

(c) may be removed from office by a direction of the Secretary of State.

(3) A person who is authorised to act as an official receiver may not be appointed under subsection (1).

(4) The Secretary of State may appoint officers of the Secretary of State's department to assist adjudicators in the carrying out of their functions."

(2) In Part 9 of that Act (bankruptcy), before Chapter 1 insert the Chapter set out in Schedule [Adjudicators: bankruptcy applications by debtors and bankruptcy orders] (adjudicators: bankruptcy applications by debtors and bankruptcy orders).

(3) Schedule [Adjudicators: minor and consequential amendments] (adjudicators: minor and consequential amendments) has effect.'.—*(Jo Swinson.)*

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Jo Swinson): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Government new schedule 2—*'Adjudicators: bankruptcy applications by debtors and bankruptcy orders.*

Government new schedule 3—*'Adjudicators: minor and consequential amendments.*

Government amendments 37, 41 and 44

Jo Swinson: As well as moving the new clause, I shall speak to new schedules 2 and 3, along with Government amendments 37, 41 and 44, the latter of which are consequential amendments on territorial extent and commencement.

These amendments will reform the process by which an individual may apply for his or her own bankruptcy. They will remove the existing requirement for the indebted

individual to present a bankruptcy petition to court and replace it with a new administrative process. Currently, a person with unmanageable levels of debt who wishes to make him or herself bankrupt must petition the court—the local court—for a bankruptcy order. There is no dispute that requires a court to make a judgment on competing interests in these scenarios. The vast majority of such applications—last year there were more than 30,000—are accepted by the courts with very little scrutiny.

The amending provisions mean that instead of petitioning the court, applicants would submit their bankruptcy application to a new adjudicator. This proposal was consulted on by the previous Administration and was broadly supported by interested parties. I should say that the Government consulted on removing the court from a wider range of cases, but as significant concerns were raised, this amendment concerns only debtors' own petitions.

The adjudicator will hold a new statutory office, which we intend to be located in the Insolvency Service. The adjudicator will consider each application, and will decide on an objective basis whether the criteria for the making of a bankruptcy order have been met. If they have been met, the adjudicator will make the order. The administrative process is similar to the way in which individuals enter bankruptcy in Scotland, and in some other jurisdictions throughout the globe.

Applicants for bankruptcy will no longer need to attend court. Applications will be electronic, which will deliver significant savings, and applicants will be able to pay the fees in instalments. Bankruptcy will none the less remain a serious step. It may be the right solution for some debtors, as it allows debts to be written off and a fresh start to be made; but, quite rightly, those advantages are tempered by the serious implications of a bankruptcy order. Bankrupts are subject to restrictions, their assets can be sold for the benefit of creditors, and a portion of their incomes can be used to help repay their debts. For many, other debt remedies will continue to be more appropriate. We will therefore encourage debtors to take independent debt advice before making their bankruptcy applications. We will work with the Money Advice Service and providers in the debt advice sector to ensure that all debtors have the information that they need in order to make an informed decision.

There will be no change in the process that takes place after the making of a bankruptcy order. When an order is made by an adjudicator, the present post-bankruptcy order procedures will continue to operate, and the serious consequences that apply to an individual who is made bankrupt will remain.

Ian Murray (Edinburgh South) (Lab): It is good to reach the Bill's report stage following a mammoth session in Committee before the summer recess, and it is interesting to note that the Opposition made such a strong and determined case in Committee that no Ministers from the Department for Business, Innovation and Skills are left on the Front Bench.

The new clause amends the Insolvency Act 1986 and introduces an administrative procedure for debtor petition bankruptcies. It is extremely worrying that the number of people who find themselves caught in a spiral of debt is increasing, and that many are forced to declare themselves bankrupt as a result. The figures are stark. Citizens Advice has dealt with more than 2.2 million problems involving debt, and has received 131,000 inquiries about bankruptcy and 142,000 about debt relief orders. The issue is not just about financing and debt; it is about relationships and, in some cases, lives. Bankruptcy is all too often a stigmatising experience, and evidence shows that that applies particularly to men.

Although the number of people declaring themselves bankrupt has fallen, the number of those becoming insolvent has risen sharply, according to official Government figures. As the Minister said, there were more than 30,000 personal insolvencies in just one quarter this year. That is a staggering figure, which shows how many households need help with debt problems. Insolvency is a very difficult condition to have to face, and it usually comes at the end of a long struggle to deal with debt and other money problems. The leading debt charity Clarifi, formerly known as the Consumer Credit Counselling Service, has said that it expects the number of personal insolvencies to increase over the next year, and has warned that more than 6 million households are still living on the edge. It is therefore vital for those who are struggling to pay their debts, or even just worried about their debts, to seek free advice and support. Opposition Members believe that it is hugely important for the process of insolvency to be as swift as possible, and we welcome the initiatives that will speed up that process.

As the Minister will know, key stakeholders have broadly welcomed the proposals, but they have raised several issues that I hope the Minister will deal with. First, there is the issue of the establishment of the location and how the new administrative process will deal with bankruptcy tourism. Secondly, there is the issue of the qualifications of adjudicators, which has prompted concerns similar to those relating to the Government's proposals in respect of the role of legal officers in the employment tribunal system, and has been raised on a number of occasions. It is important for adjudicators to be in a position to make crucial judgments not just about bankruptcies, but about referrals to court. They need both knowledge of insolvency law and experience of the court system. Given that the Secretary of State has the power to appoint adjudicators, may I ask what experience-related criteria they will have to meet?

Thirdly, there is the issue of fees. People who are struggling with debt often cannot afford the £700 that it costs to go bankrupt, even when bankruptcy would otherwise be the best way out of their problems. That leaves them in a financial black hole. The number of people using debt relief orders, one of the cheaper remedies, has risen sharply again. It seems slightly perverse that someone who is struggling with debts should have to find more money in order to petition for bankruptcy.

The Bill empowers the Lord Chancellor to be flexible in fixing fees. Given that the new streamlined system has the potential to be electronic, and to be simpler and cheaper, I wonder whether the Government will consider some remedies for the problem of fees, such as allowing people who are seeking bankruptcy to pay in instalments.

The Minister mentioned advice for debtors. There is a view that taking the bankruptcy system out of the formal courts process and making it more administrative will reduce the gravity of the situation in which people find themselves. It is important for bankruptcy to be

[Ian Murray]

seen as a last resort, but all possible advice and guidance should be given to those who seek to go down that route.

Finally, may I press the Minister on one of her great loves, the Post Office? It has been said that the new administrative task of filling out the bankruptcy forms in the prescribed manner could be performed through the Post Office by means of a passport-style "check and send" arrangement. That would also allow the Post Office to divert people to other forms of debt advice, including free advice.

We support the change to a more administrative bankruptcy system because it is one of the critical remedies for debt, but we should be grateful if the Minister could provide some comfort on the issues that have been raised.

Mark Durkan (Foyle) (SDLP): Like my hon. Friend the Member for Edinburgh South (Ian Murray), I welcome the new clause and new schedules. On Second Reading, I asked the Government to look at the Insolvency Act 1986 in the context of the Bill, but they said at the time that they did not want do so. I am glad that they have now revised their view.

As my hon. Friend said, it is important for a number of issues to be tested, not least bankruptcy tourism. That is causing concern in both parts of Ireland at present, in key agencies and in terms of public opinion. I support the new clause and the extension of the Bill to amend the 1986 Act; however, I ask the Government to consider not just section 263, with which new clause 16 deals, but section 233. Changes could be made that would reduce the number of companies that go bankrupt.

Although these provisions are about making insolvency more straightforward and easing the process of bankruptcy, both as it is going on and afterwards, the amendments to section 233 being sought by R3—the Association of Business Recovery Professionals—would mean that businesses, which are currently subject to demands for ransom payments from suppliers once they go into administration, could instead be protected and brought into recovery rather than ransomed into bankruptcy. Essentially, the suggestion is that chapter 11-style protections could be brought into UK law. As it stands, the Insolvency Act is meant to protect companies in administration from having their supplies cut off, but utility supplies under that Act extend only to gas, electricity, water and telecommunications and not to IT and software, which are vital services for a modern business.

Justin Tomlinson: That is an extremely important point. First, utility companies can reset the tariff and choose the most expensive option, further adding to pressure on keeping the company viable. Secondly, we need to modernise the language, because IT contractors were not an option when the law was first introduced but are now essential to most businesses.

Mark Durkan: I thank the hon. Gentleman for that intervention and he has amplified the point that I am trying to make. In 1986, IT and software were not seen as vital for the conduct of a business but now, clearly, they are and the Bill must make good the deficit in the legislation. Also, as he said, the law as it stands forbids utility suppliers from ceasing to supply a company that has gone into administration although, of course, it does not prohibit them from charging a super-high tariff. That exposes companies in administration to ransom demands that can drive them towards bankruptcy. The Government are right to consider the Insolvency Act, but they must widen the scope of that attention beyond these very welcome amendments.

3.30 pm

Neil Parish (Tiverton and Honiton) (Con): I merely seek reassurance from the Minister. I can understand the need to simplify the bankruptcy procedure for those who, through no fault of their own, seek it because of their debts, and that is absolutely right. I am slightly concerned, however, that some companies shift money around and go bankrupt because it suits them to do so, taking other companies down with them. I want the Minister to reassure me that the adjudicator, or whatever he or she will be called, will have the powers to look into such cases so that it is not easy to go bankrupt when one should not. Such companies bring other good companies down with them.

Jo Swinson: I have appreciated the good but brief debate on this issue, on which there is clearly a degree of support on both sides of the House. That is always welcome and I particularly welcome the support for these measures from the hon. Member for Edinburgh South (Ian Murray) and the official Opposition.

I share the concern about the fact that too many people sadly need seriously to consider bankruptcy. We all know from our experience in our constituency surgeries the distress and heartbreak that can cause to the people who are contemplating such a measure. The impact of that decision on individuals is why it is absolutely right to do what we can to improve the process, to make it swift and efficient and, where possible, to prevent people from having to appear in court, which adds to the stigma that has been mentioned and is a distressing and difficult experience.

Bankruptcy should be considered as a last resort. A wide range of different measures are promoted and encouraged through people who give debt advice such as individual voluntary agreements, of which there are about 49,000 a year; debt management plans, of which 150,000 people take advantage each year; and the new debt relief orders for specific categories of very vulnerable and poor debtors, 29,000 of whom take them up every year. In that context, the 38,000 bankruptcy orders show that bankruptcy is not used by all the people who face such difficulties. Of course, the general advice to individuals in difficult financial circumstances is to seek advice early. The earlier the problems can be confronted, the more possible it is to avoid the worst consequences.

I am happy to address the specific issues raised by Members. The hon. Members for Edinburgh South and for Foyle (Mark Durkan) mentioned bankruptcy tourism, which is a practice whereby a debtor opts to access insolvency proceedings in a particular member state by relocating to that member state. That potentially enables them to seek a better outcome than might have been possible in their previous country. That is allowed for under the EU insolvency regulation provided that the relocation is genuine. For many individuals in such circumstances, the relocation might not be straightforward

so it is perhaps unsurprising that the number of individuals from other EU countries who relocate to the UK for this purpose is very small. There is no evidence of widespread abuse, but the official receiver or a creditor can apply to court to annul the bankruptcy order if abuse takes place.

On the question about the adjudicator, the Insolvency Service is already looking at this for the debt relief orders that it administers and it will be able to do exactly the same in relation to the way in which adjudicators conduct their business.

On the qualifications of adjudicators, they will be making an objective decision by reference to prescribed criteria and there will be a right of appeal for an applicant if the adjudicator refuses to make an order. Obviously, they will need appropriate qualifications and experience to function effectively, and the Secretary of State will make sure that people appointed to that role are appropriately qualified. They will be based within the Insolvency Service which, as the House knows, is an executive agency of BIS, and will already have extensive experience of administering an electronic administrative process similar to the debt relief order regime. It is important to point out that adjudicators will not be able to be official receivers as well, as that would be deemed to be a conflict of interests so those roles will be kept separate.

I appreciate that for individuals seeking bankruptcy, the levying of fees on that is not straightforward. The administration fee will remain unchanged at £525, which is a significant sum for people in that situation. In the context of overall bankruptcy, where they will be expecting debt relief of at least £15,000, it is not as huge as could be imagined in the comparison.

What is important about the way in which the new system will operate is that it will take the courts away from a process in which they do not need to be involved. Where there is no dispute, where somebody wants to declare themselves bankrupt and nobody has a problem with that, there will be no requirement for that costly court process. That will generate significant savings so the application fee for the process is expected to be about £70, instead of the current court fee of £175. That will be helpful and of benefit to people applying for this option. It is estimated that overall debtors will save about £1.5 million. There is a saving for the Court Service as well, as this will be a more efficient process handled through the adjudicator, and individuals personally affected by bankruptcy will benefit. The suggestion from the hon. Member for Edinburgh South about paying in instalments is one that the Government have taken on board. It is part of the process and offers real advantages, compared with the current situation.

I was delighted that the hon. Gentleman mentioned the Post Office, which I, as the Minister responsible, am passionate about, as I know are Members in all parts of the House, who support their local community post offices. The Government are committed to ensuring that the Post Office can be an effective delivery mechanism for more front-office Government services. There is good news—last year, for the first time in a decade, the income stream that the Post Office received from Government services increased, so there is a positive story to tell.

The Post Office is looking at a wide range of ways in which it can increase its services and its revenue. Playing a wider role in identity checks, as was mentioned, is one of those. It is important to bear in mind that the Post Office will bid for such contracts on the basis of being able to provide an effective and efficient mechanism for doing so. It is a very good organisation that is able to provide such services and win those contracts on the merits of the bid that it submits.

On the issues relating to advice, there are examples of more credit union facilities and a wider range of financial services being able to be accessed through post offices. Access to financial services from that excellent network of 12,000 branches is of particular help to people in communities that do not have a local bank branch, perhaps because they are very rural communities. Now that 95% of bank accounts are accessible at post offices, the recent announcement from HSBC was welcome. The hon. Gentleman certainly raises an important point.

On the points made by the hon. Member for Foyle and my hon. Friends the Members for North Swindon (Justin Tomlinson) and for Tiverton and Honiton (Neil Parish), it is important to point out that the amendments relate to personal insolvency, not company insolvency, and were I to detain the House on company insolvency, Mr Deputy Speaker may have concerns. I hear Members' concerns and I know from Members' correspondence that people are worried about the procedures when companies become insolvent. The change of termination clauses in insolvency would have implications for the suppliers, so many demands need to be balanced, but I recognise the concerns and we are looking more widely at issues facing companies in insolvency. My officials have been engaging with interested parties and stakeholders and will continue to do so.

I think I have dealt with the various points made by hon. Members, so I commend the new clause and the amendments to the House.

Question put and agreed to.

New clause 16 accordingly read a Second time, and added to the Bill.

New Schedule 2

'ADJUDICATORS: BANKRUPTCY APPLICATIONS BY DEBTORS AND BANKRUPTCY ORDERS

'Adjudicators: bankruptcy applications by debtors and bankruptcy orders

"Chapter A1

Adjudicators: bankruptcy applications by debtors and bankruptcy orders

263H Bankruptcy applications to the adjudicator

(1) An individual may make an application to an adjudicator in accordance with this Chapter for a bankruptcy order to be made against him or her.

(2) An individual may make a bankruptcy application only on the ground that the individual is unable to pay his or her debts.

263I Debtors against whom an adjudicator may make a bankruptcy order

(1) An adjudicator has jurisdiction to determine a bankruptcy application only if—

(a) the centre of the debtor's main interests is in England and Wales, or

(b) the centre of the debtor's main interests is not in a member state of the European Union which has adopted the EC Regulation, but the test in subsection (2) is met.

(2) The test is that—

(a) the debtor is domiciled in England and Wales, or

(b) at any time in the period of three years ending with the day on which the application is made to the adjudicator, the debtor—

(i) has been ordinarily resident, or has had a place of residence, in England and Wales, or

(ii) has carried on business in England and Wales.

(3) The reference in subsection (2) to the debtor carrying on business includes—

(a) the carrying on of business by a firm or partnership of which the debtor is a member, and

(b) the carrying on of business by an agent or manager for the debtor or for such a firm or partnership.

(4) In this section, references to the centre of the debtor's main interests have the same meaning as in Article 3 of the EC Regulation.

263J Conditions applying to bankruptcy application

(1) A bankruptcy application must include—

(a) such particulars of the debtor's creditors, debts and other liabilities, and assets, as may be prescribed, and

(b) such other information as may be prescribed.

(2) A bankruptcy application is not to be regarded as having been made unless any fee or deposit required in connection with the application by an order under section 415 has been paid to such person, and within such period, as may be prescribed.

(3) A bankruptcy application may not be withdrawn.

(4) A debtor must notify the adjudicator if, at any time before a bankruptcy order is made against the debtor or the adjudicator refuses to make such an order—

(a) the debtor becomes able to pay his or her debts, or

(b) a bankruptcy petition has been presented to the court in relation to the debtor.

263K Determination of bankruptcy application

(1) After receiving a bankruptcy application, an adjudicator must determine whether the following requirements are met—

(a) the adjudicator had jurisdiction under section 263I to determine the application on the date the application was made,

(b) the debtor is unable to pay his or her debts at the date of the determination,

(c) no bankruptcy petition is pending in relation to the debtor at the date of the determination, and

(d) no bankruptcy order has been made in respect of any of the debts which are the subject of the application at the date of the determination.

(2) If the adjudicator is satisfied that each of the requirements in subsection (1) are met, the adjudicator must make a bankruptcy order against the debtor.

(3) If the adjudicator is not so satisfied, the adjudicator must refuse to make a bankruptcy order against the debtor.

(4) The adjudicator must make a bankruptcy order against the debtor or refuse to make such an order before the end of the prescribed period ("the determination period").

263L Adjudicator's requests for further information

(1) An adjudicator may at any time during the determination period request from the debtor information that the adjudicator considers necessary for the purpose of determining whether a bankruptcy order must be made.

(2) The adjudicator may specify a date before which information requested under subsection (1) must be provided; but that date must not be after the end of the determination period.

(3) If the rules so prescribe, a request under subsection (1) may include a request for information to be given orally.

(4) The rules may make provision enabling or requiring an adjudicator to request information from persons of a prescribed description in prescribed circumstances.

263M Making of bankruptcy order

(1) This section applies where an adjudicator makes a bankruptcy order as a result of a bankruptcy application.

(2) The order must be made in the prescribed form.

(3) The adjudicator must—

(a) give a copy of the order to the debtor, and

(b) give notice of the order to persons of such description as may be prescribed.

263N Refusal to make a bankruptcy order: review and appeal etc.

(1) Where an adjudicator refuses to make a bankruptcy order on a bankruptcy application, the adjudicator must give notice to the debtor—

(a) giving the reasons for the refusal, and

(b) explaining the effect of subsections (2) to (5).

(2) If requested by the debtor before the end of the prescribed period, the adjudicator must review the information which was available to the adjudicator when the determination that resulted in the refusal was made.

(3) Following a review under subsection (2) the adjudicator must—

(a) confirm the refusal to make a bankruptcy order, or

(b) make a bankruptcy order against the debtor.

(4) Where the adjudicator confirms a refusal under subsection (3), the adjudicator must give notice to the debtor—

(a) giving the reasons for the confirmation, and

(b) explaining the effect of subsection (5).

(5) If the refusal is confirmed under subsection (3), the debtor may appeal against the refusal to the court before the end of the prescribed period.

263O False representations and omissions

(1) It is an offence knowingly or recklessly to make any false representation or omission in—

(a) making a bankruptcy application to an adjudicator, or

(b) providing any information to an adjudicator in connection with a bankruptcy application.

(2) It is an offence knowingly or recklessly to fail to notify an adjudicator of a matter in accordance with a requirement imposed by or under this Part.

(3) It is immaterial for the purposes of an offence under this section whether or not a bankruptcy order is made as a result of the application.

(4) It is not a defence in proceedings for an offence under this section that anything relied on, in whole or in part, as constituting the offence was done outside England and Wales.

(5) Proceedings for an offence under this section may only be instituted—

(a) by the Secretary of State, or

(b) by or with the consent of the Director of Public Prosecutions." '.—*(Jo Swinson.)*

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

New Schedule 3

'ADJUDICATORS: MINOR AND CONSEQUENTIAL AMENDMENTS

'Adjudicators: minor and consequential amendments

1 The Insolvency Act 1986 is amended in accordance with this Schedule.

2 In section 253 (application for interim order), omit subsection (5).

3 In section 255 (cases in which interim order can be made), in subsection (1)(b) for "petition for his own bankruptcy" substitute "make a bankruptcy application".

4 (1) Section 256A (debtor's proposal and nominee's report) is amended as follows.

(2) In subsection (1) omit the words from "unless" to the end.

(3) In subsection (3) for "petition for his own bankruptcy" substitute "make a bankruptcy application".

5 For the heading to Chapter 1 of Part 9 substitute "The court: bankruptcy petitions and bankruptcy orders".

6 In section 264 (who may present a bankruptcy petition), in subsection (1) omit paragraph (b).

7 For section 265 (conditions to be satisfied in respect of debtor) substitute—

"265 Creditor's petition: debtors against whom the court may make a bankruptcy order

(1) A bankruptcy petition may be presented to the court under section 264(1)(a) only if—

(a) the centre of the debtor's main interests is in England and Wales, or

(b) the centre of the debtor's main interests is not in a member state of the European Union which has adopted the EC Regulation, but the test in subsection (2) is met.

(2) The test is that—

(a) the debtor is domiciled in England and Wales, or

(b) at any time in the period of three years ending with the day on which the petition is presented, the debtor—

(i) has been ordinarily resident, or has had a place of residence, in England and Wales, or

(ii) has carried on business in England and Wales.

(3) The reference in subsection (2) to the debtor carrying on business includes—

(a) the carrying on of business by a firm or partnership of which the debtor is a member, and

(b) the carrying on of business by an agent or manager for the debtor or for such a firm or partnership.

(4) In this section, references to the centre of the debtor's main interests have the same meaning as in Article 3 of the EC Regulation."

8 In section 266 (bankruptcy petitions: other preliminary conditions), in subsection (4) omit ", (b)".

9 (1) Sections 272 to 274A (and the cross-heading immediately preceding those sections) (debtor's petition) are repealed.

(2) In consequence of the repeal of section 274A by paragraph (1), omit paragraph 3 of Schedule 20 to Tribunals Courts and Enforcement Act 2007 (debt relief Orders: consequential amendments).

10 For the cross-heading immediately before section 278 substitute—A

Chapter 1A

Commencement and duration of bankruptcy".

11 In section 278 (commencement and continuance), in paragraph (b) (discharge of bankruptcy order) omit "the following provisions of".

12 In section 279 (duration of bankruptcy), in subsection (6) for "adjudged" substitute "made".

13 In section 282 (court's power to annul bankruptcy order), in subsection (2)—

(a) omit ", (b)",

(b) after "section 264(1)" insert "or on a bankruptcy application", and

(c) in paragraph (a) after "pending" insert "or the application was ongoing".

14 In section 283 (definition of bankrupt's estate), in subsection (5)(a) for "adjudged" substitute "made".

15 (1) Section 284 (restrictions on dispositions of property) is amended as follows.

(2) In subsection (1) for "adjudged" substitute "made".

(3) In subsection (3) for "presentation of the petition for the bankruptcy order" substitute "making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy petition".

(4) In subsection (4), in paragraph (a) before "petition" insert "bankruptcy application had been made or (as the case may be) that the bankruptcy".

16 (1) Section 285 (restriction on proceedings and remedies) is amended as follows.

(2) In subsection (1)—

(a) after "when" insert "proceedings on a bankruptcy application are ongoing or", and

(b) for "adjudged" substitute "made".

(3) In subsection (2) after "proof that" insert "a bankruptcy application has been made or".

17 (1) Section 286 is amended as follows.

(2) Omit subsection (2).

(3) In subsection (8), for "adjudged" substitute "made".

18 In section 288 (statement of affairs), in subsection (1) for "debtor's petition" substitute "bankruptcy application".

19 In section 290 (public examination of bankrupt), in subsection (4)(a) for "adjudged" substitute "made".

20 (1) Section 297 (appointment of trustee of bankrupt's estate: special cases) is amended as follows.

(2) Omit subsection (4).

(3) In subsection (6) omit "(4) or".

21 (1) Section 320 (court order vesting disclaimed property) is amended as follows.

(2) In subsection (2)(c) before "bankruptcy" insert "bankruptcy application was made or (as the case may be) the".

(3) In subsection (3)(c) before "bankruptcy" insert "bankruptcy application was made or (as the case may be) the".

22 In section 321 (orders under section 320 in respect of leaseholds), in subsection (1)(a) before "bankruptcy" insert "bankruptcy application was made or (as the case may be) the".

23 In section 323 (mutual credit and set-off), in subsection (3) before "a bankruptcy" insert "proceedings on a bankruptcy application relating to the bankrupt were ongoing or that".

24 In section 334 (stay of distribution in case of second bankruptcy), in subsection (2) before "presentation of the petition" insert "making of the application or (as the case may be) the".

25 (1) Section 336 (rights of occupation etc of bankrupt's spouse or civil partner) is amended as follows.

(2) In subsection (1) for "presentation of the petition for the bankruptcy order" substitute "making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy petition".

(3) In subsection (2) for "adjudged" substitute "made".

26 In section 337 (rights of occupation of bankrupt), in subsection (1)—

(a) in paragraph (a) for "adjudged" substitute "made", and

(b) in paragraph (b) before "bankruptcy petition" insert "bankruptcy application was made or (as the case may be) the".

27 In section 339 (transactions at an undervalue), in subsection (1) for "adjudged" substitute "made".

28 In section 340 (preferences), in subsection (1) for "adjudged" substitute "made".

29 In section 341 (meaning of "relevant time" under sections 339 and 340), in subsection (1)(a) for "presentation of the bankruptcy petition on which the individual is adjudged" substitute "making of the bankruptcy application as a result of which, or (as the case may be) the presentation of the bankruptcy petition on which, the individual is made".

30 (1) Section 342 (orders under sections 339 and 340) is amended as follows.

(2) In subsection (1) for "adjudged" substitute "made".

(3) In subsection (5)—

(a) for paragraph (a) substitute—

"(a) of the fact that the bankruptcy application as a result of which, or (as the case may be) the bankruptcy petition on which, the individual in question is made bankrupt has been made or presented; or", and

(b) in paragraph (b) for "adjudged" substitute "made".

31 In section 342A (recovery of excessive pension contributions), in subsection (1) for "adjudged" substitute "made".

32 In section 343 (extortionate credit transactions), in subsection (1) for "adjudged" substitute "made".

33 (1) Section 344 (avoidance of general assignment of book debts) is amended as follows.

(2) In subsection (1) for "adjudged" substitute "made".

(3) In subsection (2) before "presentation" insert "making of the bankruptcy application or (as the case may be) the".

34 In section 345 (contracts to which bankrupt is a party), in subsection (1) for "adjudged" substitute "made".

35 (1) Section 346 (enforcement procedures) is amended as follows.

(2) In subsections (1) and (2) for "adjudged" substitute "made".

(3) In subsection (3)—

(a) in paragraph (b) before "bankruptcy" insert "bankruptcy application has been made or a", and

(b) in paragraph (c) before "on that petition" insert "as a result of that application or".

(4) In subsection (4)(a) after "while" insert "proceedings on a bankruptcy application are ongoing or (as the case may be)".

36 (1) Section 347 (distress, etc) is amended as follows.

(2) In subsection (2)—

(a) after "individual to whom" insert "a bankruptcy application or", and

(b) before "on that petition" insert "as a result of that application or".

(3) In subsection (3) for "adjudged" substitute "made".

37 In section 348 (apprenticeships, etc), in subsection (1)(a) for "petition on which the order was made" substitute "application for the order was made or (as the case may be) the petition for the order".

38 In section 350 (application of Chapter 6 of Part 9: bankruptcy offences), in subsection (1) after "applies" insert "—

(a) where an adjudicator has made a bankruptcy order as a result of a bankruptcy application, or

(b) ".

39 (1) Section 351 (definitions for the purposes of Chapter 6 of Part 9) is amended as follows.

(2) In paragraph (b) before "presentation" insert "making of the bankruptcy application or (as the case may be) the".

(3) Omit paragraph (c), and the preceding "and".

40 (1) Section 354 (concealment of property) is amended as follows.

(2) In subsection (1)(c) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

(3) In subsection (3)(a) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

41 (1) Section 355 (concealment of books and papers; falsification) is amended as follows.

(2) In subsection (2)(d) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

(3) In subsection (3)(b) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

42 In section 356 (false statements), in subsection (2)(c) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

43 In section 358 (absconding), in paragraph (b) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

44 (1) Section 359 (fraudulent dealing with property obtained on credit) is amended as follows.

(2) In subsection (1) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

(3) In subsection (2) before "petition" insert "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy".

45 In section 360 (obtaining credit and engaging in business), in subsection (1)(b) for "adjudged" substitute "made".

46 (1) Section 364 (power of arrest) is amended as follows.

(2) In subsection (1)(a) after "to whom a" insert "bankruptcy application or a".

(3) In subsection (2) before "presentation" insert "making of the bankruptcy application or the".

47 In section 376 (time limits), after "anything" insert "(including anything in relation to a bankruptcy application)".

48 (1) Section 381 (definition of "bankrupt" and associated terminology) is amended as follows.

(2) In subsection (1) for "adjudged" (in both places where it occurs) substitute "made".

(3) After subsection (1) insert—

"(1A) "Bankruptcy application" means an application to an adjudicator for a bankruptcy order."

(4) In subsection (2) for "adjudging" substitute "making".

49 In section 383 (definition of "creditor" etc.), in subsection (1)(b)—

(a) after "to whom a" insert "bankruptcy application or", and

(b) after "that" insert "application or".

50 In section 384 (definitions of "prescribed" and "the rules"), in subsection (1) omit "section 273;".

51 In section 385 (miscellaneous definitions), in subsection (1)—

(a) before the definition of "the court" insert—

""adjudicator" means a person appointed by the Secretary of State under section 398A;",

(b) in the definition of "the debtor", in paragraph (b)—

(i) before "bankruptcy petition" insert "bankruptcy application or a", and

(ii) after "to whom the" insert "application or",

(c) omit the definition of "debtor's petition", and

(d) before the definition of "dwelling house" insert—

"determination period" has the meaning given in section 263K(4);".

52 In section 387 (meaning of "the relevant date"), in subsection (6)(a) after "after" insert "the making of the bankruptcy application or (as the case may be)".

53 In section 389A (authorisation of nominees and supervisors), in subsection (3)(a) for "adjudged" substitute "made".

54 In section 390 (persons not qualified to act as insolvency practitioners), in subsection (4)(a) for "adjudged" substitute "made".

55 In section 415 (fees orders), after subsection (1) insert—

"(1A) An order under subsection (1) may make different provision for different purposes, including by reference to the manner or form in which proceedings are commenced."

56 In section 421A (insolvent estates: joint tenancies), in subsection (9) in the definition of "value lost to the estate", for "adjudged" substitute "made".

57 In section 424 (who may apply for an order under section 423 in respect of transactions entered into at an undervalue), in subsection (1)(a) for "adjudged" substitute "made".

58 In Schedule 4ZA (conditions for making a debt relief order), for paragraph 3 substitute—

3 A bankruptcy application under Part 9—

(a) has not been made before the determination date; or

(b) has been so made, but proceedings on the application have been finally disposed of before that date."

59 (1) In Schedule 4A (bankruptcy restrictions orders), paragraph 2 is amended as follows.

(2) In sub-paragraph (2)—

(a) in paragraph (a), for the words from "petition" to the end substitute "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy petition and ending with the date of the application for the bankruptcy restrictions order", and

(b) in paragraph (j), for "presentation of the petition" substitute "the making of the bankruptcy application or (as the case may be) the presentation of the bankruptcy petition".

(3) In sub-paragraph (4) omit the definition of "before petition".

60 In Schedule 6 (categories of preferential debts), in paragraph 14(1) for "adjudged" substitute "made".

61 (1) Schedule 9 (provisions capable of inclusion in individual insolvency rules) is amended as follows.

(2) After paragraph 4 insert—

"Adjudicators

4A Provision for regulating the practice and procedure of adjudicators.

4B Provision about the form and content of a bankruptcy application (including an application for a review of an adjudicator's determination)."

(3) After paragraph 4B (as inserted by sub-paragraph (2)) insert—

"Appeals against determinations by adjudicators

4C Provision about the making and determining of appeals to the court against a determination by an adjudicator, including provision—

(a) enabling the court to make a bankruptcy order on such an appeal, and

(b) about where such appeals lie."

(4) After paragraph 24 insert—

24A Provision requiring official receivers—

(a) to keep files and other records relating to bankruptcy applications, and

(b) to make those files and records available for inspection by persons of a prescribed description."

62 (1) In the Table in Schedule 10 (punishment of offences), insert the following entry after the entry relating to section 262A(1)—

"263O	False representations or omissions in connection with a bankruptcy application.	1. On indictment 2. Summary	1. 7 years or a fine, or both. 2. 12 months or the statutory maximum, or both."

(2) In the application of the entry inserted by sub-paragraph (1) in relation to an offence committed before the commencement of section 154(1) of the Criminal Justice Act 2003 (limit on magistrates' court powers to impose imprisonment), the reference in the fourth column to "12 months" is to be read as a reference to "6 months".'.—*(Jo Swinson.)*

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

New Clause 12

EQUALITY ACT 2010: THIRD PARTY HARASSMENT OF EMPLOYEES AND APPLICANTS

'In section 40 of the Equality Act 2010 (employees and applicants: harassment) omit subsections (2) to (4).'.—*(Jo Swinson.)*

Brought up, and read the First time.

Jo Swinson: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Government new clause 13—*Equality Act 2010: obtaining information for proceedings.*

Government new clause 17—*Power to provide for equal pay audits.*

Amendment 56, page 43, line 27, leave out clause 52.

Government amendments 35, 36, 45, 47

Jo Swinson: We come now to equality measures and various technical and consequential amendments relating to territorial nature and commencement. The new clauses relate to Great Britain's legal framework on equality and human rights. New clauses 12 and 13 repeal provisions from the Equality Act 2010 that expressly place liability on employers for repeated harassment of their customers, and provisions related to obtaining information. New clause 17 enables Ministers to require employment tribunals to order equal pay audits where an employer is found to have broken equal pay and/or sex discrimination laws. Opposition amendment 56 seeks to remove from the Bill measures to improve the focus and effectiveness of the Equality and Human Rights Commission.

The Government's amendments and clause 52 are necessary to clarify our legal framework on equality and human rights, and in doing so make it more effective. But they are also about laying the foundations for a sustainable economic recovery. In the current economic circumstances we simply cannot afford not to maximise the full potential of our work force. All hon. Members support making it easier for people to play an active role in our economy, and it is for that reason that I hope we can agree on the provisions. A vague legal framework, full of aspiration but lacking clarity, helps no one, and, worst of all, can hold people back.

[Jo Swinson]

The shadow Secretary of State for Business, Innovation and Skills has described these measures as a sign of the Government rowing back on equalities. They are anything but. Rather they are a clear indication of the Government's commitment to making a real difference on the ground. This is reflected not only in the legislative measures that we are debating today, but in what the Government have achieved since taking office in 2010. *[Interruption.]* The shadow Secretary of State asks what we have done for equalities. I will tell him.

We have established the first ever inter-ministerial group on equality and published the first ever cross-government strategy; legislated to allow civil partnerships on religious premises; published the first ever transgender action plan; introduced support for disabled seeking elected office; launched "Think, Act, Report" to have gender equality reporting; established the Women's Business Council, which is doing vital work to help identify the barriers holding women back in the work place; provided support for women to set up and grow their own businesses with more than 5,000 women mentors; and championed equality on company boards, with the number of FTSE 100 all-male boards halving and new appointments to boards rising from 13% women in the last year of the Labour Government to 34% under this Government. We have published the first ever sports charter aimed at combating homophobia and transphobia; all premiership and championship football teams are now signed up against homophobia and transphobia. We are of course consulting on equal civil marriage, something the previous Government did not do. We have also legislated to end age discrimination in the provision of goods and services.

3.45 pm

This Government have a proud record on equality, but of course there is more to do. In my dual role as Minister for Business and Minister for Equalities I see big opportunities, because new measures for growth must go hand in hand with continued measures to promote equality. The benefits of a more balanced and diverse work force are absolutely clear. Technology has transformed people's ability to communicate and work in different ways, but too often our working practices are stuck in a time warp that values slogging away in a standard pattern of hours rather than doing whatever works to get the best results from the individual.

The coalition Government are committed to revolutionising how we work by introducing shared parental leave, sharing best practice on and challenging outdated assumptions about part-time work, and extending the right to request flexible work to everyone. The benefits of these changes are not just for parents and carers; they will help everyone to work in a way that suits the realities of modern life. They will also benefit employers through reduced staff turnover, greater productivity and fewer working days lost. However, these benefits can be realised only if we have a clear and robust legal framework that everyone understands and that is fit for purpose.

I will now turn to the specific measures set out in the amendments, starting with new clause 12, which relates to third-party harassment. We propose repealing the third-party harassment provisions, which are now unnecessary. They are confusing for many people, and employers and businesses have genuine concerns about them. It might be helpful if I give the House a brief overview of how these provisions came about in the first place. When the previous Government implemented the equal treatment directive in 2005, they introduced a specific protection against harassment by amending the Sex Discrimination Act 1975. The amended Act prohibited harassment "on the grounds of" a person's sex. They published an accompanying explanatory factsheet stating that the harassment provisions would apply in a specific situation

"where an employer knowingly fails to protect an employee, for example from repetitive harassment by a customer or supplier."

That claim, produced by the previous Government, was wrong. It was challenged by the Equal Opportunities Commission in 2007 and the court found that the new definition of harassment would not in fact cover that situation. The Government chose to comply with the ruling on that point by introducing the so called "three strikes" test into the 1975 Act. The test applies when an employee has been harassed at work on at least two previous occasions and the employer knows of the harassment but has not taken reasonable steps to prevent it from happening again. The test was later transferred into the Equality Act 2010, although to harmonise the law it was extended to most of the other protected characteristics, rather than just a person's sex.

Introducing the "three strikes" test was in fact unnecessary, because at the same time the previous Government, crucially, also expanded the law by changing the basic definition of harassment within the 1975 Act to apply to conduct "related to" a person's sex, which is a wider definition than "on grounds of" a person's sex. The 2010 Act replicated that definition as well as the "three strikes" test. Therefore, depending on the specific circumstances of a case, section 26 of the 2010 Act also covers situations that are covered by the "three strikes" third-party harassment provision. Employers also have a general duty of care towards their employees and, in more extreme cases, the Protection from Harassment Act 1997 can apply.

Therefore, employers will continue to be liable for harassment of their employees by a third party even once the "three strikes" provision has gone. That may be the case, for example, when an employer knows that a customer has repeatedly harassed an employee but has not taken reasonable steps to prevent it from happening again. Those protections will remain. The fact that the "three strikes" provision is no longer needed is evidenced by our being aware of only one tribunal case being brought under the provisions in the past four years.

In addition, employers often find the test difficult to apply or misunderstand its purpose. For example, one NHS trust told us that it thought that it was intended to

"provide employers with additional tools to protect staff from the public discriminating against them"

and to

"provide further protection in the areas of stalking and domestic abuse."

A number of respondents to the consultation provided what they thought, in good faith, were examples of third party harassment but which were nothing of the sort. That illustrates that the provision is easily misunderstood, and we intend to clear up this confusion. We consider that the provision is unnecessary and therefore unhelpful, and the new clause removes it.

New clause 13 concerns the procedure for obtaining information by an individual. This was intended to be used to help individuals to decide whether to bring legal proceedings and, if proceedings are brought, to help them to build a case to prove that discrimination has taken place. As the law stands, the questions and answers given are admissible as evidence and the court of tribunal can draw inferences from a failure by the respondent to answer the questions posed within eight weeks, or from evasive or equivocal answers. Ministers can, and have, specified the content of the forms to be used. However, claimants and their legal advisers are free to add additional questions and frequently do, sometimes running to very many pages.

There is clear merit in ensuring that an individual can establish the facts of a potential discrimination case, but a statutory provision is not the right way to provide for this. There are better non-legislative ways of achieving the same end that are less burdensome to business. It is clear from the responses to our consultation that the procedure imposes considerable costs on business. We were told that the questions are often long and technical and can request disproportionate amounts of data that employers have to seek out through checking years of records. We have been told about answer forms as long as 60 pages. A lawyer advising a small business told us about a sex discrimination case where the questionnaire had 102 questions plus sub-questions. The British Chambers of Commerce reported 100 questions in one form, and another case brought to the attention of the Government Equalities Office included 43 additional questions, many with sub-sections. The procedure has been described by a legal organisation as "oppressive" for an employer, and the British Retail Consortium described the collection of information as

"very onerous and time-consuming".

There is no limit on how many and what type of questions can be asked, and employers are at risk if they do not respond to them. Based on a sample survey, we estimate that some 9,000 to 10,000 businesses complete the forms each year, in each case taking, on average, five to six hours, at a cost of about £160.

Stewart Hosie: The Minister is describing an onerous list of questions, so perhaps she can tell the House how few need to be answered in order for the information to be provided so that someone can get proper redress.

Jo Swinson: This is a procedure about obtaining information. There are clearly differences between different cases. However, it is also clear from the consultation that this is being used as a sort of fishing expedition whereby additional questions are asked in order to produce an undue burden on business and perhaps sometimes to encourage the idea that the process might be seen to be far too burdensome and that a settlement should therefore be reached instead, even where there may not have been a breach by the employer.

John McDonnell (Hayes and Harlington) (Lab): Can the Minister say what percentage of responding organisations supported her position, because I believe that 83% were opposed to it?

Jo Swinson: It is certainly true that a wide range of views were put forward to the consultation. Among business groups, there was a very strong view that this costs a lot of money, and I will explain why. Based on the sample, the five to six hours spent on each form at a cost of £160 equates to a cost to employers of £1.4 million a year, and it could be considerably higher because many employers may use more expensive legal advice.

Mr Chuka Umunna (Streatham) (Lab): If the Minister's complaint is about the quantity of questions, then why not limit the number that can be asked? We are all limited in the number of questions that we can submit at the Table Office, so why not apply similar principles to this procedure?

Jo Swinson: I have already outlined various circumstances in which there is a range of questions with many sub-sections. We are saying that it is helpful for business and employees to discuss these issues and to be able to provide information. However, this provision is placing requirements and fears on businesses, and the disproportionate costs that they are facing in complying with it represents a total cost to business of nearly £1.5 million a year. That is a significant cost that we should not take lightly.

Individuals can seek information from an employer about an alleged breach of the 2010 Act without relying on this provision; they can request that information verbally or in writing. Of course, it is in businesses' interests to respond to reasonable requests of this kind, because the courts would still be free to draw inferences from any employer or service provider's refusal to answer questions or from answers that seem evasive.

Kate Green (Stretford and Urmston) (Lab): I am sure the Minister would accept that in many businesses there is an imbalance of power between an individual employee, who might be in a non-unionised workplace—a small business—and the employer, who, after all, is paying that employee. The employee may therefore be reluctant to upset their employer, and the statutory questionnaire procedure at least means that the employee can look to a formal external process to try to elicit information.

What assessment, if any, has the Minister made of the costs and savings in court time? Notably, many of the 83% of respondents in favour of the existing procedure were members of the judiciary, presumably because it makes for a simpler court process when cases do go to tribunal.

Jo Swinson: I thank the hon. Lady for her intervention. Some of the previous Government's reforms were introduced, ostensibly, to try to reduce the number of cases coming to tribunal, but they have not that effect at all. We have seen a mushrooming in the number of cases at tribunal, which has resulted in a huge backlog. That is no good for employers or for employees, as the stress of waiting for a tribunal preys heavily on people's minds. The other measures in the Bill are taking firm and important steps to encourage conciliation at an earlier stage to try to reduce the number of tribunals, and to consult on ways in which we can have a rapid resolution so that fewer cases come to tribunal. Those things will do what she suggests is helpful; we all agree that we want to reduce the number of tribunals, but those are the right ways in which to address the concerns, rather than having lengthy and cumbersome questionnaires for businesses. We have therefore concluded that this obtaining information procedure is disproportionate, and our amendment would repeal it.

Stewart Hosie: The Minister has said that this onerous, form-filling, information-gathering exercise costs £1.4 million, but she went on to say that the information can still be requested, verbally or in writing. Presumably a deal of time will still be required by the employer to provide the information. So what net saving across the whole of business does she envisage? Is it a third of that figure—is it just over half a million pounds? What is the quantum in this?

Jo Swinson: As the hon. Gentleman says, there will clearly be some taking into account of and familiarisation with the new procedures, which will have a cost attached. The impact assessment therefore suggests that £800,000 is what business will save on an annual basis, and that is still a significant sum.

New clause 17 relates to cases where an employer has been found to have broken equal pay law or to have discriminated between women and men in non-contractual pay. It introduces a power to make regulations to require employment tribunals to order such an employer to carry out an equal pay audit. The pay gap between men and women stubbornly persists. In 2011, it was still more than 20%, having fallen only five percentage points in the previous eight years. That is why we are acting under the coalition commitment to promote equal pay. We have followed the lead of the previous Government in introducing a voluntary initiative, "Think, Act, Report", to encourage employers to have more transparency about pay and other issues. More than 50 of Britain's leading employers, covering hundreds of thousands of employees, are now supporting this initiative. They include Tesco, which publishes details of its gender pay gap, and household names such as BT, IBM, Fujitsu, Morgan Stanley and Unilever, which are all taking steps towards greater transparency. For those companies, which are doing the right thing, a voluntary approach is appropriate. I would argue that it is also often more likely to be successful, because of the genuine buy-in from senior management.

At the same time as we pursue that voluntary, positive action, we still think that it is right to introduce stronger legislative sanctions for cases where employers have been found to have broken the law. We know that many businesses agree with this approach. For example, in response to the "Modern Workplaces" consultation, a large organisation told us that equal pay audits could be an effective way to increase transparency where the law was seen to be breached. Representatives of one small and medium-sized enterprise said:

"For the sake of all those employers who do make huge efforts to have a fair pay system, if others can 'get away' with discrimination and generally provide women with lower pay, this is anti-competitive and a burden on 'good' employers. So a compulsory audit is entirely appropriate".

Any regulations made under this power would affect only employers who are found to have broken the relevant laws. These regulations will: set out the content of an equal pay audit; outline the procedures for verifying that an equal pay audit meets an agreed standard; set out to whom and how an equal pay audit should be published; and specify the non-criminal sanctions that should apply where an employer fails to comply with an equal pay audit order.

I remind the House that the regulations will not be applied to micro and start-up businesses during the moratorium on new rules, which will apply until 2014. I assure the House that we will consult further on the practical detail before any regulations are introduced, and that they will be subject to an affirmative resolution of both Houses of Parliament.

4 pm

Finally, I will speak to the Opposition's amendment to remove clause 52, the purpose of which is to focus the Equality and Human Rights Commission on its core equality and human rights functions. Those important functions are: to promote understanding of the importance of equality, diversity and human rights; to promote awareness of equality and human rights; and to encourage good practice in relation to equality and human rights. Those duties, in sections 8 and 9 of the Equality Act 2006, remain. Likewise, the Government recognise the importance of the commission's role as a strategic enforcer of equality and human rights law and as a guardian of legal rights. The commission's powers in that regard remain unchanged. By focusing the commission on its core functions—on what it is uniquely placed to do—the repeals will enable it to become a more effective organisation.

I will address the measures individually. Although the general duty in section 3 of the 2006 Act reflects the best of intentions, it is an aspirational statement with no specific legal purpose. It does not, therefore, help to clarify the precise functions of the EHRC, and in its breadth and ambition section 3 is more akin to a mission statement than a legal duty. Moreover, we believe that the breadth of section 3 has actually hindered rather than helped the commission to define its role, because it has set unrealistic expectations, both positive and negative, about what it can achieve. John Wadham, the EHRC's general counsel, said during his evidence to the Bill Committee—I know that this was well discussed—that the repeal of section 3 is not so problematic,

"because other parts of the legislation provide sufficient clarity on what our job really is."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 79, Q177.]

As a consequence of repealing the general duty in section 3, we need to amend section 12, to require the EHRC to monitor and report on changes and developments in society that are consistent with its core equality and diversity and human rights functions.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): What message does the Minister think this gives when one in two young black men, compared with one in four of their white counterparts, are unemployed? How can she justify this downgrading of the EHRC in such conditions?

Jo Swinson: I accept the hon. Lady's genuine concern about the issue she has raised: there is far too much of an equality gap in our society and between young white and black men. Of course, the Government are committed to tackling that. However, I question whether she really believes that section 3 of the 2006 Act will do that. The message that this sends is that this Government are committed to equality but focused on really making a difference. *[Interruption.]* I hear the shadow Secretary of State, the hon. Member for Streatham (Mr Umunna), murmuring various things from a sedentary position, but if he really thinks that the EHRC, which was bequeathed to us by the previous Government, was functioning well and was effective, I do not know what

planet he is living on. We should consider what has been said about the organisation's effectiveness. Its accounts were not being signed off and it was wasting money; £866,000 was spent on a website that was never launched. It was not functioning well. It is important that we focus it on its specific duties, and that is what our amendments will do.

Jack Dromey (Birmingham, Erdington) (Lab): The hon. Lady has referred to the previous Government's record. As deputy general secretary of Unite, I work very closely with the EHRC. May I give one example of effectiveness and ask her to comment on it? The commission conducted a ground-breaking analysis of the two-tier labour market in the supermarket supply chain, which causes division in the workplace and damages social cohesion. As a result, the supermarkets were brought to the table and told that enforcement powers would be used unless they changed the way in which they procured. Major changes were made as a consequence, so that all workers enjoyed equal treatment in the supply chain. Does the hon. Lady challenge that excellent example of the effectiveness of the EHRC?

Jo Swinson: I am not saying for a second that the EHRC did nothing right. We are committed to keeping it and refocusing it to make it more effective.

The general counsel said that

"other parts of the legislation provide sufficient clarity on what our job really is."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 79, Q177.]

A raft of stakeholders has criticised how the EHRC was being run. Although it has done some good things, it was not being run in the efficient way that is required of an organisation with such an essential duty and such an essential role to play in the equalities and human rights make-up of our country.

Julie Hilling: I am very confused about the Minister's statement that she will make the EHRC more efficient, when what she will actually do is to continue to cut its budget hugely. How can it be more efficient with a tiny percentage of the staff that it had? It will be unable to do the representative work that it used to do and a vast amount of the other work that it used to do. How will that make it more efficient?

Jo Swinson: The EHRC was not particularly efficient in some of the work that it was doing. For example, it cost its helpline far more to deal with cases relating to working rights than other Government and external providers. We are ensuring that the money is spent better. Opposition Members seem to forget that the financial situation left to this Government was an appalling mess. It does no good for equalities in this country not to have the effective use of public money. We should all want to see that. *[Interruption.]* I am answering the hon. Lady. We should all want to see the effective use of public money. It is wrong to suggest that there are no ways in which the EHRC could have been improved.

Mr Umunna: Have we said that?

Jo Swinson: We have heard from various Opposition Members that the EHRC was functioning fantastically.

There are many ways in which the EHRC could improve. We are making a variety of changes to it, but we remain committed to this organisation and to improving it. Just this morning, we had the pre-appointment scrutiny hearing for the new chair, Baroness Onora O'Neill, which is a positive step. I am optimistic about how the organisation will move forward and improve its governance, which is badly needed.

Kate Green: The Minister is right that improvements were needed in the governance and management of the EHRC. Opposition Members have not disputed that. However, to confuse that with changing its legislatively provided remit is simply not being clear, as that is a very different point of principle. Nobody is saying that the organisation could not be run better. What Opposition Members are querying is the need to cut away the ground from under its feet by changing its very purpose.

Jo Swinson: I appreciate that Opposition Members are exercised about this issue, but it is not something that the organisation itself is exercised about, as is evidenced by the quotations from the general counsel in the Committee hearing.

A range of organisations responded to the consultation and gave their views on the change in the general duty. The Association of Chief Police Officers said that the general duty is

"broad in nature, open to wide interpretation and is more in the nature of a vision statement".

The CBI said that it is

"too vague and creates unrealistic expectations".

The Gender Identity Research and Education Society said:

"There is no essential specific legal function".

I particularly like the way in which we managed to unite two organisations that are not usually in agreement—Stonewall and the Evangelical Alliance. The Evangelical Alliance said:

"It's impossible to achieve and could lead to all kinds of unsatisfactory political interpretations".

Stonewall said:

"We are not clear that the Commission has made a sufficient case for the retention of Section 3."

I accept that many Opposition Members think that this change means that the sky is falling in, but the EHRC and its stakeholders do not concur with that viewpoint.

We are reducing the frequency with which the commission is required to publish reports.

Stewart Hosie: Will the Minister give way?

Jo Swinson: I am sorry, but I want to make some progress. I have taken many interventions.

Stewart Hosie *rose—*

Jo Swinson: As a fellow Scot and in this week's spirit of compromise and co-operation, I will give way.

Stewart Hosie: I am not sure about compromise and co-operation. The Minister spoke about the repeal of section 3, but it is also the repeal of section 10 of the Equality Act 2006. Although it makes sense to make the EHRC more efficient and cost-effective, I am curious to

[Stewart Hosie]

know how removing the specific duty to promote good relations between different groups makes any sense, given her declaration that she wants the organisation still to function and do the good things it was doing.

Jo Swinson: The hon. Gentleman does not need to worry about that because under existing duties in sections 8 and 9 of the 2006 Act, the EHRC still has all the requirements and focus it needs. In the consultation, a range of stakeholders spoke about the repeal of the good relations duty in section 10, and whether it was the Association of Chief Police Officers stating that a greater emphasis on its responsibilities in regulating the new public sector duty is broadly supported, or Stonewall saying that the need for the good relations function has not been sufficiently demonstrated, a wide-range of stakeholders did not seem to think that there was a problem.

We are reducing the frequency with which the commission is required to publish a report on progress from every three years to every five years, and by allowing a longer time scale between reports, we believe the commission will be able to capture more meaningful change over time. We accept, however, that seismic societal changes or developments do not always happen conveniently every five years, and there is no reason why the commission cannot report more frequently if it wishes.

I know that many Opposition Members have concerns about the repeal of the good relations duty in section 10 of the 2006 Act, but we are clear that a separate mandate is not necessary. The commission's most valuable work in this area—for example its inquiry into disability-related harassment—can be carried out under its core equality and human rights functions, which we are not amending. That view is supported by the evidence I have outlined that was provided to the Public Bill Committee by the EHRC's general counsel and other stakeholders.

We are repealing the power associated with the good relations duty in section 19 of the 2006 Act because other organisations gather the information that that legislation permits the commission to monitor. For example, since 2011, police forces in England and Wales have been required to collect data on suspected hate crime relating to race, religion or belief, disability, sexual orientation and gender reassignment. The commission will retain the ability to review and use those data under its existing equality and human rights duties which—I repeat—we are not amending. In Scotland, where the EHRC's human rights remit is limited, the Scottish Human Rights Commission will be able to use its powers accordingly.

On the power to make arrangements for the provision of conciliation in non-workplace discrimination disputes, as set out in section 27 of the 2006 Act, unfortunately the commission has consistently failed to deliver a well-targeted, cost-effective service. The free conciliation service funded until March 2012 by the EHRC offered poor value for taxpayers' money. Average costs were more than £4,000 per case, compared with £600 to £850 when going through the Ministry of Justice website, "Find a civil mediation provider".

A good and effective conciliation service should—of course—be available to those who need it, to help people resolve disputes without recourse to the courts. Good quality, accessible and effective mediation is readily available at reasonable cost throughout England, Wales and Scotland through the MOJ's website that provides access to a full range of civil mediation council-accredited mediators at set fees, and in Scotland through the Scottish Mediation Network's "find a mediator" website. For that reason, we are repealing the commission's power to make provision for conciliation. The new Equality Advisory and Support Service, launched at the beginning of this month, will signpost individuals with discrimination disputes to those alternative, more cost-effective, mediation services. In evidence in Committee, the general counsel of the commission agreed that it is not

"particularly important for us to provide the service for conciliation."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 79, Q175.]

Contrary to accusations from the Opposition, these legislative measures do not represent an attack on equalities or undermine the commission's important role. On the contrary, we believe that they will help the commission to become more effective in delivering its core functions of promoting equality of opportunity and human rights, and creating a fair environment for jobs and growth. I am therefore unable to support amendment 56, and I commend the Government amendments to the House.

Mr Umunna: I will speak first to amendment 56, which is my name and those of my right hon. and hon. Friends. We propose to remove clause 52 in its entirety. I shall then speak to Government new clauses 12, 13 and 17 and related measures on third-party harassment, discrimination questionnaires and equal pay orders.

4.15 pm

Clause 52 seeks fundamentally to alter the remit of the Equality and Human Rights Commission, which was established to promote equality and human rights in this country. The clause proposes to remove the general duty on the commission to promote human rights and a society free from discrimination and prejudice, and seeks to abolish the duty on the commission to promote, among other things, good relations between different groups in society. That duty led, for example, to the Kick Racism Out of Football campaign.

Numerous third parties have objected to the changes in the clause. Tomorrow, a letter signed by more than 20 stakeholder groups will be published. The letter makes it clear that the changes will leave "a much weaker body". It is signed by the heads of Justice, the Fawcett Society, Mind, the Refugee Council, the Equality Trust and others.

Leading members of the Liberal Democrats—the Minister's party—have also strongly objected to what she and her colleagues are doing in the Bill. The Liberal Democrat founder of the National Association of Black, Asian and Ethnic Minority Councillors has said he is deeply ashamed of what the Government are doing to the resources and remit of the commission. The chair of the ethnic minority Liberal Democrats wrote to the Minister's predecessor to express alarm, stating that the Government's actions

"amount to effectively abolishing the EHRC by stealth, which could potentially reverse progress made on equalities over the past decades".

The Opposition agree with those concerns and believe the clause is totally objectionable, and I will explain why. First, section 3 of the Equality Act 2006, on the general duty on the commission, which will be repealed by the Bill, provides that the commission should

"exercise its functions…with a view to encouraging and supporting the development of a society in which…people's ability to achieve their potential is not limited by prejudice or discrimination…there is respect for and protection of each individual's human rights…there is respect for the dignity and worth of each individual…each individual has an equal opportunity to participate in society, and…there is mutual respect between groups based on understanding and valuing of diversity…equality and human rights."

Those duties enjoyed cross-party support during the passage of the 2006 Act. Six years on, they are dismissed by Ministers.

The Minister's immediate predecessor, the hon. Member for North Norfolk (Norman Lamb), having raised no objections to the duties in 2006, called them "vague motherhood and apple-pie duties" in Committee in July. I am not sure quite what has changed since 2006—aside from the acquisition of red boxes—but those duties should not be casually dismissed in that way. They make clear the vision and mission of the commission, not only to help to enforce anti-discrimination laws but proactively to promote human rights and a society free from discrimination and prejudice. As the Secretary of State—he is absent from the Chamber—pointed out in his leaked letter to the Prime Minister and Deputy Prime Minister earlier this year, vision is incredibly important.

The Opposition's second objection is this: the repeal of section 3 and the abolition of the duty on the commission to promote good relations between different groups would not be so alarming were it not for all the other things the Government are doing to the commission. They have cut its budget by more than 60%—so much so that the United Nations High Commissioner for Human Rights was moved to write to the Government in June and July this year. The commission has confirmed that the cut will lead to a reduction in staff headcount of more than 50%. More worrying are the reports—this was raised by the chair of the ethnic minority Liberal Democrats in the letter I mentioned—that virtually all the commission's employees who are black, from an ethnic minority or disabled are among those to lose their jobs. Will the Minister provide important clarification and reassurance on that?

In addition, as of this month, the commission's helpline has been contracted out. Many who previously worked for it were highly respected and experienced advisers and there is deep concern that much of that expertise has been lost in transition. Furthermore, the Government are stopping the commission's grants programme funding local support services for victims of discrimination.

I turn to our third main objection to clause 52. The Bill is supposed to promote long-term growth and simplify regulation, but the clause will achieve neither aim. Leaving aside the issue of whether our fundamental rights should be sacrificed at the altar of growth, no evidence has been produced during the passage of the Bill showing that the measures on the commission will promote growth.

Debbie Abrahams: It was rather telling that, in response to a question from my hon. Friend the Member for Stretford and Urmston (Kate Green), the Secretary of State said that this was just legislative tidying up. It is absolutely outrageous.

Mr Umunna: I agree that it is absolutely outrageous. Furthermore, on the issue of simplifying regulation, let me say this to Government Members: the promotion and protection of equality and human rights is not, and should not be seen as, regulation. The unrelenting pursuit of these things helps to make this the fair and decent country that Britain is to live in. It is something that we should celebrate.

What is the Government's defence? What is their justification for pressing ahead with including clause 52 in the Bill? In Committee, the Minister's predecessor—she did the same today—sought to rely heavily on the comments of the commission's general counsel in the public evidence session. I have read that evidence in full, and it is true that at the end of it he said:

"The commission is not opposed to the Bill."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 80, Q180.]

As the general counsel made clear, however, it is not for him or the commission to take a position on the Bill. It is a political matter for the Government. That said, he made some interesting comments to which, I note, the Minister did not refer. He was clear that resources were being cut. He said that

"if the commission is given fewer resources, we will have fewer staff and less money to do the work that we would want to do."—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 74, Q162.]—*[Interruption.]*

From a sedentary position, the Under-Secretary of State for Skills, the hon. Member for West Suffolk (Matthew Hancock), says, "Who racked up the debt?" I do not think that we can put a price on human rights and equality in this country.

On the commission's remit, the general counsel was unequivocal. He said:

"This Bill reduces our powers and our remit… We would prefer to keep the remit we have, so we have not promoted the amendments in the Bill."

Finally, on the repeal of the general duty in section 3 of the Equality Act 2006, he said that the section

"sets out a vision for a kind of society that I guess most people here would want to live in"—[*Official Report, Enterprise and Regulatory Reform Public Bill Committee,* 19 June 2012; c. 79, Q176-79.]

and confirmed that the repeal of the duty "lowers the vision".

Before moving on, it would be remiss of me not to turn to the Minister's comments about the commission's recent problems. Yes, the Joint Committee on Human Rights and the Public Accounts Committee have been very critical of the commission, and, yes, the National Audit Office has qualified its accounts, but none of these inquiries concluded that its remit should be changed in the way the Government are doing in the Bill. The most recent accounts were unqualified, and the running of the organisation has not been helped by the Government preventing it from recruiting a permanent chief executive and senior management team for more than two years.

[Mr Umunna]

These recent problems are hopefully in the past and certainly do not justify the winding down of the commission.

The Minister, and the Secretary of State in his letter to me earlier this month, said that it was not the Government's intention to water down, wind down or abolish the commission. Nevertheless, we know that many Government Members would like to see the back of the commission.

Andrew Gwynne (Denton and Reddish) (Lab): Of course, one of the benefits of the commission is its independence from Government and Ministers. Does my hon. Friend share my concern that altering the commission's remit will fundamentally undermine the independence of what is left of this organisation?

Mr Umunna: Absolutely, and I would say two things about what my hon. Friend has just said. First, when it comes to the comments of the general counsel, one has to consider that he is passing comment on his masters who are cutting his budget massively. To suggest that that does not weigh on his mind when he makes comments about the Bill is probably quite naive. The second thing I would say is that the independence of the organisation is paramount, and its ability to do its job will be compromised by the changes being made.

Let me point out to the Minister that what people are entitled to do when making a judgment about her party and her Government's intentions for the commission is to look at the actions they have taken. The catalogue of things that I have just listed has meant not only that people in her own party are incredibly worried about its future, but that many of the stakeholders who work in this area are also worried about it. At the moment, the general view among many people is that we are effectively seeing the abolition of this important organisation by stealth. That is what seems to be happening.

Luciana Berger: I should share with my hon. Friend the fact that I worked for the Commission for Racial Equality before it merged into the new body. I know that there are always challenges with any organisation, but the work it did was crucial. Does he, like me, share the concern raised only a few days ago by Brendan Barber, the TUC general secretary, that what the Government are doing essentially makes a mockery of their claim that equality is at the heart of the coalition Government?

Mr Umunna: Absolutely. I completely agree with what my hon. Friend has just said.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): My hon. Friend hit the nail on the head when he talked about abolition by stealth. Anyone who has ever had cause to take an issue to the Equality and Human Rights Commission knows that going to an independent body that has rights over other bodies to take action is vital. Taking an internal route through an organisation is sometimes too slow and inadequate. Will he make a commitment about what the Labour Government will do when we are back in power in 2015?

Mr Umunna: I am proud to be associated with a party that was responsible for setting up many of the predecessor bodies of the Equality and Human Rights Commission. Let me be absolutely clear: we thoroughly support this organisation. It is incredibly important, not only in taking an anti-discrimination stance towards some of the things that unfortunately happen in our society, but in being proactive in promoting that. I have just returned from a visit to Israel, where I learned more about the situation there. I met the Israeli and Palestinian Governments, and one of the things that I felt so proud of was the fact that an equalities commission was recently created in Israel. We know that society there has major challenges in that respect, but that commission is being modelled on ours. I think that says something about the body we have in this country.

Mr John Redwood (Wokingham) (Con): I would be grateful if the Opposition addressed the proposals on the Order Paper that we are meant to be debating. The Government are not saying, "Just strip it all away"; they are proposing equal pay audits and other mechanisms. It would be useful to know what the Opposition think about them.

Mr Umunna: I have just addressed each point about the commission that the Minister addressed in her speech. I understand the right hon. Gentleman's impatience; I shall turn to the other points now.

Let me turn to the Government's new clauses. Last week the Government tabled new clause 12, which provides for the repeal of the provisions in the Equality Act 2010 relating to employer's liability for third-party harassment of employees. That, of course, was a key recommendation in the infamous report of the Prime Minister's employment law adviser Adrian Beecroft. To find the reason for the original introduction of those measures—I am basing my remarks on my legal practice and study: I was an employment lawyer before being elected—we have to return to the mid-1990s. In 1994, there was a well-known case in which two black hotel waitresses were made to serve drinks in Manchester during a performance by the notorious late comedian Bernard Manning. They were subjected to racially and sexually abusive remarks by Manning, and they took their employers to a tribunal. They should never have been put in that situation, and they issued proceedings and won the tribunal. After that case, however, case law was uncertain—I can say that, having dealt with the case law that existed before the Equality Act 2010 came into force. Through section 40 of that Act, which the Government are partly repealing, we legislated to put protection against such third-party harassment on to a firm footing and cover all types of unlawful discrimination.

4.30 pm

That statute is relatively new, but in the tribunal case to which the Minister referred, which I believe was heard last year, we saw the value of section 40 in action. A care worker in a care home was subjected to repeated sexual harassment by a resident. When she complained to her employer, she was just told to be patient and wait for the resident to stop touching her. In no small part thanks to section 40, the tribunal was left in no doubt of the protection that should be afforded that worker. Before the implementation of section 40 it was not clear what the law was, because of the numerous examples of

case law that there had been at different levels. The tribunal found the employer liable, holding that it could have taken a number of reasonable steps to protect the care worker, such as ensuring that she was always accompanied by another member of staff or maybe adjusting her rota to minimise contact with the resident in question.

Despite what I have just said about that case and about how section 40 of the 2010 Act came into being, Adrian Beecroft said in his report that the Government should repeal that law. It is worth repeating and recalling that Mr Beecroft was very clear at the Public Bill Committee's evidence session that his findings were based not on proper evidence but on conversations with people. It was proper back-of-a-fag-packet policy making by the Government.

When my hon. Friend the Member for Stretford and Urmston (Kate Green) questioned the Secretary of State on the Government's intentions on Second Reading, he assured the House that he had no intention of implementing that Beecroft proposal, yet that is precisely—

Jo Swinson *indicated dissent.*

Mr Umunna: It is absolutely true. The Minister should check *Hansard*.

With this latest new clause, the Government are doing precisely what they said they would not, and we oppose it, as do more than 70% of those who responded to the Government's consultation.

Meg Hillier: My hon. Friend is making his point very powerfully. My worry is that under the umbrella of saying that they want to get rid of regulation, the Government are affecting some of the most vulnerable workers in our society, who do not have the protection of a well-paid job and education to argue their case but rely on the law in question. Without it, they will just have to shut up and put up with the harassment that they face daily, often in domiciliary situations such as the one that he described.

Mr Umunna: My hon. Friend hits the nail on the head and identifies the Government's real motivation. We are in the third quarter of a contraction, which we will hopefully come out of in the next quarter. We were promised many things in relation to the economy that have not turned out to be the case. In their desperation to get the economy moving, and with their complete refusal to stimulate the economy, the Government are now doing the traditional thing and looking to water down people's rights at work as a substitute for a proper growth plan.

New clause 13 would abolish discrimination questionnaires, which employees can submit to their employers to obtain further information and make up their minds about whether to institute proceedings, or maybe to assist them in reaching a settlement with their employer. I know those questionnaires well, because I was professionally involved in drafting them on behalf of employees. I was also involved in drafting the responses on behalf of employers.

From the employees' point of view, there is no doubt that those questionnaires help them access evidence at an early stage, which is incredibly important so that, as I said, they can determine whether to litigate or precipitate a settlement. They will now be all the more important because of the large fees that the Government are levying on people who wish to institute claims in an employment tribunal.

Turning to the employers' point of view, the Government's own Equalities Office carried out research on the questionnaires and found that only 2% of private sector employers had had to complete one in the past three years, and that most of those who had done so agreed that responding to them had been straightforward. We do not need to abolish the questionnaires, and I do not accept the reasons for doing so that have been put forward by the Minister. I say that not only from a political point of view but in the light of my professional experience of working for a number of years on these matters.

Julian Smith: Will the hon. Gentleman give way?

Mr Umunna: I want to make some progress; I have given way a few times now.

I welcome the addition of new clause 17 to the Bill. It will enable tribunals to recommend that an employer who loses an equal pay or sex discrimination case be required to carry out an equal pay audit. I simply want to raise one question about the scope of the measure. Is my understanding correct that it will apply to private sector employers only? Perhaps the Minister will expand on that point.

Jack Dromey: My hon. Friend is making a powerful case. Procedurally, a number of barriers are being put in the way of people seeking justice and the enforcement of their rights. Does he share my view that closing the regional offices and reducing the commission to a rump of its former self will mean that those who are powerless, when challenging those with power who are denying them equality and equal treatment, will no longer have an Equality and Human Rights Commission that is fully behind them?

Mr Umunna: I completely agree with my hon. Friend.

I have absolutely no doubt that if the Minister were in opposition, she would be making many of the points that I am now making. She would be jumping up and down and objecting in the strongest terms to what the Government are now doing. I have referred to the assurance that was given, then broken, by the Secretary of State, which the Minister does not seem to recollect. May I also remind her of something that she said to the Deputy Prime Minister in this House? She said:

"Will the Deputy Prime Minister reassure my constituents that the Government will resist any siren calls to water down the Equality Act as part of the red tape challenge?"

The Deputy Prime Minister replied:

"I can certainly confirm that, as far as I am concerned, there will be no move to dilute incredibly important protections to enshrine and bolster equality in this country under the guise of dealing with unnecessary or intrusive regulation."—[*Official Report*, 24 May 2011; Vol. 528, c. 770.]

Well, if that is not a broken promise, I do not know what is.

Jack Dromey: My hon. Friend has repeated back to the Minister something that she said on a previous occasion. Does he agree that she is conspicuous in her silence in now refusing to stand up and defend what she said at that time?

Mr Umunna: Quite right. One argument that has been consistently advanced by Liberal Democrat Ministers, as well as at the Liberal Democrat conference the other day, is that the Liberal Democrats are a check on the worst excesses of their coalition partners. I believe, however, that people will look at their actions. Their words do not marry up to what they are doing in Government. The Secretary of State said at his party conference that if Britain wanted

"competence with compassion, fairness with freedom and more equality…that government must have Liberal Democrats at its heart."

The measures in the Bill really do call that claim into question.

John McDonnell: I shall speak to amendment 56. Far be it for me to correct my hon. Friend the Member for Streatham (Mr Umunna), but I think the amendment is in my name. I say that only to give notice formally that I intend to move the amendment and divide the House on it. The amendment is in my name only because of my speed of pace in getting to the Vote Office—that is all.

This is not one of those parliamentary knockabout debates, but a fundamentally important one. I have been a Member since 1997 and I have noted that in every debate on equalities during that period, what emerged was a near consensus about the approach towards, and the commitment to, the legislative framework. When we debated the Equality Act 2006, near consensus was achieved in this House about the legislative framework that was being put in place. I thought that that was one of those occasions on which the House rose to its full height, and it was held in esteem for reaching that consensus.

To be frank, there is an element of tragedy to what is happening. We are going dramatically backwards here. The Minister listed a range of reforms that the Government had introduced, most of which I believe the Opposition supported. I welcome them, but the difference between those reforms and the one we are considering is that there was consensus about most of them, both in this House and outside it.

As my hon. Friend the Member for Streatham has said, a vast range of organisations have expressed concern. I received a briefing from the Equality and Diversity Forum—I hope that other Members have received it, too—which basically urged the Government to think again and provided a detailed brief, setting out point by point its arguments for opposing the Government's proposals. Some of these organisations deserve listening to. They include Age UK, the British Institute of Human Rights, the Children's Rights Alliance for England, Citizens Advice, Disability Rights UK, the Discrimination Law Association, End Violence Against Women—the list just goes on and on—the Fawcett Society, Friends, Families and Travellers, Justice, the Law Centres Federation, Mind, the National AIDS Trust, Race on the Agenda, the Refugee Council, the Royal National Institute of Blind People, the Runnymede Trust, Scope, the TUC and the Women's Resource Centre—and there are many more. As my hon. Friend said, tomorrow there will be a further letter from organisations that supported this House for almost a generation as we devised the legislation and the legislative foundation of our equalities law. This Government are now breaking that consensus.

To be frank, there were concerns that there would be a Conservative party attack on equalities after the election. We were hoping that that would not be the case. I argued that many of the legislative debates we had had over the last generation would be put to bed and would not be reopened. Many feared such an attack, but most of us hoped when the coalition was born that the Lib Dems would head it off. I know that there are those who have tried to do so. We have heard today of letters coming in from different Lib Dem groups, urging the Government to think again. Unfortunately, they have failed. As a result of that failure to convince the Government to think again, we are faced with the most significant step backwards on equalities that we have seen in the last 20 years.

Kate Green: I share my hon. Friend's distress and sorrow at what is happening under this Government. Is it not also the case that when the Equality Act went through the previous Parliament, it was Liberal Democrat Members, including the Minister's own predecessor, who were particularly at pains to push our Government, a Labour Government, to go further. Is this not an appalling and distressing reversal of position?

John McDonnell: To be fair—

Stephen Pound (Ealing North) (Lab): Don't: there is no need. It is not necessary.

John McDonnell: This is a serious debate and, to be fair—my hon. Friend was here at the time—there were Conservative and Lib Dem Members who sought to push things further. What I thought was important about that debate was that we reached a consensus. We reached a fairly high plateau of agreement. It was recognised that some wanted to go even further, but no one wanted to go backwards, which is what this legislation does. This is a backward step.

4.45 pm

My amendment should be considered in the context of what the Minister said about the future of the Equality and Human Rights Commission. I was one of those who did not agree with the proposal to bring together all the individual bodies, such as the Commission for Racial Equality, in a single organisation, but it was agreed to nevertheless, and I thought that at least we had reached a point at which we could proceed with a well-resourced organisation implementing a body of legislation, duties, powers and responsibilities. However, as the Minister has said, the Equality and Human Rights Commission is now under financial review, and as has also been said, its budget has been cut by 62%. The staffing loss is not just "above 50%", as has been claimed; it is 72%. There has been review after review, and now, adding to the uncertainty, there is the promise of a zero-based budgeting exercise and a further review that will take us into 2013. I think that the organisation is being deliberately destabilised, and is being set up to fail.

Julian Smith: I am listening carefully to what the hon. Gentleman is saying. Does he agree that John Wadham, the director of the EHRC, specifically said during an evidence session in Committee that he and the organisation did not have any problems with the Government's Bill?

John McDonnell: With the greatest respect, I do not think that that is the case. I know John well—he is an old friend—and I do not believe that he used that exact form of words. What the organisation said was that it was for the House to decide on the Bill. I think that what the staff and board of the EHRC are trying to do is survive, and I think that some things have been said simply so that they can survive.

Debbie Abrahams: The briefing from the EHRC uses very neutral language, but it nevertheless expresses blatant concern about, in particular, the removal of important functions such as the helpline, funding for voluntary organisations, and legal advice. The idea that people should have to pay to issue a challenge when they have been discriminated against is outrageous.

John McDonnell: I agree. I think that what John Wadham and others in the organisation have said is that they will do their best and will live with what legislation there is, but I also think that when they gave evidence to the Committee, their intention was not to support the Bill. It is for us to decide.

Julian Smith: Either the hon. Gentleman is calling me a liar, or he has not read *Hansard.* The written record of the evidence sessions shows that John Wadham said that the organisation did not have a problem with the Bill.

Madam Deputy Speaker (Dawn Primarolo): Order. Had the hon. Member for Hayes and Harlington (John McDonnell) referred to the hon. Member for Skipton and Ripon (Julian Smith) as a liar, I should have picked him up on it, but he did not.

Julian Smith: He implied it.

Madam Deputy Speaker: No, he did not imply it. He did not raise the issue of the hon. Gentleman's integrity in any way. There seems to be a dispute about what was actually said, and I think that that is different.

John McDonnell *rose—*

Madam Deputy Speaker: Perhaps the hon. Gentleman will clarify the point.

John McDonnell: Let me assure the hon. Member for Skipton and Ripon (Julian Smith) that I would never call him a liar. What I am trying to say is this. The organisation has previously made it very clear that the House will be the determinant of the Bill. I believe that John Wadham has been a good and effective civil servant over the years, and that he will implement whatever comes out of the House as effectively as possible, but I also believe that he and his colleagues are simply trying to survive in whatever way they can, and will speak accordingly.

Mr Umunna: As I said earlier—and as my hon. Friend will know, because he has read what John said—John did say that he was not opposed to the Bill. However, I have just given chapter and verse on all the problems that he has raised in relation to it. He is, of course, an existing employee of the commission, so it is very difficult for him. Why should we not consider, for example, what the commission's former director of human rights and director of disability rights said in July about what the Government are doing? He said:

> "By repealing section 3 of the Equality Act 2006, the Commission will cease to be an agent of social change harnessing the law and its powers to address entrenched inequalities."

John McDonnell: We will come on to the individual elements, but it is clear from the representations that have been received that there is sufficient concern. Let me put it no more strongly than that. For any Government whose members have arrived at consensus on a contentious issue to come along and break that consensus warrants much deeper consideration than is being given by the Government. The messages from the organisation itself, which is seeking to survive in whatever form it can, have been clear enough to most of us to suggest that it has an underlying concern that it will be unable to fulfil the role we have expected of it up until now.

Jack Dromey: My hon. Friend makes a powerful point about the organisation's inability to fulfil its role in the future. I have met the staff in the Birmingham office on the issue of disability access to public transport, from buses in Wolverhampton to the de-staffing of stations in the region by London Midland. The disabled are saying that they are being turned into second class citizens who are unable to access public transport and that the support of the Birmingham office of the EHRC is essential to them. Does my hon. Friend agree that if that office goes, so too will the champion of the disabled?

John McDonnell: I chair the PCS parliamentary group, which represents the union that represents the staff. I have therefore been involved in the discussion with them about the cuts that have taken place. The pressures that existing staff are under are immense. Reducing staff numbers still further will lead almost to the breakdown of the organisation.

Let me return to the Bill. We have been saying is that there is real worry about the Government's intent and the future of the organisation. The cuts in resources and staff are being compounded by the undermining of the legislative basis on which the organisation operates. It is that legal basis that we must consider.

On clause 52, the original legislation laid out a general duty to send out the message to which my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) referred. As a community we needed and continue to need the message that there is an organisation advising the Government that will encourage and support a society based on freedom from prejudice and discrimination—a society based on individual human rights, respect for the dignity and worth of each individual, equal opportunities to participate and a mutual respect between groups based on understanding and valuing diversity and shared respect for human rights. I do not think that society has changed so dramatically that that statement is irrelevant—it needs to be embodied in legislation and repeated time and time again. It had all-party support in 2006.

Andrew Gwynne: My hon. Friend is absolutely right, and I am proud to have been part of the Government that introduced the Equality Act. However, does not this provision shed light on the Government's real motives?

[Andrew Gwynne]

By stripping down the commission and stripping it of its remit, they are undermining the equalities that we cherish and hold dear.

John McDonnell: I do not see how it can be interpreted any differently. The argument has been made that this provision has been included in the Bill for a purpose and that it is all to do with removing restrictions on businesses so that they can be encouraged to be more enterprising and create better profits, which might somehow contribute to tackling the recession. The argument is almost that we cannot afford equality, but our argument is that we cannot afford inequality. That is exactly why we enacted that legislation in 2006. There were strong arguments about not just fairness but efficiency. If there is discrimination against people, sections and groups in society, they cannot make their contribution. That was why we made a strong economic argument for the 2006 Act.

Stella Creasy (Walthamstow) (Lab/Co-op): I note that the Minister talked about value for money. Does my hon. Friend agree that the value-for-money argument for dismantling the commission is a very bad one, because of its impact on our economy through the added cost to businesses of failing to tap into the potential of people against whom there is discrimination in our society?

John McDonnell: Exactly. In 2006 we had a lengthy debate on all sides when we identified groups in society that had not been given a fair crack of the whip and which, if they had, could contribute so much to our economy. Clause 52(1)(a), which removes section 3 from the Equality Act 2006, removes that statement.

It is interesting that only a few months ago the European Commission, in its recent report on equality, recommended to other Governments that they follow the example of the UK and embody in legislation a vision of an organisation that can contribute towards developing a society based on equality. Here we are, taking a step backwards from what is happening elsewhere across Europe. This is not just a tidying-up exercise. It is not about creating unrealistic expectations. It undermines the legislative basis of the organisation.

At the recent conference on discrimination law, Sir Bob Hepple QC made it clear what section 3 stands for. He said that it provides the link between the promotion of equality and good relationships between groups and society, and that without it we are rudderless. That was his statement. We included the measure in the original legislation to give direction.

It is extraordinary that in the Government's own consultation, which has been cited time and again today and which was entitled "Building a fairer Britain", there was overwhelming opposition to the abolition of section 3. The opposition was 6:1 against removing that visionary statement from the legislative basis of the commission.

Clause 52(1)(b) repeals the duty to promote good relations between members of different groups. MPs who have been working in their constituencies as MPs, councillors or community activists will recall that it is these sections that we have used to protect individual groups against racist attacks, attacks on Travellers and against undermining and stigmatising people with mental health problems. This is the legislative base that we have used time and again to ensure that the commission can play its full role.

As my hon. Friend the Member for Streatham said, this is the measure that we used to tackle racism in football, so it has been used in campaigns and it has been effective. We have used it to undermine the development of extremist racism in our society and to ensure that we give advice to public authorities, particularly local authorities at elections, to set standards.

It has been argued that other organisations will be available to do this, such as the Runnymede Trust and the Fawcett Society, but both of them are reliant on public funds and some of the public funds that go to those organisations are from the EHRC. The EHRC is having its grant-making cut so those organisations will not be out there to fulfil that role.

On the removal of the duty in section 10, I want to raise an issue on behalf of organisations such as DPAC—Disabled People Against Cuts—and the group in Scotland, Black Triangle. Section 10(5) places a duty on the commission

"to promote or encourage the favourable treatment of disabled persons."

Over the past year we have had debate after debate on hate crime against people with disabilities. We thought we had a breakthrough with the Paralympics in raising the profile of people with disabilities and extolling what they can do if given the chance. What message does it send out that we are scrapping that duty of the commission?

Chris Ruane (Vale of Clwyd) (Lab): Four or five categories of hate crime are monitored—race, religion, gender, sexuality and disability. Over the past year disability hate crimes are the only hate crimes across all the categories that have gone up, and the reason is the language used by the Tories. Does my hon. Friend agree?

5 pm

John McDonnell: In debates in Westminster Hall and in this Chamber, Member after Member has raised the issue of the rise in hate crime against people with disabilities. They have cautioned Conservative Members and others about the language that they use and about their actions. This proposal sends out a message that the Government are not interested in this matter, and it undermines the very organisation that has the statutory responsibility. We are not the only ones who are anxious about this. The Government's consultation shows that the proposal was opposed by seven to one.

On section 12, the Government seek to reduce the frequency of monitoring progress from three years to five years. It is extraordinary that in the debate on the introduction of the monitoring process, it was Conservative Members who argued that three years was not enough, because there would be only one report every Parliament. Now it is to be every five years. That was opposed by five to one. It is argued that further reports can be brought forward at the commission's will, but the most important thing is the requirement that the House places on the organisation. The monitoring process every five years will prove totally ineffective.

The repeal of section 27 and the powers to provide conciliation services to resolve disputes involving alleged discrimination is extraordinary. In other parts of the Bill the Government promote conciliation to resolve disputes, yet in this area we are removing that role from the commission. The argument is that the commission has not been particularly effective. If we are concerned about the effective operation of the commission, we should reform the commission, not undermine its legislative base and remove its powers. If the pre-appointment hearing for the new head is today, we should give that person a chance to reform the organisation before we take away the opportunities to exercise effectively the powers that were bestowed upon it by previous legislation.

I will deal with new clause 13 and the abolition of the questionnaire only quickly, because, like my hon. Friend the shadow Secretary of State, I have dealt with these questionnaires from a trade union point of view. As has been said, only 2% of employers have ever been involved and none has claimed the duty was onerous. To be frank, when the questionnaires come back a trade union representative can tell his member, "This isn't a runner," or he can say, "This is a runner. We had better start negotiating." When it can be proved that a case has merit, usually the employer will realise that there is something real to address.

Jack Dromey: Again, from my experience in the trade union movement I support what my hon. Friend says. As a result of the process of using the questionnaire, for every one case that goes forward, three cases do not, precisely because it is established that there is no case to pursue. That means that the hopes of individuals are not raised, but neither is any unnecessary burden imposed, in this case on employers.

John McDonnell: Exactly. Part of the role of a trade union representative is to ask the individual, "Do you really want to put yourself through this when there is so little chance of success bearing in mind what information has come back?"

Mr Umunna: What I find so reprehensible about what the Government are doing to these protections in this Bill—the same applies to the points that we will be discussing tomorrow in relation to employment law—is that in many respects the people for whom these protections are so important are those who are not represented by a trade union because they provide backstop protections for them in the event that they cannot get assistance elsewhere.

John McDonnell: Exactly. Amazingly, the questionnaire process has been operating effectively since 1975, and in the consultation, 83% opposed this proposal. Most people just want to get on with the practicalities of conciliation, not resort to law because of its expense and risk, and the questionnaires enable us to do that. The Discrimination Law Association offered example after example of the questionnaire's effectiveness, but they seem to have been completely dismissed by the Government.

On new clause 12, which relates to third-party harassment, my hon. Friend the Member for Streatham eloquently addressed the matter. I do not think that scrapping the duty set out in the legislation will in any way clarify matters. In fact, I think that it will cause more confusion. At least when cases are brought up with employers, even informally, representatives can point to the legislation and the duty and it is then clear what the employers have to do. Example after example has been pointed out, but I will give one that was raised with us some years ago. Black firefighters arriving at a scene were being discriminated against and targeted, so their employers had to put in place additional protections. Another example was of discrimination taking place in jobcentres. With regard to the consultation, if the Government were listening to people they would hear that 71% are opposed to these proposals.

Reference has been made to other cuts that have been made to the commission. The Minister raised the issue of the helpline, which has now been transferred to the Government Equalities Office. It only takes referrals from other organisations and does not advertise its services, so I think that the Government are effectively hoping that it will simply wither on the vine and there will no longer be a service for people.

I am also concerned—the Minister has not mentioned this—that a new framework document is now being discussed with the commission that, I think, threatens to limit its future freedom of operation. There is to be a further budget review, as I have said. If the Government are planning to abolish the commission, I would rather they came clean about it and were up front, rather than killing it off by stealth, by cuts and by undermining its legal powers. That would be more honest.

It is not the case that equalities are no longer relevant; discrimination is taking place in our society. We extol the virtues of British society but the reality is that, as everywhere else, discrimination takes place daily and has to be confronted, and we need an effective organisation to do that. If we want an effective organisation, it has to have legal powers that are set out clearly in law. This legislation will undermine those powers and make them less clear than ever before.

I think that this flies in the face of everything this House has worked for over the past generation and the joint work that has been done across parties to promote equality and give effective powers to a body and underpin them in legislation. That is now being thrown to the wind, and for what? I think that it is the result of a combination of ideology and the desire to make savings that, frankly, I do not think will be realised. The proposals will most probably cost more than they actually save. I urge the Government to think again. I urge the Liberal Democrat partners in the coalition to return to their first principles and to what they said a number of years ago. If the Government do not amend the Bill, I hope that the other House will take a role in this and stand up for equality in our society once again.

Kate Green: It is a pleasure to follow my hon. Friend the Member for Hayes and Harlington (John McDonnell) and to endorse his comments. We are genuinely shocked, disturbed and surprised that the Government, and particularly the Minister, have brought forward the amendments to the Equality and Human Rights Commission's remit and by some of the specific changes proposed to employment legislation.

As my hon. Friend has just said, despite progress—progress that we can be proud of across this House and in society at large—in addressing inequality and injustice

[Kate Green]

in this society, despite the fact that much good work has been done in our communities to boost and strengthen community harmony, despite the many efforts that have been made to create better educational opportunities for young people from all backgrounds, and despite many examples of progress for women, disabled people, black and ethnic minority people, lesbians and gay and transgender people, despite all that progress, we are still a fundamentally very unequal society.

We are a society where there is still a gender pay gap of 20%; where young black men are still disproportionately more likely not to be in employment, and even when they achieve good degrees still find that they end up with fewer employment chances and lower earnings; where disability hate crime is reported to be on the rise; and where great offence and hurt can still be caused within our communities, as we have seen only recently with the "Innocence of Muslims" film. It is really important that we do not take progress on equality for granted, because there is a very long way to go.

Stephen Pound: Many people of my generation thought that the days of overt racism in football died when bananas stopped being thrown at people like Clyde Best, but when we see such incidents as recently occurred at the Chelsea-QPR game, we realise that a fetid, bubbling sewer of racism still runs through the veins of our society. Does my hon. Friend agree that there has never been a time when it has been more important to have a strong, well-funded, supportive, proactive commission than now, because old Adam is not dead and the old evil has not gone way?

Kate Green: That is absolutely right. One of the great dangers of the Government's proposals is that they assume that the problem is sorted and we can take our eye off the ball when that is clearly not the case.

It is important to think about the language we use and the provisions we make in legislation, because that sets a context, an ambition and a sense of priority for the country and for the institutions within it. Equally, beginning to weaken that language and remove provisions sends the message that this is not all that important and other things are more important.

I am particularly concerned that these changes are being made in the context of an enterprise Bill, as though equality were in some way inimical to enterprise, when in fact it lies at the heart of successful enterprise. The most socially and economically successful societies are also the most equal societies. It is wrong to seek to weaken our commitment to equality in an enterprise Bill, of all places.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): My hon. Friend raises the very important issue of the "Innocence of Muslims" film and the inter-faith concerns that have been caused. Does she agree that a strong equalities body is vital for promoting a sense of good will, cohesion and understanding between communities that will not be there without the mechanisms in society to help to deliver that?

Kate Green: It is absolutely right that we need a strong institutional infrastructure to promote and encourage greater equality, respect for human rights and good relations between different sectors in society, particularly as regards the interests of marginalised and more vulnerable groups.

Julian Smith: Does the hon. Lady not welcome the equal pay audits in the Bill, the Government's same-sex marriage proposals, and the many equality proposals that they are taking forward? Are those proposals not more important than this body, which has, in a number of reviews, been given quite a lot of criticism?

Kate Green: The hon. Gentleman confuses the operation of the body with its remit. We are not saying that nothing can be done to improve the operation of the EHRC, but that is a different matter from its remit and the context that the Bill is important in setting. While the Government have made one or two grudging steps forward in relation to improving equalities, the proposal on equal pay audits is a watering down of our commitment to have such audits across the board for larger businesses, not only when they have been unsuccessful at tribunal, and the proposals on equal marriage now appear to have been kicked into the long grass. I am glad to see the Minister shaking her head and look forward to the legislation coming forward very shortly. Yet again, the Government have chosen not go as far as Labour Members were calling for, by wanting to limit equal marriage to civil marriage. There seems to be no good reason not to take that further and for religious institutions that would like to offer a religious ceremony to be able to do so. The hon. Gentleman picked on one or two instances of progress set against a backdrop of failure to take the most progressive action, and in many instances an unwinding of progress on progressive action. It is unlikely that this Government can claim to have done much strenuously to promote equality—in reality, the opposite is the case.

5.15 pm

It is important that we have a framework where the EHRC is responsible not just as a regulator but in terms of driving forward social progress, setting an ambition and a vision, and looking at the mechanisms that can help to bring that about. Because it has had that role and status under the Equality Act 2010, we have been confident of our United Nations A-rated status as an international human rights body. I am concerned that these proposed changes may put that exemplary status at risk.

Seema Malhotra: Does my hon. Friend share my grave concern that the removal of the general duty under clause 51—now clause 52—was described by the Business Secretary as

"a bit of legislative tidying up"?—[*Official Report*, 11 June 2012; Vol. 546, c. 75.]

Does she agree that it is far from just "tidying up" and that it is in fact a watering down of a duty that is vital for our social well-being?

Kate Green: It is shocking that the Secretary of State regards this simply as legislative tidying up, because it goes to the heart of our vision for equality and human rights. I am also concerned that it has been suggested—indeed, the Minister was alluding to this in her opening remarks this afternoon—that other bits of the legislation

are going to be good enough and we are not going to lose anything really. For example, the Government have mentioned the possibility of relying on the public sector equality duty, but that, too, is being reviewed by this Government.

What we have had with the red tape challenge, with this Bill and now with the consultation on the public sector equality duty is the piecemeal dismantling of our equalities infrastructure. It is utterly disgraceful that the Government have set about it in this way. They have made proposals today on the statutory questionnaire and on third-party harassment. The consultation on those has just closed and there has been no formal response from the Government; we have simply seen proposals brought forward in this legislation. The Secretary of State assured me personally on Second Reading that he had no plans to bring forward such measures, yet here they are today appearing in the Bill so I am very concerned that the Minister's assurances that the equalities context is safe in the Government's hands and that other aspects of legislation will continue to protect it are simply not worth the paper they are written on, given the Government's track record on this matter over the past few months.

I now wish to examine the good relations duty, a really important duty that has been in place since the time of the Commission for Racial Equality and some of the shocking racial discrimination that we saw in earlier decades. That all culminated in the Macpherson report following Stephen Lawrence's murder. That was a time that brought home a real shock to our society about how we had failed to address discrimination and inequality in our country. As I say, we have made progress in the intervening decades in our treatment of, and the opportunities afforded to, some minority groups in our society, but victimisation, discrimination, hate crime and disrespect to minorities continue today.

My hon. Friend the Member for Hayes and Harlington highlighted some of the groups that, even today, experience that discrimination: disabled people; people with mental health difficulties; and Gypsies and Travellers. There is still racism and there is still religious hatred. There are still women who are experiencing and are victims of violence, or who are at risk of it. All those groups continue to suffer from derogatory language, discriminatory behaviour, prejudice and public hostility. It is quite wrong to think that we do not need to continue to protect in legislation a positive duty to promote and improve good relations, particularly to protect the interests of minority and disadvantaged groups.

The situation is not helped when some of this hostility is whipped up by Ministers' own language; it is not helped by language that implies that people on disability benefits are benefit scroungers or that Gypsies and Travellers are all involved in illegal encampments, arriving one Friday night, parking up with their tents and disappearing by Monday. There is too much condemnation based on anecdote, which fuels this culture of hostility. It is really important that we have a strong commission that is able positively and proactively to tackle that and promote good relations between different groups.

Julian Smith: Could the hon. Lady give some tangible examples of how the general duty actually helped the groups of people she has mentioned?

Kate Green: The hon. Gentleman should realise that we are talking about the good relations duty, not the general duty, which is a duty to promote equality and reduce discrimination. However, we have heard some examples this afternoon of how it has been used. It was used, for example, to create the Let's Kick Racism Out of Football campaign, and it has been used recently to underpin what I think all Members would recognise as an important report published by the EHRC last year, "Hidden in plain sight", which addressed the issue of disability hate crime. I am not saying that there is no more work to be done; I am saying that the removal of the good relations duty does not inspire confidence that the commission will have its eye on the ball of doing more work. It is important that we do not lose sight of the progress that we still need to make.

Mr Umunna: My hon. Friend is absolutely right. We need a commission not only to act as an anti-discrimination vehicle that identifies discrimination and deals with it when it happens, but proactively to prevent such things from coming up in the first place. The section 3 duty makes it clear that the organisation has those twin purposes.

Kate Green: My hon. Friend is right. Opposition Members are wary of the commission being reduced to a mere regulator between two parties, rather than seen as an agent of social change. There is a real opportunity for a highly regarded, well-resourced public body, with the right remit, to shape and influence public attitudes. The Government's proposals will put that work and ambition at risk.

Julian Smith: Does the hon. Lady really think that a body can make such changes? Is this not about leadership in all our public sector organisations and private companies? Does she really think that a body, however much resource it has, can achieve those changes?

Kate Green: The hon. Gentleman is right to say that we need leadership in all walks of society—of course we do. We need to see it in our businesses, schools, public services and communities. I am sure he is not saying that there is no need whatever for the state to sign up, positively and proactively, to endorse and create an institutional mechanism and infrastructure to help achieve that. But if that is what he is saying, he is very much at odds with best international practice and the relevant directives of the United Nations and the European Union. As I have said, in a country where there is still gross inequality, it would take a great leap of faith to say that we can afford to dismantle the equalities infrastructure; surely what we should be doing is building it up.

Andrew Gwynne: My hon. Friend is right to say that the great advances that have undoubtedly been made in race equality, disability rights and so on do not mean that there is not unfinished work to be completed. There is an awful lot of progress still to be made and that is a case for a stronger commission, not the rolling back of provisions.

Kate Green: My hon. Friend is right. It is regrettable that we are having a debate about watering down the commission's remit. There is no evidence of public

[Kate Green]

support for that and there is not even much evidence of business support for it. Opposition Members believe that it sends the wrong the signal at a time when we still need to make so much progress.

Stephen Pound: On that point, this Bill is called the Enterprise and Regulatory Reform Bill, and in a spirit of generosity and open-heartedness I have been trying to identify the coalition Government's motivation. I can only assume that they believe that industry is like a group of greyhounds, straining at the slips and longing to burst forward in a great explosion of entrepreneurial activity, that are somehow being held back by these fetters of legislation. If that is the case, I ask my hon. Friend why she believes that the most successful economy in Europe—that in Germany—has no call to abandon the protective mechanisms that make society a better place and that underline the old saying that this country would not be a good place for any of us to live in until it is a good place for all of us to live in?

Kate Green: I cannot begin to say why the Government want to weaken the equalities infrastructure. I cannot work out whether it is because of ideology; whether they genuinely believe that there is a business case for it, although they have not managed to demonstrate that clearly this afternoon; or whether there are pressures on them to be seen to be passing legislation in this field because there is not much else for the House to do. I regret that the fact that the Government have put this particular structure into this position, because that says something very profound about what is valuable and important in our society. I am very disappointed that the Government and this Minister are bringing these provisions forward this afternoon.

Jack Dromey: In the Bill, the Government pray in aid enterprise to deny equality. Does my hon. Friend agree with the automotive and engineering personnel managers whom I met in Birmingham, who said that the work of the commission had been invaluable in getting the best out of their work force and that they wanted to get the best out of the work force of the city? As one of them said, enterprise and equality are not opposites; they are partners.

Kate Green: Absolutely. That is also true in the public sector. In my constituency, a major public sector institution is even now working with the Equality and Human Rights Commission to marry up its human resources practices and its service delivery. That demonstrates exactly the kind of strong institutional body that we want and that we ought to be protecting and promoting today.

My hon. Friend the Member for Hayes and Harlington mentioned the concerns that Opposition Members have about the framework agreement that covers the operation of the commission, its relationship with Government and, crucially, its independence. There are worries that the combination of the changes to the framework agreement and the fact that it will report only every five years, as opposed to every three years, as now, will seriously weaken its independence and the balance between the independent commission and the Government Equalities Office, which I think is still within the Home Office, although I am happy to be corrected by the Minister if it has moved.

Jo Swinson *indicated assent.*

Kate Green: The Minister is indicating that it has moved. We are concerned that the balance of power and influence in determining strategy has shifted from an independent commission to an internal Government body. In the context of the international A-grade status, that is a cause of concern.

Mr Umunna: That is exactly what Neil Crowther, the former director of human rights and director of disability rights at the commission to whom I referred earlier, has said. He stated that as a result of what the Government are doing,

"where now the EHRC is empowered to determine measures of Britain's progress towards equality and human rights and the outcomes towards which it will focus its resources, in future government will do so."

Kate Green: Exactly; I think that all Members will be concerned about that.

Mr John Wadham, who has been much quoted in this debate in support of the Government's position—although that support was not the position that the EHRC took in its first public submission on these matters—has identified the concern over the independence of the commission. He suggested that if the measures proposed by the Government were to come in, he would like to see a compensating measure that would see the commission report to Parliament. Of that compensating measure, today there is no sign.

I will move on to two of the Government new clauses that relate to employment rights. The first relates to third-party harassment, which has been mentioned by my hon. Friends. The Minister said that the relevant provisions in the Equality Act 2010 were not necessary because employees have other forms of redress. However, the fact that there is a specific legislative provision to cover third-party harassment highlights the possibility for employees to have redress. They might be unaware that their employer has such a liability and obligation to them. In smaller and un-unionised workplaces, it is particularly difficult for employees to understand that they may be entitled to redress.

It is also important for employers to recognise the good practice of many exemplary employers in focusing on their responsibility for their staff's welfare. I was struck, as were some of my hon. Friends, by some of the employers who strongly endorsed the provisions of the 2010 Act and said that they were an important tool in protecting and reinforcing the rights of their employees. They were concerned that other employers might not follow the same good practice and they regretted the change.

Luciana Berger: Does my hon. Friend share the concerns echoed by the TUC that the removal of third-party harassment provisions will lead to life getting much harder for thousands of people who work in care homes, as well as health workers and teachers—the three groups specifically highlighted by the TUC?

5.30 pm

Kate Green: One concern is that the workers affected are likely to be low-paid—often women—or people with low levels of qualifications, and they will lose out most by the removal of third-party harassment provisions. The Union of Shop, Distributive and Allied Workers—I draw attention to my membership of that union and its support for my constituency party—is aware of cases in which shop staff have been victims of harassment, sometimes by customers or perhaps outside the store if customers have been asked to leave for disruptive behaviour. Those staff have used third-party harassment provisions to work with employers and ensure that steps are taken to protect shop workers, particularly late at night when few staff may be on site. The Opposition are worried that the provision has worked well to protect more vulnerable workers, and we regret that the Government now seek its removal.

The statutory questionnaire procedure has been in place since the sex discrimination legislation of the 1970s, and Labour Members are at a complete loss to understand the Minister's objections. Far from being costly and burdensome to business, we see the procedure as helpful and something that businesses can use to focus on the essentials of a problem, and make clear to employees—and potentially to their representatives—whether there is a case to answer. As colleagues with trade union backgrounds have pointed out, in many cases, the advice received by the employee following the completion of a statutory questionnaire is that there is no case. Where there is a case, however, or structural discrimination in the workplace, surely we want to offer employees who are the victims the best possible means of uncovering and dealing with it, and maintain the strongest possible regulatory framework to enable information to be elicited, analysed, and used by employees when discrimination has occurred.

The Minister suggested that the statutory questionnaire procedure was burdensome for business. As colleagues have pointed out, however, over a three-year period only 2% of businesses—0.7% a year—completed the questionnaire. To the best of my knowledge, no micro-businesses—none of the smallest businesses for which the Minister may argue that the measure could be more burdensome—have ever completed a statutory questionnaire. If they have, it was not in the written evidence received during the Government consultation. I therefore suggest that the burden on business that the Minister seeks to portray, and the cost to business of around £1 million—as I think we were told—is pretty negligible in the context of other costs borne by businesses for the protection of workers in the workplace.

Julian Smith: The hon. Lady knows full well that the smallest businesses in our country do not really get a look-in at the written evidence sessions. They do not have time to participate, and therefore they are not represented. To pretend otherwise would not be correct.

Kate Green: I accept what the hon. Gentleman says. The problem, however, is that we did not get any evidence from micro-businesses, although perhaps for the best of reasons. I accept it may be difficult for those businesses to find the time and resources to make submissions to formal Government processes, but equally, no evidence has been presented that many micro-businesses have a problem and have used the statutory questionnaire procedure. The legislation comes from speculation rather than information and evidence, and that is much to be regretted.

Andrew Gwynne: I agree with my hon. Friend. Does her case not underline the real point that these regulations—and the legislation—is working, and that the framework in place means that the statutory questionnaire procedure has not been used in the numbers suggested and is not the burden that it is made out to be by the Government?

Kate Green: That is absolutely right. It is also important to recognise that in an employer-employee relationship, there is an imbalance of power, even in many of the smallest businesses. One thing that the statutory questionnaire procedure helps to do is redress that power imbalance—that has been specifically noted in European directives as one of the purposes of such procedures. It is a regret that Ministers have decided that that protection for employees should be removed.

The statutory questionnaire procedure promotes efficiency in the workplace—cases can be abandoned or issues clarified early—but the fact that the judiciary has come out in the Government's consultation largely in favour of it suggests that it also leads to efficiencies in the courtroom and the tribunal, because the issues will have been well analysed and distilled. Given the many pressures being brought to bear on employment tribunals, I would have thought that the Government would want to give serious consideration to the cost-effectiveness of the statutory questionnaire procedure in respect of tribunals.

These highly regrettable measures have been thrown into the legislation at the eleventh hour. It appears that they are more a sop to the prejudices of a small number of business organisations rather than a recognition of any business hostility to legislative provisions that have existed for many years.

Finally, I should mention what is happening to the general landscape of places where people can go for redress and advice. My hon. Friends have mentioned the ending of the commission's grants programme to the voluntary sector; changes to its helpline provision; and the ending of its ability to offer conciliation services in non-employment matters. As the Minister well knows, that is happening against a backdrop of swingeing cuts to legal aid funding and to local authority funding for advice organisations. Those who have suffered discrimination or injustice now have real difficulty even to get to the means of presenting and taking their case. I would understand it if the Minister argued that that is not exactly the EHRC's core function if it were not for the fact that all other provision of such advice and information is being dismantled. It is extremely difficulty for the Minister to argue that there is no need for the EHRC to provide such a service when the same service is being removed from every possible place where people in need might look for it.

The Opposition are distressed and saddened by the proposals in the Government's new clauses and amendments. We are concerned that they speak either to Government Members' intrinsic hostility to the concept of equalities and the landscape to protect them, or to a casual dismantling of provisions that work extremely well. We are concerned that the signal sent to wider

[Kate Green]

society is a negative one—the suggestion is either that equality is a job done, which it plainly is not, or that it is no longer important, even though there is agreement across the House that it is very important.

I hope the Minister takes the opportunity to think again this afternoon about some of the Government's proposals, but I can absolutely assure her that if that does not happen, the subject will be a matter of live debate in the House of Lords. Their lordships take a great interest in equality and social justice and will be very concerned about provisions that appear to weaken the institutional infrastructure to protect and promote equality. I look forward to many more robust arguments. I hope that, in the end, the provisions will be seen as damaging and that they will be withdrawn, so that we will be able to move forward as an exemplar country in our commitment to equality and our determination to make continuing progress.

Jo Swinson: Although this debate has not been as consensual as the previous one on insolvency measures, I recognise none the less that Members have raised genuine concerns, on which I hope to reassure them.

Various Members referred to the Second Reading debate and, in particular, the question that the hon. Member for Stretford and Urmston (Kate Green) posed to my right hon. Friend the Secretary of State, who said that there were no proposals, at that point, to bring forward the measures in the amendments today. Of course, in June, when Second Reading was undertaken, a consultation was under way, so we did not have firm proposals at that point. My right hon. Friend said, though, that there was nothing to stop people proposing amendments, and since then, of course, the consultation has ended. In answer to the hon. Lady's specific question about the consultation, I can say that the Government published their response on 10 October. She is right that the Government Equalities Office has moved, following the reshuffle, and is now housed in the Department for Culture, Media and Sport, where the Minister for Women and Equalities is also Secretary of State.

I can provide a range of clarifications. The shadow Secretary of State asked about the scope of equal pay audits, in particular, and whether they would apply only to private organisations. I can confirm that they will also apply to public sector organisations, so it will be the case for all employers, although we must bear in mind the moratorium on additional burdens on micro-businesses until 2014. It is certainly not our intention, however, to limit its scope to the private sector.

The hon. Member for Vale of Clwyd (Chris Ruane) made a helpful intervention pointing out the unfortunate increase in disability hate crime. It was helpful because it reminded us of the issue. I share his concern, and he should not be under the impression that such concern is limited to the Opposition.

Chris Ruane: I hope that the Minister noticed that I did not say "the Liberal Democrats. I said "the Tories".

Jo Swinson: I thank the hon. Gentleman for that clarification, but given that I speak on behalf of the Government, it is only fair that I point out that many of my Conservative colleagues also share his concerns. Very often, on the issue of people with disabilities who require support, the reporting in some sections of the media leaves a lot to be desired.

Jack Dromey: Were the disability organisations right or wrong in their recent powerful report making a direct link between the tone set by the Government and the rise in hate crime?

Jo Swinson: Every organisation is entitled to put forward its views and concerns. It is important that language is used carefully, as has been pointed out by various Members. Whether they are a member of the Government or not, everyone needs to be careful about the language they use in these discussions. That is not to say, of course, that we should never make any changes to provisions affecting people with disabilities, but that debate should be conducted responsibly.

The hon. Member for Hayes and Harlington (John McDonnell) was rather dismissive of many of the Government's measures on equalities, and said that there was much consensus in these areas. These are measures that the previous Labour Government did not undertake during their 13 years in power, so if there is such consensus, the question needs to be asked, "Why didn't they get on with it?"

John McDonnell: The hon. Lady completely misinterpreted what I said. I was not dismissive at all. I welcomed the measures and said that they were supported across the House. This measure, however, is one of the first steps on equality in nearly a decade that has not been taken consensually.

Jo Swinson: I take the hon. Gentleman's point that there has not been a consensual debate today, although I do not think it would be accurate to say that there is a consensus on, for instance, the Government's measures to tackle discrimination in the trans community or our proposals on equal marriage. I can say that as a constituency MP, and my mailbag, and no doubt those of others, would attest to it. The Government have a positive record, including on measures that the previous Government did not address.

On the reasons for new clause 12, the shadow Secretary of State gave a version of events that differed from mine in referring to the case in 1994. For the record, according to the GEO's lawyers, the reasoning and rationale for bringing forward that provision is as I set out in my opening remarks. It is also worth pointing out that even though the 1994 case to which he referred happened before that provision was in place, those individuals rightly won their case. Ultimately, the important change is the change in definition, which took place as a result of the case, which I mentioned, in 2007.

Mr Umunna: The point is that after the 1994 case was won, the principal point of law that was the subject of the case was called into question several times and the law changed various times—I know that from my own practice—which is why we did what we did in the Equality Act 2010.

5.45 pm

Jo Swinson: The change made in 2007 was made for the specific reason that has been mentioned, and that was what was replicated in 2010, but in any event, I reiterate what I said earlier about the fact that significant protections remain. This is not to say that by removing the three strikes test there is no remaining protection for people, so that employers do not have to have regard to ensuring that their employees are not harassed at work; rather, employers retain a common-law duty of care to their employees, and they will still need to ensure that they do not fall foul of the Protection from Harassment Act 1997.

Let me turn to the Equality and Human Rights Commission. I am glad that we are not assuming, on both sides of the House, that the position was perfect under the last Government, and I welcome the comments that various Opposition Members have made to that effect. It is worth bearing in mind that we had significant concerns, as did many of the stakeholder organisations, about the EHRC's ability to fulfil its core duties. On human rights, for instance, Liberty said:

"We have…watched the turbulent"

history

"of the EHRC with some disappointment…The EHRC has a vital statutory duty"

to defend human rights, and

"notwithstanding considerable staffing and other resources, this is a duty which it is yet to fulfil."

The Equality and Diversity Forum expressed concern that the human rights inquiry was

"the only visible work EHRC has done that is explicitly concerned with fulfilling its duty to promote respect for human rights."

The Public and Commercial Services Union listed human rights debates from which it said the commission was absent due to a

"failure to communicate its role effectively".

In addition, concerns were expressed by the Joint Committee on Human Rights, so there was indeed a problem with the basic statutory duties that are the core functions of the EHRC not being properly undertaken previously. That is why our amendments seek to focus the duty and make it crystal clear that that is the priority.

Kate Green: The hon. Lady has mentioned a number of organisations and their concerns about how the commission was fulfilling or failing to fulfil some of its core responsibilities, but does she not accept that not one of the organisations she has named—neither Liberty, the Equality and Diversity Forum nor the PCS—has called for a reduction in the commission's remit? What they have called for is improvements in governance and management, some of which, I accept, we are now seeing.

Jo Swinson: It is certainly the case that there is wide agreement that improved governance and management are necessary. Much of that has been happening, which is definitely to be welcomed. However, this comes back to whether we should have a legal duty—something that is tightly drawn and focused—or something that is more akin to a mission statement or vision statement. The purpose of a legal duty is about something being manageable and achievable, and although the duty that the shadow Secretary of State read out described what we would all want to achieve, it would be ambitious for a Government, with all the resources available to them, to say that they would achieve them, let alone for a solitary organisation to try to achieve such a wide range of ends, albeit good ones.

Mr Umunna: I am grateful to the Minister for giving way to me again. We are not the only ones who have raised concerns about what she is doing to the commission in this Bill; they include members of her party, as I have said. Councillor Lester Holloway, the head of the BAME Councillors Association, has said:

"A combination of biting budget cuts and the stripping away of many of its powers threatens to turn the commission into little more than a glorified equalities thinktank."

The head of the Ethnic Minority Liberal Democrats has said:

"I have heard the argument that if it wasn't for the Lib Dems the Conservatives might have abolished the EHRC altogether by now. However that argument is unlikely to cut much ice"—

Madam Deputy Speaker (Dawn Primarolo): Order.

Mr Umunna—"with the public."

Madam Deputy Speaker: Order. Mr Umunna, when I say, "Order", you sit down. I also need to remind you that interventions are supposed to be brief. I appreciate that you were using a quotation, but using several quotations is not in order.

Jo Swinson: I meet and speak to those Liberal Democrat colleagues regularly, and I spoke to Lester Holloway last week about these issues. Some of the points that have been made have been based on inaccurate information, such as that about black and minority ethnic staff in the commission. The commission has corrected a lot of inaccurate information and misunderstanding about the impact that the restructuring plans will have on its staff. Of course, diversity is taken very seriously in all public sector organisations, but in the EHRC perhaps more than most there is acute awareness of how vital it is.

The duties that will remain in sections 8 and 9 of the Equality Act 2006 are the core functions of the EHRC. Several Members referred to the "Let's Kick Racism Out of Football" campaign, which was an excellent initiative but contained nothing at all that could not be done under section 8. It is a false argument to take something excellent that the EHRC has done in the past and say that such an initiative could not be taken in future because of the changes that we are making to section 3. It absolutely could be taken under section 8.

Several Members asked whether the changes to the EHRC were about growth. I am not going to pretend that making its remit more structured is specifically a growth measure, but that does not mean that it is not a helpful thing to do. I have outlined the impact that the provisions coming out of the red tape challenge will have on business. Business will welcome that, coupled with all the other measures that we are taking in the red tape challenge to bear down on unnecessary regulation.

Several comments have been bandied around that many Government Members wish to see the back of the EHRC and that the change is abolition by stealth. I hope that I can reassure hon. Members that that is not

[Jo Swinson]

the case. We certainly have not heard any suggestions to that effect from Government Members. Perhaps if that was what they believed, they would have come to the House to say so today. *[Interruption.]* I am sure that if any of them had wished to say that, they would have done. Even if that were the case, it is not the coalition Government's position. We recognise that the EHRC is an important institution and that equalities law is vital. It is vital to our economic recovery, because we need to ensure that we use the talents of all the people in our work force and potential work force. That is why we are ensuring that it is focused on what is most important. We want to focus the EHRC on its core functions and, as I have mentioned, strengthen its governance and accountability, in which we have already had some degree of success.

A few Members mentioned the consultation and suggested that there was not necessarily unanimous support for the Government's measures. However, if we examine the responses that were received from individuals—for clarification, they were not Members of Parliament—we see that more than half advocated the abolition of the EHRC. Opposition Members should be slightly careful what they wish for if they urge Governments always to follow consultation results exactly. We obviously have to take views into account, but we must also ensure that important provisions and protections are not undermined. Even if there were to be a groundswell of support for doing such a thing, the Government would recognise the important protections that the EHRC ensures are in place.

The hon. Member for Hayes and Harlington (John McDonnell) asked questions about the equality advisory and support service helpline, which opened on 1 October. It has some advantage compared with the previous commission helpline. It is open for longer—from 9 am to 8 pm Monday to Friday and from 10 am to 2 pm on Saturday—and is therefore more convenient. It handles conversations that people might not want to have while they are at work, so having longer opening hours is helpful and makes the service more accessible. It is free to phone from landlines, and it will soon be free from most mobiles too.

The inaccurate suggestion was made that the helpline can be used only when there are referrals from other organisations. That is not the case. It is there to help people with discrimination problems, and there is nothing to prevent a member of the public from approaching the EASS directly, although we accept that most people probably will access it via a referral.

John McDonnell: Can the hon. Lady explain where it is advertised?

Jo Swinson: It started on 1 October and there are not massive advertising budgets at the moment, but—*[Interruption.]* The hon. Gentleman clearly wants some huge advertising campaign, but we do not have massive budgets available at the moment. It is important that the advice is out there, that referrals are there and that the information is available when people wish to access the service.

The hon. Gentleman also said that he was concerned about the zero-based budget exercise that was being conducted on the EHRC. However, I understand that that is now Labour party policy. At its recent conference, the shadow Chancellor said that

"the public I think would expect this, to have a proper zero-based spending review where we say we have to justify every penny and make sure we are spending in the right way."

Perhaps the hon. Member for Hayes and Harlington does not agree with the concept of a zero-based budget review, but his shadow Chancellor certainly does.

John McDonnell: There is a difference between conducting a zero-based budget exercise when seeking to ensure the effective operation of an organisation and having one when 62% cuts have just been made and the Government are threatening to close it.

Jo Swinson: I can say from the Dispatch Box that there is no such threat to close the organisation. The EHRC is an important part of our equalities infrastructure and the Government are committed to ensuring that it is maintained—

Mr Umunna: Will the Minister give way?

Jo Swinson: The shadow Secretary of State might wish to let me respond to the point raised by the hon. Member for Hayes and Harlington; then I will see whether I have an opportunity to hear from him.

The hon. Member for Hayes and Harlington mentioned the percentage of cuts and bandied about a figure of 62%. It is important to bear in mind that removing functions such as the conciliation service, which are now being provided elsewhere, will clearly result in a reduction in the number of individuals required. That service is no longer being provided by the EHRC. When we take into account the functions that have been transferred, the cuts that the EHRC is dealing with are broadly in line with other public sector cuts. Yes, it would be lovely to be in a situation in which we did not have to make any cuts but, unfortunately, the nature of the economic circumstances that we were left with in 2010 means that that is not possible.

Mr Umunna: I think it is fair to say that we remain deeply concerned about this matter. Will the Minister give us a guarantee now that, for the remainder of this Parliament, there will be no move to make any further changes to the statutory remit or footing of the Equality and Human Rights Commission?

Jo Swinson: The shadow Secretary of State does not surprise me greatly when he says that he is not convinced by our arguments today. This was never going to be the most consensual of debates. He is now asking me to look into a crystal ball, but I am clearly not going to make any predictions for the future. I will, however, say that the EHRC is a vital body that is hugely important to our equalities protection. We are conducting a zero-based review to ensure that it can undertake its functions in a more focused way, and that is what we will continue to do.

The hon. Member for Stretford and Urmston mentioned the potential risk to the A-rated status of the EHRC as a human rights body. We are in discussions with the international co-ordinating committee on this, and we want to address any concerns that it might have. We are determined to ensure that we have an A-rated and highly respected human rights body. The hon. Lady also asked about the framework document and suggested that it could undermine the independence of the institution. In fact, it has been agreed on between the commission and the Government, and it sets out specifically that the commission must be

"free to exercise its statutory functions free from ministerial interference or undue influence."

Kate Green: I am grateful to the Minister, and I note that assurance, but does not the framework document imply that the function of the EHRC is to deliver the Government's equality strategy? That does not exactly speak to its independence.

Jo Swinson: As I have said, the framework document is absolutely independent. The commission should be

"under as few constraints as reasonably possible in determining its activities, timetables and priorities",

and it should not be regarded as the servant or agent of the Crown, or enjoy any status, immunity and privilege of the Crown. Those words are very clear.

I agree with the hon. Lady that there is much more to do on equality. This is in no way "job done". She outlined the scandal of the remaining pay gap, which we are committed to addressing. I would point out, however, that we were left with a 20% pay gap in 2010 after 13 years of a Labour Government. So before the Opposition get too holier than thou, they should show a little humility. It was not "job done" after they had been in government. We need to work together to ensure that equalities are driven forward, and that these situations are improved. In addition, on the issues the hon. Lady raised around racial inequality, social mobility and the sort of action we are taking through the pupil premium will certainly help. I welcome her support for equal marriage, and I would note again that the previous Labour Government did not do anything about it for 13 years.

We are deliberately making sure that the EHRC is improved in respect of its management. We have made significant progress at the EHRC: we have a permanent chief executive appointed, and as I said, the pre-appointment scrutiny hearing took place this morning for the preferred candidate for its chair. Ministers will, of course, properly consider the report before formally deciding whether to appoint Baroness O'Neill. We have had two clean sets of accounts laid before Parliament—

6 pm

Debate interrupted (Programme Order, this day).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

The House proceeded to a Division.

Mr Speaker: I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 314, Noes 239.

Division No. 73] **[6 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Sir Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Sir Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, rh Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, rh Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, rh Michael
Farron, Tim
Field, Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Gale, Sir Roger
Garnier, Sir Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Sir Nick
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John

Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Sir Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lamb, Norman
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Dr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Sir James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Sir Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stunell, rh Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George

Tellers for the Ayes:
Mark Lancaster and Anne Milton

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Chapman, Jenny
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia

Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Dame Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Nic Dakin and Yvonne Fovargue

Question accordingly agreed to.

New clause 12 read a Second time, and added to the Bill.

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

New Clause 13

EQUALITY ACT 2010: OBTAINING INFORMATION FOR PROCEEDINGS

'(1) In the Equality Act 2010, omit section 138 (obtaining information, etc).

(2) That does not affect section 138 for the purposes of proceedings that relate to a contravention occurring before this section comes into force.'.—*(Jo Swinson.)*

Brought up, and added to the Bill.

New Clause 17

POWER TO PROVIDE FOR EQUAL PAY AUDITS

'(1) The Equality Act 2010 is amended as follows.

(2) After section 139 insert—

"139A Equal pay audits

(1) Regulations may make provision requiring an employment tribunal to order the respondent to carry out an equal pay audit in any case where the tribunal finds that there has been an equal pay breach.

(2) An equal pay breach is—

(a) a breach of an equality clause, or

(b) a contravention in relation to pay of section 39(2), 49(6) or 50(6), so far as relating to sex discrimination.

(3) An equal pay audit is an audit designed to identify action to be taken to avoid equal pay breaches occurring or continuing.

(4) The regulations may make further provision about equal pay audits, including provision about—

(a) the content of an audit;

(b) the powers and duties of a tribunal for deciding whether its order has been complied with;

(c) any circumstances in which an audit may be required to be published or may be disclosed to any person.

(5) The regulations must provide for an equal pay audit not to be ordered where the tribunal considers that—

(a) an audit completed by the respondent in the previous 3 years meets requirements prescribed for this purpose,

(b) it is clear without an audit whether any action is required to avoid equal pay breaches occurring or continuing,

(c) the breach the tribunal has found gives no reason to think that there may be other breaches, or

(d) the disadvantages of an equal pay audit would outweigh its benefits.

(6) The regulations may make provision for a failure to comply with an order to be enforced, otherwise than as an offence, by such means as are prescribed.

(7) The first regulations under this section must provide for the requirement to impose an order for an equal pay audit not to apply in relation to a respondent whose business is defined in the regulations as a start-up or micro-business unless further provision is made under this section."

(3) In section 207(6) (exercise of power to make subordinate legislation: power to amend enactments) after "37," and after "in the case of section" insert "139A,".

(4) In section 208(5) (subordinate legislation by Ministers of the Crown etc: affirmative procedure) after paragraph (e) insert—

"(ea) regulations under section 139A (equal pay audits);".'.—*(Jo Swinson.)*

Brought up, and added to the Bill.

New Clause 15

ESTATE AGENCY WORK

'In section 1 of the Estate Agents Act 1979 (estate agency work), for subsection (4) substitute—

"(4) This Act does not apply to the following things when done by a person who does no other things which fall within subsection (1) above—

(a) publishing advertisements or disseminating information;

(b) providing a means by which—

(i) a person who wishes to acquire or dispose of an interest in land can, in response to such an advertisement or dissemination of information, make direct contact with a person who wishes to dispose of or, as the case may be, acquire an interest in land;

(ii) the persons mentioned in sub-paragraph (i) can continue to communicate directly with each other."'.—*(Jo Swinson.)*

Brought up, and read the First time.

Jo Swinson: I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss Government amendment 33.

Jo Swinson: New clause 15 amends the definition of "estate agency work", which determines the application of the Estate Agents Act 1979. This fulfils our commitment to introduce a measure on this issue following our recent targeted consultation, which was developed as part of the disruptive business models/challenger businesses theme of the red tape challenge.

New clause 15 extends a current exemption to that definition of estate agency work. Intermediaries, such as internet portals for private sales, will be out of the scope of the Estate Agents Act if they merely enable private sellers to advertise their properties and provide a means for sellers and buyers to contact and communicate with one another. Such intermediary businesses will therefore not be obliged to comply with requirements that are relevant to full service estate agency businesses, such as the disclosure of any self-interest in a property transaction and membership of a redress scheme for residential estate agents. These private sales businesses are not actively involved in property transactions, but offer a lower-cost alternative of enabling individuals to market their own property and buy and sell privately.

Those intermediary businesses will be able to provide a means for the seller and prospective buyer to contact one another, for example online; to provide a branded for sale board to the seller to assist this process; and to pass on to a prospective buyer solely the information provided by the seller in their advertisement, by whatever channel of communication. If, however, the intermediary offers any personal advice to a seller or a buyer, or other ancillary services, such as preparing property particulars or photographs or an energy performance certificate, the intermediary will be in the scope of the Estate Agents Act and bound by its obligations. The Estate Agents Act will therefore continue to apply to businesses that are involved in or have scope to influence property transactions.

The Government have found uncertainty and a range of views among stakeholders as to the application of the Estate Agents Act to intermediary businesses, particularly online. This is unhelpful to consumers who might wish to use an intermediary, and unhelpful to businesses, whether intermediaries or more traditional estate agents, or those interested in entering the market. Stakeholders are also concerned that consumers should be protected where they rely on a service provider in relation to a transaction as valuable and important as a house sale or purchase. Clearly, for most people it is the highest value and most important purchase they will make. The Estate Agents Act will continue to apply to businesses providing personal advice about a potential sale or other ancillary services.

For those reasons, this is a limited deregulation. It addresses the perceived uncertainty as to the scope of the Estate Agents Act and it brings benefits to consumers and to the industry, but, crucially, it does not unduly reduce consumer protection in relation to services that involve the service provider in the property transaction.

Mr Iain Wright: I thank the Minister for her helpful comments and I have also read her written ministerial statement to the House on this matter from 13 September. As she rightly says, Government new clause 15 updates and extends an exemption to the definition of estate agency work, as set out in the Estate Agents Act 1979. The legislation pre-dated the rise of the internet, and as the Minister rightly said, the world of buying and selling a house has been revolutionised by the internet. Buyers and sellers are now more likely to looking at the likes of Rightmove, Zoopla or PrimeLocation online than to be using a traditional high street estate agent, at least in the early stages of the process.

From the Minister's comments I understand that some private sales internet portals may be exempt from the Estate Agents Act while others may be within its scope, depending on whether they provide advertising space or allow prospective buyers and sellers to match up via an online messaging board.

The Minister mentioned the Government's report "Removing Red Tape for Challenger Businesses". I was struck by a particular comment that is relevant to this part of the Bill. It states:

"Stripped-down business models, offering competitive prices to home buyers and sellers in exchange for limited, online services are caught by current legislation which applies a broad definition to 'estate agency work'. Once legally categorised in this way, these innovative businesses are tied to regulation which can be disproportionate to the range of serves they offer, and which may be inhibiting the growth of this alternative method of house buying and selling."

The Opposition do not necessarily disagree with the Government's approach to this, and we would certainly welcome innovation and improved competition to support, first and foremost, the consumer in what is, as the Minister rightly said, probably the biggest and most

significant purchase or sale in his or her life, but we do have a number of questions that I hope the Minister will be able to address.

Discussions about amending the Estate Agents Act 1979 go as far back as February 2010, when the Office of Fair Trading reported on its study into home buying and selling. I fully appreciate that the study strongly stated that innovation could have an impact on the cost of buying and selling a home and that the current legislation might be hindering the emergence of new business models, but it also stated that overall satisfaction with estate agents had improved in recent years and that, where there were problems in the process, consumers on the whole did not tend to think that the estate agent was at fault. The OFT found the existing legislation to be both comprehensive and wide-ranging and that further regulation was unnecessary.

I appreciate—I say this before the Minister intervenes—that the amendment is deregulatory in nature, but the OFT report concluded that the focus should be on improving the enforcement of current rules to guard against serious breaches. That being the case, and notwithstanding my earlier, hopefully supportive, comments welcoming the introduction of a greater degree of innovation in the industry, will she go back to first principles and outline the specific benefits that the new clause will produce? What forecast has she made regarding how and in what numbers she anticipates new entrants will come into the market? What estimates has she made regarding cost savings to consumers? Has she been able to quantify the savings to business that such a deregulatory approach would produce?

For a Bill that purports to be all about enterprise, the theme of our deliberations during its passage through the House has been a spectacular lack of evidence to support its provisions, so it would be useful if she could provide some quantifiable and empirical evidence. What consideration has the Minister given to consumer protection in the light of the new clause? Is there a risk that people will not have access to the suitable, robust and—one would hope—impartial advice that could be provided by an estate agent? Has she thought about the potential risks to vulnerable people, particularly the elderly, some of whom might be susceptible to scare tactics and unscrupulous behaviour? What is in place to ensure that those people do not see a reduction in their consumer protection as a result of the new clause?

The Minister might also be aware of concerns raised by the National Association of Estate Agents about a potential breach of the UK's anti-money laundering regulations as a result of the new clause. Estate agents are covered under the third money laundering directive, which I understand has been implemented in the UK through the Money Laundering Regulations 2007. The Minister referred to those regulations in her written ministerial statement last month, stating that the Terrorism Act 2000 and the Proceeds of Crime Act 2002 incorporate the definition from the Estate Agents Act 1979 in applying particular standards to regulated sectors, which include estate agents. Can she therefore confirm that the new clause will deal with the risk of money laundering? Can she—for my purposes, rather than anybody else's—clarify that those estate agents who will be taken out of the scope of the 1979 Act because they provide a slimmed down business model will still be seen as a regulated sector for the purposes of money laundering regulations? I hope that she can answer these questions comprehensively, but the Opposition can certainly support one of the things she proposes with regard to injecting a greater degree of innovation into the market and embracing new business models. I look forward to hearing what she has to say.

Jo Swinson: I welcome the hon. Gentleman's general support for the new clause. He is right to point out that the world has changed since the current legislation on estate agents came into force and that the internet has been absolutely revolutionary in that regard. He mentioned a number of popular and well-known property websites. I just caution him not to conclude that those household names would necessarily be caught by this limited deregulation. That is not the intention of the new clause at all. To put it into perspective, there are currently about 14,000 traditional estate agent offices in the UK—virtually all of them also have an internet presence—but there are fewer than 30 private sales portals in the UK, all of which are small and medium-sized enterprises, so that is quite an undeveloped part of our market. As for how many property sales go through estate agents, in 2000 the figure was 87%, with only 11% sold privately. That compares with other markets where it is rather less than that; for example, in the United States about 20% of sales are undertaken privately.

6.30 pm

The hon. Gentleman raised important issues about vulnerable consumers. I assure him that we do not intend to water down protection. We do not expect that this limited deregulation will necessarily be earth-shattering. It will be helpful to a very small number of businesses and potential new entrants, but it is expected that the majority of property sales would still go through the traditional estate agency route for many of the reasons that he outlined to do with the type of service that people wish to have. Equally, where buyers and sellers want to communicate directly, that can be facilitated. Under the old technology, somebody might place an advert for a property in a section of a newspaper with a telephone number. Under the current regulations, that would not be caught as equivalent to being an estate agent, but doing the same thing online can be caught by the rather more cumbersome provisions of the Estate Agents Act. An online advert with a button that says "Contact seller" falls within the realms of the Act because the site is enabling that communication to take place.

The industry has been reassured that this is not about a wider watering down as regards internet sites that are providing an estate agent service online. The hon. Gentleman said that estate agents will be taken out of this protection, but that is not so. This is primarily about internet websites and companies that provide a service and methods of contact. If they go beyond that into other professional services by providing advice, managing the sale process, going out and taking their own photographs or helping with marketing, they will remain within the scope of the Act.

This strikes the right balance between making it easier for buyers and sellers to contact each other and making sure that there is protection for consumers. The hon. Gentleman said that the existing rules need to be enforced, and we wholeheartedly agree. In the context

of the Government's wider remit in making sure that consumers are helped to get a good deal and are empowered, we look forward to bringing in such proposals later in this Parliament.

While this is not necessarily an earth-shattering deregulation that will suddenly make huge changes, it will certainly be helpful for the companies involved and for consumers who would like to undertake the sale or purchase of a property through the private method using the internet.

Mr Iain Wright: The Minister will recall that I mentioned concerns about money laundering. Will she say a few words about that?

Jo Swinson: The companies covered by this deregulation would not be involved in the transaction of money, because if they were they would remain caught by the Estate Agents Act. We therefore do not need to worry about this in relation to making it easier to undertake money laundering. Of course the Government maintain their provisions to try to make sure that they enforce the existing rules against money laundering in an appropriate fashion.

I hope that in the absence of any other questions from Members we will be able to proceed with a fair degree of consensus on this useful, though limited, deregulatory measure.

Question put and agreed to.

New clause 15 accordingly read a Second time, and added to the Bill.

New Clause 9

LISTED BUILDINGS IN ENGLAND: AGREEMENTS AND ORDERS GRANTING LISTED BUILDING CONSENT

'(1) The Planning (Listed Buildings and Conservation Areas) Act 1990 is amended as follows.

(2) In Chapter 2 of Part 1, after section 26 insert—

"Buildings in England: heritage partnership agreements

26A Heritage partnership agreements

'(1) A relevant local planning authority may make an agreement under this section (a "heritage partnership agreement") with any owner of a listed building, or a part of such a building, situated in England.

(2) Any of the following may also be a party to a heritage partnership agreement in addition to an owner and the relevant local planning authority—

(a) any other relevant local planning authority;

(b) the Secretary of State;

(c) the Commission;

(d) any person who has an interest in the listed building;

(e) any occupier of the listed building;

(f) any person involved in the management of the listed building;

(g) any other person who appears to the relevant local planning authority appropriate as having special knowledge of, or interest in, the listed building, or in buildings of architectural or historic interest more generally.

(3) A heritage partnership agreement may contain provision—

(a) granting listed building consent under section 8(1) in respect of specified works for the alteration or extension of the listed building to which the agreement relates, and

(b) specifying any conditions to which the consent is subject.

(4) The conditions to which listed building consent may be subject under subsection (3)(b) in respect of specified works are those that could be attached to listed building consent in respect of the works if consent were to be granted under section 16.

(5) If a heritage partnership agreement contains provision under subsection (3), nothing in sections 10 to 26 and 28 applies in relation to listed building consent for the specified works, subject to any regulations under section 26B(2)(f).

(6) A heritage partnership agreement may also—

(a) specify or describe works that would or would not, in the view of the parties to the agreement, affect the character of the listed building as a building of special architectural or historic interest;

(b) make provision about the maintenance and preservation of the listed building;

(c) make provision about the carrying out of specified work, or the doing of any specified thing, in relation to the listed building;

(d) provide for public access to the listed building and the provision to the public of associated facilities, information or services;

(e) restrict access to, or use of, the listed building;

(f) prohibit the doing of any specified thing in relation to the listed building;

(g) provide for a relevant public authority to make payments of specified amounts and on specified terms—

(i) for, or towards, the costs of any works provided for under the agreement; or

(ii) in consideration of any restriction, prohibition or obligation accepted by any other party to the agreement.

(7) For the purposes of subsection (6)(g), each of the following, if a party to the agreement, is a relevant public authority—

(a) the Secretary of State;

(b) the Commission;

(c) a relevant local planning authority.

(8) In this section "specified" means specified or described in the heritage partnership agreement.

(9) In this section and section 26B—

"owner", in relation to a listed building or a part of such a building, means a person who is for the time being —

(a) the estate owner in respect of the fee simple in the building or part; or

(b) entitled to a tenancy of the building or part granted or extended for a term of years certain of which not less than seven years remain unexpired;

"relevant local planning authority", in relation to a listed building, means a local planning authority in whose area the building or any part of the building is situated.

26B Heritage partnership agreements: supplemental

'(1) A heritage partnership agreement—

(a) must be in writing;

(b) must make provision for the parties to review its terms at intervals specified in the agreement;

(c) must make provision for its termination and variation;

(d) may relate to more than one listed building or part, provided that in each case a relevant local planning authority and an owner are parties to the agreement; and

(e) may contain incidental and consequential provisions.

(2) The Secretary of State may by regulations make provision—

(a) about any consultation that must take place before heritage partnership agreements are made or varied;

(b) about the publicity that must be given to heritage partnership agreements before or after they are made or varied;

(c) specifying terms that must be included in heritage partnership agreements;

(d) enabling the Secretary of State or any other person specified in the regulations to terminate by order a heritage partnership agreement or any provision of such an agreement;

(e) about the provision that may be included in an order made under regulations under paragraph (d), including provision enabling such orders to contain supplementary, incidental, transitory, transitional or saving provision;

(f) applying or reproducing, with or without modifications, any provision of sections 10 to 26 and 28 for the purposes of heritage partnership agreements;

(g) modifying any other provision of this Act as it applies in relation to heritage partnership agreements.

(3) Regulations made under subsection (2)(a) may, in particular, include provision as to—

(a) the circumstances in which consultation must take place;

(b) the types of listed building in respect of which consultation must take place;

(c) who must carry out the consultation;

(d) who must be consulted (including provision enabling the Commission to direct who is to be consulted in particular cases); and

(e) how the consultation must be carried out.

(4) Listed building consent granted by a heritage partnership agreement (except so far as the agreement or regulations under subsection (2) otherwise provide) enures for the benefit of the building and of all persons for the time being interested in it.

(5) Subject to subsection (4), a heritage partnership agreement cannot impose any obligation or liability, or confer any right, on a person who is not party to the agreement.

(6) Section 84 of the Law of Property Act 1925 (power to discharge or modify restrictive covenant) does not apply to a heritage partnership agreement."

(3) After section 26B insert—

"Buildings in England: orders granting listed building consent

26C Listed building consent orders

'(1) The Secretary of State may by order (a "listed building consent order") grant listed building consent under section 8(1) in respect of works of any description for the alteration or extension of listed buildings of any description in England.

(2) The consent may be granted subject to conditions specified in the order.

(3) Without prejudice to the generality of subsection (2), the conditions that may be specified include any conditions subject to which listed building consent may be granted under section 16.

(4) A listed building consent order may (without prejudice to section 17(2)) give the local planning authority power to require details of works to be approved by them, and may grant consent subject to conditions with respect to—

(a) the making of an application to the authority for a determination as to whether such approval is required, and

(b) the outcome of such an application or the way it is dealt with.

(5) A listed building consent order may enable the Secretary of State or the local planning authority to direct that consent granted by the order does not apply—

(a) to a listed building specified in the direction;

(b) to listed buildings of a description specified in the direction;

(c) to listed buildings in an area specified in the direction.

(6) An order may in particular make provision about the making, coming into force, variation and revocation of such a direction, including provision conferring powers on the Secretary of State in relation to directions by a local planning authority.

(7) Nothing in sections 10 to 26 applies in relation to listed building consent granted by a listed building consent order; but that does not affect the application of sections 20, 21 and 22 in relation to an application for approval required by a condition to which consent is subject.

26D Local listed building consent orders

'(1) A local planning authority for any area in England may by order (a "local listed building consent order") grant listed building consent under section 8(1) in respect of works of any description for the alteration or extension of listed buildings.

(2) Regulations under this Act may provide that subsection (1) does not apply to listed buildings of any description or in any area.

(3) The consent granted by a local listed building consent order may relate—

(a) to all listed buildings in the area of the authority or any part of that area;

(b) to listed buildings of any description in that area or any part of that area.

(4) The consent may be granted subject to conditions specified in the order.

(5) Without prejudice to the generality of subsection (4), the conditions that may be specified include any subject to which listed building consent may be granted under section 16.

(6) A local listed building consent order may enable the local planning authority to direct that the consent granted by the order in respect of works of any description does not apply—

(a) to a listed building specified in the direction;

(b) to listed buildings of a description specified in the direction;

(c) to listed buildings in an area specified in the direction.

(7) An order may in particular make provision about the making, coming into force, variation and revocation of such a direction, including provision conferring powers on the Secretary of State.

(8) Nothing in sections 10 to 26 applies in relation to listed building consent granted by a local listed building consent order; but that does not affect the application of sections 20, 21 and 22 in relation to an application for approval required by a condition to which consent is subject.

(9) Schedule 2A makes provision in connection with local listed building consent orders.

26E Powers of Secretary of State in relation to local orders

'(1) At any time before a local listed building consent order is adopted by a local planning authority the Secretary of State may direct that the order (or any part of it) is not to be adopted without the Secretary of State's approval.

(2) If the Secretary of State gives a direction under subsection (1)—

(a) the authority must not take any step in connection with the adoption of the order until they have submitted the order or the part to the Secretary of State and the Secretary of State has decided whether to approve it;

(b) the order has no effect unless it (or the part) has been approved by the Secretary of State.

(3) In considering an order or part submitted under subsection (2)(a) the Secretary of State may take account of any matter the Secretary of State thinks relevant.

(4) It is immaterial whether any such matter was taken account of by the local planning authority.

(5) The Secretary of State—

(a) may approve or reject an order or part of an order submitted under subsection (2)(a);

(b) must give reasons for that decision.

(6) The Secretary of State—

(a) may at any time before a local listed building consent order is adopted by the local planning authority, direct them to modify it in accordance with the direction;

(b) must give reasons for any such direction.

(7) The local planning authority—

(a) must comply with a direction under subsection (6);

(b) must not adopt the order unless the Secretary of State gives notice of being satisfied that they have complied with the direction.

(8) The Secretary of State—

(a) may at any time by order revoke a local listed building consent order if of the opinion that it is expedient to do so;

(b) must give reasons for doing so.

(9) The Secretary of State—

(a) must not make an order under subsection (8) without consulting the local planning authority;

(b) if proposing to make such an order, must serve notice on the local planning authority.

(10) A notice under subsection (9)(b) must specify the period (which must not be less than 28 days from the date of its service) within which the authority may require an opportunity of appearing before and being heard by a person appointed by the Secretary of State for the purpose.

(11) The Secretary of State must give the authority such an opportunity if they require it within the period specified in the notice.

26F Considerations in making orders

'(1) In considering whether to make a listed building consent order or local listed building consent order the Secretary of State or local planning authority must have special regard to the desirability of preserving—

(a) listed buildings of a description to which the order applies,

(b) their setting, or

(c) any features of special architectural or historic interest which they possess.

(2) Before making a listed building consent order the Secretary of State must consult the Commission.

26G Effect of revision or revocation of order on incomplete works

'(1) A listed building consent order or local listed building consent order may include provision permitting the completion of works if—

(a) listed building consent is granted by the order in respect of the works, and

(b) the listed building consent is withdrawn after the works are started but before they are completed.

(2) Listed building consent granted by an order is withdrawn—

(a) if the order is revoked;

(b) if the order is varied or (in the case of a local listed building consent order) revised so that it ceases to grant listed building consent in respect of the works or materially changes any condition or limitation to which the grant of listed building consent is subject;

(c) if a direction applying to the listed building is issued under powers conferred under section 26C(5) or 26D(6)."

(4) After section 28 insert—

"28A Compensation where consent formerly granted by order is granted conditionally or refused

(1) Section 28 also has effect (subject to subsections (2) and (3)) where—

(a) listed building consent granted by a listed building consent order or a local listed building consent order is withdrawn (whether by the revocation or amendment of the order or by the issue of a direction), and

(b) on an application for listed building consent made within the prescribed period after the withdrawal, consent for works formerly authorised by the order is refused or is granted subject to conditions other than those imposed by the order.

(2) Section 28 does not have effect by virtue of subsection (1) if—

(a) the works authorised by the order were started before the withdrawal, and

(b) the order included provision in pursuance of section 26G permitting the works to be completed after the withdrawal.

(3) Section 28 does not have effect by virtue of subsection (1) if—

(a) notice of the withdrawal was published in the prescribed manner and within the prescribed period before the withdrawal, and

(b) the works authorised by the order were not started before the notice was published.

(4) Where section 28 has effect by virtue of subsection (1), references in section 28(2) and (3) to the revocation or modification of listed building consent are references to the withdrawal of the listed building consent by revocation or amendment of the order or by issue of the direction."

(5) Schedule [Local listed building consent orders: procedure] (which inserts Schedule 2A to the Planning (Listed Buildings and Conservation Areas) Act 1990) has effect.'.—*(Matthew Hancock.)*

Brought up, and read the First time.

Matthew Hancock: I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 10—*Listed buildings in England: certificates of lawfulness.*

Government new schedule 1—*'Local listed Building consent orders: procedure.*

Government amendments 38 to 40, 42, 43, and 48 to 50.

Matthew Hancock: I shall speak to new clause 9 and new schedule 1 in the first instance. Those provisions are intended to improve the effectiveness of the listed building consent regime and they follow the Penfold review of non-planning consents. They introduce a new system of national and local class consents, and received broad support during consultation. The new system is designed to reduce the number of listed building consent applications for works that have neither a harmful nor significant impact on a building's special interest. It will be possible to grant consent automatically for certain categories of work or buildings—where the extent of the special interest is well understood—without the need to make an additional application. Thus, the new provisions will protect listed buildings. I, like many others in this House, have a special adoration for the heritage of our listed buildings in this country, not least the one in which we are standing. Our approach will also improve the operation of the regime. *[Interruption.]* I suppose that I should declare an interest, although it is not the one that the hon. Member for Hartlepool (Mr Wright) thinks; I work in a wonderful listed building and I want to ensure that it is protected.

The changes will also reduce burdens on applicants and free up local planning authority resources to focus on the listed building consent applications that really matter. The Secretary of State will be required to consult English Heritage before making a national order and will be able to apply conditions to consent granted by an order, as with listed building consent at the moment. Both the Secretary of State and any local planning authority will be able to direct that an order does not apply to a specified building, or to buildings of a specified type or in a specified area. The Secretary of State will have the power, at any time, to revoke a listed building consent order, having first served notice on the local planning authority and given it an opportunity to make representations.

The Secretary of State or the local planning authority must have special regard to the desirability of preserving the listed buildings to which the order applies, as well as their setting and any features of special architectural or historic merit that might be affected. We envisage that the processes leading to a class consent will involve the same level of public notice, engagement and consultation as applies to listed building consent currently. These provisions will reduce regulatory burdens without diminishing protection for important heritage sites and buildings. New clause 9 also restates, with minor technical changes in some of the consequential Government amendments, provisions on heritage partnership agreements which were already in the Bill.

New clause 10 introduces a new certificate of lawfulness of proposed works to listed buildings, which will provide certainty to owners and developers of listed buildings—this proposal also received support during consultation. Works to a listed building that do not affect its character as a building of special architectural or historic interest do not require listed building consent. However, interpretations of whether or not consent is needed can vary, and local planning authorities are often reluctant to give a view because it is ultimately a matter for the courts to determine. That means that those seeking to make changes to listed buildings are sometimes required to submit a formal application for listed building consent in order to gain certainty as to whether or not proposed works would affect the special interest. We hope that certificates of lawfulness of proposed works will provide a simple, straightforward mechanism for owners and developers of listed buildings to gain the certainty they require, while reducing the number of unnecessary consent applications. I therefore trust, not least given the widespread support we had in the consultation, that hon. Members will support these new provisions, and I commend them to the House.

Mr Iain Wright: As I mentioned during the Committee stage, we have no issue with some of the Government's provisions for heritage planning. Indeed, when we were in government we prepared something similar, in the guise of the Heritage Protection Bill. I am on the record as saying that the merging of conservation area consent and planning permission is sensible and helps us to streamline the process so that it is efficient for the benefit of all concerned. I reiterate the point that I made in Committee that Opposition Members recognise the merits of heritage planning agreements. They have the potential to provide greater efficiency and time savings in the planning process while ensuring, as the Minister has rightly said, that our listed buildings are safeguarded for future generations.

The new clauses, however, raise a number of questions about the Government's approach. The Department for Culture, Media and Sport document "Improving Listed Building Consent" had a consultation period of only four weeks—from 26 July to 23 August. The Heritage Alliance rightly raised significant concerns that that was insufficient and I agree with its written submission to the consultation:

> "One month is an extremely short period of time in which to co-ordinate the responses of third sector and voluntary organisations, many of whom meet monthly or quarterly, and may not have an August meeting because of the holiday break. A consultation period over the summer break, which includes the Olympic Games, should be longer not shorter, because potential respondents are on holiday and/or their decision-making bodies do not meet in August."

Will the Minister directly address that point? Why was the consultation period curtailed, especially when it involved a Department that had geared itself up for the Olympics, which were taking place at that time?

John Penrose (Weston-super-Mare) (Con): Will the hon. Gentleman give way?

Mr Wright: I will certainly give way to the hon. Gentleman, who is an eminent former DCMS Minister.

John Penrose: Perhaps I can provide some clarity, as I was the Minister involved at the time. The simple answer is that we were struggling as a team to get everything ready in time—it was a very compressed time scale—and, as the hon. Gentleman has pointed out, many of the issues had already been discussed extensively and consulted on throughout the heritage sector as a result of the previous Government's Heritage Protection Bill. Many of the arguments had already been discussed extensively in public and informally, so we thought it was possible to do it in a short period, particularly because, if we did not do it that fast, we would not be here today getting this Bill on the statute book—subject, of course, to the will of the House.

Mr Wright: I am grateful for the hon. Gentleman's insider knowledge of the deliberations. There could have been further legislative opportunities. The essential point is that the consultation period was short and in August, at a time when the world was focused on the Olympic games, so not everyone's views were reflected, as would normally happen. It was contrary to the Cabinet Office's suggestion of a 12-week consultation period. Notwithstanding the fact that we agree with much of what has been said, we could have had a more considered approach so that people felt they had had their say.

John Penrose: I should also mention that we had extensive discussions with representatives from many interested groups, such as the Heritage Alliance, and were able to reassure them in face-to-face meetings that their concerns had been understood and that their substantive worries or issues were being incorporated. At that point, I think that the Heritage Alliance was reassured, compared with its starting position in the original submission, which the hon. Gentleman has read out.

Mr Wright: Again, I am grateful to the Minister for his intervention. *[Interruption.]* I apologise—the hon. Gentleman is a former Minister, but it can only be a matter of time before he is made a Minister again. I am grateful for his useful perspective.

In new clause 9, proposed new section 26C(4) to the Planning (Listed Buildings and Conservation Areas) Act 1990 means that, when conditions are imposed, the listed building consent order may provide that the requirement to have prior approval for works ceases to apply if the local planning authority or the Secretary of State fails to notify the decision within a prescribed period. That seems to be a reasonable approach, with the onus on the relevant authority. However, such heritage provisions raise questions about resources and the capacity to deliver those objectives. Given the cuts and staff reductions in local authorities, the pressures on all services and the fact that local authorities are rightly having to prioritise differently, what work can the Minister do, perhaps with his counterparts at the DCMS and the DCLG to ensure that local planning authorities can prioritise this matter sufficiently?

6.45 pm

It is perfectly possible for a single point of contact within a local authority to be the sole person with responsibility for listed building consents, so how can the matter be addressed if that person is ill, on holiday or away from the office for some other reason? Will the approach that the Minister has outlined this afternoon not lead to a widening gap between local planning authorities that are confident in their expertise in this field and that have knowledgeable conservation officers, and local authorities that do not have such expertise? Is there a risk that less confident planning authorities will wait until the end of the statutory period is imminent and then default to the no decision, requiring full listed building consent, because they do not have the expertise to do anything else? In a similar vein, given the pressures on resources and the competing priorities, how does the Minister suggest that enforcement issues will be addressed?

I agree with much of proposed new section 26D to the 1990 Act, which will allow a local planning authority to make a local listed building consent order for alterations or extensions to, but not demolitions of, specific types of building or in specific areas within a local authority area. However, it is not clear what level of local consultation and engagement is necessary before such an order may be granted. The Minister addressed it to some extent in his opening remarks, but I would like him to expand on that.

Hartlepool civic society in my constituency contributed to the consultation. It expressed the following concern:

> "Interested consultees would also be omitted from the process. This is totally converse to the government giving local communities greater control. The suggested deemed consent would not offer any warning to communities to whom the heritage asset would have the greatest value."

As I said, the Minister hinted at that and provided minimal reassurance, but I would like him to expand on it. Will consultation be altered as a result of the changes? Will he outline how consultation with local residents will take place as a result of the provisions?

Proposed new section 26E to the 1990 Act will give the Secretary of State the power to direct that a local listed building consent order, or any part of it, be submitted to the Secretary of State for approval before it is adopted. That gives the Secretary of State large, centralised powers over local decisions. I understand from the explanatory notes that new section 26E will work along similar lines to the call-in process for local development orders. Will the Minister confirm that and tell the House what criteria would warrant a Secretary of State calling in a listed building consent order for approval?

Finally, new clause 10 relates to the certificate of lawfulness of proposed works. The Minister said that anyone who wishes to ascertain whether a proposed alteration or extension to a listed building would be lawful will be able to make a simple application to the local planning authority describing what is proposed and will receive a formal response. If the local planning authority is satisfied that the works will be lawful, it must issue a certificate to that effect.

I have a number of questions about that proposal. For something that is meant to be deregulatory, there is a risk that the process will be somewhat cumbersome and bureaucratic. Good planning authorities already encourage early informal dialogue with the developer or owner. The Minister will be aware from his constituency work load that people say to the planning authority, "I am thinking of doing this work on a listed building. Would you be happy with it?" Will new clause 10 not add more formality and bureaucracy to the process? A local planning authority will have to be absolutely convinced that the works will not require listed building consent. However, is it not the case that the level of work that would be necessary to be so convinced could not be provided by the limited information that will be required for the certificate of lawful works? Will certificates of lawful works be issued retrospectively? If so, how could the local planning authority prove a case in which a CLW was issued that did not require full listed building consent?

Finally, I understand that proposed new section 26H(5) provides that the lawfulness of any works for which a certificate is in force will be

> "conclusively presumed unless there is any material change".

What does "conclusively presumed" mean in terms of time scale? Is it in perpetuity? What constitutes a material change in those circumstances? Will the regulations that are proposed to shape the framework and process for this provision clarify that matter and my other points? I hope that, in the time remaining, the Minister will address some of my concerns, but as I have said, the Labour party supports the general direction of travel proposed by the Government.

John Penrose: I will rise briefly in the limited time available, and I welcome the fact that both Front-Bench speakers seem to be strongly in favour of this provision, albeit with a few questions to answer. I was the Minister at the time the measures were originally conceived and drafted—albeit taken from an earlier attempt by the previous Government—and I am delighted to see such wide cross-party support. I am sure all hon. Members will agree that, given the incredibly tight time scale that needed to be executed over the summer and the past few weeks in order to include these measures in the Bill, an enormous amount of incredibly hard work has been done by officials from the Department for Culture, Media and Sport, and those elsewhere on the Bill team, and we should mark that. In case there is a perceived

conflict of interest, I should mention the fact that I live in a listed building. I do not think that makes a huge difference, but I will at least draw it to the attention of the House.

The proposed new clauses—together with their predecessors that were included in the Bill in Committee—form a rounded package. The overall picture now emerging is that the owner, or potential owner, of a listed building will have far greater certainty and clarity about what they can and cannot do with that building than they would otherwise have had. Uncertainty and fog are the enemies of speedy investment, and life will be far simpler and more straightforward for owners who wish to make changes in a way that is consonant and in sympathy with the heritage nature of their property. They will be able to get on and make those changes with far greater confidence that what they are doing is acceptable and allowable.

The Bill will also mean—this goes to the heart of one or two of the questions asked by the hon. Member for Hartlepool (Mr Wright)—that in many cases, local authorities will save themselves a great deal of time and money. Members will know that heritage consent is not something for which local authorities can charge, and it therefore acts as a net cost on their operations. Anything that can reduce the amount of additional processing required—obviously without abandoning important heritage protection—must be helpful. Therefore, if in Somerset, Kent, Staffordshire, or wherever, local authorities are able to note a particular style of vernacular architecture that is locally listed, either at national level or with conservation areas, and list a series of changes that would be allowable, that must be to everybody's advantage. It helps the owners and the local planning officials. I therefore welcome these measures and give them my strong support, and I am hopeful that all hon. Members will support them in due course.

Several hon. Members *rose—*

Mr Speaker: Order. I remind the House that there is no protected time for a ministerial response. I would like the Minister to be able to respond to a number of points raised by hon. Members, but we are working to the Government's timetable, approved by the House. Therefore, if the Minister is to reply, a certain self-discipline will hereafter be required.

John Mann (Bassetlaw) (Lab): I am Mr Self-Discipline, but someone needs to break this ridiculous, cosy consensus over the tax grab that is being proposed, and I suggest that the House should get into the real world. I live in a listed building and deal with local authorities, and week by week, across the country, pre-planning advice from those local authorities is being charged for.

At the moment, if I want to splice one little piece of wood in one window in my house, I require planning permission costing £400. The Government's new clause means that, if I want to splice one little bit of rotten wood, I will be charged £400 for pre-planning advice by my authority. That is happening with authorities all over the country. It is total nonsense.

Authorities are finding new ways of making money and new taxes. It might not be the Government's intention, but that is what happening. Authorities are finding new ways that they never bothered about before to say, "You'd better seek some advice before doing things." My neighbour has been told that a slight change in the colour of his paint requires planning consent. My house is 400 years old and I have a brick wall that is 30-years-old. I was told this week that if I want to add a brick to it, I will need planning consent. Where is the heritage in a 30-year-old 1970s brick wall in a 400-year-old house? There is none.

This is a tax grab by local authorities. Added to the affordable housing tax grab and the community infrastructure levy tax grab, it means that those who live in listed properties will not be able to afford to do anything with them. It is about time someone spoke up against the additional taxes that this evil coalition is bringing in.

Matthew Hancock *rose—*

Paul Maynard (Blackpool North and Cleveleys) (Con) *rose—*

Mr Speaker: Order. I fear I must now call the Minister—I am sorry to disappoint the hon. Gentleman.

Matthew Hancock: In the very short time available, I shall first deal with the previous two speeches. I agree with every word spoken by my hon. Friend the Member for Weston-super-Mare (John Penrose) and am grateful for his intervention, but I disagree with almost everything that the hon. Member for Bassetlaw (John Mann) said, not least because the Government's measures will make his situation easier, and because changes other than where there is a special interest will no longer require consent in the same way. That will make his life easier.

Paul Maynard: The Twentieth Century Society has asked me to point out one of its concerns. There is no obligation to any planning authority to consult it, as an amenities society, rather than English Heritage. As the Minister may know, they have very different views on modern buildings. Will he reflect on that?

Matthew Hancock: I shall respond to that and to the questions from the hon. Member for Hartlepool (Mr Wright) in the same way, if I may.

Enforcement, local consultation—this deals with my hon. Friend's concern—and the system for calling in are unchanged by the new clauses. There will be no addition of formality. That is unlikely—*[Interruption.]* That is not the intention. The new system will be less cumbersome than the current one.

On the question of what "conclusively presumed" until there is a "material change" means, "material change" means exactly what it says.

I echo what was said by my hon. Friend the Member for Weston-super-Mare and add that there were 400 responses to the consultation, not least because of the amount of face-to-face discussions with Ministers at the time and the amount preparatory work.

On capacity, we will work with local planning authorities, but overall, the measures will reduce the burden on them. Currently, local planning authorities do not put a named individual in charge. In most cases, there is an IT system to ensure that proposals go through to somebody in good time.

[Matthew Hancock]

Let me give the House an example of how the measures will help. British Waterways carried out 353 works to designated heritage assets in 2010-11. Some 164 required full applications, and 189 were performed after clearance to proceed without consent through correspondence with the local planning authority. We certainly do not want to water down the communication with local planning authorities that makes things easier.

I shall give some examples of the sorts of things that the provision will help. Technically grouting within a listed property requires consent. I am sure that we can all agree that grouting is good and is the sort of thing that could be covered by a national agreement. Lock replacements—

7 pm

Debate interrupted (Programme Order, this day).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

New clause 9 accordingly read a Second time, and added to the Bill.

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

New Clause 10

LISTED BUILDINGS IN ENGLAND: CERTIFICATES OF LAWFULNESS

'(1) In the Planning (Listed Buildings and Conservation Areas) Act 1990 after section 26G insert—

"Buildings in England: certificates of lawfulness

26H Certificate of lawfulness of proposed works

'(1) A person who wishes to ascertain whether proposed works for the alteration or extension of a listed building in England would be lawful may make an application to the local planning authority specifying the building and describing the works.

(2) For the purposes of this section works would be lawful if they would not affect the character of the listed building as a building of special architectural or historic interest.

(3) If on an application under this section the local planning authority are provided with information satisfying them that the works described in the application would be lawful at the time of the application, they must issue a certificate to that effect; and in any other case they must refuse the application.

(4) A certificate under this section must—

(a) specify the building to which it relates;

(b) describe the works concerned;

(c) give the reasons for determining that the works would be lawful; and

(d) specify the date of the application for the certificate.

(5) The lawfulness of any works for which a certificate is in force under this section is to be conclusively presumed unless there is a material change, before the works are begun, in any of the matters relevant to determining their lawfulness.

26I Certificates under section 26H: supplementary

'(1) An application for a certificate under section 26H must be made in such manner as may be prescribed by regulations under this Act.

(2) An application must include such particulars, and be verified by such evidence, as may be required—

(a) by the regulations,

(b) by any directions given under the regulations, or

(c) by the local planning authority.

(3) Regulations under this Act may make provision about how applications for a certificate under section 26H are to be dealt with by local planning authorities.

(4) In particular, regulations may provide for requiring the authority—

(a) to give to any applicant within a prescribed period such notice as may be prescribed as to the manner in which the application has been dealt with; and

(b) to give to the Secretary of State, and to such other persons as may be prescribed, prescribed information with respect to such applications made to the authority, including information as to the manner in which any application has been dealt with.

(5) A certificate under section 26H may be issued--

(a) for the whole or part of the listed building specified in the application; and

(b) for all or part of the works described in the application;

and must be in such form as may be prescribed.

(6) A local planning authority may revoke a certificate under section 26H if, on the application for the certificate—

(a) a statement was made or document used which was false in a material particular; or

(b) any material information was withheld.

(7) Regulations under this section may make provision for regulating the manner in which certificates may be revoked and the notice to be given of such revocation.

26J Offences

'(1) A person is guilty of an offence if, for the purpose of procuring a particular decision on an application (whether or not by that person) for the issue of a certificate under section 26H, the person—

(a) knowingly or recklessly makes a statement which is false or misleading in a material particular;

(b) with intent to deceive, uses any document which is false or misleading in a material particular; or

(c) with intent to deceive, withholds any material information.

(2) A person guilty of an offence under subsection (1) is liable—

(a) on summary conviction, to a fine not exceeding the statutory maximum; or

(b) on conviction on indictment, to imprisonment for a term not exceeding two years, or a fine, or both.

(3) Notwithstanding section 127 of the Magistrates' Courts Act 1980, a magistrates' court may try an information in respect of an offence under subsection (1) whenever laid.

26K Appeals against refusal or failure to give decision on application

'(1) Where an application is made to a local planning authority for a certificate under section 26H and—

(a) the application is refused or is refused in part, or

(b) the authority do not give notice to the applicant of their decision on the application within such period as may be prescribed by an order under section 26I or within such extended period as may at any time be agreed in writing between the applicant and the authority,

the applicant may by notice appeal to the Secretary of State.

(2) A notice of appeal under this section—

(a) must be served within such time and in such manner as may be prescribed by an order made by the Secretary of State;

(b) must be accompanied by such information as may be prescribed by such an order.

(3) The time prescribed for the service of a notice of appeal under this section must not be less than—

(a) 28 days from the date of notification of the decision on the application; or

(b) in the case of an appeal under subsection (1)(b), 28 days from—

(i) the end of the period prescribed as mentioned in subsection (1)(b), or

(ii) as the case may be, the extended period mentioned in subsection (1)(b).

(4) On an appeal under this section, the Secretary of State must grant the appellant a certificate under section 26H or, in the case of a refusal in part, modify the certificate granted by the authority on the application, if and so far as the Secretary of State is satisfied—

(a) in the case of an appeal under subsection (1)(a), that the authority's refusal is not well-founded, or

(b) in the case of an appeal under subsection (1)(b), that if the authority had refused the application their refusal would not have been well-founded.

(5) If and so far as the Secretary of State is satisfied that the authority's refusal is or, as the case may be, would have been well-founded, the Secretary of State must dismiss the appeal.

(6) Where the Secretary of State grants a certificate under section 26H on an appeal under this section, the Secretary of State must give notice to the local planning authority of that fact.

(7) References in this section to a refusal of an application in part include a modification or substitution of the description in the application of the works concerned.

(8) Schedule 3 applies to an appeal under this section."'.—*(Matthew Hancock.)*

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

New Schedule 1

'Local listed Building consent orders: procedure

In the Planning (Listed Buildings and Conservation Areas) Act 1990, after Schedule 2 insert—

"Schedule 2A | Section 26D

Local listed building consent orders: procedure

Preparation

1 (1) A local listed building consent order must be prepared in accordance with such procedure as is prescribed by regulations under this Act.

(2) The regulations may include provision as to—

(a) the preparation, submission, approval, adoption, revision, revocation and withdrawal of a local listed building consent order;

(b) notice, publicity, and inspection by the public;

(c) consultation with and consideration of views of such persons and for such purposes as are prescribed;

(d) the making and consideration of representations.

Revision

2 (1) The local planning authority may at any time prepare a revision of a local listed building consent order.

(2) An authority must prepare a revision of a local listed building consent order—

(a) if the Secretary of State directs them to do so, and

(b) in accordance with such timetable as the Secretary of State directs.

(3) This Schedule applies to the revision of a local listed building consent order as it applies to the preparation of the order.

(4) A local listed building consent order may not be varied except by revision under this paragraph.

Order to be adopted

3 A local listed building consent order is of no effect unless it is adopted by resolution of the local planning authority.

Annual report

4 (1) While a local listed building consent order is in force the local planning authority must prepare reports containing such information as is prescribed as to the extent to which the order is achieving its purposes.

(2) A report under this paragraph must—

(a) be in respect of a period—

(i) which the authority considers appropriate in the interests of transparency,

(ii) which begins with the end of the period covered by the authority's most recent report under this paragraph (or, in the case of the first report, with the day the order comes into force), and

(iii) which is not longer than 12 months or such shorter period as is prescribed;

(b) be in such form as is prescribed;

(c) contain such other matter as is prescribed.

(3) The authority must make its reports under this section available to the public."'.—*(Matthew Hancock.)*

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

Schedule 16

Heritage Planning Regulation

Amendments made: 48, page 224, line 29, leave out paragraph 9.

No. 49, page 227, line 16, at end insert—

9A In section 32(1)(a) (purchase notice on refusal or conditional grant of consent)—

(a) for "listed building consent in respect of a building" substitute "on an application for listed building consent in respect of a building, consent";

(b) before "is revoked" insert "such consent granted on an application".

9B In section 62(2) (validity of certain orders and decisions), after paragraph (a) insert—

"(aa) any decision to approve or reject a local listed building consent order or part of such an order;

(ab) any decision on an appeal under section 26K;".'.

No. 50, page 227, line 33, at end insert—

11A In section 82(3) (application of Act to land and works of local planning authorities) for "to 29" substitute "to 26, 28, 29".

11B In section 82A(2) (application to the Crown), after paragraph (c) insert—

"(ca) section 26J;".

11C In section 88(2)(c) (rights of entry) after "11" insert ", 26J".

11D (1) Section 93 (regulations and orders) is amended as follows.

(2) In subsection (4) after "8(5)," insert "26C,".

(3) In subsection (5) after "section" insert "26C,".

11E (1) Schedule 3 (determination of certain appeals by person appointed by Secretary of State) is amended as follows.

(2) In paragraph 1(1), 2(8)(a) and 3(3) after "20" insert ", 26K".

(3) In paragraph 2(1) after paragraph (a) (before "and" at the end) insert—

(aa) in relation to an appeal under section 26K, as the Secretary of State has under section 26K(4) to (6);".'.

—*(Matthew Hancock.)*

New Clause 11

OSBORNE ESTATE

'(1) Section 1 of the Osborne Estate Act 1902 is amended as follows.

(2) In subsection (3) (land to be managed in accordance with Crown Lands Act 1851) omit "as if it had been committed to their management under section twenty-two of the Crown Lands Act, 1851".

(3) Omit subsection (4)(b) (part of house and grounds to be used for the benefit of officers and their families).

(4) Omit the following provisions (which relate to land no longer forming part of the Osborne estate)—

(a) in subsection (3) the words from "and the part" to "Barton House and grounds)";

(b) in subsection (4) the words from "And the Commissioners" to the end.

(5) The Osborne Estate Act 1914 (which gives power to extend the classes of persons who may benefit under section 1(4)(b) of the Osborne Estate Act 1902) is repealed.'.—*(Matthew Hancock.)*

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

Bill, as amended, to be further considered tomorrow.

Business without Debate

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

RENEWABLE ENERGY

That this House takes note of European Union Document No. 11052/12, and Addenda 1 to 3, a Commission Communication: Renewable Energy—a major player in the European energy market; notes that the Government's position is one of cautious welcome for the broad proposals, which may help to improve the development of renewable energy across the EU; and agrees with the Government that the next step should be to consider the merits of forthcoming new renewable energy legislative proposals put forward by the Commission, and to support those proposals which add value and do not diminish the effectiveness of the UK's current regime.—*(Anne Milton.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 119(11)),

SULPHUR CONTENTS FOR MARINE FUELS

That this House takes note of European Union Document No. 13016/11 and Addendum, relating to a Commission Communication on the review of the implementation of Directive 1999/32/EC related to the sulphur content of certain liquid fuels and on further pollutant emissions reduction from maritime transport, and No. 12806/11 and Addenda 1 and 2, relating to a draft Directive amending Directive 1999/32/EC as regards the sulphur content of marine fuels; and supports the Government's view that the proposed compromise, which is closely aligned with the international standard in the MARPOL Convention, is a welcome outcome.—*(Anne Milton.)*

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Motion in the name of Mr Andrew Lansley relating to the Electoral Commission shall be treated as if it related to an instrument subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice of a motion has been given that the instrument be approved.—*(Anne Milton.)*

PETITION

Film 'Innocence of Muslims'

7.3 pm

Andrew Stephenson (Pendle) (Con): I would like to present a petition organised by several of my local mosques and bearing the signatures of about 8,000 people residing in Pendle. I was presented with the petition at a public meeting on 3 October at Silverman hall in Nelson and promised to make the House aware of the petitioners' feelings.

The petition states:

The Petition of residents of Nelson, Lancashire and elsewhere,

Declares that the Petitioners believe that the showing in the UK of the film Innocence of Muslims, which the Petitioners believe has blasphemous contents, has deeply offended Muslims not only in the United Kingdom but also throughout the world; further that freedom of speech and the showing or publishing of material in certain instances has been restricted by the UK and that the Government in recent legislation e.g. The Anti-Terror laws, restricted such where it was thought best for the public interest and that this evidences that freedom of speech can be restricted in certain cases; further that the Petitioners believe that the effects of this film have caused racial and religious relations in an already troubled world to deteriorate and has caused people to suffer upset and injured feeling and is an infringement of their religious rights and beliefs; further that, the Petitioners believe films such as this one merely serve to damage efforts to rebuild community relations at time when all communities should be working hard to do so; further that the Petitioners believe such films are therefore not in the interests of public or society as a whole and that the Petitioners believe it is the social responsibility of any government in modern times to prevent such material from being shown or published as it goes against all efforts of promoting world peace.

The Petitioners therefore request that the House of Commons urges the Government to legislate to ban the showing of the film Innocence of Muslims in the UK and urges the Government to conduct a comprehensive enquiry to consider and re-introduce a new law against blasphemy, with a view to passing legislation aimed at protecting all religions and races from being subjected to mocking and ridicule.

And the Petitioners remain, etc.

[P001123]

Armed Forces Pensions

Motion made, and Question proposed, That this House do now adjourn.—*(Anne Milton.)*

7.5 pm

John Glen (Salisbury) (Con): The purpose of calling this evening's debate is to bring to the Minister's attention a group of former spouses who, due to miscalculations in their pension provision by the Ministry of Defence, now face very uncertain futures. It seems that there is a group of 126 women who have been affected by the mistake. I believe it right and proper for the MOD now to take the steps necessary to ensure that this does not happen again and to compensate the individuals affected, particularly where their financial situation and life circumstances have been substantively impaired.

Three constituents came to see me in March this year. In accordance with their wishes, I shall not be disclosing their names to the House. However, their experiences are fairly representative of the group of women affected. One individual, having made the difficult decision to divorce, asked for the details of her former husband's pension pot from the SPVA—the Service Personnel and Veterans Agency, which administers military pensions—in March 2010. Her husband's pension was in fact already in payment. The SPVA gave details and confirmed, both on the telephone and in writing, that my constituent would be able to take her pension from the age of 55 with no actuarial reduction being applied. Therefore, in April 2010 the judge was able to finalise her divorce, relying on the information provided by the SPVA, which had been confirmed in writing.

The pension for my constituent came into payment and she undertook a number of financial obligations, feeling certain of a definite and defined monthly income payment for the rest of her life. She bought a property and undertook renovations on it, as she sought to start her new life. It has since been discovered that in November 2010 the MOD was contacted by the Department for Work and Pensions and made aware that an error had been made in the way it had interpreted DWP legislation. It meant that actuarial reductions should have been applied to those former spouses who took a pension at the age of 55. However, none of the affected spouses was informed of the error, and their pensions continued to be paid from November 2010, when the MOD was first notified that an error had occurred, to spring 2012, when the MOD communicated the error to those affected and my constituent first approached me.

On 1 March 2012, 16 months after the mistake first came to light, my constituent was notified by phone that she would receive a reduction in her pension of over 40%, which was to take effect in three months' time. A letter confirming that arrived a few days later, on 5 March. The stress and worry must have been unimaginable. Illness followed and she lost half a stone very quickly. She sold her car, as she was so worried about the reduction in her income and felt that she had to downsize her lifestyle rapidly. Obviously she also felt under an enormous degree of strain.

Then, two months later, on 13 May 2012, my constituent received a further communication from the SPVA informing her of another mistake, which meant that she would receive more than the reduced amount but still a 16% reduction on the amount on which her divorce settlement had been based, from which she had been receiving payments for the previous 18 months.

I am sorry to say that that individual is not an isolated example. A constituent of my hon. Friend the Member for South Norfolk (Mr Bacon), who is in his place this evening, had a similar experience. She took actuarial advice based on advice from the MOD before finalising the divorce, and acting on that advice, the judge awarded a clean break settlement comprising 40% of her former husband's pension pot. On the basis of that guaranteed income, she secured a mortgage. She now finds herself with a 20% reduction in her income due to the miscalculation and is looking at losing her house. She has been in hospital for emergency operations and has been treated for stress, and she is now on sleeping tablets.

Mr Richard Bacon (South Norfolk) (Con): I am grateful to my hon. Friend for raising this subject and for mentioning my constituent. Does he agree that although one can understand that the principles of good administration require that public authorities such as the Ministry of Defence and the SPVA do not make irregular payments, they also require public authorities to be held to their promises, especially when they have created a legitimate expectation upon which people have acted, as in this case? Does he therefore agree that the right route in these circumstances is generous compensation?

John Glen: Absolutely. I fully endorse what my hon. Friend says, and I will come on to some specific points to which I hope the Minister will respond.

In what is an exceedingly traumatic time for anyone—going through a divorce and facing up to a new life—it is absolutely imperative that any agency of a Government Department gets the facts right first time, particularly when dealing with issues that have painful and far-reaching implications. My constituent has told me that since the mistakes have been known, the SPVA, to its credit, has done its best to provide as much information as it can, for which she is sincerely grateful. Information is one thing, but we now need action, leading to justice.

The bottom line is that former husbands and wives, the courts, actuaries and mortgage companies all relied on the information provided to them by the MOD. They had no reason to believe it to be in any way incorrect, particularly in my constituent's case, in which the SPVA was asked directly whether there would be an actuarial reduction if she took her pension at 55. The SPVA wrote back in black and white on 6 April 2010 to say that that would not be the case.

The mistakes have had serious repercussions for a number of divorce settlements, which were decided on the basis of erroneous information. That means that the lifestyles that the judges thought it fair for both parties to have after the divorce are now not sustainable. In most cases of a so-called clean break divorce, the court will not hear the divorce case again, so the former wife—it usually is the wife—has no legal recourse. It may be possible to go back to court under ancillary relief proceedings to re-examine the finances, but the former husband may have to agree to that. Even if a

[John Glen]

court agreed to a rehearing, which is expensive in itself, many husbands would not, quite rationally and understandably on one level.

I have figures provided by an actuary from Actuaries for Lawyers, specialising in armed forces pensions, who has estimated what my constituent's loss will be over her expected life span. I would be happy to let the Minister see those figures, and the actuary himself would be happy to meet him and representatives of the relevant agency in the Department to explain how he arrived at them.

This evening, I would like to ask the Minister a number of questions. When exactly was the mistake made? Who notified the SPVA of the mistake? Who is accountable for it? I do not wish to have a witch hunt, but as yet I have not received a satisfactory account of why the mistake was made, and I am not yet confident that it will not happen again. I also want to know what actions the Minister and SPVA officials have taken, or will take, to ensure that there is no recurrence of the same mistake.

My most pressing question is why it took so long for the MOD to contact those affected by the error. There was a 16-month window from when the mistake was discovered to the point at which those affected were contacted. That wait was unacceptable. The strategic defence and security review has been completed and, from my recent Defence Committee experience, I know that many complex changes have taken place within the MOD, but the SPVA still had a duty of care to get things right. That is its job. The argument that it "had a lot on" cannot be used.

As I have tried to stress, this error has had a huge effect on the victims. Some have become ill, and chronic illness has ensued. Some have found it hard to cope with the paperwork involved as they try and get to the bottom of what has happened. Some are facing the risk of repossession. Many have committed themselves to expenses that they cannot now maintain, or would not have entered into had they known what was going to happen. Many face adjustments to their living arrangements that they would not have had to contemplate, had their settlements been agreed on the correct basis.

I cannot do justice tonight to the misery and upset of so many families, but I hope that the Minister will reflect fully on the circumstances of my constituent and others. I want him to give a categorical assurance that compensation will be awarded, not only to those who are able to challenge this decision, through me or other MPs, but to the whole group of women involved. My constituent was awarded the well-meant but token amount of £250 to cover the "inconvenience and uncertainty", in a letter dated 13 September 2012. However, not everyone has been given that. Why not? Did she receive it just because she was able to pursue the MOD? Some others have not been strong enough to do so, perhaps because they have been ill or simply not as persistent. There is a principle at stake here. The MOD made a mistake and the miscalculations directly affected the choices made by this group of women and their former partners.

I am aware, from previous correspondence I have had with the MOD on this issue, that a hardship fund is available to those in need. That is welcome, but it does not address the real issue, which is one of justice. The MOD ought to honour the assumptions made by the court, which decided on what it thought to be a fair and just distribution of assets based on figures given to it by the SPVA. That decision has now been compromised through errors made not by the individuals concerned but by the MOD.

If we assume an average shortfall of £50,000 per person over their lifetime, we find that the MOD would need to find approximately £6 million in compensation. Given the lifetime of service that those spouses have given through supporting their husbands and, in some cases, forfeiting their own chances of a career through the frequent relocations necessary for many service households, I hope that the Minister will order full and complete compensation from the hardship funds. That should include all reasonable legal costs, and it would be helpful if the recoverable costs could be defined.

The Minister should also take whatever steps are necessary to establish where the error was made and to ensure those responsible are retrained to make certain that this does not happen again. This Government have taken great steps with the military covenant during their time in office, but this matter tests both the letter and the spirit of the covenant. I have the highest personal respect for the Minister. He has been in post for only just over 40 days, but he has already cultivated widespread respect among many veterans' organisations. I now look forward to hearing his sympathetic and effective response.

7.19 pm

The Minister of State, Ministry of Defence (Mr Mark Francois): I congratulate my hon. Friend the Member for Salisbury (John Glen)on securing this important debate. I acknowledge his genuine concern for the individual cases he has mentioned—several members of his own constituency and one other represented by my hon. Friend the Member for South Norfolk (Mr Bacon). I am aware of the particular circumstances of the individual case on which my hon. Friend the Member for Salisbury has focused, and I would like to explain the error in pensions policy interpretation that has led to this situation and what has been done to support individuals who might have encountered financial and other difficulties as a result.

For the benefit of the House, I will set out a little of the background, but may I start by saying that when a service person divorces or dissolves a civil partnership, we acknowledge that it can be a difficult and stressful time for both parties? I fully recognise, especially in the current climate, that to have received the news that the amount of pension that was already in payment would reduce, or in the case of deferred pensions would be less than expected, would have been a great cause for concern. If any additional upset or distress has been caused as a result of errors made by the Department, I offer my own very sincere apology to those affected.

By way of introduction to this subject, pension credit members are former spouses or civil partners of members of our armed forces pension schemes who have been awarded a pension sharing order on divorce or on the dissolution of a civil partnership. They are a special category member of the pension scheme to which their

former spouse or partner belongs. So while they are members in their own right, the terms of their membership do not directly mirror the pension entitlement of their former spouse or partner.

As I think my hon. Friend the Member for Salisbury well understands, the legislation in this area is complex. Occupational pensions would normally become payable from age 65. New legislation was introduced in 2009 that allowed pensions to be brought into payment from the age of 55. The Ministry of Defence's pensions policy staff wrongly interpreted this legislation as allowing payment from the age of 55 without any reduction for early payment. However, my Department's reading of the law was mistaken.

The legislation was intended to make early payment an option, but if the pension was to be paid early, a corresponding reduction was also required. The error was first identified in the latter part of 2010 during an exercise to review the regulations for the armed forces pension scheme. As soon as it was identified, work began to amend the regulations of all of the pension schemes affected. My Department's pensions policy staff instructed the Service Personnel and Veterans Agency to apply the correct policy to new cases from March 2011.

Jim Shannon (Strangford) (DUP): I am grateful to the hon. Member for Salisbury (John Glen) for bringing this matter to our attention. He said in his introduction that life circumstances have been substantially affected, so I ask the Minister whether, in the review, he would be prepared to look at those who have been awarded compensation as it has affected their benefits? Will he consider them as well as the wives and family members as part of the review that the Minister hopes to undertake?

Mr Francois: I hope that, by the time I get to the end of my speech, the hon. Gentleman will agree that we are doing our best to look at this issue and try to put it right. He will be able to make that judgment afterwards, but I hope that what I say will address the spirit of what he has asked.

The effect of misinterpreting the legislation was that 127 pensions already in payment to pension credit members required an adjustment to be made—in the majority of cases, this would result in a reduction. In March 2012, the Department notified all those members affected and advised that the changes would come into effect from June this year. The average annual reduction to pensions in payment was approximately £783, although in some cases this will have been significantly higher.

During business questions in April 2012, my hon. Friend the Member for Salisbury asked the Leader of the House to seek an apology from the Ministry of Defence and to take corrective action that would, in effect, restore the pensions to the original amount. The Leader of the House asked for urgent inquiries to be made to establish whether any injustice had occurred. My predecessor, the Minister for the Armed Forces, my right hon. Friend the Member for South Leicestershire (Mr Robathan) wrote to my hon. Friend on 10 May, confirming that while an error had occurred in allowing the pensions to be paid on the wrong basis, legally there was no provision to continue paying the pensions knowingly at the incorrect rate.

My predecessor also confirmed that when the pensions were being adjusted to the correct rate, a calculation error was made by the Department. That further mistake was identified quickly, and revised calculations were issued to those affected as soon as was practicable. When the correct methodology was applied, the reductions in pension amounts in all those cases proved to be less than had previously been indicated. In a few cases pensions actually increased, as did the lump sums received by some pension credit members as part of divorce settlements.

As I am sure the House will agree, when there is no legal entitlement for a pension to continue to be paid at an incorrect rate, the payment must be put right without undue delay. Regrettably, in this instance the matter was not addressed as quickly as it ought to have been, and the payments were allowed to continue. Again, I apologise for that.

In the spring of 2012, when the extent of both errors had been recognised, the Ministry of Defence did its best to put things right. As a first step, approval having been sought from Her Majesty's Treasury, overpayments to 127 pension credit members totalling more than £176,000 were waived, and no recovery action was pursued. In addition, in recognition of the need for those affected to adjust to a reduced income in future, a period of three months' grace was given to those whose pensions were already being paid.

For the sake of completeness, the House should know that the same errors also affected 417 deferred pension credit members. Deferred members are those whose pensions have not yet been paid. Those members were also written to in March 2012, and were told that the amount of pension they were expecting to receive at the age of 55 was incorrect. They could still choose to take their pensions early at 55 or they could wait until they were 65, but the amount would need to be recalculated. Once deferred members' pensions had also been calculated on the correct basis, the vast majority of deferred members saw their annual pensions actually increase above the original estimated value.

All those affected were offered an opportunity to discuss their situation with the Service Personnel and Veterans Agency's welfare service. In March 2012, when the original pension recalculations were completed and the reductions in pension were known, the agency identified those with the most significant reductions and those who might be particularly vulnerable, and arranged for a welfare manager to visit them personally. The visits were completed, whenever possible, throughout March, and ensured that that group of individuals could be in direct contact with a welfare manager should they require further or ongoing support. In each case involving welfare contact, a full case assessment was carried out. It examined individual circumstances, and included potential entitlement to other benefits. Further support and advice have been given to a number of pension credit members, and, when appropriate, they have been helped to apply for further DWP benefits such as disability living allowance and carer's allowance.

The potential financial difficulties that the adjustment might have caused some individuals was also recognised. Claims for hardship that could be substantiated could be discussed in confidence with the welfare service and submitted for consideration. Five claims for financial hardship, six claims for a consolatory payment and two

[Mr Francois]

claims for other financial losses have been received and considered, and compensation has been paid when appropriate. That route remains open to pension credit members, including my hon. Friend's constituents, who may be facing genuine financial hardship as a result of the changes in their annual pensions. I appreciate that making any such claim is a difficult step to take, but I assure my hon. Friend that it would be handled in a sensitive manner and in conjunction with members of our welfare service. They are there to offer support, and I urge all affected individuals to make contact to see what can be done.

I was pleased that my hon. Friend recognised the efforts that my Department has made in supplying information to his constituent. I assure the House that it has learnt some valuable lessons from its mistakes in this case. Improved processes have been introduced to enhance the training of, and more effective working between, pensions policy and operational delivery staffs. That has included a strong focus on ensuring that the potential implications of future legislative changes are correctly interpreted and fully understood.

I have listened to all that my hon. Friend has said today. While it is perfectly true that an error was made in the interpretation of legislation in this complex area, and that that was further exacerbated by errors in our calculations—for which I have already apologised—I urge the House to recognise that my Department has acted to minimise the effects that the error has caused. We have not sought to recover the overpayments, we have given three months' grace enabling members to adjust to the reduced amount of pension, we have offered welfare support when it has been required or considered appropriate, and we have made arrangements for claims to be considered when financial hardship has been demonstrated. My hon. Friend has made considerable efforts to support this group of individuals through all possible parliamentary channels. That is evidence of his commitment to champion their cause to seek to ensure that no injustice has taken place.

My hon. Friend has suggested that some form of compensation is due to those affected by these errors. I agree. Although there is no statutory entitlement to maintain these pensions at the full amount, I can assure the House that the MOD has in place a comprehensive process to compensate these individuals where financial hardship has resulted because of the changes to their pension. The process will consider individual cases and assess the impact the errors have had. If individuals are not satisfied with the outcome, it is of course open to them to pursue the matter of any compensation through the legal system.

In conclusion, I urge those individuals who have been affected to engage or re-engage with our welfare system so that we can consider each individual case in the round and do our best to put things right. We must make amends and we will seek to do so.

Question put and agreed to.

7.30 pm

House adjourned.

Correction

Official Report, 15 October 2012, in column 27, paragraph 5, line 2, delete

"The first review will look particularly into the allegations that an item on Savile was inappropriately pulled from 'Newsnight'."

And replace it with

"The first will look into the allegations with regard to the item on Savile which was inappropriately pulled from 'Newsnight'."

Westminster Hall

Tuesday 16 October 2012

[Martin Caton *in the Chair*]

Agricultural Wages Board

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Robert Syms.)*

9.31 am

Martin Caton (in the Chair): My apologies for being late. I call Mr Jamie Reed to speak.

Mr Jamie Reed (Copeland) (Lab): Thank you, Mr Caton, for calling me to speak. It is a pleasure to serve under your chairmanship, I think for the first time. I am very grateful to have been granted a debate on this important issue, the abolition of the Agricultural Wages Board.

The Minister of State, Department for Environment, Food and Rural Affairs (Mr David Heath): On a point of order, Mr Caton. I am sorry to interrupt the hon. Gentleman so early in his speech. Just for the convenience of the House, I think that it is important to note that I have released a written ministerial statement on this subject today, opening a consultation. That being the case, and given that the statement cannot be released until 9.30 am and hon. Members will obviously be in Westminster Hall today and unable to get to the Library to see a copy, I have arranged for them to have a copy of the written ministerial statement. I can provide further copies if other Members have need of one.

Huw Irranca-Davies (Ogmore) (Lab): Further to that point of order, Mr Caton. I also apologise for interrupting my hon. Friend the Member for Copeland (Mr Reed) so early in his speech. I welcome the fact that the Minister has made that statement at the beginning of proceedings today; I am literally reading the written ministerial statement as we begin, having just been handed it by the Minister. It is welcome; we have been waiting for it for some time. However, welcome as it is, I want to ask the Minister a question. The announcement on the consultation is the fundamental part of today's written ministerial statement, but when was that announcement originally due to be made?

Mr Heath: We were planning to make that announcement today; it is coincidental that this debate was called for today. However, that being the case, I thought that it was very important that all Members had full possession of the facts, rather than debating in the dark, as it were.

Huw Irranca-Davies: Further to that point of order, Mr Caton. I will not delay proceedings any more than I need to. I apologise again for interrupting my hon. Friend the Member for Copeland. My understanding is that the announcement on this consultation was first talked about last spring, running into the summer, under the Minister's predecessor, the right hon. Member for South East Cambridgeshire (Sir James Paice). So, welcome as the announcement is on whatever date we are today—

Martin Caton (in the Chair): Order. I am afraid that that point is not about the statement, and therefore it is not a point of order. I call Jamie Reed.

Mr Reed: Such excitement so early on. I think that it can only be the new working hours unsettling us all. However, there will be ample time to discuss all the issues that Members wish to raise.

The Agricultural Wages Board, in one form or another, has provided good wages, good working conditions and good lives to farm workers since 1924. Before I continue, I must thank the Minister for providing early sight of the written ministerial statement today, before we began proceedings. I appreciate that courtesy.

I want to touch on three issues in my speech today. First, the AWB allows farmers to focus on farming. They do not have to be employment specialists and they have no need to negotiate with their work force over pay and conditions. Secondly, the AWB is the most effective way of ensuring that regional part-time, young and even full-time employees in the farming industry are not exploited. Without the protection of the board, they will be vulnerable to lower pay and worse conditions. Thirdly and finally, the AWB is so much more than a body for setting wages and conditions. On one level, it ensures that a shepherd has the funds to look after their most valuable asset, which of course is sheepdogs; that tenant farmers have secure homes to live in; that farm workers have good overtime and night work rates, fair stand-by allowances and sick pay; and that agricultural workers of all types are provided with suitable bereavement leave and holiday entitlements.

The Government's planned abolition of the AWB puts all of that at risk. I welcome the appointment of the hon. Member for Somerton and Frome (Mr Heath) to his new post of farming Minister. I hope that he can bring an appreciation of the farming industry and its workers to this Government. In my view, that appreciation has been significantly lacking for too long.

This is not the first time that the Tories have attempted to abolish the AWB. Baroness Thatcher attempted to abolish it, but she changed her mind when she realised that it was a vital organisation for farmers and farm workers. Sadly and in some ways inexplicably, when I look at the Minister, this Government are proposing to abolish an organisation that even Margaret did not want to abolish.

Huw Irranca-Davies: I remind my hon. Friend that the very arguments that I suspect many people in Westminster Hall today will be deploying in defence of the AWB are the same arguments that persuaded Margaret Thatcher not to abolish it, and that were made by her own Back Benchers at the time.

Mr Reed: I thank my hon. Friend for that intervention. It is absolutely the case that there was overwhelming opposition to the proposal of the then Thatcher Government to abolish the AWB. Thankfully, the arguments against abolishing the AWB were listened to then, and common sense prevailed. Sadly, like much of what this Government are trying to achieve, whether that is the dismantling of the NHS or the destruction of local government, the abolition of the AWB is unfinished Thatcherite business, as my hon. Friend has just implied.

[Mr Reed]

In a report for the Low Pay Commission in December 2011, Incomes Data Services argued that

"the agricultural sector is distinct from other sectors in that it is comprised of small employment units but with the additional feature of seasonal or casual workers".

The AWB may indeed be an anomaly in our economy, but the agricultural sector is so different from other sectors of our economy that it is a necessary anomaly. Small farmers, who make up the majority of the industry, do not have the time, the expertise or, frankly, the funds to negotiate with their workers time and time again in what is an increasingly pressurised working environment.

The standards of pay and conditions set by the AWB enable farmers to focus on running their businesses and producing the products that we all need—increasingly so, as this year's poor harvest demonstrates in many ways. In abolishing the AWB, the Government are not freeing farms from unnecessary bureaucracy. Instead, they are making the lives of small farmers more difficult and creating an even more bureaucratic working environment than the one that currently exists. That is the last thing that small farmers could possibly need. Instead of having to deal only with the AWB, in the future farmers will need to work with myriad different organisations, each one governing a different area of employment regulation and each, in turn, exposing every small farm business to new and different liabilities and complexities.

In their report calling for the retention of the AWB, the Welsh Government correctly noted that if the board is abolished

"pay bargaining would become instantly fragmented".

It is important to note that, although the leadership of the National Farmers Union backs the abolition of the Agricultural Wages Board, it might not, on this occasion, be speaking for every small farmer in England, or Britain—it is certainly not speaking for those in Wales. I greatly respect the NFU and its leadership, and have very good relationships with NFU leaders in my constituency who, for the most part, skilfully, adeptly and effectively represent their members' interests, but I think that they have got it wrong on this one.

The farming union of Wales, the young farmers of Wales and many small farmers across the UK want to retain the Agricultural Wages Board. The Government claim to be on the side of farmers, but on this issue they are making farmers' lives much more difficult, making their businesses much harder to run, and doing the exact opposite of what the Government should be doing—at all times but particularly in these straitened times—which is supporting our nation's farmers and making it easier for their businesses to survive and grow.

The situation profoundly affects my constituency and my home county. Across the north of England there are 28,180 agricultural workers, with 12,260 in the north-west, 3,300 in Cumbria—my home county—and almost 600 in my constituency. Copeland is the constituency that is most dependent on public spending in England. It iseb;normal;j also the English constituency that is hardest to reach from Westminster—yes, there is a link—and more than 50% of the local economy is based on public spending.

Throughout my time in this House, I have sought to rebalance my local economy through the growth of our local private sector, but it is difficult to do that, and is becoming more so. At a time when the majority of public spending cuts are yet to bite—perhaps the Minister could tell us if he supports the additional £10 billion cuts that the Chancellor has announced—and when the budgets and services of local authorities in my area are being decimated, the removal of a body that helps small businesses to do business and maintains minimum workplace standards and minimal rates of pay surely cannot be right.

This is a detached policy, from an increasingly detached Government.

Andrew George (St Ives) (LD): The hon. Gentleman makes a good point. On what is likely to be lost, there is also the unique problem that agricultural workers are exceptionally isolated in terms of their negotiating and bargaining power. On the abolition, and the consultation that has been announced today, does the hon. Gentleman not share my disappointment? We should not be obsessed with organisational structure—I am not going to die in a ditch defending the existence of the Agricultural Wages Board—but the board provides protections, and without it the only safety net that agricultural workers will be left with is the national minimum wage. A whole strand of negotiations is available through the existing regulations.

Mr Reed: I completely share the hon. Gentleman's analysis. I must point out that I did my best for his economy over the summer when I holidayed in his area, but I am afraid that I did not write to him to let him know of my visit and I hope that that is forgivable. His points are absolutely correct.

In the written ministerial statement published this morning, it is claimed that the abolition of the AWB will help to achieve

"the Government's objective of harmonising and simplifying employment law, and removing regulatory burdens from businesses".

It goes on to say that it will

"contribute significantly to the Government's programme of public body reform and support the Government's growth agenda",

but I think that the effect will be almost the opposite of what is intended. It is incredible and inexplicable that the analysis that is so simple and obvious for people who live in rural communities has not been brought to bear on what the Government aim to achieve.

Some 38% of all agricultural workers in England are seasonal or part-time employees—in Wales the figure is 56%—and statutory protections are woefully lacking. It is due only to the Agricultural Wages Board that seasonal and part-time farm workers enjoy the same rights as full-time workers. Without the board, young employees will have no set rates of pay, which will open them up to lower pay. Without the board, seasonal workers will not have secure contracts, which will open them up to exploitation. How often do we see stories of exploitation? Even now that we have the Gangmasters Licensing Authority, we still see egregious examples of exploitation in the agricultural industry and others around the country. How much easier are we about to make it for future incidents to occur?

Without the Agricultural Wages Board, part-time workers will not be guaranteed rest breaks, which will open them up to worsening conditions. In abolishing the board, the Government are giving bad employers the opportunity to cut pay and worsen conditions in a race to the bottom, and in whose interests is that? In the Low Pay Commission's 2012 report, it was noted that the abolition of the Agricultural Wages Board could lead to an increase in rural poverty. Rural areas such as the eastern coast—my own constituency and across Cumbria—parts of Wales and rural areas of the south coast are already among the most deprived in the country. With the abolition of the Agricultural Wages Board, the Government—this Tory-led Government—are doing what most people already feared they would do: making life harder for the poorest.

I know that the Government and the National Farmers Union will say that farmers are not planning to reduce wages and conditions, and I have always rejected—and always will—the lazy, ignorant stereotyping of many in this House when it comes to understanding farmers and farming, but if this year's dairy crisis has proved anything it is that farmers will continue to face downward pressures on farm-gate prices. Pay and conditions can be a soft target, even for the best farmers, when faced with rising cost pressures, such as the ones we saw this summer. The proposed abolition is bad for farmers—it will make their lives more difficult—and it is bad for employees, as it will make their jobs, pay and working conditions much less secure.

In addition, the AWB ensures housing for 30% of farm workers, provides bereavement payments and leave, ensures that new parents get child payments, gives suitable rest breaks for hard-working farm employees and provides a host of other employment benefits that as a result of abolition will be lost or greatly reduced. In his conference speech only last week, the Prime Minister said that his Government would always support those who worked hard. There are few people who work harder than farm employees; they work long hours, and many of them do literally back-breaking labour day in, day out, all of it to make products we all need and enjoy each and every day of our lives. Yet it appears that the Government insist on making their lives more difficult, reducing their protections and changing the agricultural industry from one often characterised by good working relationships to one in which wage negotiations are fragmented, and jobs, pay and conditions are no longer secure. After abolition, farmers who have for generations lived in secure homes will face possible eviction, and hard-working people will lose payments that make their lives just a little easier, as the economy gets worse and worse.

The Government's decision to abolish the Agricultural Wages Board has not been followed by the Scottish or Northern Irish Governments, and the Welsh Government want to retain the board in Wales. Once again, it appears that this Government are pursuing a path of action with which very few people agree, and even fewer want to see. Even the NFU cannot claim to be speaking for every small farmer. Indeed, evidence suggests that only the biggest of farmers agree with the action; smaller farmers and farm workers do not want to see the AWB abolished. The board must be retained; it is not in the interests of farm employees, of farmers, of the agricultural industry, or of rural communities and economies to abolish it.

Andrew George: On my point about an obsession with organisational structure, I generally agree with the broad thrust of the Government's approach, which is to abolish or amalgamate as many quangos as possible. We should always be bearing down on the proliferation of Government agencies and quangos. The important regulations and the six grades that are available, and the other protections for agricultural workers, could be transferred from the AWB to an existing body such as the Low Pay Commission. Does the hon. Gentleman agree that we should perhaps not be obsessed with the board itself but look at ways in which the regulations could be overseen or protected by an existing Government agency?

Mr Reed: Again, I am grateful to the hon. Gentleman, and I understand the point he tries to make. The issue, however, is whether the abolition meets the Government's own criteria? Does it pass the Government's own test, and will it cost more to undertake the functions that the hon. Gentleman outlines within other bodies than to retain the Agricultural Wages Board? Let's see the evidence—that is my request to the Government.

Finally, and in a way leading on from that intervention, in the event of abolition of the Agricultural Wages Board, what checks will the Government introduce to ensure that wage levels and working conditions do not collapse? How will the checks be undertaken, and how will they be paid for? Will the Government undertake an economic impact assessment of how the abolition will affect each English region, particularly those that depend heavily on public spending? If so, will the Minister undertake to publish such an assessment, and if not, can he tell us why not? I look forward to his reply.

9.50 am

Chris Evans (Islwyn) (Lab/Co-op): I am surprised you called me so early, Mr Caton. I expected to wait a bit.

We are in the American election season, and listening to my hon. Friend the Member for Copeland (Mr Reed) reminded me of what Ronald Reagan said to Jimmy Carter in 1980: "There you go again." The one thing I have learned since coming to the House is that the Government seem to think that there are simplistic solutions to complex problems. With the most complex problems, it sounds nice to say, "We are cutting red tape by getting rid of the Agricultural Wages Board." But the problem seems much more complex than that.

I have read this morning's written ministerial statement, which states that with the introduction of the minimum wage, the Agricultural Wages Board is now obsolete. Again, that is a bit simplistic considering what the Agricultural Wages Board does. Twenty per cent of people are only 2p above the minimum wage. If the Agricultural Wages Board and the setting of wages are abolished, wages might be driven down, rather than up. That means people in the countryside, including farm workers, would be earning less.

I also worry because many of the 12,000 agricultural workers in Wales are of school age, working through their summer holidays. As my hon. Friend says, they are seasonal. They are not entitled to the minimum wage. What is going to happen to them? Are they going to be exploited from an early age?

[Chris Evans]

The other thing I am deeply concerned about is that farmers have it hard. Let us be straight about that. Farming is not easy. It is tough out there. We cannot give farmers the further burden of having to negotiate with staff individually on things such as dog allowances for shepherds, which will go with abolition, and statutory sick pay. I fear that not only are those farmers too small to negotiate, but that this is another extra burden that they do not need. There could be different employment rights in different regions. In some places there might be a good level of statutory sick pay; in others there might not. Some people might have more rights than others.

Huw Irranca-Davies: I want to pick up on the points raised by the hon. Member for St Ives (Andrew George) on the transfer of the AWB's functions to some other organisation. The Low Pay Commission observed, on the abolition of the AWB:

"The level of sick pay will be significantly less than provided for under the Order."

Unless the Minister stands up and says that all the functions will be transferred to some other organisation to retain the protections, we have failed to do what the hon. Member for St Ives said, which is to protect agricultural workers.

Chris Evans: That is interesting. My hon. Friend will know of Hazel Spencer's letter to the shadow ministerial team for the Department for Environment, Food and Rural Affairs:

"I have been in horticulture for nearly 25 years, working for the same nursery since 1987. During this time, as you can imagine, I have seen many changes. The work is sometimes hard, sometimes repetitive and often carried out in less-than-pleasant conditions.

I initially started as part-time staff, at a time when we had very little right to sick pay, holiday pay and certainly no Bank Holiday pay. Over the years and mainly due to the negotiations carried out by the AWB on behalf of us ordinary workers, conditions within our industry have improved. We have received wages in alignment with those recommended by the AWB: SSP has been supplemented by Agricultural Workers Sick Pay, to bring it in line with a weekly wage during illness, and we received a tax allowance towards providing suitable clothing to cope with the conditions of our workplace.

Basically, what sustains most of the people who work in this industry is the fact that we are earning a fair day's pay for what we do."

My concern is that we are asking small farmers to become employment specialists of some sort. Are they going to go to solicitors? Are they going to make mistakes? Are we going to see more people before tribunals? Those are real concerns that the Minister has to address.

If I might be mischievous for a moment, I draw attention to an early-day motion signed by the Minister in 2000 that called for the then Labour Government to

"retain the Agricultural Wages Board as it is currently constituted."

Does he still think that should be the case?

Ultimately, everyone in the Farmers Union of Wales is opposed to the abolition of the AWB. They are concerned that the removal of the AWB will leave farmers exposed when having to negotiate pay and conditions. The AWB is a very good model that could be used by employers and unions across the board. The model has worked since 1924, and the Attlee Government established the AWB in 1945. Again, as often with the current Government, all we see is a drive for cuts in mythical red tape.

I say this whenever we talk about employees' rights: happy workers are the best workers. The real issue that has to be addressed in society, whether in the countryside or in the urban world of banking and finance, is fear of job insecurity, which is the thing most people worry about. When employment rights are taken away, people are less secure, less productive and do not perform as they should.

I know we are going through a consultation process, but if the Government do not put something in place, we will start to drive wages to the bottom. Yes, as the written ministerial statement highlights, farming has massive opportunities because of the growing world population, but those opportunities will only be fulfilled with productive workers.

Andrew George: The hon. Member for Copeland (Mr Reed) and the hon. Gentleman have both quoted the farming unions. The hon. Gentleman has particularly emphasised the difficulties that abolition of the AWB might cause small farmers. My impression is that although, without question, the National Farmers Union is phenomenally good and very effective, one of its weaknesses is that it is primarily a large farmers' union. I do not think that small farmers necessarily have their voices represented through the NFU as effectively as possible. If I had heard from farmers that the AWB needs to be abolished because it constrains them from being more progressive in their treatment of workers, I might have considered that a stronger case for the abolition of the regulations and the AWB.

Chris Evans: As we heard from the Minister this morning, it is important that small farmers are involved in the ongoing consultation. My concern is still for the small farmer. If he or she gets into bother with employment law and finds themselves in front of a tribunal simply because they do not know the law—they have done nothing wrong—or something like that, it would be an extra burden that they do not need. They also do not need the extra burden of negotiating things such as SSP, which we have talked about, wages and certain allowances. Those people do not need further burdens.

We have already heard from the Government and the Secretary of State for Business, Innovation and Skills that they do not want to burden employers further, but all I can see is the driving down of wages and the burdening of employers. The AWB takes away that burden, and I hope the Minister sees the sense of my argument: first, we do not want to drive down wages; and, secondly, we do not want small farmers to face further burdens by being tied up with red tape. If the small farmer has to negotiate and is concerned about employment rights, first, they are not going to employ more people and, secondly, they might exit the business altogether, which would be a tragedy.

I hope the Minister will say something about what will be put in place to ensure that wages stay at the higher standard, rather than falling. What is he going to do? If the Government go ahead with the abolition of the AWB, what support will be available for small farmers on things such as employment rights?

Huw Irranca-Davies: There is one other part of the AWB jigsaw puzzle that has not been mentioned yet. I am sure my hon. Friend is aware of upland farmers in his area; many small farmers use the provisions of the AWB when they tender their services to other farms. The AWB provides set agreements and set rates without individual negotiation; everyone knows the code and the agreement. Without the AWB there will be many individual, complex and time-consuming negotiations and a lot of additional bureaucracy. That is why we want to preserve the functions of the AWB.

Chris Evans: Quite simply, a lot of my farmers will not bother with it. The practice will end because they will not be interested in getting down to the nitty-gritty of the code. There is a code in place.

I wonder what the Minister's thoughts were when he signed that EDM 12 years ago, and what has changed. There is no argument for abolishing the AWB as it stands: it works for farmers and for workers, too. When he responds to the debate, I hope he will tell us what was going through his mind when he signed the EDM all those years ago, and what has changed significantly in the past 12 years to make him change his mind. I look forward to that.

10 am

Jim Shannon (Strangford) (DUP): It is not often that I speak on an issue that is a devolved matter in Northern Ireland. It is not often, either, that I disagree with my Labour colleagues, and I have spoken to them to make them aware of that.

I wish to make a few comments. I will reflect on the position in Northern Ireland, as that may bring something to the debate that other hon. Members are unable to provide because they do not represent a Northern Ireland constituency.

I hail from a strong agricultural constituency. Agriculture is a major employer, with additional employment coming from processing the food that the land produces. There are some excellent companies that farm the land, produce and package the product, and sell it on to the United Kingdom and Europe. Mash Direct, which employs approximately 100 people, and Willowbrook Foods, which employs 260 people, are just two examples.

The debate is about an issue close to my heart. I have spoken to many farmers in my constituency and it is clear what must be done for the benefit of all. The Agricultural Wages Board is an independent body that sets agricultural wages. It was established after world war two to encourage people to stay and work locally. In the area I represent, we are fortunate that people have done just that for many years. As the hon. Member for Copeland (Mr Reed) illustrated very clearly, agricultural work is hard. Many workers started when they were 16 and are now in their 50s and early 60s. The pains that come from picking vegetables take their toll, but those people enjoy their work. They currently have a good agricultural wage, and I believe that in my constituency they are happy with the process.

The AWB is no longer necessary. As we cry out for Europe to cut red tape and get rid of useless and costly quangos, it is time we started doing so on our own front. The Government have put forward a proposal on which my party is very clear. In the Northern Ireland Assembly, my party led the campaign to abolish the AWB. Michelle O'Neill, the Minister with responsibility for agriculture, has deferred to that as that is how the Assembly works. Even though the majority of people can ask for something, the nature of partnership Government means that the Minister has some say about what happens.

A DUP Assembly colleague of mine recently stated that Northern Ireland should follow the proposals at Westminster:

> "It is fairly obvious that the AWB is now nothing more than yet another level of unnecessary, expensive bureaucracy. The finances ploughed into the AWB by the Dept would be far better invested in delivering frontline services to farmers. Reducing bureaucracy and freeing up resources and money for real and beneficial change is what is needed especially at a time when farmers are being financially disadvantaged".

The hon. Member for Islwyn (Chris Evans) made that point as well. The situation in my constituency is the same as it is in Wales and in other parts of the United Kingdom—many farmers are finding it very tight when it comes to trying to make ends meet. As a representative for the rural constituency of Strangford with my ear to the ground, I have a heart for ensuring that farming remains a viable option in Northern Ireland, and I have pursued that as an elected representative over many years as a councillor and as a Member of the Legislative Assembly in Northern Ireland. Farming is the biggest single employer in my constituency. It must also be highlighted that only 20% of the work force are on the basic rate, which means that the other 80% are in the higher brackets already. Those people are protected by their contracts, and that issue also needs to be taken into consideration.

I drive an eight-year-old jeep that costs as much to keep running as it would cost to buy a new one. If my young son wanted to take it for a spin I would be protective, as we would be for any of our children. That is my nature. I was recently informed that a new tractor costs in the region of £75,000. I would certainly want to ensure that skilled workers were in charge of a tractor, not simply someone on minimum wage. Farmers have assured me that this is their view. It is horses for courses, if I can use that terminology, Mr Caton. Those who have the skills and abilities will do different jobs on the farm. Those who do not have the skills to drive the tractor, or whatever it may be, will do the manual labour, but I agree that they deserve a minimum wage.

Farmers will pay for experience, and taking away the AWB does not mean that wages will drop and people will lose their protection. Farmers must be free to set their wages in a competitive manner and ensure the survival of their farms at a time when many farmers are only able to take the minimum wage themselves. A great many farmers in my area are taking a wage that is equal to that of their agricultural workers, because of necessity and because the banks are on their back. These are hard times for farmers and we have to be very careful about what we do. They farm the land because they love it. The land is the blood in their veins, and it is clear that they will always seek to do their best to get the best from their farms. That will only come through having skilled workers who know what they are doing and who are worth their weight in gold.

I am not alone in agreeing about the abolition of the AWB. In fact, the Ulster Farmers' Union—hon. Members have spoken about the National Farmers Union; this is

[Jim Shannon]

the branch in Northern Ireland—has recently questioned the need for the AWB in Northern Ireland, following Michelle O'Neill's decision to retain its structure in Northern Ireland. That is her decision at this moment in time, to be deferred but also to be looked at again. The UFU is clear in its belief that the AWB is

"an unnecessary and unwanted quango which is costing local tax payers money and is serving"—

with respect—

"no useful purpose."

That comes from a union whose sole role is to represent farmers and ensure that their voice is heard. I stand as that voice for the UFU. Its spokesperson Robert McCloy, chairman of the employers representatives on the AWB, said:

"We have repeatedly called for the AWB in Northern Ireland to be abolished. The AWB is an additional layer of bureaucracy on top of existing employment laws which are already in place to protect workers. The National Minimum Wage covers the minimum rate of pay, holiday entitlement, sick pay and rest breaks and this, together with the Working Time Directive and a plethora of other employment laws now provide significant protection for employees".

That is what the people I represent tell me through the UFU and farmers who give their workers good wages. I am aware that the UFU is continuing to lobby for the removal of the AWB in Northern Ireland to save farms throughout the Province and I stand in agreement with them. I understand the fear that workers might have, but I agree with the spokesperson from DEFRA who recently said:

"Agricultural wages laws are more than 60 years out of date, difficult to understand and entirely out of step with modern work practices. Changing them would free numerous small farmers from unnecessary burdens while keeping farm workers, like all other workers across the economy, well protected by national minimum wage legislation."

To back up that statement, I use the example of those who work on farms, growing the vegetables, potatoes and arable crops and then processing them in factories to sell on. We have many people who come from other parts of Europe to work in the fields and the factories. We have young boys and young girls who leave school at 16 and go straight into this work, which they have been doing for many years. They are protected by the farmers who employ them.

In conclusion, it is unclear to me why farmers should be the only private sector employers who have wage rates set by anything other than the minimum wage structure. It is past time that this ancient body was removed to let farmers pay the wage they determine, as any other business does. I support fully the abolition of the AWB in England and Wales. In Northern Ireland, my party has already stated its opinion. I hope that the Department will follow suit. It is not often that I disagree with my colleagues. I look upon them as friends, because we vote together on many things. On this issue, however, I am sorry that I cannot agree with them.

10.9 am

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I was not intending to speak in the debate until I noticed today's statement on the Order Paper, but now I want to make a couple of quick points.

I often agree with the hon. Member for Strangford (Jim Shannon), so I will reciprocate by disagreeing with him in this debate. In Scotland, this area is devolved and a few years ago the Scottish National party—I am not surprised that no one from the SNP is present—sought to abolish the Agricultural Wages Board in Scotland. John Swinney, the Finance Minister, was pushing that. When the Scottish Government looked at the evidence and were responding to the issues, however, they realised that it was not the sensible thing to do. Given that, I now have a sense of déjà vu, as I do from one of my previous lives: 14 years ago I was an adviser in what was then the Ministry of Agriculture, just after the minimum wage was introduced, and there was an internal debate about whether the AWB should therefore continue. Again, after going through the evidence and looking at all the issues, it was concluded that it should.

The ministerial written statement talks about something being outdated, but what is outdated is the continual campaign to undermine the terms and conditions of people working in the agricultural sector. We are coming back to that. Unless spectacular new evidence is available, the case for the AWB in England is as strong as the case was for the AWB in Scotland a few years ago or throughout Britain pre-devolution, back in the 1980s and before.

I should have declared an interest in the sense that my father started his working life as a farm labourer in a part of Kent and he benefited from the AWB. It has a big impact on huge numbers of people throughout the UK—in this context, throughout England, in all regions.

I cannot see any new evidence that will change the position established each time that the AWB has come up for review. I understand that some people in Whitehall every now and again push the case for abolition—it has happened a number of times—but the arguments that my hon. Friend the Member for Copeland (Mr Reed) and others have made this morning are absolutely right.

It is a shame that the hon. Member for St Ives (Andrew George) is no longer present. For the most recent reshuffle, part of the discussion among the Liberal Democrats was about recalibrating where they had Ministers in the coalition. They quite rightly saw that rural and environmental issues were important, so it is good that the Minister is in the Department for Environment, Food and Rural Affairs, even if that means that the Liberal Democrats do not have Ministers in other Departments. Before there was a Liberal Democrat Minister, however, the hon. Member for St Ives spoke for his party on DEFRA issues, and less than a year ago he was arguing in correspondence—presumably to one of his constituents—against the idea that the national minimum wage is sufficient protection for people working in the rural economy:

"It would therefore be wrong in my view to conclude that National Minimum Wage legislation is sufficient to maintain these protections for agricultural workers. As already noted, a minority of agricultural workers are on grade 1 pay; the vast majority are on grade 2 and above, and as such on wages higher than the National Minimum Wage."

A little more than a year ago, the hon. Gentleman made another point which he repeated in an intervention earlier in today's debate:

"Rural workers are exceptionally isolated and in an exceptional position that I think justifies exceptional protections."—[*Official Report*, 12 July 2011; Vol. 531, c. 270.]

That is absolutely correct and the right case.

Unless great new evidence suggests that such protections can be maintained through some body other than the AWB, the desire to abolish it—as originally legislated, with a whole load of other bodies—for the sake of what will probably work out at some £250,000 or just over will end up as a false economy, particularly for the many people who work in farms throughout Britain and especially, in this context, in England. My hon. Friend the Member for Copeland made it clear that the AWB is relied on by labourers for their wages; however, because of the often difficult nature of agriculture and farming, farmers, too, effectively contract out their services to others. Those are vital points. Any examination of the evidence suggests that pushing again for the abolition of the Agricultural Wages Board is more outdated than the idea that it is an outdated institution.

10.15 am

Huw Irranca-Davies (Ogmore) (Lab): I thank my hon. Friend the Member for Copeland (Mr Reed) for securing and introducing the debate. He opened with such an erudite analysis of why the AWB and its functions have been so important over a long period and continue to be important, not least against the backdrop of declining economic activity throughout the country and in rural areas. The issue is indeed to do with the protections afforded not only on pay but on conditions, such as bereavement and all the things mentioned by my hon. Friends. It is also to do with ensuring that we have a good supply of keen, enthusiastic and well-skilled people coming into the industry in future. I shall return to such points because I do not agree with what was said in the written ministerial statement, although we thoroughly welcome it, and I appreciate the courtesy of receiving it before the debate started.

As I looked through the statement, I noted:

"The functions of the Agricultural Wages Committees are now largely redundant".

I shall return to the comments made by the hon. Member for Strangford (Jim Shannon), who made a good contribution, but the points made by my hon. Friends make it clear that it is far from a settled issue that such functions are redundant. I will go through some of those arguments in detail.

I ask the Government and the new Minister in post, who has this opportunity, to think again about the abolition of the AWB. I ask him to do so because it is not without precedent for this Government to think again. Uniquely, it would be the first time that the Government have thought again in October. In every other month, we have had thinking again and U-turns, so the Minister could make a bit of history today by being the first Minister, although new in post, to think again in the month of October.

DEFRA has done much thinking again on many countryside and coastal issues. We have had U-turns on proposals to destroy buzzards' nests to protect pheasant shoots, on pasty taxes—thanks to nationwide outrage led by the good people of Cornwall and the south-west—and on the great forestry sell-off of 285,000 hectares of state-owned woodland. We have had a partial U-turn on proposals to close coastguard centres and, unfortunately, a U-turn the wrong way on circus animals, dropping the previous commitment to a ban down to a commitment to new licensing conditions.

I do not want to be exhaustive, but my argument to the Minister is that he could think again because doing so is not unprecedented. We have had tax U-turns on caravans, video games and charitable donations, and other policy U-turns—some welcome, some not—on housing benefit, the mobility parts of the disability living allowance, financial inclusion fund debt advisers, the chief coroner, the military covenant, softer sentencing discounts, strike fighters, Ofsted inspections, school sports, rape anonymity and free school milk. I am dizzy from thinking about the number of U-turns.

In November last year, given opposition to the Government's proposals, there was a U-turn on the decision to scrap the Youth Justice Board as part of the bonfire of the quangos. Suddenly, that bonfire had one less log on it. I ask the Minister to leave the fire burning brightly without the little log of the AWB as well—it will crackle nicely without it. The Minister can—independently, with independence of mind, new in his ministerial position—make his mark, a welcome mark, by performing one little pirouette of a U-turn on the AWB, a graceful and elegant pirouette. We would applaud his skill and his general loveliness. Other U-turns have been clunky and begrudging. Let the Minister, new to the role, manoeuvre artfully and delicately about-face.

I am not asking the Minister to do something that he does not want to do. In his heart of hearts, he is on the side of farm labourers and smaller farmers, and he has many in his constituency. Does he know how many agricultural workers in his constituency may be affected by the proposals to abolish the AWB? Of course he does. According to Library statistics, there are 1,020. Does he know that that puts him into the elite club of constituencies in the UK with more than 1,000 agricultural workers, many of them low paid and subject to the provisions and protections that we have talked about today? Of course he knows that. The figures are even starker when comparing the number of agricultural workers with the overall population in areas such as the south-west, where there are nearly 23,500 agricultural workers. His constituency might be hit hardest by abolition of the AWB, which may affect 152,000 workers in England and Wales.

I am convinced that the Minister wants a U-turn for his constituents, small farmers and farm workers. Before he attempts that pirouette, I will helpfully warm him up by reminding him why the AWB is so important. This is not, as he may later want to persuade us, just a matter of minimum pay. That would wilfully misconstrue the nature and purpose of the AWB, which is so much more. The Agricultural Wages Board involves

"representatives of farmers and agricultural workers together with independents, negotiating legally enforceable minimum wages and conditions which are significantly superior to those set by the National Minimum Wage and Working Time Regulations".

The quote continues:

"the Agricultural Wages Board also sets a series of rates of pay to reflect the varying qualifications and experience of farm workers, thus providing a visible career structure for recruits going into agricultural work and is used as a benchmark for other rural employment… average earnings in rural areas are considerably lower than in urban areas… any weakening of the Agricultural Wages Board or its abolition would further impoverish the rural working class, exacerbating social deprivation and the undesirable indicators associated with social exclusion".

[Huw Irranca-Davies]

I could not agree more. Those fine words are from early-day motion 892 in 1999-2000, to which the Minister was a signatory. What, I wonder, has changed since then?

During our early and youthful days in Parliament, we all had foolish fancies—we would not be human if we had not—and we would prefer not to be reminded about some of them. However, we also had strong and unwavering beliefs, and I know that the Minister has such beliefs, to which he stays constant. We deviate from such principles at our mortal peril. The Minister should stay true to his course and abide by the pledge he rightly made in that early-day motion. It was not a foolish fancy; it was his principles in writing. He said that the AWB provides a

"visible career structure…a benchmark for other rural employment"

and that abolition would result in

"social deprivation"

and

"social exclusion".

The Minister was right then, and we are right now, so he should return to the right side of the argument. The AWB streamlines and simplifies decision making for small farmers, so avoiding the time-wasting and complexities of drawn-out negotiations with individual farm workers one by one. Its abolition will increase bureaucracy for small farmers. Furthermore, as was said earlier, some small farmers market their own skills to others in a straightforward way with pay and conditions set and agreed by the AWB. They do not have to hammer out deals at each and every turn. I thought that the Government wanted to make things easier for businesses, especially small businesses, in which case they should keep the AWB.

The Minister may, as his predecessor did, pray in aid the National Farmers Union, for which I, like other hon. Members here, have a great deal of time. It does a sterling job in trying to synthesise a wide variety of views on a wide variety of issues. The manager of a large agri-industrial concern farming 10,000 or 20,000 acres may have slightly different motivations and needs than those of a small upland hill farmer on a couple of hundred acres. I declare an interest because 40% of my constituency is upland hill farmland, and I have family who are upland hill farmers. However, I am not speaking just for them; I am speaking for young farmers.

The Welsh Assembly Government had a cracking debate last week that was supported not just by the Farmers Union of Wales, but by young farmers of Wales who are worried that abolition of the AWB will hamper their access into the industry. Through this debate, I ask the NFU whether it is really saying that none of its farmers, not even tenant farmers, smaller farmers and those who want entry to farming want the AWB to be retained?

I will not go through all the reasons why the AWB is so important. They have been brilliantly articulated by my hon. Friends the Members for Copeland, for Islwyn (Chris Evans), and for Rutherglen and Hamilton West (Tom Greatrex), and have been made in previous debates by me and others.

I turn briefly to some of the messages from the Low Pay Commission. Its factual observation is that minimum rates will not cover pay for skilled workers. There is no statutory minimum wage for workers under the age of 16, and there is concern about the overtime premium, the night premium and the on-call allowance. It notes that holiday entitlement will be reduced if the AWB is abolished and that sick pay will be significantly less. It also notes that the number of days of bereavement leave will not be specified and that there will be no statutory right for such time off to be paid. Rest breaks will be less favourable for adult workers, and so on. There will be no statutory entitlement to a birth and adoption grant. Piece rates will be lower. At the moment, they are at least the minimum hourly rate of pay applicable to the grade. What is a fair rate, if it is not what is currently being paid under the AWB?

Northern Ireland and Scotland will retain AWBs. The hon. Member for Strangford said that he has his ear to the ground. I say with conviviality and friendliness that the problem of having an ear to the ground means hearing lots of different things. I have my ear to the ground in different places throughout the UK, and farmers have told me that they treasure retention of the AWB and/or its functions. The hon. Member for St Ives (Andrew George) is not in his place, but he made a valid observation: if not the AWB, what? The Minister should answer that, because the issue is not just the minimum wage aspect, but the protection of a broad range of functions.

I say in all honesty that most farmers are absolutely well-intentioned towards their employees. Most want to do the right thing, and they want skilled people in the industry. They want to ensure good rewards, because they realise that farm labouring is back-breaking work. It has the highest mortality rate of any industrial sector in the UK, and sickness levels are high, so workers need protection. The hon. Member for Strangford says that he has his ear to the ground, but he opposes the position in Northern Ireland, so if not the AWB, what will protect those workers?

Jim Shannon: We have heard about having an ear to the ground and hearing many stories, but my responses on this issue have been clear. The AWB is unnecessary and does not provide the support that it should to workers. The hon. Gentleman is right in saying that farmers are interested in their workers and want to do the best for them, which they do. I tried to reflect, in my contribution, that that is what the people are saying, and that is what the majority of elected representatives in the Northern Ireland Assembly are saying. Unfortunately, although the majority of people want the AWB removed, under the partnership Government, the Minister can overrule us. That does not reflect the opinion of all those in Northern Ireland, which is the point I am trying to make.

Huw Irranca-Davies: I fully appreciate that point.

In all debates on this matter, I have striven, in my position as a shadow Minister, to speak not only for England, but for other parts of the UK in which what is happening with the AWB is mirrored or contradicted. I want to ask the Minister how negotiations are going with Wales. How are they progressing, or not progressing? The Welsh Assembly Government, the Farmers Union of Wales, the young farmers of Wales, Unite the Union, GMB and others have lined up alongside individual farmers to demand the retention of the AWB's functions

in Wales. To that effect, an excellent debate, which I mentioned earlier, was held last week, spearheaded by Mick Antoniw, the Assembly Member for Pontypridd, who is a brilliant advocate for all workers, including agricultural workers. The only dissenting voice in the whole of that debate was not a Liberal Democrat or a Plaid Cymru Member; it was a Conservative, who had been sent out as a token to speak against the retention of the AWB's functions in Wales.

Mr Reed: Will my hon. Friend venture to suggest why no Conservative Member is present for the debate this morning?

Huw Irranca-Davies: I genuinely cannot. We have heard the hon. Member for St Ives (Andrew George) and the Minister will speak for the Government. The contribution made by the hon. Member for Strangford is welcome, as we should be having that sort of debate, but the complete absence of any Conservative voice strikes me as staggering. Even if Conservative Members wanted to argue against our position, they should come and do so. However, perhaps low-paid agricultural workers somehow disappear below the radar. When we have had debates in Westminster Hall on the common agricultural policy, these Benches have been full of Members from all parties. Here, we are speaking about low-paid agricultural workers, but in the absence of any Conservatives to defend themselves, I will hold back my comments.

Will the Minister update us directly on discussions with the Welsh Assembly Government? I ask him because rumours have been circulating all summer that the discussions are in deadlock and have been like that for some time, and that DEFRA was perhaps attempting to refuse to respect the current constitutional settlement for Wales. Worse still, it has been suggested that the UK Government—the Government of whom he is a Minister—will try to undermine the Welsh Assembly by seeking to circumvent the constitutional settlement and the need for consent and that they would try to devise a way to avoid the necessity of full and frank engagement with democratically elected Welsh Government Ministers.

This is a technical matter of legislative competence, but it is also a matter of respect for the Welsh Government and for the people of Wales. Let me explain to the Minister why I firmly believe that that must be the case. The proposal to abolish the AWB is made under section 1 of the Public Bodies Act 2011. Section 9 of that Act requires the consent of the National Assembly for Wales when exercising the power under section 1 on any matter that would fall within the legislative competence of the Welsh Assembly. The Welsh Government can therefore choose to retain an agricultural wages board for Wales if they consider that such a decision would benefit the agricultural industry in Wales, in accordance with their devolved responsibilities under schedule 7 of the Government of Wales Act 2006. That screams out to me that the Welsh Assembly Government must be a full party to this process and that there should be no attempt to find some parliamentary procedure or back-corridor operation to circumvent full and frank discussion on the impact of the AWB's abolition in Wales.

The view of Wales—the Welsh people and the Welsh farming community—is clear, and it needs to be debated and voted on. The Welsh Government must have their consent sought. That final point is vital in terms of respect for the Welsh Assembly Government and the National Assembly for Wales, and with it, I close my remarks. I hope that the Minister will assure us that what I have described is not happening and that the wider functions of the Agricultural Wages Board, beyond simply low-pay protection, will be protected in whatever thoughts and proposals he brings forward.

10.35 am

The Minister of State, Department for Environment, Food and Rural Affairs (Mr David Heath): It is a pleasure to serve under your chairmanship, Mr Caton. I express my genuine gratitude to the hon. Member for Copeland (Mr Reed); as it turns out, it is useful and timely to be having this debate today.

From the start, I should say that I entirely understand hon. Members' concerns. It would be odd if I did not, and that is not just because of what the hon. Member for Ogmore (Huw Irranca-Davies) described as my general loveliness. I have represented, grown up and lived in one of the most rural parts of the country for a long time. I know that this issue is not only totemic for a lot of people but important to get right for a lot of people who work in agriculture.

Before coming to the more detailed points of my speech, I want to say first that I have introduced the consultation today because I am convinced that the proposals are in the interests of people who work in the agricultural industry. We simply cannot look at agriculture today through the eyes of somebody in 1948, or indeed, of someone 20 years ago. Agriculture has changed massively, and for the better, in many respects. It is a highly skilled industry in which people have to adapt to new ways of working all the time. I genuinely believe that the present set-up, which is unique in this particular area of employment, is grounded in times when agriculture and social conditions were very different. Most important, employment law was very different too, which we have to keep reminding ourselves. As a House, we have made huge changes to employment law over recent years, which has transformed the landscape in which we approach such discussions.

Huw Irranca-Davies: I acknowledge the Minister's good intentions in speaking for his constituents and the farming community, and I accept that employment law has changed. However, we are currently faced with new proposals for changing employment law, including watered-down versions of the Beecroft proposals on hiring and firing, under which people can buy shares in companies in exchange for giving away their employment rights. Does it not worry the Minister, as a Liberal Democrat, that the employment rights that have been put in place over the last 20 years are now being denuded at the same time that we look to abolish the Agricultural Wages Board?

Mr Heath: The hon. Gentleman will not tempt me into commenting on other Departments' areas of responsibility. I am dealing with what falls within my ministerial responsibilities, and as I have indicated to hon. Members, we gave a commitment to consult on the board's future. The written ministerial statement that I have issued today, and made sure that Members had before them, informs the House of the launch of the public consultation on the abolition of the Agricultural

[Mr Heath]

Wages Board for England and Wales, as well as the related 15 regional agricultural wages committees and 16 regional agricultural dwelling house advisory committees in England. The hon. Member for Ogmore picked up on the fact that my written ministerial statement describes the agricultural wages committees as "now largely redundant". It does so because they are now largely redundant. I hope that he will look carefully at exactly what they do.

The point that underlies all this is that, in the absence of the Agricultural Wages Board, agricultural workers will be protected by the national minimum wage and working time regulations. I accept entirely what hon. Members have said—that that is not the sum total of the Agricultural Wages Board regime. It is not simply a safety net underneath the least well-paid workers. I shall come on to the other aspects, but that is certainly an important part of why it was set up in the first place. It was set up at a time when people working in rural areas were the least well-paid of the least well-paid and had very few protections. It was right, at the time, to give that protection. The question is whether it is still right to have that arrangement in this unique sector of employment when in other areas it has been abolished.

The hon. Member for Copeland talked about Baroness Thatcher's Government removing a raft of wages boards, and that is correct—they did remove them—but surely he is not suggesting that that was necessarily a bad thing. I am not trying to reduce this debate to the absurd, because I know that there are genuine and important issues, but did he think that the Aerated Waters Wages Council, the Coffin Furniture and Cerement-making Wages Council, the Flax and Hemp Wages Council or the Ostrich and Fancy Feather and the Artificial Flower Wages Council really had a place in the 1990s?

Mr Reed *rose—*

Mr Heath: He did?

Mr Reed: In the same way that the Minister wisely refuses to speak outside the vires of his Department, he cannot tempt me to say anything good about Baroness Thatcher's Government.

Mr Heath: In that case, I shall not tempt the hon. Gentleman further down that road, but the reason why I raised those other, perhaps flippant cases—I do not think that anyone would seriously suggest that those councils were relevant now—is that other wages councils that were abolished at the time had an effect on industries that would certainly be described as current industries and that are not entirely dissimilar to agriculture. I am thinking of the Licensed Non-residential Establishment Wages Council, the Licensed Residential Establishment and Licensed Restaurant Wages Council and the Hairdressing Undertakings Wages Council. Those were dealing with business that was often carried out by small enterprises, where many of the arguments that the hon. Gentleman and his hon. Friends have advanced today would have applied and where I do not think that a disbenefit from the abolition has been apparent in terms of comparative performance with other areas of industry. It is important that we recognise that.

We are now engaging in a consultation that will allow stakeholders and interested parties the opportunity to make their views known on the future of the Agricultural Wages Board before we make a final decision. I want to make it clear—because I genuinely think that this is the case—that the aim of the proposal to abolish the Agricultural Wages Board is to secure the prosperity of the agricultural industry for the future by encouraging growth and employment. I think that it will do that. I think that it will benefit all those who work in the industry, both employers and workers, as well as the wider rural economy.

Chris Evans: Will the Minister give a guarantee that this is not a fait accompli and that if the consultation comes back with the view that the Agricultural Wages Board should be saved, the Government will follow that, rather than just proceeding with the plans for abolition anyway?

Mr Heath: The job of Ministers when responding to a consultation is to listen to all the voices that are raised, to try to understand the points that are put forward and then to make a decision on whether to introduce appropriate legislation. It is then for the House to decide whether it supports that legislation, so let us be clear about the process. It cannot have come as any great surprise that we were going to go ahead with the consultation. Indeed, the hon. Member for Ogmore chided me gently for not having brought it forward earlier. I say to him that I would have brought it forward slightly earlier if there had not been a recess, but we are now ready to consult and ready to listen.

An impact assessment of the abolition of the Agricultural Wages Board has been published as part of the consultation package. I hope that hon. Members will take the opportunity to consider it carefully and to comment on the document and provide their own evidence on the likely impact for both individuals and the industry as a whole. The impact assessment suggests that abolition of the Agricultural Wages Board could lead to increased employment, which would have potential ripple-effect benefits for the wider rural economy.

Let me deal with some of the specific issues that were raised. A lot of hon. Members were understandably concerned that the proposal might mean workers losing their existing rights. Of course, that is not the case. Anyone in permanent employment will be protected by their contract. They will have exactly the same rights after the day on which the legislation is passed as they had before. They do not lose any of their contractual rights and the employer loses none of their contractual obligations simply by the passage of the measure. Of course, it would apply to new entrants and new contracts being negotiated, but it would not apply to anyone who was already in employment. It is very important that people understand that. Let us also recognise that permanent workers constitute about two thirds of agricultural workers, so for the vast majority of workers, there will be no change in terms and conditions as a result of the board's abolition.

For new contracts, yes, I accept that there may be an impact. That is reflected in the estimates in the impact assessment. However, it is difficult to assess what that impact will be until we see it in action. My feeling is that there is a high level of competition for skilled workers in

some sectors of the agricultural industry, and it is important that people attract workers who have both the necessary certification and the necessary skills, given that they are operating, as one hon. Member said, incredibly expensive bits of machinery, let alone dealing with livestock, which requires husbandry skills. It is important that people attract and retain the best workers. Therefore, I am clear that we shall not see a drift towards the national minimum wage in contracts in the agricultural industry. In addition, new entrants to the industry will have exactly the same levels of employment protection as workers in all other sectors of the economy.

In fact, there are potentially some direct benefits from abolition of the rigid structures of the Agricultural Wages Board, let alone the bureaucracy, in terms of what is permitted under contract. One example involves annual salaries. It is extraordinary that at the moment it is difficult to provide an annual salary basis for a contract under the rather rigid systems in place. In today's employment market and particularly because I am optimistic about agriculture—we have a growing sector and there is huge potential in agriculture—farmers need to offer attractive remuneration packages that are competitive with those in other rural sectors if they want to retain skilled and well-qualified staff. I would be very surprised if employers did not recognise that they had to pay appropriately for skills and experience. That is already reflected, of course, in the banding in the Agricultural Wages Board system. The majority are paid above agricultural minimum wage rates. In 2010, about half of workers were paid more than 10p above the agricultural minimum wage. I do not see any reason why that should change in the absence of the board.

Of course, there are other protections as well. The gangmasters licensing legislation is both relevant and important in this debate. The hon. Member for Copeland talked about the Agricultural Wages Board specifically providing protection for migrant and seasonal workers, but he will find that it is the Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002 that provide such protection—passed by a Government that he, of course, supported. I recall supporting those regulations too. They will continue to provide protection, and it is important to know that that is the case.

Huw Irranca-Davies: I thank the Minister for reminding us of that fantastic piece of legislation. Will he comment on the future of piece-rate workers should the ABW be abolished?

Mr Heath: I am not sure I recognise that abolition of the Agricultural Wages Board will necessarily affect those workers. The hon. Gentleman is right to raise the issue and we will look at it closely in the consultation. Let us look at it in more depth and when we come forward with legislation, we will consider whether we need to look at it further.

We know that the agricultural work force are an ageing population, and that is not sustainable in the long run. I want to attract young people into farming, agriculture and horticulture. There are signs that more people are taking up courses at agricultural colleges, which is a good thing. We want to attract and retain new entrants—young workers—and to do that, farms must offer wages and conditions competitive with other sectors.

The hon. Member for Ogmore made an important point: most farmers and farming employers are good employers and want to do the best for their workers. Let us get away from the slightly Dickensian view that the only purpose of an employer is to grind down the workers. That is not the case and not the relationship that he and I see every day when we talk to people in farm businesses and those engaged in the sector.

What will happen to advice for farmers if the Agricultural Wages Board is abolished? The NFU has already indicated that it intends to provide economic indicators, which I hope will help.

I am not sure that I entirely accept the point about contractors, which I think was made by the hon. Member for Rutherglen and Hamilton West (Tom Greatrex). People subcontract their work in lots of other businesses and industries without experiencing the difficulties that the hon. Gentleman anticipates. It has been said that such arrangements will simply stop. I do not believe that is the case, because I do not believe that agriculture works that way. People will find an appropriate level for such employment, as they do in the building industry and other industries where plant and specialist skills are often needed by contractors on a wider front. We will find ways of accomplishing the same objective without the bureaucracy involved.

I stress that we will specifically instruct the Low Pay Commission to include the agricultural sector in its range of indicators. If we go ahead with abolition, it will watch closely to ensure that we do not see a detriment at the lowest end of workers' pay and conditions.

The board is the last remaining wages council. Does it serve a useful purpose? The hon. Member for Strangford (Jim Shannon) says, with his knowledge of what happens in Northern Ireland, that it does not. I have looked carefully at the issue, and provided that we have other protections, which we do, across all sectors, it is difficult to argue that there should be a lone system for the agricultural sector providing separate minimum employment terms and conditions.

The regime is overly complicated at the moment. Its provisions are wide-ranging and restrictive, hampering the ability of the industry to offer modem, flexible employment packages. It effectively dissuades employers from offering annual salaries, which is disadvantageous for workers as it hinders long-term financial planning. It is a one-size-fits-all approach that imposes a rigid structure on a diverse and diverging industry.

If we lose the Agricultural Wages Board and the agricultural minimum wage regime, farmers will be able to agree terms and conditions with workers that fit particular circumstances and take account of the specific requirements of the farming sector. It would make it easier for farm businesses to employ workers, encourage longer-term employment, boost growth and create job opportunities. It would also simplify employment law.

An issue that has not been raised in the debate is the confusion for farm businesses around whether activities fall within the national minimum wage regime or the agricultural minimum wage regime. For example, livestock and poultry rearing would normally be considered agricultural activities and covered by the agricultural wages order, but that is not necessarily the case for slaughtering operations. In farm packing businesses, the agricultural wages order covers the packing of produce

[Mr Heath]

grown on the farm, but not the packing of bought-in produce. There are strange anomalies at the boundaries of what is and is not covered.

Huw Irranca-Davies: Before time runs out, I should like to say that I have not met a small farmer—certainly not in Wales—who has been confused by the current functioning of the AWB.

Will the Minister address a point of real significance? Under Section (9)(7) of the Public Bodies Act 2011 consent is required from the Welsh Assembly Government. Alun Davies, the Agricultural Minister, made a brief statement on social media this morning:

"Welsh Govt are determined to maintain the AWB structures in Wales. We have not consented to any abolition in Wales".

I ask the Minister directly: will he commit now to not abolishing the AWB and the functions of the AWB in Wales without the consent of Welsh Ministers?

Mr Heath: I work closely with Welsh Ministers and I am always happy to do so. I share information with them; for instance, before the event, I shared the fact that we were bringing forward the written ministerial statement and the consultation process. I had the advantage of meeting Alun Davies only yesterday to discuss the matter, and I will continue to discuss with him and the Welsh Assembly Government what they have in mind. I will not go into the constitutional issues, because they are outside the scope of today's debate.

It is clear that the matter is not a devolved one at the moment. The hon. Member for Ogmore looks askance—agriculture is devolved, but wage control is not. However, that does not stop us having a perfectly sensible dialogue with Welsh colleagues on the subject or stop them having a dialogue with the Wales Office on the constitutional issues. He says that we are obliged to use the 2011 Act, but we are not. There is a range of different legislative processes that we could use. He was firmly against the Act, so it would be strange if he now insisted that it is the only way that we can reform public bodies.

Huw Irranca-Davies *rose—*

Mr Heath: We are running out of time. I will continue dialogue with the Welsh Government to find a way forward. I am clear that it is perfectly proper for us to consult as we are doing on the abolition of the Agricultural Wages Board for England and Wales. We shall listen to the responses, including those from the Welsh, and will take appropriate action when it comes to legislation.

I again thank the hon. Member for Copeland for initiating the debate. We will return to the subject. I hope that hon. Members will take advantage of the opportunity to express their views in the consultation, as many outside the House will. It is a serious issue and I want to get it right for the prosperity of all who work in the agricultural industry, with a view to reducing unnecessary regulation, without reducing necessary protections.

Scottish Separation (BBC)

11 am

Anas Sarwar (Glasgow Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Caton. Yesterday was an historic day for Scotland, as we heard that we will possibly have to make our biggest decision in 300 years—it is certainly the biggest decision of our lifetimes. As we finally begin to move past the processed arguments, we must now be sure that we have the substantial, honest and transparent debate that Scotland deserves.

As the independence debate continues, the First Minister, Alex Salmond, has been making all sorts of assertions about what a post-independent Scotland would look like: the Queen would remain as Head of State; we would keep the pound sterling; the Bank of England would be Scotland's lender of last resort; we would automatically have a seat on the Monetary Policy Committee; and we would remain a member of the EU under the current terms. Even last night, one of Mr Salmond's closest allies was saying that the Scots would remain part of the United Kingdom and still be British. All those are assertions, not facts. It is the usual claim that all the things that we like will stay the same, and all the things that we do not like will not happen any more. However, that is not the case with the BBC. Alex Salmond says that he has a plan. He intends to break up the BBC and establish a separate licence fee-funded public service broadcaster in Scotland. He wants to model the Scottish broadcasting corporation, or the SBC, on the Irish RTE model. Scots viewers, he asserts, will see no change. He says that we will still have the same access to the existing BBC output: BBC 1, BBC 2, BBC Three, BBC Four, BBC News 24, BBC Parliament, CBBC, CBeebies, which I understand is the Minister's favourite channel, Radios 1, 2, 3, 4, 5 and 6, the iPlayer, some of the best nature programmes ever produced, fantastic sporting coverage, as we had with the Olympics, and news packages from BBC journalists around the world.

On news coverage, the BBC is a trusted source across Britain and the world. In Scotland, we have always been internationalists and we take a keen and impassioned interest in what is happening across the world—whether the US elections, the middle east conflict, famine in Africa, international disasters such as the tsunami or events in Haiti. Coverage of such events requires significant sums of investment, and Scots would be all the poorer for the loss of access to that trusted information.

The BBC remains the single most trusted source of information across the UK, and we should value its impartiality. The claim is that we could keep all the current breadth and quality of output of the BBC, as well as increasing investment in locally created content. The First Minister asserts that he will do all that on the licence fee income from Scots viewers. Let us look at the facts. There are 2.2 million licences in Scotland. If everyone paid the full amount, that would be approximately £320 million, but the real figure is less. By the time we take out the collection costs and discounts, such as those for the over-75s, the real figure is closer to £300 million, as opposed to the UK-wide BBC budget for all platforms of around £3.5 billion. It is fantasy to suggest that the current range of TV, radio, website and iPlayer content will be available to viewers in an independent Scotland.

What programmes are under threat and would not be available in a separate Scotland after the break-up of the BBC? There will be no "Strictly Come Dancing", "Frozen Planet", "Holby City", "Match of the Day", "Doctor Who", "News at 10" or "Question Time". I will not read out the entire list as it is endless.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I have been with my hon. Friend all the way through his speech until he mentioned "Strictly Come Dancing". I know that I hold a minority view, but he would be in danger of convincing me of the opposite case if they were to get rid of "Strictly Come Dancing". Seriously, "The Culture Show" is a good example of a BBC programme that is made in Scotland for the whole UK. In the past couple of years, it has been noticeable how it better reflects the whole UK. Is not the real future of the BBC to be much more British, rather than London-centric?

Anas Sarwar: I thank my hon. Friend for that. He implied that he was not being serious when he made the point about "Strictly Come Dancing", but he did look rather serious. In a moment, I will reveal the figures that illustrate how popular the programme is in Scotland. Even though I do not watch it, I am sure that many others do. He also makes an important point about "The Culture Show". We are proud of the fact that the British Broadcasting Corporation celebrates the history of Scotland, England, Wales and Northern Ireland, and we would like to see that strength continued and not put under threat by the Scottish National party's proposals.

It is also asserted that licence fee income will be used to support Scotland's media and creative industries to a greater extent than is the case now. That means more spent on programmes such as "River City" and still all the UK content.

Ian Murray (Edinburgh South) (Lab): My hon. Friend will be pleased to hear that I am asking him to give way and not to dance. Let me unpack that bit about the BBC's input in Scotland. As a public sector broadcaster, the BBC supports independent production companies. Has he had any indication of what the impact will be on that? BBC shows that are produced in Scotland, which inject money and skills into the Scottish economy, can only be supported by that national level.

Anas Sarwar: I thank my hon. Friend for his contribution. Scotland's creative industries support more than 60,000 jobs and contribute £5 billion to the Scottish economy. Across the whole UK, 43% of all commissions for independent television producers come from the BBC. In Scotland, the network commissions are the main source of revenues for independent production companies, and that will be put under threat by these proposals.

In Scotland, we are used to the SNP making it up as it goes along, but from this evidence it is not even good at that anymore. It is inconceivable that the quality, quantity and breadth of output could be maintained with just 10% of the current available resource. In the First Minister's speech to the Edinburgh international festival in August, he laid out his plans for the SBC. He gave the example of Denmark and Norway. Let us compare their licence fee rates. For Denmark, it is £264.27; Norway is £277.94; and the UK is £145.50. That is 40p per day across all formats. Radio costs 6p per day for all programmes and all channels. TV costs 24p per day for all channels and all programmes.

The SBC proposals include commercials and a higher licence fee. Some might ask whether there is any evidence of interest from Scottish viewers in the programmes that I set out earlier. I am happy to set the record straight. The figures show that Scots take a keen interest in UK output. Despite the dislike of "Strictly Come Dancing" expressed by my hon. Friend the Member for Rutherglen and Hamilton West (Tom Greatrex), some 910,000 people in Scotland watch the programme every week. That is 39% of the audience share in Scotland. Some 750,000 people watch "Frozen Planet", which is 28% of the audience share. "Match of the Day" English premiership highlights pull in 262,000 viewers, compared with 186,000 for "Sportscene" highlights. Perhaps that is because the Rangers fans are not able to watch their great team in the premiership, which is a source of great pain for me personally. However, we should not worry because the First Minister told Jeremy Paxman in an interview recently that SBC will purchase from the BBC the likes of "Newsnight". In that very statement, he actually makes the case for the BBC—we Scots already purchase "Newsnight", and every other TV and radio programme, and it is called the licence fee. Why on earth would we want to break up the BBC then spend money buying the exact same programmes back again? Is that just because it is called the British Broadcasting Corporation?

Sadly, the hon. Member for Perth and North Perthshire (Pete Wishart) is not in the Chamber today. In fact, there is not a single SNP representative present. Perhaps they are too busy thinking about 16 and 17-year-olds being able to vote or about how to gerrymander the Electoral Commission proposals. What they should be doing is engaging in the debate about the future of the country.

Perhaps the hon. Gentleman, the SNP's broadcasting spokesperson, exposed the true face of the Yes Scotland's positivity when he said in March this year that the BBC is the institutional enemy of the party's drive for separation. "Institutional enemy" are his words, not mine.

The hon. Gentleman went on to claim that the SBC would spend £75 million a year importing popular UK programmes, which viewers could then view for free in Scotland. However, the ability to purchase is yet another assertion, not a fact. It is another statement rooted in myth, not in reality.

Setting aside my concerns about any Minister—especially Alex Salmond—dictating the schedule of a broadcaster, he will simply not have the funding to do so. When he makes the assertion on "Newsnight" that we would purchase output from the rest of the BBC, he does so on the basis that the funding would be available to do that and that an independent, free-from-Government-control broadcaster would choose to do so. Both assertions are false.

It is also ridiculous and fanciful to make the claim that nothing would change. Let us examine the claim that the SBC would be able to use the money that it had to purchase programmes. Is there any indication of what it would cost to provide, say, the current package of sports or news for Scottish viewers? This year alone, the BBC will spend £479 million on sport, so we would

[Anas Sarwar]

have no British Open or Grand National and—I can see the SNP breaking out in a cold sweat at the mention of the word—no Olympics in Scotland, and certainly no red button coverage.

The BBC will spend £390 million on news, so there would be no coverage of the US elections or the Arab spring. It will spend £116 million on children's programmes, so no CBBC, no CBeebies and—I understand of particular relevance to the Minister— no "Nina and the Neurons". The BBC will spend £336 million on factual programmes, so no "Frozen Planet" and no David Attenborough in Scotland.

The Scottish Broadcasting Corporation's budget would be, at best, £300 million. The BBC spend on sport is £479 million a year; on news, it is £390 million a year; children's programmes, £116 million a year; and factual programmes, £336 million a year. So, after spending on buying the BBC programmes that it wants, the claim is that that would leave at least £100 million to produce quality programmes in Scotland. That is roughly equivalent to a single HBO mini-series: a series of "Game of Thrones" costs $60 million to make; "John Adams" cost $100 million; and "The Pacific" cost $200 million. Even then, that is one hour on one night a week. What about the other 167 hours that the SBC would need to fill? That exposes the quality gap of the proposals.

The impact also spreads to the BBC website and the iPlayer. Internet users in the Republic of Ireland, France, Germany and the US do not have access to the website output and iPlayer that the Scots do, for one simple reason: they are not part of the United Kingdom. So Scots would have no access to the existing output: no radio, no iPlayer. Scots would have access to the international iPlayer, but when we compare the two, a quick glance shows what is missing. Also, the international iPlayer has a subscription fee—an additional cost to Scots. Of course, there is no mention of that in the separatists' proposals.

Web content would be geo-blocked, as it is in every other foreign country, but there would also be other losers from the SNP proposition: Scotland's creative industries. There are 100 TV production companies based in Scotland, and 15,000 people are employed in the industry. "Waterloo Road" alone, a fantastic production for the BBC, represents a £10 million a year investment and 200 jobs.

Let us consider the current spend in Scotland: it has 8.4% of the population, 8.7% of total licences, and the SNP's Scottish Broadcasting Commission recommended 8.6% of spend should be local. However, 9% of BBC TV production spend is now in Scotland. High-profile productions such as "Question Time" and "The Culture Show" already happen in Scotland. Scotland has a proud record in the cultural and creative sector, fantastic festivals and world renowned actors. I must mention the tremendous regeneration in my constituency in Glasgow on the Clyde. The BBC capital investment in its Pacific quay headquarters is approaching £200 million. That is a real success story for Scotland, but it is all at risk from the SNP's plans.

Not only Scots would lose out; the rest of the UK would lose out, too. There is a licence fee freeze until 2016. On top of that pressure on BBC income, losing Scottish licence fee income would mean an off-the-top cut of almost 10% in BBC income. That risks decimating the organisation. The position put forward by the SNP is not only not credible, but downright misleading.

In summary, the proposals mean a higher licence fee; loss of the iPlayer; more adverts; fewer popular programmes; and fewer channels. It is yet another gulf between the rhetoric of the SNP and the reality of what their proposals mean for Scottish viewers, producers and the wider creative industry. Instead, what we need in Scotland is to look beyond the narrow constitutional debate and to continuing to use the collective strength of the United Kingdom and the BBC to support the industry, attract investment, create jobs and wealth, invest in both our present and future talents, and develop the quality programmes that we can enjoy here in Britain and also export around the world.

11.15 am

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): It is a pleasure to serve under your chairmanship, Mr Caton. I am grateful for the chance to respond to this important debate. I congratulate the hon. Member for Glasgow Central (Anas Sarwar) on securing it and on making such an eloquent speech setting out his concerns about the future of the BBC and the potential impact of an independent Scotland. His speech was so good that I am tempted to simply sit down, because he covered a range of issues so comprehensively. I have noted his deep commitment to the unity of the BBC and the importance of national public service broadcasting, as well as to the Union itself. I also thank the hon. Members for Rutherglen and Hamilton West (Tom Greatrex) and for Edinburgh South (Ian Murray) for their contributions.

It might be helpful if I remind the House of the Government's very clear position on the wider question of the Union. We believe that Scotland is stronger in the UK and the UK is stronger with Scotland in it. The United Kingdom is one of the most successful and longest standing political, social and economic unions in history. Our economy, as the hon. Member for Glasgow Central indicated, is stronger as a result of the ties that bind the UK. Its size and diversity drive its success and provide protection during periods such as the financial and eurozone crises.

The close ties and history of the nations of the United Kingdom mean that we can project significant influence and face global challenges together, as well as providing services, benefits and protections across the whole of the United Kingdom's population. The Government are not making any plans for independence. We are absolutely confident that, in any referendum, the Scottish people will continue to support being part of the United Kingdom.

It is the current Scottish Government who are proposing independence, but in the matter of broadcasting, along with the many other issues it raises, they have not set out what independence would look like and what it would mean for Scotland, as the hon. Gentleman's speech so eloquently made clear. I confirm not only that the UK Government are not thinking about independence, because we are confident that the Union will remain, but that I and other Ministers with responsibilities in this area have not had any discussions with the BBC Trust about the devolution of broadcasting.

Anas Sarwar (Glasgow Central) (Lab): Any company in the run-up to a big decision will take a risk assessment about what the consequences of the decision could be for that company or business. Has that been done for the BBC or is it likely to happen in the coming two years?

Mr Vaizey: As far as I am aware—I will expand on this later—the BBC has not said what the position would be for BBC Scotland and other services in the case of independence. I understand it does not want to comment, because it wants to remain impartial throughout the debate. However, I can speak for myself and the Government and say that we have not had any discussions with the BBC Trust about the devolution of broadcasting or the outcome of a referendum on Scottish independence. Let me also be absolutely clear that the Government remain committed to keeping broadcasting as a national responsibility—a reserved matter—and not devolving it.

We have not undertaken any analysis of the potential impact on the BBC of independence for Scotland. However, there is no evidence to suggest that independence for Scotland would benefit licence fee payers. There were and still are very good reasons why broadcasting as a whole was not devolved in the devolution settlements. To pick up on some of the points made by the hon. Member for Glasgow Central, essentially the country as a whole benefits from pooling the licence fee, as well as from the advertising revenue and subscription fees that go to fund the excellent broadcasting output of this country. Pooling the licence fee allows major investment to be made in a range of programmes that we can all enjoy, whether they are made in Scotland, England, Wales or Northern Ireland.

As a country, we share immense pride in the BBC for the quality and independence of its output, which is respected and admired globally. The hon. Gentleman referred to it in his speech, but there could not be a better example of that output than the BBC's coverage of the London 2012 Olympics and Paralympics. Sorry—I should say that Channel 4 covered the Paralympics. However, the BBC's coverage of the London Olympics delivered the biggest national television event since current measuring systems began, with 90% of the UK population tuning in for at least 15 minutes. There is a greater net benefit to the nation and all our constituent parts in having broadcasting remain a reserved matter.

It is also important to take this opportunity to note the excellent service provided by the BBC to Scottish viewers; the hon. Gentleman referred to it in his speech. Equally, we should celebrate the high-quality productions that BBC Scotland provides to the whole BBC network, for the enjoyment of viewers the length and breadth of the British Isles. Viewers and listeners in Scotland benefit from a range of high-quality services. Both BBC1 and BBC2 provide opt-outs for Scottish programming as well as the usual network offer. BBC Alba provides a Gaelic language service. BBC Radio Scotland and BBC Gaelic radio provide services in both languages throughout Scotland, as well as employment in rural Scotland. There is no question but that a significant proportion of the licence fee is already being used specifically to serve Scotland through those services.

It is also worth noting the major investment that the BBC made in Scottish broadcasting when it opened the state of the art Pacific Quay broadcasting centre in 2007; the hon. Gentleman referred to the centre, which is in his constituency. I was lucky to visit Pacific Quay earlier this year and it was an incredibly impressive outfit. It is a significant employer in Scotland, providing jobs for about 1,250 people, and as the hon. Gentleman noted, I was lucky enough to pick up two signed photographs of Nina from "Nina and the Neurons" for my two children.

Such facilities have helped to make sure that BBC Scotland has been responsible over the years for some of the most enjoyed original content available to viewers throughout the UK, from children's classics such as "Balamory" and the aforementioned "Nina and the Neurons" to acclaimed comedies such as "Mrs Brown's Boys" and the new series of the very popular "Waterloo Road", which was also mentioned by the hon. Gentleman.

Through Audience Council Scotland and the BBC Trustee for Scotland, Bill Matthews, I am pleased to say that the BBC Trust takes very seriously its role to ensure that the voice of Scottish listeners and viewers is heard and is at the heart of decision making in the BBC, and also looks at how well the BBC is performing for audiences in Scotland.

Anas Sarwar: The Minister is quite rightly pointing out the fantastic benefits that Scotland receives from the BBC, in terms of representing and promoting its culture, as well as being the trusted resource that it is. How would he respond directly to the comments by the SNP broadcasting spokesperson that the BBC is the institutional enemy in Scotland?

Mr Vaizey: I have not heard those remarks or seen the context in which they were made, but as I have made clear in my remarks, I think that the BBC is as loved in Scotland as it is in other parts of the UK. The viewing figures that the hon. Gentleman referred to indicate how popular its programmes are in Scotland, and the key policies that I have just rehearsed—in terms of the Audience Council Scotland and a specific trustee for Scotland—show that the BBC takes extremely seriously the matter of ensuring that its output in Scotland appeals to Scottish viewers and listeners. Furthermore, the fact that it has such a significant base in Scotland, with such significant levels of employment, tells all of us that the BBC is a friend of Scotland and that the Scottish people are admirers of the BBC.

As I said earlier, all of that underlines why the Government actively encourage broadcasters, as indeed the previous Government did, to undertake production in all parts of the UK. The principle of having a geographically broad production base is enshrined in the Communications Act 2003, which imposes quotas to encourage licensed broadcasters to undertake television production outside the traditional base of London. The whole country benefits from the policy; it is good for viewers, it is good for local economies and it is good for our cultural diversity. Much of the country's best television comes from the nations and regions, because pooling our talents and resources means that we get the best outcome.

The SNP specifically raised establishing a new public service broadcasting channel for Scotland and separating BBC Scotland from the rest of the BBC. I am sure it will come as no surprise to hon. Members that we see absolutely no basis for supporting those proposals. As I

[Mr Vaizey]

have already said, the Government are satisfied with the existing level of public provision and funding for broadcasting in Scotland. Not only does the BBC provide a wide range of services but STV provides it with keen competition for public service broadcasting within Scotland. Scottish licence fee payers are not, as the First Minister claims, disadvantaged by the UK-wide public service broadcasting system. In fact, like licence fee payers throughout the UK they benefit from it, in terms of investment, choice, quality and diversity. Our new proposals for local television will also benefit Scotland, with decisions imminent on the awarding of licences for local TV stations in Edinburgh and Glasgow.

Let me also talk about the BBC's independent status, because that is very important in this debate. We remain fully committed to an independent BBC that forms the cornerstone of public service broadcasting in this country. Nothing we do will undermine that position, and the current licence fee settlement is grounded on that premise. This approach has ensured that the BBC remains a national asset of extraordinary importance and continues to bring great benefits to our country's culture, to its democracy and, as the hon. Gentleman mentioned earlier, to our creative industries, which thrive in Scotland with many successful independent production companies.

The fundamental reason for our commitment to the independence of the BBC is the benefit that it brings to the whole of the United Kingdom. The independent status of the BBC supports the important principle of freedom of expression, which in turn supports a healthy and well-informed democracy. Any potential for political interference in the BBC's day-to-day operations or output would dilute the corporation's freedom of expression, with the outcome that the BBC's contribution to the quality of life in this country would not be as great.

Crucially for this debate, political interference would impair the transparent and open discussion about our shared future that the BBC provides so effectively and intends to continue providing. The BBC is now entering a new era under the direction of its new director-general and I congratulate the BBC Trust on his appointment. I look forward to hearing what his vision for the BBC will be as we move forward.

Let me reiterate the key points that I wanted to make this morning. I again congratulate the hon. Member for Glasgow Central on securing this very important debate and on setting out so eloquently his position, which I suspect is the position of his party. The BBC quite rightly remains independent from Government and politicians. The BBC remains a broadcaster for the whole of the UK; and we as a Government believe, as the previous Government did, that it is important not to devolve broadcasting matters, so that we continue to provide a broadcasting system for the whole of the UK. The BBC continues to invest significant sums in basing itself in Scotland, making programmes in Scotland and providing specific output for the viewers and listeners of Scotland. Long may that remain the case.

11.29 am

Sitting suspended.

Sentencing (Female Offenders)

[Sandra Osborne *in the Chair*]

2.30 pm

Philip Davies (Shipley) (Con): Thank you, Mrs Osborne. I am grateful for the opportunity to bring this debate to the House today.

One of the starkest examples of how politically correct this country has become is the issue of women in the justice system and, more specifically for this debate, women in prisons and in courts. About 5% of the prison population at any one time in recent history has been female. The other 95% has been male, yet much time, effort, concentration and brow-beating has taken place over the very small number of women in prison. There are countless groups and organisations calling for the number to be reduced. Far too many politicians—male as well as female—are willing to trot out politically correct nonsense on the subject, repeating facts that do not bear any scrutiny at all, and there are far too many calls for something to be done about a problem that, by anybody's standards, is hard to see exists based on the actual evidence.

Let us imagine that the male population in prison represented just 5% of the total and that women made up the remaining 95%. Would there be an outcry on behalf of the men at the expense of the women? Of course not. There is absolutely no chance on earth that that would happen, so why is there all this concern over 5% of the prison population? How can normally thoughtful, intelligent people have taken such leave of their senses over the issue? The answer is simple. It is all about being politically correct, and not many people in public life like to challenge it, but I do, Mrs Osborne, and today I want to take the opportunity to scotch some myths about all types of sentencing for women. I want to bust five particular myths.

There is an old political maxim that if someone tells a lie often enough, people will believe that it is true. I can only conclude that has happened in this case. I heard the lie that women are more likely to be sent to prison than men and that they are treated much more harshly by the courts, and I was taken in by it. I presumed it was true, because I had heard it so often, and I thought it was an absolute outrage. I was so outraged by the inequality in sentencing that I decided to do some research into it. As many people know, I spend a lot of time researching matters to do with prisons, sentencing and justice, and I wanted to get to the bottom of why women were being treated so badly.

Imagine my surprise when, having looked at all the evidence, I found it was not the case that women are treated more harshly by the courts. The unequivocal evidence is that the courts treat women far more favourably than men when it comes to sentencing. I want to expose five myths today.

The first myth is simple: women are very likely to be sent to prison and are more likely than men to be given a custodial sentence. That is simply untrue. Everyone I have spoken to who is involved with the justice system confirms anecdotally that it is not the case, but let us not just take their word for it. Let us look at the facts. I asked the Library to provide evidence that more women

than men were being sent to prison, as I had been told. Not only did it not provide that information, but it confirmed that the exact opposite is true. The Library stated:

"The published statistics show that a higher proportion of men are given a sentence of immediate custody than women, irrespective of age of offender (juveniles, young adults or adult) and type of court (magistrates or Crown). This has been the case in each year between 1999 and 2009...For each offence group, a higher proportion of males are sentenced to custody than females...In 2009 58% of male offenders who entered a guilty plea for an indictable offence were given an immediate custodial sentence compared to only 34% of women."

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Will the hon. Gentleman clarify whether the information he received from the Library also looked at statistics by type of offence?

Philip Davies: Absolutely. It looked at every category of offence. For every single category, women are less likely than men to be sent to prison.

Kate Green (Stretford and Urmston) (Lab): I congratulate the hon. Gentleman on securing this important debate. I hope that at the end of it we will not be peddling myths, but facts. Will he comment on the fact that although 70% of men are in prison for a non-violent offence, 81% of women are, which suggests that although some statistics may favour women, that one most certainly does not.

Philip Davies: It does not mean that at all. The figures that the hon. Lady quotes, which groups are fond of quoting, show the exact opposite of what they think the figures show. They show that women are treated more favourably by the courts. If she will let me continue with the speech, it will become evident to her, I hope. If she still has queries towards the end, and if the figures do not make sense, I will happily give way to her again. I am sure that the figures will make perfect sense, even to the hon. Lady. I will continue with the quote from the Library:

"In 2009 58% of male offenders who entered a guilty plea for an indictable offence were given an immediate custodial sentence compared to 34% of women. For each offence group a higher proportion of males pleading guilty were sentenced to immediate custody than females."

The Ministry of Justice's publication, "Statistics on Women and the Criminal Justice System", published in November 2010—it is produced to ensure there is no sex discrimination in the system—states:

"Of sentenced first-time offenders (7,320 females and 25,936 males), a greater percentage of males were sentenced to immediate custody than females (29% compared with 17%), which has been the case in each year since 2005."

People have had a briefing from the Prison Reform Trust, which tries to persuade them that women with no previous convictions are more likely to be sent to prison than men, but that is categorically not the case, as the Ministry of Justice's own publication makes abundantly clear.

Jenny Chapman (Darlington) (Lab): I congratulate the hon. Gentleman for providing us with an opportunity to help him understand the issue. Women convicted of a first offence—the same offence as a man—are more likely to receive a custodial sentence. I do not think he has the figures for that.

Philip Davies: No, they are not. That is the whole point. For every category of offence, men are more likely to be sent to prison than women. According to the Ministry of Justice's own publication, of first-time offenders, men are much more likely—not just slightly—to be sent to prison. That is a fact.

Jenny Chapman: May I explain again? I am talking about the first offence and the same offence. The hon. Gentleman has figures for first-time offending overall and for different categories of offence. However, if we take the same offence for men and for women—the first conviction—women are more likely to get a custodial sentence.

Philip Davies: No, they are not. For the benefit of the hon. Lady, I have every single category of offence. I have figures for the likelihood of men and women being sent to prison for exactly the same offence. What she is saying is simply not the case.

The Home Office undertook statistical research some years ago to try to ascertain the best comparison for similar situations. Home Office Research Study 170, "Understanding the sentencing of women", edited by Carol Hedderman and Loraine Gelsthorpe, looked at 13,000 cases and concluded:

"Women shoplifters were less likely than comparable males to receive a prison sentence...among repeat offenders women were less likely to receive a custodial sentence. Women first offenders were significantly less likely than equivalent men to receive a prison sentence for a drug offence".

The Ministry of Justice publication I mentioned earlier also covers the issue of pre-sentence reports and their recommendations for sentences in the courts. It says:

"In 2009, a lower proportion of women who had a pre-sentence report that recommended immediate custody went on to receive this sentence than men (83% compared with 90% for males). For all other sentence options recommended in pre-sentence reports (Suspended Sentence Order, all community sentences or fines), a higher proportion of males received custodial sentences than females."

Even probation officers, and we all know how soft on sentencing they are, recommend a higher number of custodial sentences than are actually given, and women again are on the receiving end of that particular benefit.

Guy Opperman (Hexham) (Con): I congratulate my hon. Friend on securing the debate. I am not sure, however, that I agree with the entire thrust of what he is saying. What he is driving at, and the argument behind his thesis, is that women are being treated more preferentially, but would he accept at the very least that one of the reasons why women should be treated more preferentially is that, as mothers, they are in the position of having to look after those who might, if their mothers are not present to support them, lapse into the criminal justice system? I am sure that that is one thing with which he would wish to agree.

Philip Davies: I will come to the issue of women looking after children. As it happens, a large number of mothers who are sent to prison are no longer looking after their children when they are sent to prison. None

[Philip Davies]

the less, my hon. Friend makes a reasonable point. There may well be good reasons for women to be treated more favourably in the criminal justice system in the courts than men. That is a perfectly legitimate argument to follow. If people want to use the facts to prove that women are treated more favourably than men and then actually give reasons why that should be the case, I am perfectly content for them to do so. What I cannot allow to happen is for the myth to perpetuate that women are treated more harshly in the sentencing regime than men, because that palpably is not the case. If we can start having a debate along the lines that my hon. Friend suggests, I would be perfectly happy, but we are a long way from even getting to that particular point.

In addition to the undeniable evidence that women are less likely to be sent to prison than men is the fact that their average sentence length is shorter than that of men, too. Again, I refer to the Ministry of Justice's own published figures of November 2010. "Statistics on Women and the Criminal justice System:"

"In 2009, women given an immediate custodial sentence for indictable offences received shorter average sentence lengths than men (11.0 months compared to 17.0 months for males)."

That is not a minor difference. The figures show that the average male prison sentence is over 50% more than the average female prison sentence. That is something that those who allege to be so keen on equality should think about.

Kate Green: It is important to understand some of the factors behind those figures. For example, a substantially higher proportion of women in prison are first-time offenders—29% compared with 12% of men. Naturally, therefore, we would expect the sentencing for first-time offenders to be set at a lower level than for those with a pattern of offending behaviour. I am not suggesting that that explains all the difference in the figures, but it is important that the hon. Gentleman gives us the full analysis and not just the headlines.

Philip Davies: It is equally important that the hon. Lady listens to what I am saying rather than wrapping herself in her brief from the Prison Reform Trust. We have all heard it once but I will repeat it for her benefit. The Ministry of Justice's own publication, "Statistics on Women and the Criminal Justice System" says:

"Of sentenced first-time offenders (7,320 females and 25,936 males), a greater percentage of males were sentenced to immediate custody than females (29% compared with 17%), which has been the case in each year since 2005."

To suggest that more female first-time offenders are more likely to be sent to prison than men is not the case. The hon. Lady says that a higher proportion of women in prison are first-time offenders, but that is because they are less likely to be sent to prison unless they commit particularly serious offences and leave the courts no option but to send them to prison. It is a complete distortion of the facts, and the Ministry of Justice publication makes that perfectly clear.

The Parliamentary Under-Secretary of State for Justice (Mrs Helen Grant): Will my hon. Friend clarify whether all those statistics take into account the type and gravity of offence, previous offending history and all relevant mitigating factors, which sentencers are required to consider? It would be an unjust system if they failed to do that.

Philip Davies: Yes, they do. I will happily supply the Minister with the relevant information from the House of Commons Library, which goes to show, beyond all doubt—I am sure that she trusts the figures from her own Department—that for every single category of offence, for all ages and in all types of court, men are more likely to be sent to prison than women. There is not one blip anywhere. For every single offence, for every age, in every type of court, women are less likely to be sent to prison than men.

Mr David Nuttall (Bury North) (Con): The point raised by the Minister is important. Surely these other factors that have to be taken into account on sentencing would not affect the statistics, because they would be taken into account whether it was male or female. In fact, one assumes that they would be taken into account for both sexes, so they will not affect the statistics.

Philip Davies: My hon. Friend makes a good point and he is right. Not only are women less likely to be sent to prison than men, and more likely to be sentenced to a lesser term than their male counterparts, but they are also more likely to serve less of the sentence they are given in prison. In its Offender Management Statistics, the Ministry of Justice says:

"Those discharged from determinate sentences in the quarter ending December 2011 had served 53 per cent of their sentence in custody (including time on remand). On average, males served a greater proportion of their sentence in custody – 53 per cent compared to 48 per cent for females in the quarter ending December 2011. This gender difference is consistent over time, and partly reflects the higher proportion of females who are released on Home Detention Curfew".

Seema Malhotra: To what extent are family circumstances, especially circumstances of children, taken into account in sentencing? Every year, 18,000 children see their mothers go to prison and only 5% of those children stay in their homes during that sentence. There are also statistics to suggest that a third of women in prison are lone parents, and it is more likely that their children will lose their homes or be placed in care as a consequence of their mothers' custody.

Philip Davies: The hon. Lady is right. That is a fact that is given in the courts, which is why women are less likely to be sent to prison than men. That was a point that my hon. Friend the Member for Hexham (Guy Opperman) made earlier. Let me emphasise my point with a case from earlier this year. Rebecca Bernard, who had 51 previous convictions for crimes including violence and threatening behaviour, led an all-girl gang that brought terror to her town. She has been the subject of two antisocial behaviour orders for making the lives of her elderly neighbours a misery. When this 23-year-old attacked two innocent men in a night club with a champagne bottle, it was thought that a custodial sentence was inevitable. However, she walked free from court after a judge decided that she was a good mother to her three young children. Bernard had smashed a bottle over one victim's head and then stabbed the other in the arm with its jagged neck. A court heard that she had

launched the attack because she believed wrongly that the men were laughing at her. Quite clearly, those factors are taken into account by the courts, which explains why someone such as Bernard, who clearly should have been sent to prison, and who, if she had been a male, would definitely have been sent to prison, was not sent to prison. That is the explanation. I am perfectly content for the hon. Lady to say that that should be the case, but at least let us argue from the facts, because then we will be acknowledging that men are more likely to be sent to prison than women.

Guy Opperman: I understand the basis on which my hon. Friend is making his case. Will he address the nature of the sentence for female offenders and the degree to which they are required to work, take literacy lessons and address drug and alcohol addiction as part of the offending management programme?

Philip Davies: No, I will not, because that is a debate for another day. These are all important issues, but this particular debate is about the sentencing of female offenders, and I am concentrating on the likelihood of people being sent to prison. If my hon. Friend was listening carefully at the start of the debate, he would know that the myth that I am currently exposing is that women are more likely to be sent to prison than men. As the figures that I have just quoted show, that is palpably not the case. I will go through other myths as we go through the debate, but there may not be time to go through every aspect of the criminal justice system at the moment.

Mrs Grant: It is important to clarify something. Regarding mitigation, does my hon. Friend not accept that there may be some factors that are more relevant to women than to men and hence the difference—for example domestic violence, self-harm, mental ill-health and caring responsibilities?

Philip Davies: I will come on to some of those points later. However, as the Minister will know from her Department's own figures, quite a lot of victims of domestic violence are men. In fact, for certain ages—I think that it is between 20 and 30—there are more male victims of domestic violence than female victims. The point is that all of the things that apply—

Mrs Grant *indicated dissent.*

Philip Davies: The Minister shakes her head. I know that she has not been in her post for long, but I advise her to go and look at the figures from the Ministry of Justice on domestic violence for different age ranges, because they were the figures that the MOJ quoted to me in a parliamentary answer about three or four years ago. They may well have changed, but I urge her at least to go and look at them before she shakes her head.

Andrew Stephenson (Pendle) (Con): I secured a 90-minute debate on domestic violence here in Westminster Hall just before the recess, which a number of Members contributed to. I completely agree that there are many men who are victims of domestic violence. However, a number of studies have shown that as many as half of all the women in jail at the moment—I think that is the figure—have been victims of domestic violence and almost a third of all female prisoners have been victims of sexual abuse. So those factors are very relevant. I do not want to get into a statistical argument with my hon. Friend, but I hope that this debate will broaden to discuss some of the other challenges faced by female prisoners and some of the factors that must be taken into account in sentencing.

Philip Davies: I am elated, because we now appear to have a consensus in Westminster Hall, which is an acceptance at last that men are more likely than women to be sent to prison. What we are now hearing from a variety of people are reasons why that should be the case. Those reasons may well be true—that is a debate for another day—but at least we are getting to the nub of the purpose of this particular debate that I have secured, which was to show that men are more likely than women to be sent to prison.

I will come on to discuss the women who are in prison and perhaps my hon. Friend might like to explain which of the women in prison he would like to see released; perhaps other Members could do the same. However, that is the second myth; I will just finish off on the first myth that I am discussing.

All other MOJ figures confirm that men are treated more harshly by the courts than women, and that there is quite a disparity. In the past few years for which the figures are published, women had 50% more chance than men of being released from prison early on home detention curfew. So it is perfectly clear that on the likelihood of being sent to prison, on the length of sentence being handed out and on the proportion of sentence served, women are treated more favourably than men, and that applies to all ages and all categories of offences, in Crown courts and magistrates courts. At least we have made that particular point clear.

The second myth that I want to discuss, and my hon. Friend the Member for Pendle (Andrew Stephenson) may well be interested in hearing about it, is that most women are in prison for petty or non-violent offences, and are serving short sentences. Many campaigners say that far too many women are in prison and should not be there; that instead, they should be serving their sentences in the community.

We can take a snapshot of the sentenced female prison population at a moment in time. The last figures that I have are for June 2010. Let us just look at the detail of all these "poor women" who are serving prison sentences and who—apparently—should be out and about. Which of these women prisoners do those who advocate reducing the female prison sentence want to let out? Frances Crook, the director of the Howard League for Penal Reform, was quoted in *The Guardian* in 2007 as saying that

> "For women who offend, prison simply doesn't work. It is time to end the use of traditional prisons for women."

Perhaps she might explain which of these particular women she would like to see out and about, and not serving a prison sentence. Maybe it is the 211 women serving sentences for murder; maybe it is the 135 women in prison for manslaughter or attempted homicide; maybe it is the 352 women convicted of wounding; maybe it is the 142 women convicted of serious assault or other violence against the person; maybe it is the 58 women imprisoned for cruelty to children; it could be the 83 women who are in for rape, gross indecency

[Philip Davies]

with children or other sexual offences; maybe it is the 272 women who are in for violent robbery, or the 151 women who are in for burglary; or maybe it is the 398 female drug dealers who should not be in prison. The total of those figures is about 1,800, or just over 1,800, which is a figure often bandied around as the target for women offenders in prison. Maybe people would say, "Those people should be in prison, it is the others who shouldn't be in prison." As I have indicated, there are some people who say that no women should be in prison at all, but that argument is just so ridiculous that I hope nobody here is in favour of it.

Kate Green: I am sure that the hon. Gentleman will agree that prison serves a number of purposes. One is the protection of the public. Another, though, is of course to rehabilitate offenders and prevent reoffending. It is pretty clear that prison is not doing a very good job at those things—for all sorts of reasons—both for women and for men. And the protection of the public could be better achieved through dedicated secure units for women rather than putting them into a system that is predominantly designed for a male lifestyle and male behaviours, and therefore incarcerates them in masculine-led regimes.

Philip Davies: These women are in women's prisons, which are not "masculine regimes". They are in female prisons, for goodness' sake.

Guy Opperman: Everybody accepts that those women are in women's prisons, but at the same time we cannot ignore a statistic that says that upwards of 70% of offenders—male or female—reoffend. Therefore, does my hon. Friend accept that we have to look at a different approach, not only to sentencing male offenders—both Governments in the last five to 10 years have tried to do that—but to sentencing and dealing with female offenders.

Philip Davies: My hon. Friend might be right if it was not the case that according to the MOJ—so I am sure it is true—the longer people spend in prison the less likely they are to reoffend, and quite markedly. The high rates of reoffending that he mentions only relate to people who spend short periods of time in prison. The longer that people spend in prison, the less likely they are to reoffend. The figures are something like this: for those sentenced for up to 12 months, 61% of people reoffend; for one to two years, the figure goes down to about 47%; for two to four years, it is about 37%; and for more than four years, it is down to about 17%. So the longer that people spend in prison, the less likely they are to reoffend. If my hon. Friend and other people are suggesting that—

Guy Opperman: Will my hon. Friend give way?

Philip Davies: Hold on, hold on. If my hon. Friend and other people are suggesting that the 5,442 women who are sent to prison each year for up to six months should not be in prison, presumably they must also be saying that the 51,588 males who are sent to prison each year for less than six months also should not be in prison.

Kate Green *indicated dissent.*

Philip Davies: If people wish to go round their constituencies, I will look forward to their election address—the hon. Lady may well send me a copy of her election address at the general election. If she would like to go round her constituency emblazoning the message that those who are sentenced to up to a year in prison—that is 70,000 people each year—should not be sent to prison, I will look forward to her issuing a leaflet to that effect. If she will not do that, I may well do it for her.

Kate Green: As the hon. Gentleman knows, I represent a Manchester constituency where we have been piloting intensive alternatives to custody. In other words, those people who would otherwise meet the custody threshold and receive a short prison sentence of less than six months are diverted to community penalties. I must tell him that not only is that approach producing lower reoffending rates but it is very popular in Manchester. So he should not make a simplistic assumption that my constituents are not prepared to look at the deeper arguments about when custody works.

Philip Davies: I will make an offer to the hon. Lady today—I am happy to go to Manchester and debate sentencing with her, any time that she wants to fix up a debate, and we will see what the majority of her constituents think. I think that the point that she makes is nonsense, but if she wants to argue it, that is perfectly fair. However, the point is that those things apply to men more than women, so this argument that this is all about women is complete nonsense. All of these issues relate to men just as much as they do to women.

Guy Opperman: All of us in this House would agree that those who are convicted of serious offences should go to prison. That is not in dispute, and neither is the desire to make prison more effective at rehabilitation. The statistics that my hon. Friend has produced show that longer sentences produce a lower likelihood of reoffending. Does he not accept, therefore, the overwhelming logic that if short sentences do not stop reoffending, short sentences are not necessarily working?

Philip Davies: We are getting slightly off the point, but I will respond to my hon. Friend's intervention. The statistics do not suggest that. They suggest two things. The first is that people should perhaps have longer sentences, for which the reoffending rate is lower, not that they should have no sentences at all. The high reoffending rate for short sentences is an argument for longer sentences, not for no sentences.

The second point is that, in the main, someone has to have committed many offences to get to prison. If someone goes to court with more than 100 previous convictions they are more likely not to be sent to prison than to be sent there. People have community sentence after community sentence, and the only reason they go to prison is that those community sentences have not worked—they have not prevented them from reoffending. The reoffending rate for that cohort of people in prison, therefore, is lower than for those people when they were on community sentences.

Mrs Grant: Will my hon. Friend give way?

Philip Davies: I am very conscious of time, Mrs Osborne. I will give way one last time, otherwise no one will have spoken in the debate, bar me.

Mrs Grant: I understand. My hon. Friend has been very reasonable. Clearly, he has worked extremely hard on collating the statistics. I wonder, however, whether he has actually visited a female prison, or some of the alternatives to custody, one of which was referred to by the hon. Member for Stretford and Urmston (Kate Green).

Philip Davies: I have indeed. I have visited the intensive alternatives to custody in my part of the world and have visited 12 UK prisons, including Holloway and a women's prison up in Yorkshire—so I have visited two women's prisons in the UK. I have also visited prisons in Denmark and the USA, to see what they do. If my hon. Friend was trying to suggest that I did not know what I was talking about, I hope that I have made her aware that I have some experience in this field.

Interestingly, no one has, as yet, managed to tell me which of those people I listed should not be in prison. Perhaps we have a consensus that they should be in prison. If people want to limit the debate to the 1,800 women I have mentioned, let us continue to consider which of them should be let out. Perhaps it is the 91 arsonists, the 24 people convicted of violent disorder, or the 45 serving time for kidnapping and blackmail. Perhaps it is the 192 people who are in for serious fraud and forgery, the 320 who have been convicted of importing drugs that end up being sold onto our streets, or the 111 serving time for other serious drug offences. If we do not want to let all of them out, we appear to be running out of options. Perhaps people will tell us which of those women they think should not be in prison.

Jenny Chapman: Will the hon. Gentleman give way?

Philip Davies: I will be delighted to hear from the shadow Minister which of them the Labour party does not believe should be in prison.

Jenny Chapman: The Labour party believes, and I think we have the agreement of the Minister—who is from the hon. Gentleman's own party—on this, that it is not about letting people out of prison, but about preventing them from going there in the first place. We want to see interventions that work and are properly resourced earlier on in people's criminal careers, to prevent them from having to go to prison. That is the point we are trying to make.

Philip Davies: With respect, that is not the point that people are making, because it applies equally to men as to women. In debates and in questions we hear all this thing about women being treated more harshly than men. It is no good talking about these things, because they apply equally to men and women. No one, as yet, has been able to identify where women are treated more harshly in the criminal justice system, and that is the whole point of my debate.

Perhaps we are coming down to the other numbers. Perhaps it is the two dozen who are in for perjury—

3.3 pm

Sitting suspended for a Division in the House.

3.18 pm

On resuming—

Philip Davies: No one has yet been able to tell us which of those people should not be in prison, so I presume that we can only conclude that all of them should be in prison. Therefore, we do not really have a problem.

I want to decouple one other thing. The number of women who receive short sentences in any one year is a completely different figure from the female prison population at any one time. Looking at recent figures as an example, just under 16% of female prisoners are serving sentences of less than six months, which is clearly a minority. If that is not classed as a short sentence, a further 6% are in prison for up to one year, so 22% of female prisoners are in custody for up to 12 months, which covers all cases heard in magistrates courts and some cases heard in Crown courts. All other female offenders are serving sentences of more than one year, which means their offences were so serious that they had to be dealt with by a Crown court. Those women, 78% of the total female prison population, are not serving short sentences for not-so-serious offences, as people would have us believe, but are serving much longer sentences for the most serious crimes. The figure of 78% of the female prison population comprises 34% serving between one and four years, 28% serving sentences of four years to life and 11% serving indeterminate sentences. A further 5% of offenders are in prison because after previously being released, they have either reoffended or breached their licence conditions. That is the second myth: women are imprisoned for short sentences and not very serious offences.

The third myth is that women are often remanded in custody but then are not sentenced to custody. I have heard the misuse of many statistics over the issue of remand and female offenders, so I want to introduce the House to the facts. The Ministry of Justice's own figures show that women are more likely than men to get bail. The figures are in "Statistics on Women and the Criminal Justice System" of November 2010.

> "In 2009 80% of females were bailed, compared with 62% of males; 20% were remanded in custody compared with 38% of males. The percentage remanded for both males and females is at a five-year low."

Those figures yet again back up the fact that more men than women are sentenced to custody. The document goes on:

> "Of those remanded in custody, 66% of females were then sentenced to immediate custody in comparison with 75% of males."

When people complain about women being more likely to be remanded in custody and then not sent to prison, it is solely due to women being treated more favourably when they are sentenced. It is not that they are more harshly treated when the decision is made to remand them in custody or give them bail. The figures are perfectly clear: yet another deliberate myth.

The fourth myth is that prison separates mothers from their children, which unfairly punishes them. It is said that 17,000 children are separated from their mothers

[Philip Davies]

and that 60% of women in custody have children under the age of 18. It is also suggested that about 700 of more than 4,000 women are in prisons more than 100 miles away from their children. Let us take that in stages. First, it is not the system that separates any mother from her children. It is that individual's actions in breaking the law that have led to prison and that is almost certainly 100% their fault and their responsibility alone. As we already know from the evidence, they are less likely than men to go to prison. In addition, recently updated sentencing guidelines also incorporate consideration of the effect that custody would have on others, when the defendant is the primary carer for another. That again is likely to benefit further more women than men when they are sentenced.

If we are so concerned about the children of women offenders, what about the estimated 180,000 children who are separated from their fathers who are in prison? In this age of equality, what about that much higher figure? Should we not be more, or at least equally, outraged about that? If not, why not? Some women may be further away from their children than others in prison, but let us turn to the main point about all those women who are allegedly being so unfairly dragged away from their poor children by over-harsh magistrates and judges. That is another big myth.

My understanding is that a senior civil servant at the Ministry of Justice has helpfully confirmed recently that two thirds of the mothers sent to prison who have children were not even looking after them at the time. She apparently said of the women being sent to prison:

"Two-thirds of them didn't have their kids living with them when they went to prison."

Why on earth is there such a huge outcry about separating mothers from their children, when most of the mothers in prison were not being mothers to their children anyway?

Jenny Chapman: I congratulate the hon. Gentleman; he marshals his argument well. He makes good use of statistics up to a point. However, on this I must differ. Only 5% of children with a mother in custody are able to stay in their own home. That is not the case for men. What does the hon. Gentleman think about that? What is the effect? We know that people who have parents in custody are much more likely to commit offences in future. We are trying desperately hard to break that pattern of offending, so it seems an obvious step to try to keep those relationships alive. We know that, especially with women, that is one of the single most important factors in preventing their reoffending.

Philip Davies: My point is that men are parents as well as women. The problems that the hon. Lady articulates apply to men as well as women. The argument goes that this is all about women; it is not all about women. Let us not focus just on the very small proportion of women who are in prison. Let us also think about all the men, too. The whole point of the debate is to make people aware that where there are issues they apply equally to men, and that some of the issues are not even issues at all because the facts do not back them up.

Mrs Grant: On mother and baby units, it is not, with the greatest respect, all about the mother. The principal criterion for entering a mother and baby unit is that it must be in the best interests of the child. That is the most important criterion. Does my hon. Friend not accept that?

Philip Davies: The point is that 66% of women sent to prison who have children are not actually looking after their children when they are sent to prison. That is the point I am making, so I am not entirely sure why we are all pulling our hair out about people who are not even looking after their children. Those children have probably either been put into care or are being looked after by other family members, probably because the mother is considered unfit to look after the children. Why should the courts treat her less harshly when the children have already been removed from her? It is a completely spurious argument.

When it comes to the minority who are looking after their children, we should not assume that they are all fantastic mothers and role models for their children. Many will be persistent offenders with chaotic lifestyles. Some will end up dragging their children into their criminal lifestyles and some will scar their children for life along the way. We presume it is in the children's best interest to stay with those mothers. It may not be in the best interest of the child for the mother to be released. It may be in their best interests for their mother to go to prison in some cases.

Others will have committed very serious offences. The same official from the Ministry of Justice said recently of women offenders:

"They can be very damaged and also very damaging."

That is absolutely right. Sarah Salmon of Action for Prisoners' Families said:

"For some families the mother going into prison is a relief because she has been causing merry hell."

That is another worthy point we should consider. Let us, finally, not forget those who are in prison for being cruel to their children, for abusing their own children.

The final myth is that women are generally treated more harshly than men in the justice system. It is clear that women are less likely than men to be sent to prison. Therefore, we need to look at other court disposals to see if they are then treated more harshly than men in other areas. If they are not being sent to prison as frequently as men they are presumably being sentenced at the next level down—a community order. They are not. The Ministry of Justice's figures yet again show that men are more likely than women to receive a community order: 10% of women sentenced are given a community order compared with 16% of men. The Ministry of Justice goes on to confirm that

"these patterns were broadly consistent in each of the last five years".

Women are less likely than men to go to prison and less likely to be given a community order. That is not all. Of those who are given a community order the ones given to men are likely to be much harsher. The Ministry of Justice says:

"The average length of all community sentences for men was longer than for women…For women receiving a community order, the largest proportion had one requirement, whereas the largest proportion of men had two requirements."

I do not want to veer into the realms of domestic violence that my hon. Friend the Member for Pendle tried to go down; that is a debate for another day.

However, one thing worth noting about sentencing is that despite all the evidence that shows women as the perpetrators of domestic violence in far more cases than some would like us to think, the community requirement imposed on those who commit an offence in a domestic setting is imposed only on men and cannot be handed down to women. As usual, this shows that the whole issue of equality works only one way, even when we are dealing with exactly the same offence.

Given the more severe sentences for men at the higher end of the sentencing spectrum, it is unsurprising that women are more likely to receive low levels of punishment at courts. It is a fact that a higher proportion of female defendants receive fines. All of that shows that throughout the court sentencing regime men are on average treated more severely than women.

Before I conclude there is another interesting statistic that is worth sharing. There is even an imbalance in the number of women reaching court compared with men, as more females than men were issued with pre-court sanctions. That has been consistently the case in recent years according to the Ministry of Justice. That is the evidence.

All the hysteria surrounding women in the justice system is completely without foundation, yet people want to be seen to be doing something about the so-called problem. We have the Together Women project, women-only groups for community sentences, a criminal justice women's strategy unit, women's centres, a proposal for women-only courts and, just the other day in Manchester, the right hon. Member for Tooting (Sadiq Khan) proposed a women's justice board. That is all on top of the Corston report, which looked at the whole issue of female offenders and came up with even more suggestions.

Looking at the evidence, there appears to be sex discrimination in the sentencing of offenders, but the people being discriminated against are men not women. Women cannot have it both ways. They cannot expect to be treated equally in everything in society except when it comes to being sentenced by the courts for the crimes that they commit. People may want to argue that it is reasonable for women to be given lighter sentences than men, and that it is right that fewer women are sent to prison than men. That is an argument for another day, but at least when we have these debates about sentencing for men and women let us stick to the facts as they are and not what we would like them to be. Men are treated more harshly by the courts than women. If we can at least have debates that flow from that, based on the facts, we will have made a good start today.

3.30 pm

Jenny Chapman (Darlington) (Lab): It is a pleasure to take part in the debate, and I congratulate the hon. Member for Shipley (Philip Davies) on securing it. It is useful for debates to be formed on the basis of fact, and I think that we will all go away and have another look at some of the statistics. However, I do not think that we will all necessarily jump to the same conclusion as the hon. Gentleman.

I take exception to the charge of inappropriate political correctness and hysteria on my part and on the part of the Minister. We are trying to devise a criminal justice system that is sensible, just, effective and helps to reduce reoffending and the number of victims. I think that that is something that we all share, and we are trying to do it within a very tight budget. In the past, I have agreed with the hon. Member for Shipley on issues such as indeterminate sentencing. It is slightly rich for him then to say that we are all getting a bit woolly-headed and soft. We are not; we are trying to deal with these issues sensibly.

If we take a look at what we know about women in the criminal justice system, the first thing that we see is that there are far fewer of them than there are male offenders. As the hon. Gentleman said, women make up only 5% of the prison population. However, being a minority has meant that in the past they have not been served as appropriately as the male population. For example, as well as committing less crime, the female population tends to commit different types of offences. Importantly, they are less likely to commit violent crime. Conversely, we know that they are more likely than their male counterparts to be given a custodial sentence for their first offence. We will all go away and frantically try to check that out. Their most common offence appears to be theft, particularly shoplifting. Once there, women experience prison differently from men. Despite inhabiting only 5% of our cell spaces, female offenders account for nearly 50% of all incidents of self-harm that happen inside prison walls. The majority of women in prison are serving short sentences of six months or less. Once out, the majority of them reoffend and are back within one year. Clearly, something is not working.

Philip Davies: I can only conclude that the hon. Lady did not listen to what I said. The fact is, at any point in time, 78% of women in prison are serving a sentence of over one year. It is simply not true to say that the majority of women in prison today are serving a short sentence—they are not.

Jenny Chapman: The majority of women who are sentenced serve less than six months. It goes without saying that serious and violent offenders, whether men or women, should be punished and imprisoned to protect the public. However, it needs to be said that the majority of women, viewed by sentences, have committed minor, non-violent offences. We are aware that our new Secretary of State for Justice is keen to tell us that prison works, but when 62% of women who serve a short custodial sentence get out and quickly reoffend, it is a sure sign that something is not working. I am sure that the hon. Gentleman would like all classes of offender to serve longer sentences, but I am curious to know where the budget will come from.

Philip Davies: There are plenty of areas from which the extra resources for the prison budget could come. A starter would be the £19 billion that we give to the European Union. Perhaps the recent vast increase in overseas aid—the money that we give to India—would be a good place to start, actually to have some prison places in this country.

Jenny Chapman: I really should have thought before I said that; I should have predicted that answer. I look forward to the hon. Gentleman raising that point with the leader of his party.

[Jenny Chapman]

In 2007, the Labour Government published the Corston report, which was commissioned precisely to consider this cohort of offenders. Irritating though it is to the hon. Gentleman, we still believe that specific things can be done for this group of offenders to reduce their reoffending that are not currently taking place, and they are different from those interventions that may be successful for male offenders.

More than 50% of the women in prison report that they have experienced domestic abuse. One in three of them have suffered sexual abuse, and a quarter of the women in prison were in care as children. They are disproportionately more likely to suffer from serious mental health problems than either male offenders or the wider population. Some 37% of women sent to prison say they have attempted suicide at some point in their lives, and 74% left school before they were 16. Drugs and substance misuse are also disproportionately a factor in women's offending before entering custody—75% of women had used illegal drugs. I have already mentioned the appallingly high amount of self-harm that occurs in this population.

Baroness Corston was led to describe these women as "troubled" rather than simply "troublesome", although they certainly can be troublesome. A short prison sentence, mandated on top of an already chaotic life, does little to address the root causes of offending. The problems that were there before a female offender entered the gates will be there when she leaves them, only then there might be more. Some 30% of women lose their accommodation while in custody. Many of them had inadequate housing or were homeless before arrest, and they are not the only ones at risk of losing their homes due to imprisonment.

Nearly 18,000 children are separated from their mothers every year by a prison sentence. Female offenders are often the primary or sole carer in a family—this is where they differ from male offenders. Some 66% of women in prison have dependent children under the age of 18. Only 5% of children with a mother in custody are able to stay in their own homes while their mum is inside. The burden often falls on extended family members or on the care system. We cannot afford to inappropriately sentence female offenders who do not pose a serious risk to the public. It costs too much. It costs children their family and their homes. It makes it harder for women, who are often vulnerable or victims in their own right, to get their lives back on track. It condemns communities to have offenders returned to their streets without any meaningful preventative work done; and on top of it all, it simply costs too much.

The Prison Reform Trust, which I know the hon. Member for Shipley holds in very high regard, reports that it costs an average £49,000 per year to hold a woman in prison. *The Independent*, which I am also sure that the hon. Gentleman reads very carefully, recently ran an article about a woman who had been sent to prison for stealing a lasagne. The ex-governor of Styal women's prison tells a story of a woman who was given a custodial sentence for stealing a sandwich when she was hungry. In a women's centre in Manchester earlier this month, I talked to a woman who had been made homeless due to domestic abuse and had been sent to prison after committing petty theft to survive—she had stolen a sandwich.

I reiterate that of course there are crimes where a custodial sentence is the most appropriate punishment for an offender, female or not. However, a disproportionate or ineffective custodial sentence, as is clearly suggested by current reoffending rates, is an awful lot to pay for a solution that solves very little.

Baroness Corston made a series of recommendations about changes that needed to be made to the content and provision of women's sentences. Her report was greeted with strong support by all parties, including the two—or the one—that now sits opposite me.

Philip Davies: Is the hon. Lady claiming that someone was sent to prison for stealing a sandwich as a first offence? Is that really what she is claiming? If so, I find that very hard to believe. If people are sent to prison for what she considers to be minor offences, I can guarantee that men are more likely to be sent to prison for those offences because, for every category of crime, men are more likely to be sent to prison than women. This applies equally to men—it is not only women.

Jenny Chapman: Of course, that is true. If something positive can come out of this debate, it might be a sense that in raising issues concerning women we are not solely concerned about women offenders. What is true, however, is that we could have much more success with that group of offenders if they were dealt with slightly differently. Given that we have such a problem with reoffending, it makes perfect sense to break offenders down into groups to be dealt with and with whom we could first have some success.

The Labour Government accepted almost all of Corston's 43 recommendations, and a lot of good progress was made. Five years on, some of the achievements that we should be most proud of are the end to mandatory strip searching and the targeted investment in community and diversion services for women. I pay tribute to my hon. Friend the Member for Garston and Halewood (Maria Eagle) who, according to my right hon. Friend the Member for Blackburn (Mr Straw), argued ferociously for change and did not stop until she got her way—a fine example of the effectiveness of a women's justice champion, a role that has, sadly, been conspicuous by its absence in the first two years of this Government.

Progress, I am disappointed to report, has stalled. I have already noted that the current Secretary of State for Justice did not find time to make women a priority in his conference speech, although, to be fair to him, he is simply following the example set by a Government who did not include a single mention of female offenders in a Bill with the size and scope of the Legal Aid, Sentencing and Punishment of Offenders Bill. The Secretary of State has made much of his desire to be tough on crime and, even more perhaps, of his fractious relationship with community sentencing. This is not about being hard or soft, however, but about what works, and smart community interventions are the most effective way to sentence and rehabilitate the majority of women who enter the criminal justice system. Such reform is tough on crime, as it reduces it. When I asked staff and service users at the Pankhurst women's centre in Manchester

what needed to change, they answered that politicians needed to grow a backbone—they were actually a lot less polite, but I think we know what they meant.

In opposition, Labour has continued our commitment to such reform—this month my right hon. Friend the Member for Tooting (Sadiq Khan) announced plans to set up a women's justice board. Reducing the number of the women in prison, he argued, should be a priority for any Government. The Secretary of State for Justice is not known for his desire to reduce the prison population, but if our criminal justice system is to be sensible and effective and provide value for money, it may be time for the Government to think outside the gates.

3.42 pm

The Parliamentary Under-Secretary of State for Justice (Mrs Helen Grant): It is a pleasure to serve under your chairmanship today, Mrs Osborne. I congratulate my hon. Friend the Member for Shipley (Philip Davies) on securing this important debate, and I welcome the opportunity to update the House on the steps that justice agencies are taking to address women's offending. Before doing so, I want to set out two important parts of the wider context on female offenders: to explain how our current sentencing framework deals with gender and to show how important it is to look carefully at the evidence on how women are sentenced by the courts.

To begin with, therefore, it is important to be clear about how our sentencing framework is gender-neutral: everyone is absolutely equal before the law. The same criminal offences and maximum penalties apply to every case, regardless of the offender's gender. Alongside that, however, we also need to remember that every offender who is brought before the courts is unique. A long-standing principle of our justice system is that courts should consider the full circumstances, not only of the offence but of the offender, when sentencing. A sentencing framework that did not allow courts to take into account individual circumstances would not be a just one.

In many cases, an offender's personal characteristics, such as previous convictions, failure to comply with earlier court orders or abusing a position of trust, can all be treated as aggravating factors when sentencing. Other personal characteristics, however, may provide mitigation. Previous good character, age, physical or mental health and caring responsibilities are all factors that courts can take into account when deciding the appropriate sentence.

All such factors may apply to both male and female offenders. For example, that an offender is a primary carer for dependent relatives is the important fact for the court, not whether the offender is the mother or the father. Probation pre-sentence reports give courts the detailed assessments that they need to make informed judgments about the factors that they should take into account.

I should make it clear that courts need to weigh mitigating factors against the others circumstances. For example, although it is recognised that parental imprisonment can have considerable effect on the lives of children, caring responsibilities will not necessarily mean that an offender will be spared prison. The overriding aim of the courts will always be to impose a sentence that reflects the seriousness of the offence and that is proportionate to the culpability of the offender and the harm caused.

We need to bear in mind all such issues when looking at the sentences imposed on male and female offenders. Differences in the type and severity of sentence given to men and women may be attributable to a wide range of factors, such as the type and gravity of offence committed and the individual's previous offending history.

Philip Davies: Is the Minister therefore conceding—the main purpose of my debate—that for each category of offence men are more likely to be sent to prison than women? She did not say so explicitly, but she was about to give reasons for that being the case.

Mrs Grant: No, I do not accept that at all. What I have just said is that the sentencing framework and guidelines are gender-neutral: everyone is absolutely equal before the law. That is exactly what I said.

Philip Davies: I will give the Minister one more chance, because I do not want her to mislead the House inadvertently. She can use her Ministry of Justice figures for the answer. Does she accept that, for each category of offence, men are more likely to be sent to prison than women? We can take all the reasons why that may be the case and we can put in all the mitigating factors, but will she confirm for the benefit of the House, as the Minister in this Department, that for each category of offence men are more likely to be sent to prison than women? The reasons are irrelevant; it is only the facts that we want at this stage.

Mrs Grant: We could go round in circles, but I shall repeat myself: the sentencing framework and guidelines are gender-neutral and everyone is equal before the law. The sentencer has an obligation to take into consideration all factors relating to the offence and to the offender. In our judicial system, if the sentencer failed to do so, we would have an unjust system.

We need to be careful when interpreting the statistics, many of which have been cited by my hon. Friend today. At a high level, for example, the figures show that 10% of male offenders and 3% of female offenders were sentenced to immediate custody in 2011. The average custodial sentence length for males was longer than for females, at 15 months and 10 months, respectively. Equally, however, proportionally more males than females received sentences in 2011 for serious offences such as violent crime, sexual crime and robbery. There were also differences in the severity of offences committed within the groups. For example, 343 offenders were sentenced in 2011 for murder, but only 23 were female offenders.

The available statistics on aggravating factors suggest that a similar proportion of males and females sentenced to short custodial sentences are persistent offenders. In June 2011, around half of both men and women serving sentences of six months or less in prison had 15 or more previous convictions.

A number of mitigating factors are particularly associated with women offenders, including the high prevalence of mental health needs and child care responsibilities. Prisoner surveys tell us that more than a quarter of female

[Mrs Grant]

prisoners reported having been treated for a mental health problem in the year before custody, compared with 16% of male prisoners.

Women are also more likely than male offenders to have child care responsibilities, and 60% of mothers with children under the age of 18 lived with those children prior to imprisonment, compared with around 45% of fathers. So there is a nuanced story behind the statistics, which reflects the fact that every offender, whether male or female, is a unique individual. Whether offenders are punished in custody or in the community, the Government are committed to ensuring that both men and women who offend are successfully rehabilitated.

For those offenders who are best dealt with out of court, we are piloting mental health and substance misuse liaison and diversion services in police custody and at courts by 2014. We are also developing intensive treatment options in the community for offenders with drug or mental health problems, including four women-only services in Wirral, Bristol, Birmingham and Tyneside.

In prisons, we are piloting drug recovery wings for short-sentence, drug and alcohol-dependent prisoners at three women's prisons: HMPs New Hall, Askham Grange and Styal. We are also ensuring that courts have the right mix of punitive and rehabilitative requirements available when sentencing female offenders to community sentences. The National Offender Management Service is providing £3.78 million in this financial year to fund 31 women's community services that can be used as part of, or in conjunction with community sentences. To protect the provision of services for women in these times of financial challenge, that funding will be embedded within the baseline for future probation trust settlements with a requirement that it results in enhanced services for women.

We have issued gender-specific standards in all areas of the prison regime, including training for staff working with women offenders in prisons, now extended to services provided in the outside community, and new search arrangements, ending routine full searches of women prisoners.

Seven mother and baby units in England and Wales provide an overall total capacity of 77 places for mothers, with capacity for up to 84 places for babies to allow for twins. Mother and baby units provide a calm and friendly place within prison for babies to live with their mothers. They enable the mother and child relationship to develop, thereby safeguarding and promoting the child's welfare.

In closing, I thank the hon. Members for Stretford and Urmston (Kate Green) and for Feltham and Heston (Seema Malhotra), and my hon. Friends the Members for Pendle (Andrew Stephenson) and for Hexham (Guy Opperman), as well as the hon. Member for Darlington (Jenny Chapman), for contributing to the debate. We can continue to improve how we tackle offending together only if we continue to address the wide range of factors associated with offending, whether the offenders are male or female. I welcome the constructive and knowledgeable contributions from all hon. Members this afternoon, as they have highlighted how important it is to continue to focus on responding to the specific circumstances of women offenders.

Tonbridge Hospital/Edenbridge Hospital

3.53 pm

Sir John Stanley (Tonbridge and Malling) (Con): It is a pleasure to see you in the Chair, Mrs Osborne. My constituents are most fortunate in that they have within my constituency geographical boundary not one community hospital, but two. We have the Edenbridge and District War Memorial hospital, and Tonbridge Cottage hospital. Both were founded between the two world wars with the outpouring of philanthropic and generous donations in remembrance particularly of those who suffered terrible injuries on such a huge scale during the first world war.

Of all the public assets in Edenbridge and Tonbridge, those two hospitals are the most highly prized by the two communities. The support for Edenbridge and Tonbridge community hospitals is far reaching and profound. In the forefront of that support are their two leagues of friends. Edenbridge Hospital's League of Friends, chaired by Mrs Jo Naismith, and Tonbridge Hospital's League of Friends, chaired by Dr David Goodridge, voluntarily and in an unceasing and dedicated way provide outstanding support to the two hospitals. I stress particularly the quality of the care and treatment provided at the two hospitals, and I pay tribute to the NHS nursing staff and doctors, and all the others who work in them for the quality of provision for local patients.

I want to raise two issues. First is the proposed transfer of the assets of both hospitals in April 2013 in accordance with the Government's policy of relieving the former primary care trusts of their property assets. The Government's policy in this area is seriously misguided. It is a major failure and misconception of policy to divide those property assets into the sheep and the goats with property from some community hospitals being transferred to mainstream NHS providers when that of other hospitals—the goats—is being transferred to NHS Property Services Ltd.

Despite all the soothing words and honeyed letters that I have received from Ministers about the issue—I am grateful to the Minister for the letter she wrote to me yesterday, which I received this morning—I am in no doubt whatever from the statements by the previous Secretary of State for Health that the main reason for the creation of NHS Property Services Ltd is to set up a vehicle inside the Department of Health that will count among its main objectives asset realisation, or asset stripping as some might say. To make the point clearly, it is necessary only to go back to the former Secretary of State's original written statement in which he outlined the objectives of NHS Property Services Ltd, which included to

"deliver value for money property services; cut costs of administering the estate by consolidating the management of over 150 estates; deliver and develop cost-effective property solutions for community health services; and dispose of property surplus to NHS requirements."—[*Official Report*, 25 January 2012; Vol. 539, c. 19WS.]

It is quite clear, therefore, that NHS Property Services is an asset realisation and disposal company being set up within the NHS.

I also find some of the criteria used by Ministers for whether community hospital assets go to NHS providers or to NHS Property Services Ltd seriously flawed. For

example, why should a community hospital, simply because it shares parts of its property with another NHS trust, as is the case with Tonbridge Cottage hospital, automatically be sentenced to going to NHS Property Services Ltd? I see absolutely no justification or rationality for that criterion.

My anxieties about the policy were, if anything, increased when my hon. Friend the Minister gave the following reply in a debate initiated by my hon. Friend the Member for Totnes (Dr Wollaston):

"NHS Property Services Ltd will own and manage buildings that are needed by the NHS. However, it will also be able to release savings from its properties that are declared surplus to NHS requirements."—[*Official Report*, 6 September 2012; Vol. 549, c. 485.]

Therefore, many other MPs may be in a similar position to me: will I wake up one morning, as will my constituents in the Tonbridge and Edenbridge area, and find that Tonbridge Cottage hospital or Edenbridge and District War Memorial hospital have been declared "surplus to NHS requirements"? That is a worrying and apparent possibility, and I hope that the Minister will be able to relieve me of my anxiety on that score. I appreciate that she cannot give any assurances beyond the lifetime of the present Government, but will she give a categorical, unequivocal, unqualified assurance in *Hansard,* in black and white, that during the lifetime of the present Government, neither of those hospitals will be declared surplus to requirements?

My other criticism of the whole policy is the lack of proper consultation. General statements have been made, but we as constituency MPs are deeply concerned about the specifics. So far, there has been no consultation with MPs, local councillors or local people on the specific intentions of the Government about the property assets of individual community hospitals. Here we are today, with less than six months to go before April 2013, and I, local councillors, leagues of friends, and local people have not received any official information about whether the two hospitals will belong to NHS providers or go off to NHS Property Services Ltd. As far as I am concerned, that lack of consultation with the public and their elected representatives is unacceptable. I hope that in her reply the Minister will convey this request to the Secretary of State, urging him to ensure that before final ministerial decisions are taken on whether individual hospitals go to NHS providers or to NHS Property Services Ltd, the public and their representatives are consulted, so that they can express a view on the Government's proposals.

The second issue that I want to raise is equally serious: the failure of the West Kent primary care trust to discharge its statutory consultation obligations when it put into effect a major change of use recently at Tonbridge Cottage hospital. I stress that I am not here to debate the merits or otherwise of the change of use; I have come to discuss the legality or otherwise of the process that was followed, and whether there was a breach of statutory consultation obligations.

However, in brief, and by way of background, the change of use has arisen because the West Kent primary care trust had to find a home for the stroke rehabilitation unit that was at the Kent and Sussex hospital when the hospital was closed relatively recently. The unit was not incorporated in the main buildings of the hospital; it was in temporary buildings—so-called pods—placed on the car parking area of the Kent and Sussex hospital. The West Kent primary care trust had the option of moving those pods, which clearly had been working perfectly satisfactorily and to NHS standards, lock, stock and barrel, and putting them in the car parking area, which has recently been expanded, at Tonbridge Cottage hospital. Instead, it took the easy option, deciding to shut down half the community beds at Tonbridge Cottage hospital and move the stroke rehabilitation unit there. That process, which involved a major change of use at the hospital, was carried out with no statutory consultation whatsoever.

I make it clear to the Minister that I am perfectly happy, as are the Friends of Tonbridge Cottage hospital, to have stroke rehabilitation at the hospital. However, we are profoundly unhappy that instead of its being an additional facility at Tonbridge cottage hospital, the change was achieved at the expense of cutting in half the number of very valuable community beds there. That has now left Tonbridge Cottage hospital with the smallest number of community beds in Kent, among all the community hospitals there; I have the figures from the West Kent PCT. Notwithstanding the fact that Tonbridge Cottage hospital is the one and only community hospital serving the entirety of Tonbridge, Tunbridge Wells, Southborough and the surrounding areas, it now has the smallest number of community beds in Kent.

I have to make it clear that the policy runs directly contrary to the stated policy of the Government. The Minister, in her reply of 6 September said

"this Government support improvements in community hospitals across the country. That is because we know that community hospitals make it easier for people to get care and treatment closer to where they live."—[*Official Report*, 6 September 2012; Vol. 549, c. 483.]

The action taken by West Kent primary care trust has made it significantly more difficult for people in the Tonbridge, Tunbridge Wells and Southborough area to get care and treatment closer to where they live.

I come now to the statutory requirements. I raised them originally in my letter of 17 June 2011 to the former Secretary of State for Health. My right hon. Friend the Member for South Cambridgeshire (Mr Lansley), in his reply of 18 July, set out very clearly the two statutory obligations falling on NHS trusts to consult. He referred me to sections 242 and 244 of the National Health Service Act 2006. The key provision in section 242 is subsection (2):

"Each body to which this section applies must make arrangements with a view to securing, as respects health services for which it is responsible, that persons to whom those services are being or may be provided are, directly or through representatives, involved in and consulted on—

(a) the planning of the provision of those services,

(b) the development and consideration of proposals for changes in the way those services are provided, and

(c) decisions to be made by that body affecting the operation of those services."

In my view, the breach of that statutory consultation obligation by West Kent primary care trust is absolutely clear. There was no consultation, directly or through representatives, in the Tonbridge area about those significant changes. It seems to me entirely clear that section 242 was not complied with.

Even more stark is the failure of West Kent primary care trust to comply with its obligations under section 244. That is the section of the 2006 Act that places on

[Sir John Stanley]

NHS trusts a statutory duty to consult local authority overview and scrutiny committees—in this case, the overview and scrutiny committee of Kent county council. The key document in this respect is "Overview and Scrutiny of Health—Guidance", which was published by the Department of Health in July 2003 and which is now statutory guidance, as the former Secretary of State made clear to me. The key paragraph is 10.4.1, which states:

"Where an NHS trust plans to vary or develop services locally, it will need to discuss the proposal with the overview and scrutiny committee to determine whether the proposal is substantial. If the outcome of those discussions is that it is a substantial development or variation, the trust must consult the overview and scrutiny committee."

I therefore asked the leader of Kent county council, County Councillor Paul Carter, if the council's overview and scrutiny committee had been consulted on whether the change was substantial. In his letter to me of 18 September 2012, he replied that

"there was no formal consultation on the specific decision relating to stroke rehabilitation beds at Tonbridge Cottage Hospital…Nor was the issue specifically brought to the attention of the Committee. Therefore the Committee has not been in a position to determine whether the proposal was substantial."

That, I suggest, is starkly clear evidence of a breach of the statutory consultation obligation.

I do not expect the Minister, in her reply to this debate, to give an instant response to and judgment on the legal case that I have advanced for there having been a breach of statutory consultation obligations. It would be unreasonable of me to expect that when I have only just presented the evidence, but I do request that in the light of what I have said in the debate, she consults the Secretary of State, and I hope that my right hon. Friend will take his own legal advice. I wish to hear in writing—I hope from the Secretary of State himself, following the legal advice that he has received—whether he agrees that West Kent primary care trust failed to discharge its statutory consultation obligations in bringing about a substantial change of use at Tonbridge Cottage hospital.

I hope that if the Secretary of State comes to the same view as I have done that there has been such a breach and that therefore the change of use process was unlawful, he will tell me what action he believes is appropriate. I hope that he will tell me what action he would see fit to take in relation to the individuals in the former West Kent primary care trust who were responsible for non-compliance with statutory duties. I hope most of all that the Secretary of State will take this action: I hope that he will issue a direction to the successor body to West Kent primary care trust, NHS Kent and Medway, and that that direction will instruct NHS Kent and Medway to carry out—admittedly belatedly—the statutory consultation on the change of use at Tonbridge cottage hospital that has occurred.

If the consultation takes place, as I earnestly hope it will, it will give me, the Friends of Tonbridge cottage hospital and, most important of all, the people of the entire Tonbridge, Tunbridge Wells, Southborough and surrounding area the opportunity to make it clear to the NHS and to the Secretary of State that although we welcome the stroke rehabilitation facility at Tonbridge Cottage hospital, we want the half of our community beds that have been removed to be restored for the benefit of the people of the local community.

4.17 pm

The Parliamentary Under-Secretary of State for Health (Anna Soubry): First, I congratulate my right hon. Friend the Member for Tonbridge and Malling (Sir John Stanley) on securing the debate and on the many questions that he has raised. As the clock is against me, I shall deal at the beginning of my response to his speech with some of the issues that he has specifically asked me to deal with.

It strikes me that these matters should and could have been dealt with locally. As my right hon. Friend will appreciate, one of the Government's aims has been to ensure that national politicians do not get involved in the stuff of sorting out the NHS locally. He raises concerns about his local PCT and calls into question procedures undertaken by it. He says that decisions that it has made should have been referred to the overview and scrutiny committee. I do not know whether that is right or wrong. What I do know is that it is incumbent on local politicians to raise such matters, as they do the length and breadth certainly of England. It may be that the horse has bolted from the stable and it is too late, but I think that I can say with some certainty that it is not the role of the Secretary of State for Health to seek legal opinion on whether the PCT has acted lawfully.

With respect to my right hon. Friend the Member for Tonbridge and Malling, I suggest that those are local matters, to be determined locally, and it is for the league of friends, himself, councillors and other concerned people to look into the legality of the decisions that have been made and the processes that have been chosen. It is for the local NHS and local politicians to deal with that. It is not the role of Whitehall and Ministers to get involved in the stuff of local NHS decisions and those processes.

Sir John Stanley: The League of Friends and I have pursued these issues in detail over a considerable period with the local PCT. Does the Minister not agree that under primary legislation, the Secretary of State ultimately has a responsibility for addressing issues of NHS trusts' compliance with statute?

Anna Soubry: I am grateful to my right hon. Friend for his comments. I will look further into the matter. I cannot give a definitive answer, but in my experience such matters are invariably taken up by local politicians, often led by their local Member of Parliament, who go to the overview and scrutiny committee of the county council to urge upon it all the reviews and challenges that he has sought and raised in this debate. I will, however, look into this further, and if he will forgive me, I will come back to him probably by way of a letter or a meeting between the two of us. May I move on to the future of his community hospitals?

I am reliably informed that there are no plans whatsoever to close either of the two hospitals. I will get through as much of my speech as I can in the time available—I will be guided by you, Mrs Osborne, but I think I have to sit down at half-past 4. I make it absolutely clear again that the future of hospitals is not determined by national Government, but is in effect determined by the local commissioning process. From what I am told, there is no reason to fear for the future of either the Tonbridge Cottage hospital or the Edenbridge and District War Memorial hospital, because the services that they provide

will be commissioned by the local clinical commissioning group. They are doing a grand job now, so there is no reason to think that they will not continue to do a grand job, and therefore their services will continue to be commissioned.

Many Members have great affection for their community hospitals, and rightly so. As my right hon. Friend alluded to, they provide a wide range of vital services, from minor injury clinics to intensive rehabilitation. They inspire much love and respect in their communities. They are fiercely defended and rightly inspire loyalty.

My right hon. Friend and the local league of friends have raised the issue of the beds at Tonbridge hospital. I am not the PCT's mouthpiece, but as he will appreciate, inquiries are made and I am supplied with information. I am assured that the 12 community beds in question were designated as general rehabilitation beds. They were then redesignated as stroke rehabilitation beds and are now housed in the new £400,000 purpose-built stroke unit, which opened at the hospital in September 2011. The PCT then created 12 additional general rehabilitation beds across west Kent, to replace the 12 community beds that had been redesignated. Of those 12, two, as he mentioned, are at Tonbridge hospital. We do not agree that there was a loss of beds, because 12 of the beds became stroke rehabilitation beds. I take the point that there were 12 community beds previously and now there are two community beds, but we should not forget that there are an additional 12 stoke rehabilitation beds.

It was the opinion of the PCT at the time that there was no real change in the use of the beds at Tonbridge hospital, because their primary function had been rehabilitation. The 12 community beds were designated for rehabilitation, and the 12 stroke beds are obviously for rehabilitation, too. The hospital has gained two extra beds for community rehabilitation that were designated specifically for older people. The PCT therefore considered that there was no real service change, so it did not deem formal consultation necessary or appropriate.

The Government have pledged that in future all service changes must be led by clinicians and patients, not driven from the top down. That principle has been at the heart of our reforms for the NHS. To that end, we have outlined and strengthened the criteria that we expect decisions on NHS service changes to meet: they must focus on improving patient outcomes, consider patient choice, have support from GP commissioners and be based on sound clinical evidence.

Everything that we do in central Government is designed to support local clinicians and patients changing the local NHS for the better and to ensure that improvements are made to primary and community services. As a result of the Health and Social Care Act 2012, primary care trusts will be abolished from April 2013 and responsibility for commissioning services will move to clinical commissioning groups, so local doctors, clinicians and experts are in control. I see no reason why they would not commission services from those two excellent community hospitals.

My right hon. Friend mentioned the community hospital estate and its future. The 2012 Act requires new ownership arrangements for current PCT estates. In August last year, the Department of Health announced that NHS providers would have the opportunity to acquire parts of the estate. Therefore, providers, such as community foundation trusts, NHS trusts and NHS foundation trusts, will be able to take over those parts of the PCT estate that are used for clinical services. That of course includes the community hospital estate. We have put safeguards in place, so that providers cannot just dispose of newly acquired land and make a quick profit. I hope that that satisfies him.

Sir John Stanley: Before the Minister concludes, will she respond to my request that before Ministers take a final decision on whether individual hospital properties go to NHS providers or NHS Property Services Ltd, they consult on the proposed final destination of the properties, so that local people have an opportunity to express a view?

Anna Soubry: I cannot give that undertaking. The point is well made; I will take it back to the Department and ensure that the Secretary of State is aware of it. Many such decisions will be taken locally. My right hon. Friend and the League of Friends should continue to make all the representations that they have already made, and I know that they will do so.

The safeguards have been put in place. As my right hon. Friend knows, where any former estate becomes surplus to NHS requirements, 50% of any financial gain made by the provider must be paid back to the Secretary of State for Health and will go straight to front-line NHS services. Based on what I have been told and what I have seen in the 2012 Act, I am of the view that if a community hospital—if this is what occurs—is transferred to NHS Property Services Ltd, it will not in some way be deemed surplus to requirements by NHS Property Services Ltd.

The two hospitals that my right hon. Friend rightly champions would only ever become surplus to requirements if the CCG stopped commissioning their services. I am told that that is extremely unlikely to happen. He should have no fear at all that NHS Property Services Ltd will sit and looking at its assets and simply decide to sell things off for a quick buck. The hospitals' future is secure. I thank him for securing the debate and for the points that he has made. I have not answered them all, but I will, in either a meeting or a letter.

Remploy

4.30 pm

Mr William Bain (Glasgow North East) (Lab): It is a pleasure to serve under your chairpersonship, Mrs Osborne, for what I believe is the first time—I hope that it is not the last time—and it is a pleasure to have secured this debate on behalf of the more than 1,421 people at Remploy factories across the country whose jobs have gone, or will be at risk by the end of the year, in particular the staff who have worked so hard in the Springburn factory in my Glasgow constituency.

Stage 1 of the Department for Work and Pensions process is set to lead to the closure of up to 30 factories by the end of the year, with decisions still due on Barrow, Bridgend, Bristol, Chesterfield, Poole, Croespenmaen and Springburn, as well as on the Cook with Care business. A further 18 factories are under threat of closure by 2015. With as many as 6 million people across the country trapped in joblessness or under-employment because they are unable to find full-time work, and with the Office for Budget Responsibility reporting this morning that the Chancellor's austerity measures may have stripped even more demand out of the economy than even it expected in June 2010, sustaining good-quality, full-time jobs in manufacturing, particularly for disabled workers, must be a priority for any Government.

In my constituency, 19 people are chasing every vacancy advertised in local Jobcentres Plus, but the situation is even worse for people with a disability. According to the labour force survey, the employment rate gap between disabled and non-disabled people has narrowed slightly over the past decade, by about 5.8%, but it still stands at a staggering 29.9%, in 2012. Only 46.3% of disabled people are in employment, compared with 76.2% of non-disabled people, and disabled individuals are twice as likely as the rest of the work force to need full-time rather than part-time jobs. Without alternative jobs for disabled people to go to, the effect of closing Remploy factories will be to consign those people to a greater likelihood of a future of long-term unemployment, and a greater chance of ending up in poverty, when what they want and deserve is the opportunity to work.

When the Government began the process of factory sales and closures, they relied on the figure that each job supported by Remploy involved a taxpayer subsidy of £25,000 a year, and the Sayce report came up with a figure of a £22,700 annual subsidy per job. The methodology, however, which is based on dividing the total Government subsidy for each scheme by the number of employees, has been queried as a crude measure of the cost per employment place, by the fact-checking organisation Full Fact, among others. It does not account for the different infrastructure costs and asset values that each model is likely to accrue and, similarly, the Government cannot provide data on whether those whose jobs are at risk at Remploy would necessarily find work under the Access to Work programme.

Members are already encountering testimony from constituents who have been laid off by Remploy that shows that the measures promised by the Minister's predecessor to support them back into work have simply not yet appeared on the ground. Sacked workers with severe learning difficulties are turning up at Jobcentres Plus without a clue about what to do or what the future will hold. Surely disabled workers who have offered years, and in some cases decades, of service, deserve better than that. Should not a Government with a proper moral compass be moving more quickly to end the appalling scandal of sacked workers being given emergency tax codes and suffering the indignity of paying more than half of their final pay packets out in tax, at a time when the Government are cutting taxes for the super-rich?

Like many Members with Remploy factories in their areas, or with constituents employed in a nearby factory, I have been working with the management, the work force and excellent local GMB and Unite trade union officials to reach a settlement that will ensure a durable future for the factory. In the tendering process, the priority has to be to guarantee the viability of the job of every disabled person working for Remploy. I remain hopeful that the strength of the record of the skilled work force in Springburn, in productivity and innovation, will ensure that, once the due diligence stage is completed by Remploy Ltd, the factory will have the opportunity for long-term growth under new ownership.

The local factory in my constituency specialises in the assembly and manufacture of high-quality wheelchairs for use by NHS patients. Once the issue of ownership is settled, there is much that this Government and the Scottish Government can do to help grow the business for the future by better use of procurement processes, within the rules set by the European Union, to ensure that through the application of Article 19 of the EU public procurement directive, supported employment workplaces can properly compete for public sector contracts. The Scottish Government could be more creative and proactive in their use of procurement processes within the NHS in Scotland and other public agencies to generate more contracts and more work for the Remploy factory in Springburn.

The UK Government could undertake a similar process to boost demand in supported employment workplaces elsewhere in the UK.

Toby Perkins (Chesterfield) (Lab): My hon. Friend has been working incredibly hard on behalf of his constituents in Springburn, and we have been speaking a tremendous amount about this matter because both of our factories—his in Springburn and mine in Chesterfield—are under the Remploy Healthcare banner. We agree entirely about the role of Government, but does he also agree that there needs to be a real collective working together by the management, the Government and the trade unions to ensure that the work force, who are under tremendous stress at the moment, feel empowered and involved in this process and have an understanding about what the long-term future might hold? Recent events have been incredibly stressful for those people, and have led to difficult working circumstances for them.

Mr Bain: I entirely agree with my hon. Friend. There has been an impression of a lack of transparency about the way in which this tendering process has operated, which means that lessons could be learned for stage 2 for the other factories that are under threat.

I am aware that the Minister cannot provide guarantees that there will not be any compulsory redundancies, but I hope that she will be able to assure us that the Government will strive to ensure that as many as possible

of the disabled workers at Remploy Springburn and the other factories involved in the current tendering process keep their jobs under any new ownership.

Will the Minister also provide a guarantee that TUPE regulations will apply to any sale of the Springburn Remploy factory and any of the others involved in the current tendering round and in any future round of tendering for those factories potentially involved in stage 2?

The right to a fair and stable pension matters greatly, especially to disabled people with higher living costs. Will the Minister guarantee that the current accrued pension entitlements up to the point of transfer will be honoured by any new owners of Springburn Remploy and the other factories in the current tendering round? Will she further outline what minimum criteria for future pension entitlements of current staff and of any new staff in the future the Government will insist on from future Remploy factory owners, mutualisations, leases, or employee buy-outs if the fair deal for staff pensions policy is not to apply to this tendering process?

There are some serious questions to answer about the conduct of this tendering process. Given the shambles that we have seen elsewhere in Government over railway franchising, is the Minister content that this process has been conducted in a procedurally and legally watertight manner? Is she sure that there are no grounds for disappointed bidders to challenge the way in which this has been conducted? Will there be a full external audit of the process that both the public and the Members of this House can have confidence in? Is she satisfied that the 90-day consultation is anywhere near adequate? The Sayce report makes it clear that a consultation period of no less than six months is required to help bidders or employee-led buy-outs put together proper business plans to save factories. Why, for example, did the Minister's predecessor not provide me with any information on the Springburn factory's profitability, despite repeated requests in writing, whereas she was happy to comment on the financial position of other factories in her original statement? What lesson have the Government learned about providing additional support for management-led or employee-led mutualised ownership of Remploy factories beyond that which her predecessor was prepared to offer earlier this year? Will greater consideration be given to leasing factories to local authorities, other public agencies or even the devolved Administrations, if that might help save jobs or reopen factories, as is hoped in Wrexham?

Households with a disabled person are more likely to live in poverty than those without a disabled person. The hundreds of disabled people who work for Remploy deserve more certainty about their future than the Government have been able to provide to date. The critical thing is not only the ownership of the factories and finding jobs for those Remploy workers who have already, tragically, been laid off after the Government's wilful refusal to listen and protect proper rights at work for Remploy staff. It is also the procurement procedures that public bodies apply to ensure that supported employment workplaces get a fairer deal for the future. That is the challenge for the Government and their devolved counterparts elsewhere in the UK.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for bringing this matter before the House. In Northern Ireland we have an organisation called Accept Care, which is similar to Remploy. Accept Care is partially funded by the Northern Ireland Assembly and creates jobs for disabled people, gives them the training they need and, afterwards, employs them. Does he feel that perhaps the Government need to spend a wee bit now to help those people find jobs and make those businesses profitable?

Mr Bain: Absolutely. My hon. Friend has illustrated that the Government have not done enough to learn lessons from other jurisdictions that have had more progressive policies on care for the disabled and support for disabled workers than, sadly, this Administration have followed in recent months.

If we are truly to build a society that values the disabled, it is critical that we do more to protect the right to the dignity of a good job for those able to work and provide proper lifelong skills and training and a decent standard of living for all. That is no less than my constituents who work in Remploy Springburn and those who work in the other Remploy factories across the country deserve, and it is the Government's duty to deliver.

4.43 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Esther McVey): I congratulate the hon. Gentleman on bringing this important debate before the House. It is also a pleasure to serve under your chairmanship, Mrs Osborne.

I have met the hon. Gentleman and other hon. Members who are present on various occasions—if we did not meet in person, we have spoken on the phone—about their Remploy sites. Everything he says is correct, but I want to consider everything in its entirety, because we all want the best support for Remploy staff, not only now but in the future.

We have to be open and honest about why we have this case for change, which is about sustainable work and sustainable jobs. We have to consider all disabled people of working age, which at the moment is 6.9 million people, 2,200 of whom work in Remploy factories. A fifth of the £320 million supports those in Remploy factories. Those are the finances.

However, we are also considering sustainable employment, what disabled people and disabled organisations want and what Liz Sayce's report says. Many people want to work in mainstream employment. They want to look at different ways of engaging and moving forward. We have taken all that into account, and also looked at the losses that were being accrued year on year—£70 million. I appreciate that four years ago a £555 million package was put in over five years for a modernisation plan. However, targets were not met. They were not realistic and they did not allow the factories to continue, because they required an increase in public sales of 130%, and that just did not work.

I know that 28 factories were closed in 2008. We hoped that that could be the end and that the others would move forward, but that has not happened. As an additional way of mitigating the risk of redundancies to employees, Remploy was looking at how to put a commercial process in place. That process had to work with the Remploy staff; it had to work as a proper business model, work with Government and work with

[Esther McVey]

everybody whom it would touch. That is what we were trying to do, so the commercial process for stage 1 was open and transparent. It was published on the Remploy website on 20 March. That process was developed using expert advice on its design and structure and it took into account the need to ensure that employees and employee-led groups had an opportunity to take part actively and develop robust bids. The process has taken in excess of five months, and it continues.

Mr Frank Doran (Aberdeen North) (Lab): I am grateful to the Minister for twice giving me the opportunity to meet her and discuss the process in detail. The latest meeting was yesterday. One concern that I did not raise with her is the persistent belief, at least among the staff of Remploy, that the best factories will be cherry-picked by the management. When I raised the issue with her predecessor in the House, I was assured that there would be independent oversight of the whole process. First, who is conducting the independent oversight of the process, and, secondly, will a report of their findings be made public?

Esther McVey: Recognising the need to ensure proposals were robustly addressed, an independent panel was set up to provide independent assurance to the assessment process, and the panel is playing an active part in what went on. I can write to the hon. Gentleman with further clarification on that, but that was one of the key facts.

There was also encouragement of employees and employee-led groups to take advantage of a £10,000 support fund for expert advice, and also a time-limited tapered wage subsidy of £6,400 to successful bids to keep on disabled members of staff. That came about because of Remploy and the Department's responses and the various people who came forward to look at that.

On the factories that the hon. Member for Chesterfield (Toby Perkins) mentioned—Chesterfield and Springburn—discussions are going forward. Information was put on the Remploy website in September. Nothing has been finalised yet. It is going through due diligence at the moment, but it is in best and final offer stage and getting all the support it needs. We are still waiting on facts.

Toby Perkins: To return to the process, my hon. Friend the Member for Glasgow North East (Mr Bain) asked whether the Minister was satisfied that there was no threat of legal recourse from disappointed bidders and that the process was robust. I want to clarify whether the Minister is satisfied that the process was robust and that she is happy to take responsibility for it going forward, and that, as far as she is concerned, we are not going to come back to a west coast main line situation in which everyone says, "It was not my fault". As long as she is happy and the process is robust, she can take responsibility for it.

Esther McVey: I have held numerous meetings on the matter. I have asked the very same questions that the hon. Gentleman has asked. I have felt reassured by the answers I have been given. Remploy announced and published the commercial process on 20 March and the company has been following that process. We are aware that some people and some bidders may be disappointed, but we are content that the commercial process has been followed. So I hope that gives the hon. Gentleman suitable comfort about what is going on.

A substantial package of help and support for employees has been put in place. An extra £8 million has gone into that package. People will get their own personal caseworker, who will give them tailor-made support and help them to move forward.

The hon. Member for Glasgow North East asked several questions. One was about the emergency tax code. That was brought to my attention last month and immediately my team and I worked with Her Majesty's Revenue and Customs to get it sorted so that the Remploy staff and their caseworkers knew what would happen and they would have their money back as soon as possible. So special measures were put in place absolutely immediately. I also checked that the staff would have money and would not be short. They would all have had their redundancy pay packages, so they would have money to live on—it would be fine—but this was put through as a special concession.

Graeme Morrice (Livingston) (Lab): I am grateful to the Minister for giving way. I congratulate my hon. Friend the Member for Glasgow North East (Mr Bain) on securing this very important debate on a subject about which I have received many representations from constituents and others. On the issue of support for the work force and for those who are losing their jobs, can the Minister confirm how many people from Remploy who have lost their jobs have found alternative employment to date?

Esther McVey: So far to date, 35 staff immediately found work. But we are content that with the support, the packages and the monitoring that we are hoping to provide for everyone, we will get that number up as soon as possible.

I actually got figures that I again hope will put the hon. Gentleman's mind at ease. In Scotland, there were 111 people—that does not seem quite right. I apologise; I will look again. I will go back to the hon. Member for Glasgow North East and say that in his constituency a total of 14,600 people are disabled, and 43 of them work at the Remploy site. However, in the last year, under the Remploy employment services, 534 people had got into work. So, if we look at those figures, we can see that incredible support has gone in there to help find work for people similar to the staff working in Remploy.

I will continue with the Springburn site. Remploy communicated via its website in September that it had selected a preferred bidder for the site and that that preferred bidder is now entering a period of due diligence, which will hopefully end in Remploy's successful exit from the business. A final decision on Springburn will be made as soon as the commercial due diligence process is complete, which we understand will be some time at the end of October.

Going forward, for Springburn and Chesterfield to secure future health care business as part of the commercial process, the Scottish Government would have the opportunity, under their devolved powers, to support

medical contracts and help to secure the continuing viability of those sites. Again, that is possibly something that hon. Members can work on together.

Graeme Morrice: The Minister mentioned the Scottish Government. Have the UK Government had any consultation with the Scottish Government on this issue?

Esther McVey: We have indeed, and I will be in Edinburgh on Monday. We will have continued dialogue on that subject. I also hope to meet the factory workers in Edinburgh and while I am there I would like to see as many staff as possible—those who do not have their job now and those who do. There is an open invitation for people to come and meet me, and I will be in the factory.

The hon. Member for Glasgow North East also raised the issue of TUPE. Any purchaser of a Remploy site will have to offer a pension scheme in which transferring employees can accrue future rights. If TUPE regulations apply to a transfer, purchasers will have to match employees' contributions up to 6% of pensionable pay, in line with pension legislation. We understand that for the Springburn site TUPE regulations will apply to the transfer.

I hope that I have answered as many questions as possible.

Mr Doran: The hon. Lady answered my question about whether there was independent oversight, but not my question about whether a report on that oversight would be published.

Esther McVey: I will find out and let the hon. Gentleman know. If there is, he will be the first to know.

Graeme Morrice: Inspiration.

Esther McVey: Absolutely. It is not just inspiration, but the support of a good team. The independent panel has considered the comments of Scottish and Welsh representatives. I think a report will be coming out on that. The hon. Member for Aberdeen North (Mr Doran) and I met yesterday, and I hope that he now has a meeting with the CEO of Remploy. Straight away, I asked what we could do in the Aberdeen factory. All the points he raised with me about the assets, the factory and site ownership were dealt with this morning. I do not have the answers, but we are on to that. My phone lines are open. I am always here. If anybody wants to know anything more, I will be available to answer their questions.

Jim Shannon: As I said earlier, we have something similar in Northern Ireland. Do the Government intend at least to seek it out and see how it works? The finance comes from the Northern Ireland Assembly and it does the same thing that Remploy does in England and Wales. A new Accept Care is opening in the north-east too, in Darlington, so some things are happening that could benefit us all.

Esther McVey: I will take advice from wherever it comes and that could possibly play a part in stage 2. I do not know how it could possibly go backwards and affect stage 1, but I will listen and consider what can be done for stage 2.

Question put and agreed to.

4.57 pm

Sitting adjourned.

Written Ministerial Statements

Tuesday 16 October 2012

ATTORNEY-GENERAL

Hillsborough

The Attorney-General (Mr Dominic Grieve): Following the publication of the Hillsborough panel report I have been considering whether to apply to the High Court for an order quashing the original inquests and ordering new inquests to be held. The High Court will have the power to grant such an order if I place before it evidence that persuades the Court that new inquests are necessary or desirable in the interests of justice.

My consideration of the evidence is far from complete but, given the anxiety further delay may cause the families affected by the Hillsborough disaster, I have decided to take an exceptional course and state at this stage that, on the basis of what I have already seen, I have determined that I must make an application to the Court.

In doing so I should make it clear that further work will need to be done before any application can be made. In particular, there was not one inquest but 96. My current view is that I will apply to have every one of those 96 inquests quashed. I believe that these deaths, arising as they do from a common chain of events, should all be considered afresh. However, before reaching any final view on the scope of the application, I want to give the families affected the opportunity to make any representations in respect of the family member or members they lost. I will therefore be in contact with each family seeking views.

The application is not simply a matter of putting the Hillsborough panel report before the Court. The application will need to be fully prepared and the evidence that underpins the report's findings will need to be carefully considered. I want the application that is made to be as persuasive as it can be. While I make this statement at this stage to reassure the families that an application will be made, it must be understood that there are legal as well as evidential issues to be considered. Although this work is being given a high priority, further time will be needed to prepare the application.

The Freedom of Information Ministerial Veto

The Attorney-General (Mr Dominic Grieve): I have today given the Information Commissioner a certificate under section 53 of the Freedom of Information Act 2000 ("the Act") both as it applies for the purposes of the Act itself, and as it applies to the Environmental Information Regulations 2004 ("the Regulations") by reason of Regulation 18(6). This certificate relates to the Upper Tribunal's judgment dated 18 September 2012—*Evans v (1) Information Commissioner (2) Seven Government Departments* [2012] UKUT 313 (AAC). It is my view, as an accountable person under the Act, that there was no failure by the seven Departments[1] joined as additional parties to this appeal at the tribunal to comply with section 1(1)(b) of the Act, or to comply with any obligation under the regulations, as a result of those Departments withholding the correspondence between the Prince of Wales and Ministers in the previous Administration.

The consequence of my giving the Information Commissioner this certificate is that the tribunal's judgment, which anticipates that the Information Commissioner's decision notices will be amended so that the documents identified in the tribunal's judgment be disclosed, ceases to have effect.

A copy of the certificate has been laid before each House of Parliament. I have additionally placed a copy of the certificate and a detailed statement of the reasons for my decision in the Libraries of both Houses, the Vote Office and the Printed Paper Office.

My decision to exercise the veto in this case was not taken lightly. I have taken into account the statement of Government policy on the use of the executive override as it relates to information falling within the scope of section 35(1) of the Act. Although that policy is not directly applicable to this case I have applied the principles in it in coming to my decision.

I have taken into account the views of Cabinet, former Ministers and the Information Commissioner, in considering both the balance of the public interest in disclosure and nondisclosure and whether this is an exceptional case. My view is that the public interest favours nondisclosure. I have also concluded that this constitutes an exceptional case and that the exercise of the veto is warranted.

In summary, my decision is based on my view that the correspondence was undertaken as part of the Prince of Wales' preparation for becoming King. The Prince of Wales engaged in this correspondence with Ministers with the expectation that it would be confidential. Disclosure of the correspondence could damage the Prince of Wales' ability to perform his duties when he becomes King. It is a matter of the highest importance within our constitutional framework that the Monarch is a politically neutral figure able to engage in confidence with the Government of the day, whatever its political colour. In my view, there is nothing in the nature or content of this particular correspondence which outweighs that strong public interest against disclosure.

A detailed explanation of the basis on which I arrived at the conclusion that the veto should be used is set out in my statement of reasons.

[1]Department for Business, Innovation and Skills, Department of Health, Department of Children Schools and Families, Department for Environment, Food and Rural Affairs, Department for Culture, Media and Sport, the Northern Ireland Office and the Cabinet Office.

TREASURY

ECOFIN

The Chancellor of the Exchequer (Mr George Osborne): The Economic and Financial Affairs Council was held in Luxembourg on 9 October 2012; the informal Economic and Financial Affairs Council was held in Nicosia on 14 and 15 September.

On 14 and 15 September Ministers discussed the following items:

Fiscal implications of the implementation of banking union

There was a presentation on this topic by the Bruegel think tank, followed by an exchange of views by Ministers.

Economic situation and recent developments in banking and sovereign markets

There was a de-brief to Ministers on issues discussed at the earlier Eurogroup discussion. The European Banking Authority then presented on progress made with the recent banking recapitalisation exercise and looked forward to the next stress test exercise. Following this, Ollie Rehn, Commissioner for Economic and Monetary Affairs, gave a summary of the economic outlook and ongoing structural adjustment.

IMF Board representation

Ministers discussed taking forward the 2010 IMF quota and governance reform agreement, whereby advanced European countries are required to reduce by two their number of seats on the IMF board. The reduction does not directly affect the UK, which continues to have its own single seat.

Facility for Euro-Mediterranean Investment and Partnership (FEMIP)

There was a presentation by the European Investment Bank on this subject, followed by an exchange of views.

Follow-up to June European Council (JEC) on banking union in general and the establishment of an effective single supervisory mechanism

The Commissioner for Internal Market and Services, Michel Barnier, introduced the European Commission's recently published proposals on banking union and plans for the European Central Bank to take on a supervisory role for banks in the euro area. Representatives from the European Banking Authority, the European Central Bank, the chair of the Economic and Financial Affairs Committee, and member states responded. The discussion raised a number of issues that would need to be addressed going forward, including the viability of the time line.

I intervened to set out the UK view, emphasising the principles behind the Government's approach and their commitment to work with European partners to help resolve the euro area crisis and support the single market. The UK supports measures that are designed to break the link between sovereign debt and instability in the financial sector, provided the single market is preserved as the new structure is implemented. I stressed the importance of ensuring that this objective is integrated into the single supervisory mechanism and banking union as a whole and raised concerns on the impact on the functioning of the European Banking Authority (EBA) under the new arrangements including in relation to voting arrangements in the EBA. In particular, we must ensure that and the European Central Bank's relationship with the EBA is the same as for national supervisors in non-participating member states.

Ministers also had a discussion on how to best reform the shadow banking sector and it was agreed that further work needs to be undertaken.

On 9 October Ministers discussed the following items:

Financial Transactions Tax

Ministers were updated on developments since this was discussed at ECOFIN in June. The June European Council had suggested adoption of the enhanced co-operation proposal by the end of the year, and the presidency suggested it would be helpful if those member states willing to participate would indicate their intentions and for the Commission to set out a time line for next steps. Eleven member states indicated their willingness to participate: formal representations in writing are required, after which the European Commission will assess the request.

I intervened to confirm that the UK would not be joining. I stressed that the UK is not against taxation of the sector and already has a bank levy. We would not seek to stand in the way of enhanced co-operation: however this must be done in the context of a clear proposal and in line with the treaty. Currently there remains uncertainty over the likely scope and the purpose for which the revenues would be used. I pointed out that the Commission's own original assessment had foreseen a GDP reduction of between 0.5% and 3.5% for the European economy: the impact on all 27 member states must be considered and therefore we want to see a specific proposal.

Revised capital requirements rules (CRDIV)

The presidency stressed the importance of making progress but noted there are some key outstanding issues for negotiation with the European Parliament. A vote of the European Parliament plenary has been scheduled for November. The presidency undertook to work to get political agreement to full compliance with the Basel III agreement by the end of the year.

Proposal for a Directive on the fight against fraud to the Union's financial interests by means of criminal law

The Commission provided information on the proposals. The proposal has three objectives: to harmonise definitions of fraud and related offences; to set minimum sanctions in order to render fraud more unattractive; and to address different statutory limitation periods. I intervened to support the overall idea of tackling fraud but also to express strong concerns about the inclusion in the proposal of VAT administration, as the application of VAT rules and investigation of fraud falls solely under member states' control and competence. I also questioned the choice of legal base and warned that we might want to assert our opt-in right. Others shared our concern regarding the legal base; the Council legal service expressed a view which supports our position.

Current legislative proposals—economic governance, Deposit Guarantee Schemes Directive (DGSD) and bank resolution and recovery (RRD)

The presidency said the DGSD and RRD proposals are vital elements of the single rulebook for financial services and should be adopted as soon as possible. They will seek a general approach on the RRD by December; informal negotiations with the European Parliament on DGSD will continue in parallel with the RRD, as they are closely linked.

On economic governance, the Commission noted the importance of the so-called "two-pack" legislation for the euro area to strengthen fiscal governance: agreement needs to be reached with the European Parliament on outstanding issues including the scope of the regulation and the role of independent bodies.

Follow-up to the Informal ECOFIN held 14-15 September 2012

The presidency summarised the exchange of views on the single supervisory mechanism at the informal meeting. They had taken note of the concerns expressed, including

the balance of powers between national supervisors and the ECB, the strict separation of the ECB's supervisory and monetary functions, accountability mechanisms, and EBA voting rules. The presidency noted that meeting the proposed 1 January 2013 deadline will require everyone, including the European Parliament, to co-operate.

European Semester 2012

Ministers considered possible changes to the European semester process. The presidency highlighted some issues for consideration including time constraints, implementation of the "comply or explain rule" introduced by the "six pack" economic governance legislation, how to ensure that country specific recommendations (CSRs) are robust while allowing member states to make their own policy choices, and strengthening member states' ownership of CSRs.

Implementation of the Stability and Growth Pact

The presidency asked ECOFIN to endorse a recommendation to extend by one year the deadline given to Portugal for reducing its excessive deficit. The Commission advised that unforeseen circumstances including the rebalancing of the economy and a Constitutional Court ruling had given rise to the need for the extension.

The UK intervened to say that while we supported the changes to the Portuguese programme, we had concerns about the process. The decision to amend the conditionality underlying the programme required the consent of the Council in accordance with the regulations governing the use of the European financial stabilisation mechanism (EFSM), but the decision was announced publically without first seeking Council's agreement. For this reason, the UK abstained, though the Government remains supportive of Portugal's reform programme and efforts to address its deficit. In addition, the Government raised their concern at the insufficient time made available, between Council being asked to consider the decision and the ECOFIN meeting, to allow for proper parliamentary scrutiny. The presidency concluded that Council endorsed the decision and noted the UK abstention.

International meetings: follow-up to the G20 Finance Deputies meeting on 23-24 September and preparation of the G20 Finance Ministers and Governors meeting on 4 and 5 November; and preparation of the annual meeting of the IMF and World Bank Group on 12-14 October

Ministers endorsed the terms of reference document for the G20 meeting in Mexico and the draft EU presidency statement for the IMF meeting.

COMMUNITIES AND LOCAL GOVERNMENT

Local Government Finance

The Parliamentary Under-Secretary of State for Communities and Local Government (Brandon Lewis): In the 2010 spending review, the Government announced plans to localise council tax benefit and this is being taken forward through the Local Government Finance Bill currently before Parliament. From April 2013, these reforms will localise council tax support and give councils stronger incentives to support local firms, cut fraud, promote local enterprise and get people back into work.

These reforms contribute to the Government's deficit reduction programme, delivering savings of £470 million a year of taxpayers' money in Great Britain from 2013-14. Welfare reform is vital to tackle the budget deficit, as council tax benefit expenditure in England increased from £2 billion to £4.3 billion from 1997-98 by 2010-11.

Localisation will give local authorities the flexibility to design council tax support schemes for working-age claimants in their area. We have been clear that councils have the scope to help manage the impact of the reduction in council tax support funding through securing sensible savings. To help the transition to these changes, my Department has already provided £30 million of funding to help councils draw up local support schemes.

There is a real incentive for councils to make savings in the new localised system from cutting fraud and error, where an estimated £200 million was paid out unnecessarily in 2011-12. However, we appreciate that these savings may not be delivered immediately in the first year.

Consequently, to further assist the transition process, my Department is today announcing an additional £100 million of funding for councils to help support them in developing well-designed council tax support schemes and maintain positive incentives to work. This is new and additional funding for local government.

As councils draw up their local schemes, it is clear that many are delivering savings using their local flexibilities and discretion, without unfairly increasing the burden on those who are currently on benefits. Equally, there are some councils which are asking for very large additional contributions from those on benefits.

The new £100 million transition grant will seek to encourage best practice. The voluntary grant will be available to councils (billing and major precepting authorities) who choose to design their local schemes so that:

> Those who would be on 100% support under current council tax benefit arrangements pay between zero and no more than 8.5% of their council tax liability;
>
> The taper rate does not increase above 25%; and
>
> There is no sharp reduction in support for those entering work—for claimants currently entitled to less than 100%, support, the taper will be applied to an amount at least equal to their maximum eligible award.

In allowing flexibility over aspects of the scheme, we would not expect local authorities to impose large additional increases in non-dependant deductions. Councils will rightly want to avoid collecting small payments, and it may consequently be better value for money for councils to avoid designing schemes which seek to do so.

The amount of funding for which councils will be eligible to apply and the time scales and process for making an application will be published shortly. We anticipate that councils will make applications after 31 January 2013, and that funding will be paid in March 2013. The grant will be a simple one, easy to apply for and swiftly paid out, to help those councils who choose to do the right thing.

The Government have a clear goal in tackling the deficit, and reducing spending on benefits. This measured, transitional approach will help deliver an important programme of welfare reform, while still protecting taxpayers' broader interests.

DEFENCE

Armed Forces Pension Scheme

The Secretary of State for Defence (Mr Philip Hammond): On 31 July 2012, I published the outline scheme design of the new armed forces pension scheme and invited comments from service personnel and interested external organisations by 7 September. This followed an initial consultation exercise between March and May. Over 25,000 members of the armed forces have participated overall in the consultation process, which included presentations, focus groups and questionnaires.

Having considered the response to both periods of consultation, I am announcing today the final agreement on the new armed forces pension scheme. This sets out the Government's final position, which will form the basis for detailed implementation. The new pension scheme will remain among the very best available in either public or private sectors.

The main parameters of the new scheme design are set out below:

a. Members will continue making no contributions;

b. A pension calculated on career average revalued earnings (CARE);

c. An early departure payment (EDP) scheme, available to members who leave before normal pension age (NPA), on completion of 20 years service having reached a minimum age of 40 years, comprising an annual income of at least 34% of the value of the deferred pension and a tax-free lump sum of 2.25 times the value of the deferred pension service personnel will also have the option to convert their total EDP lump sum into additional monthly income payments.

d. A NPA of 60 and a deferred pension age (DPA) linked to the state pension age (SPA);

e. A pension accrual rate of 1/47th of pensionable earnings each year;

f. Revaluation of active members' benefits will be in line with average earnings;

g. Pensions in payment and deferred benefits to increase by CPI;

h. The option to convert pension income into a tax-free lump sum at transfer rate of £12 lump sum for £1 per annum pension income up to HM Revenue and Customs limits;

i. The option for scheme members to pay additional voluntary contributions calculated on an actuarially fair basis;

j. Abatement will not apply to service in the new scheme. Abatement rules for the current scheme will remain unchanged;

k. No maximum service and no upper age limit for the earning of benefits;

l. Members transferring between public service schemes to be treated as having continuous service;

m. Members rejoining after a period of deferment of less than five years can link new service with previous service;

n. Early retirements from age 55, with benefits to be actuarially reduced;

o. EDP monthly income ceases at the deferred pension age, when it will be replaced by the deferred pension in full;

p. Ill-health, death and survivors' benefits (ancillary benefits) based on those currently provided in AFPS 05;

q. No additional transitional arrangements beyond the Government's 10-year promise; and

r. An employer cost cap to provide backstop protection to the taxpayer against unforeseen costs and risks.

There will be full protection for accrued rights for all members as follows:

a. All benefits accrued under final salary arrangements will be linked to the member's final salary when they exit service, in accordance with the rules of the members' current schemes as follows:

The armed forces pension scheme 2005:

The armed forces pension scheme 1975;

The reserve forces pension scheme;

The full-time reserve service pension scheme 1997 (Full commitment and limited or home commitment);

The non-regular permanent staff pension scheme.

b. Members will be able to access their benefits from these schemes when they expected to do so based on current rules.

There will also be statutory-based transitional protection for those closest to retirement in these schemes:

a. All active scheme members who, as at 1 April 2012, had 10 years or less to their current normal pension age, will see no change in when they can retire, nor any decrease in the amount of pension they receive at their current normal pension age. This protection will be achieved by the member remaining in their current scheme until they retire or leave the armed forces.

There is a requirement for further work on accrued rights and transitional arrangements for the Gurkha pension scheme and Gibraltar regiment pension scheme.

The design of the new scheme has been the subject of an equalities impact analysis and equality issues will continue to be considered as the implementation details are progressed.

I believe this final agreement represents a generous outcome for service personnel and a fair solution for the taxpayer and meets the operational requirements of the armed forces. In particular, the EDP will continue to meet the need for a predominantly young work force. The new scheme will remain among the very best available in the public or private sector in recognition of the unique commitment which the armed forces make to the defence of the nation.

Copies of the final agreement, the scheme costing and the equalities impact analysis have been deposited in the Library of the House.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agricultural Wages Board and Associated Bodies

The Minister of State, Department for Environment, Food and Rural Affairs (Mr David Heath): DEFRA is today launching a consultation exercise on proposals to abolish the Agricultural Wages Board for England and Wales and the 15 agricultural wages committees and 16 agricultural dwelling house advisory committees in England. The removal of the agricultural wage regime imposed by the Agricultural Wages Board and the introduction of the national minimum wage in the agriculture sector will be an important step forward in achieving the Government's objective of harmonising and simplifying employment law, and removing regulatory burdens from businesses. The abolition of these bodies will also contribute significantly to the Government's programme of public body reform and support the Government's growth agenda.

The Agricultural Wages Board and its related English committees are now outdated and obsolete bodies, dating back to the beginning of the last century. The existence of the Agricultural Wages Board adds administrative burdens to farm businesses, hampers the introduction of flexible modern working practices and causes confusion with the national minimum wage. Abolition of the board and the agricultural minimum wage will mean that there is a single employment regime across all sectors of the economy. It will make it easier for farmers to employ workers and will encourage growth and employment in the agricultural sector. Existing workers will retain contractual rights in place at the time of the abolition of the board and will have the same level of employment protection as workers in all other sectors of the economy. The majority of farm workers are already paid above the agricultural minimum wage and farmers will need to continue to offer competitive and rewarding packages to attract and retain workers with the right skills and qualifications.

With the challenges of feeding the rapidly growing world population, there are huge opportunities for British agriculture to prosper. The changes which we are proposing to introduce will free-up farmers from unnecessary administrative burdens, allowing them to invest in their businesses and support the economy. I am determined to ensure that those who work in farm businesses can share in that success with the benefit of modern contractual arrangements.

The functions of the agricultural wages committees are now largely redundant, and following changes to housing legislation in the 1980s the number of requests for advice from agricultural dwelling house advisory committees (ADHACs) has fallen significantly. The abolition of ADHACs will not remove statutory protection from tenants in tied accommodation, nor will it remove the ability of a farmer to apply to a local authority for a tenant to be re-housed where there is a need to provide accommodation for an incoming worker. In making a decision on a re-housing application, the local authority will still need into account whether it is in the interests of efficient agriculture to re-house the worker and the urgency of the application. Given their reduced and limited functions, it is difficult to justify the continued public resource in retaining these 31 regional committees.

The Government's proposal to abolish the Agricultural Wages Board and the regional English agricultural wages committees and agricultural dwelling house advisory committees has been known for some time and stakeholders and interested parties have already been able to make their views known. However, they now have the opportunity to respond to the formal consultation exercise. An impact assessment and equality impact assessment on the abolition of the agricultural wages board are published as part of the consultation package. The consultation documents are available on the Gov.uk website

FOREIGN AND COMMONWEALTH OFFICE

Iraq Network Strategic Review

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): Today the Government are publishing a new Iraq strategy, a copy of which I will place in the Library of the House.

Iraq is changing. After years of conflict and uncertainty, it has a democratically elected Government and is becoming gradually more stable, although a serious threat from terrorism remains.

Our Government are committed to a broad and enduring relationship with Iraq. We want to support a stable, prosperous and democratic Iraq that is a positive and influential regional actor in a region that is vital to UK security and prosperity. We wish to strengthen our commercial ties with a regional economy of growing importance.

To that end we have taken several steps to strengthen the UK's partnership with Iraq.

Over the past 18 months, there have been 15 ministerial visits between the UK and Iraq, covering our foreign policy, security and commercial interests, including a visit I made in September.

The Foreign and Commonwealth Office has supported visits to the United Kingdom by the Iraqi Parliament's committees for security and defence, human rights, finance, and foreign affairs. This has helped to develop links between the United Kingdom and Iraqi Parliaments and to support Iraqi democracy.

We have taken steps to increase our economic relationship with Iraq. Our embassy in Baghdad has supported numerous delegations of British businesses seeking to re-enter the Iraqi market. We will shortly open a new visa application centre in Baghdad, meaning that Iraqis will no longer need to travel outside of the country to obtain a UK visa, which will make it easier for British businesses to do business with Iraq. During my recent visit to Baghdad, I also agreed to establish a ministerial trade council of British and Iraqi Ministers and business leaders to increase trade and investment links between our two countries.

Following my visit to Iraq in September I have reviewed our diplomatic presence across the country. I have decided to focus staff and resources where they will support the United Kingdom's partnership with Iraq as efficiently and cost-effectively as possible, and with the greatest impact in the areas of our relationship of the most importance. We will do this by strengthening our embassy in Baghdad, increasing our diplomatic presence in Erbil and moving our representation in Basra onto a different footing.

First, we need to increase the amount of diplomatic resources we are able to concentrate in Iraq's capital Bagdad. We are therefore expanding our political section to increase its reach across all of Iraq's 18 governorates and help address some of the main issues preventing British businesses from entering into the Iraqi markets. We are recruiting additional staff in Baghdad to strengthen our UKTI office and help British businesses access markets throughout Iraq.

Secondly, the review of our resources in Iraq has confirmed that the Kurdistan region continues to attract significant interest from British businesses. I am therefore increasing our staffing levels in Erbil. Today, for example, over 40 British companies are attending the Erbil international trade fair, with support from UK Trade and Investment (UKTI). We will recruit a new UKTI commercial attache to expand the consulate-general's already successful commercial section. I have also made clear my firm intention that the Government should maintain the British consulate-general Erbil on a permanent footing.

Thirdly, we will maintain a British embassy office in Basra to support our work with all of Iraq's central and southern governorates. However, this will not be staffed permanently.

Because of the improving security situation, it is now easier and safer for staff to travel from Baghdad to Basra and around the country more generally. In particular, embassy staff can now fly direct to Basra airport in one hour, rather than having to undertake a 48-hour trip as was the case previously. This means that we can support UK interests in Basra effectively without the need for staff to be permanently based there. In turn, this allows us to reduce the cost of our presence in Basra, currently £6.5 million per annum. This is significantly more than the cost of, for example, our much larger embassy in Kuwait City.

Her Majesty's ambassador, his deputy and other diplomatic staff will continue to make frequent visits across Iraq, including to Basra, to ensure that we continue to maintain the strength and depth of our relationship with Iraq.

I am confident that these are the right decisions. They will enable the Foreign and Commonwealth Office's Iraq network to achieve the Government's ambitious strategy for improving commercial ties with Iraq and supporting a stable, secure, democratic Iraq that is a positive and influential regional actor.

The savings we make from a more efficient Iraq network will also allow us to strengthen the United Kingdom's presence in key emerging powers. This involves opening 11 new British embassies and eight new consulates by 2015 and deploying 300 extra staff to 22 countries, including Burma, Thailand, South Korea, North Korea, Mongolia, Malaysia, Nigeria, Angola, Botswana, Chile, Argentina, Columbia, Panama, Peru, Pakistan, Vietnam and the Philippines with the biggest increases in China and India. This is in line with the statement I made to Parliament on "The Future Diplomatic Network" in May 2011.

HEALTH

Report on Sport and Exercise Science and Medicine (Government Response)

The Parliamentary Under-Secretary of State for Health (Dr Daniel Poulter): My noble Friend Earl Howe, the Parliamentary Under-Secretary of State, Department of Health, has made the following written ministerial statement:

We have today laid before Parliament the "Government Response to the House of Lords Science and Technology Select Committee Report of Session 2012-13: Sport and exercise science and medicine—building on the Olympic legacy to improve the nation's health" (Cm 8452).

We welcome the Committee's report and its focus upon the quality and application of sports and exercise science and medicine. The effective translation of scientific breakthroughs in this area into health benefits for patients and the public represents a major opportunity as a legacy of the London 2012 Olympic and Paralympic games. We are therefore targeting investment to support the translation of biomedical research.

Today's publication is in the Library. Copies are available to hon. Members from the Vote Office and to noble Lords from the Printed Paper Office.

Environment, Food and Rural Affairs Committee Report on Desinewed Meat (Government Response)

The Parliamentary Under-Secretary of State for Health (Anna Soubry): We have today laid before Parliament the Government's response (Cm 8462) to the House of Commons Environment, Food and Rural Affairs Committee Report on Desinewed Meat, which was published on 24 July 2012.

On 28 March 2012, the European Commission issued demands, in accordance with its interpretation of European Union (EU) food law, that the production of desinewed meat from ruminant bones in the UK should cease. Desinewed meat produced from non-ruminant bones should be categorised and labelled as mechanically separated meat (MSM), which has significantly less commercial value and cannot count towards the meat content of products in which it is used.

In response to these demands, which required the UK to take action within five working days, the UK Government decided to implement a moratorium to achieve compliance with the Commission's interpretation of EU food law. The alternative was to face the prospect of emergency safeguard measures which would have prohibited UK-produced meat preparations, meat products, minced meat and MSM from being placed on EU and domestic markets. This would have had significant negative economic and reputational impact on the UK meat industry and supply chain.

The Environment, Food and Rural Affairs Committee launched an inquiry into the circumstances surrounding the moratorium. The report of this inquiry was published on 24 July 2012, providing a detailed assessment of the chain of events and the implications of the Commission's decision.

The Government welcome the Committee's report and its recommendations. Some of the issues that have been raised by the Committee are specific to the Food Standards Agency (FSA) while others are wider in scope. The Food Standards Agency has liaised closely with the Department of Health, the Department for the Environment, Food and Rural Affairs and counterparts in the devolved countries in considering the Committee's recommendations and developing the overall response.

The Committee rightly highlights the need to continue to press the Commission on this matter. The Food Standards Agency has been working and will continue to work closely with other Government Departments and with industry to press for the Commission to ensure a level playing field across the European market. The European Food Safety Authority has been mandated to provide an opinion on MSM which is due at the end of March 2013 and, in light of this, the FSA will push for discussions with the Commission and member states to be re-opened with a view to developing a more proportionate and risk-based approach to the production of desinewed meat and MSM.

Today's publication is in the Library and copies are available to hon. Members from the Vote Office.

Nursing and Midwifery Council Grant

The Parliamentary Under-Secretary of State for Health (Dr Daniel Poulter): The Government have made an offer to the Nursing and Midwifery Council (NMC) of a one-off grant of £20 million to support it in improving its performance in dealing with fitness to practise cases.

The NMC is an important organisation with a vital role to play in protecting patients. The offer comes after a period when the NMC has experienced many years of financial and performance difficulties. This year, under new leadership, the NMC has already begun to make improvements to its operations and financial management, but much more still needs to be done.

The NMC has recently consulted on increasing its annual fee to £120. This would mean nurses and midwives would have to pay an extra £44 every year, at a time of significant pay restraint in the public sector.

The Government expect that this grant will provide the extra financial support required for the NMC to properly tackle a backlog of fitness to practise cases, as well as to allow it to reduce the effect of a fee rise for hard-working nurses and midwives.

It is a decision for the NMC Council whether or not to accept the Government's offer of a grant.

Petition

Tuesday 16 October 2012

PRESENTED PETITION

Petition presented to the House but not read on the Floor

TRANSPORT

Speed limits on passenger trains

The Petition of residents of Oxford,

Declares that the Petitioners strongly believe that their community should not suffer the adverse effects of environmental harm that the Petitioners believe the Chiltern Railway's Evergreen 3 project will cause due to inadequate mitigation; further that the Petitioners believe speed limits are the cheapest and most effective way to protect local residents, school children, businesses and the environment; and that the Petitioners believe that lowering the proposed speed limit of passenger trains from 75mph to 40mph would reduce noise and its adverse health effects, reduce vibration, reduce emissions, reduce running costs, reduce the risk of derailments, reduce the risk of injury to bats and reduce the inherent fear and disturbance of those living so close by.

The Petitioners therefore request that the House of Commons urges the Department for Transport to review the speed limit on passenger trains and preserve the speed limit on freight trains for the Oxford–Bicester line between Oxford station and Water Eton Parkway.

And the Petitioners remain, etc.

[P001125]

Written Answers to Questions

Monday 15 October 2012

[Continued from Column 216W]

COMMUNITIES AND LOCAL GOVERNMENT

Council Tax Benefits

Helen Jones: To ask the Secretary of State for Communities and Local Government if he will place in the Library copies of all the responses to his consultation on council tax benefit. [121240]

Brandon Lewis: My Department is currently considering the responses to the "Localising Support for Council Tax: Funding arrangements" consultation and to the "Localising support for council tax—Council tax base and funding for local precepting authorities" consultation. We are also taking into account representations on the draft regulations and statements of intent, and on any read across to the Local Government Finance Settlement for 2013-14, and considering representations made on these matters made in the "Localising support for council tax in England" consultation (a summary of responses are already in the Library of the House). As has been the practice of previous Administrations, we do not publish representations or consultation responses while a consultative process is ongoing.

Empty Property

Nadine Dorries: To ask the Secretary of State for Communities and Local Government how many empty homes have been brought back into use since May 2010. [121418]

Mr Foster: Data on the number of empty homes in England is based on council tax data and can be found in live table 615 at:

http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/stockincludingvacants/livetables/

Council tax base data is available from October of each year. Between October 2009 and October 2010, the number of empty homes reduced by 33,000 and between October 2010 and October 2011, the number reduced by 17,000. Over the same period, the number of long-term empty homes, on which new homes bonus is paid, reduced by 16,000 between 2009 and 2010, and reduced by 22,000 between 2010 and 2011.

Empty Property: Greater Manchester

Andrew Gwynne: To ask the Secretary of State for Communities and Local Government what assessment he has made of the number of empty *(a)* business and *(b)* residential properties in (i) Tameside and (ii) Stockport in each year since May 2010. [121856]

Brandon Lewis: Details of the number of empty *(a)* hereditaments and *(b)* domestic dwellings in (i) Tameside and (ii) Stockport in each year since May 2010 are given in the following tables. In the interests of transparency we are also including data back to May 2009.

Empty hereditaments

As at 31 March each year	*Number empty*
Tameside	
2010	1,422
2011	1,465
2012	1,233
Stockport	
2010	2,014
2011	2,134
2012	1,932

Details of the empty hereditaments were supplied by local authorities in England on the annual national non-domestic rates (NNDR3) return and are published on the DCLG website at:

http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/

Empty domestic dwellings

As at October each year	*Long-term empty dwellings*	*Short-term empty dwellings*	*Total empty dwellings*
Tameside			
2009	2,113	2,076	4,189
2010	1,874	1,925	3,799
2011	1,709	1,964	3,673
Stockport			
2009	1,597	2,151	3,748
2010	1,500	1,989	3,489
2011	1,399	1,969	3,368

Details of the empty domestic dwellings were supplied by local authorities in England on the annual council tax base for formula grant purposes return and are published on the DCLG website at

http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltaxbase/

Green Belt

Gareth Johnson: To ask the Secretary of State for Communities and Local Government how many acres of land *(a)* were awarded green belt status and *(b)* had green belt status removed in (i) Kent and (ii) England in each of the last 10 years. [121987]

Nick Boles: Information on how much land was awarded green belt designation or had this designation removed prior to 2007 is not centrally available.

Since 2007, the area of land awarded green belt designation and land having its Green Belt designation removed in England is (to the nearest 10 hectares):

	Awarded	*Removed*
2007	1,140	90
2008-09	10	180
2009-10	0	80
2010-11	30	30

The large area of land awarded green belt status in 2007 is mainly due to Wansbeck, who designated 950 hectares of land as green belt, not previously having any land with green belt status.

No land in Kent has been newly designated as green belt or had its green belt designation removed since 2007.

Honours

Greg Mulholland: To ask the Secretary of State for Communities and Local Government what information his Department holds on the *(a)* number and *(b)* level of honours awarded for services to (i) cricket, (ii) football, (iii) rugby union and (iv) tennis in the latest period for which figures are available. [122127]

Mr Maude: I have been asked to reply on behalf of the Cabinet Office.

The following honours were awarded for services to cricket, football, rugby union and tennis in the period new year 2010 to birthday 2012:

	Cricket	*Football*	*Rugby union*	*Tennis*
BD12	1 British Empire Medal	1 CBE, 3 MBE, 2 British Empire Medal	2 MBE, 3 British Empire Medal	—
NY12	1 CBE, 1 OBE, 2 MBE	1 OBE, 1 MBE	2 MBE	—
BD11	2 OBE, 3 MBE	2 MBE	1 OBE, 1 MBE	1 OBE
NY11	3MBE	1 OBE, 6 MBE	1 CBE, 1 OBE	—
BD10	1 CBE, 3 MBE	1 Knight Bachelor, 1 CBE, 6 MBE	1 OBE, 2 MBE	1 OBE
NY10	3 MBE	2 OBE, 5 MBE	1 Knight Bachelor, 1 MBE	—

Housing: Greater London

Mr Lammy: To ask the Secretary of State for Communities and Local Government pursuant to the answer of 14 September 2012, *Official Report,* column 414W, on housing: Greater London, if he will publish the memorandum of understanding agreed between his Department and the Greater London Authority on the framework for housing matters where there is a shared interest. [121857]

Mr Prisk: A copy of the memorandum of understanding between this Department and the Greater London authority in relation to housing matters will be placed in the Library of the House.

Housing: Morecambe

David Morris: To ask the Secretary of State for Communities and Local Government (1) what recent representations his Department has received regarding the regeneration of Chatsworth Gardens in Morecambe; and if he will make a statement; [121931]

(2) what review his Department has made of the Chatsworth Garden redevelopment since May 2010; and what the outcome was. [121932]

Mr Prisk: The Homes and Communities Agency is in regular contact with Lancaster county council about projects including Chatsworth Gardens. No other recent representations have been received and no formal review has been undertaken by the Department.

Internet

Mr Jim Cunningham: To ask the Secretary of State for Communities and Local Government how many times the websites howtocorp.com, howtocorphelp.com and warriorforum.com have been accessed by computers at his Department's offices in Eland House since 6 May 2010. [119606]

Brandon Lewis *[holding answer 6 September 2012]:* This information is not held by the Department. However, to assist the hon. Member, I refer him to the recent letter from the permanent secretary to the hon. Member for Birmingham, Selly Oak (Steve McCabe), a copy of which I have placed in the Library of the House.

Listed Buildings: VAT

David Morris: To ask the Secretary of State for Communities and Local Government what recent discussions his Department has had with HM Treasury on removing full rate VAT on alterations to listed buildings with listed building planning consent; and if he will make a statement. [121950]

Nick Boles: Ministers and officials within the Department for Communities and Local Government regularly meet colleagues from other Departments to discuss a range of matters.

Local Government Finance

Helen Jones: To ask the Secretary of State for Communities and Local Government what written representations he has received from local authorities which received transitional funding from 2010 to 2012 on their future financial position; and if he will place copies of all such correspondence in the Library. [121241]

Brandon Lewis: Any representations that we have received and will receive on such matters will be considered and help inform the consultation on the Local Government Finance Settlement for 2013-14. We are happy to receive representations on these matters, but as has been the practice of previous Administrations, we do not publish representations or consultation responses while a consultative process is ongoing.

Non-domestic Rates

Caroline Flint: To ask the Secretary of State for Communities and Local Government what consideration he has given to extending business rate retention to include low-carbon energy projects. [122090]

Brandon Lewis: The Government's proposals for business rates retention will enable local authorities to benefit from the business rates paid by all businesses in their area, including those from low-carbon energy projects.

In addition, the rates retention proposals have been designed to ensure that the business rates from any new renewable energy projects are not taken into account in the calculation of local/central share payments, top-up or tariff payments, levy payments or subject to any reset. This ensures that the authority keeps all of the business rates from such projects.

Non-domestic Rates: Surrey

Jonathan Lord: To ask the Secretary of State for Communities and Local Government how many businesses qualify for small business rate relief in *(a)* Woking constituency and *(b)* Surrey. [122008]

Brandon Lewis: The number of hereditaments in receipt of small business rate relief as at 31 December 2010, the latest date for which data are available, in Surrey and Woking local authority areas are shown in the following table. Data on the number of businesses who qualify for small business rate relief are not centrally collected. The data are also not available at constituency level.

	Number of businesses in receipt of small business rate relief as at 31 December 2010
Surrey	6,903
Of which:	
Woking	432

The data are taken from the National Non-Domestic Rates 1 (NNDRl) Supplementary forms completed annually by billing authorities in England and returned to the Department of Communities and Local Government. The data are publicly available in tables in the Statistics section of the DCLG website:

http://www.communities.gov.uk/publications/corporate/statistics/nondomesticrates201112f

Nottinghamshire

Mr Spencer: To ask the Secretary of State for Communities and Local Government what ministerial visits to *(a)* the city of Nottingham and *(b)* Nottinghamshire have taken place since May 2010. [121769]

Brandon Lewis: The information is as follows:

The Secretary of State for Communities and Local Government visited the city of Nottingham on 28 April 2011[1] and 5 July 2012.

The then Minister for Decentralisation and Cities (Greg Clark) visited the city of Nottingham on 30 August 2011, 9 February 2012 and 19 April 2012[1].

The Under-Secretary of State (Baroness Hanham) visited the city of Nottingham on 23 July 2010.

[1] Political visit, included in the interests of transparency.

Nuclear Power Stations: Construction

Caroline Flint: To ask the Secretary of State for Communities and Local Government if his Department will take steps to ensure that any future policy on business rate retention will include provision for those communities which are affected by a new nuclear development hosted by a neighbouring authority. [122049]

Brandon Lewis: The Government's proposals for business rates retention are set out in the technical consultation published on 17 July 2012. This can be found at:

http://www.communities.gov.uk/publications/localgovernment/businessratestechnical

The Government is considering responses to that consultation, prior to finalising the scheme for introduction in April 2013.

It should be noted that under our retention plans, the local share of business rate revenues will be retained by the billing authority (e.g. a district council) as well as relevant precepting authorities (e.g. a county council and a fire and rescue authority).

We have also invited local authorities to consider adopting a pooling arrangement; this would encourage collaborative working across local authority boundaries, allow the benefit from investment in economic growth to be shared across a wider area, and help local authorities better manage any volatility in income.

Caroline Flint: To ask the Secretary of State for Communities and Local Government if his Department will take steps to ensure that any future policy on business rate retention for new nuclear power allows for the community to benefit at the construction phase as well as the operational phases of development. [122092]

Brandon Lewis: Our proposals for business rates retention will enable authorities to benefit from growth in business rates revenues generated in their area. Business rates are due for payment when individual hereditaments are considered to have become fit for beneficial occupation. The question of when that applies will be a matter for the local valuation officer.

Planning Permission

Peter Luff: To ask the Secretary of State for Communities and Local Government if he will make it his policy to require the Planning Inspectorate to take account of emerging local development plans when considering planning appeals in local authority areas where no current plans exist; and if he will make a statement. [121785]

Nick Boles: Planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The weight to be given to any other considerations is a matter for the decision-taker in each case. The National Planning Policy Framework notes that decision-takers, including planning inspectors, may also give weight to relevant policies in emerging plans according to the stage of preparation of the emerging plan. The Planning Inspectorate provided guidance to its inspectors on this point following publication of the framework.

Peter Luff: To ask the Secretary of State for Communities and Local Government (1) if he will make it his policy to instruct the Planning Inspectorate to end its commitment to increase five year land supply targets by 20 per cent where they assess completion rates are too low; [121786]

(2) if he will make it his policy to assess five year land supplies available in local authority areas on the basis of planning permissions granted by the relevant authority and not completions achieved; and if he will make a statement. [121789]

Nick Boles: Planning plays a key role in ensuring enough land is available to meet local communities housing needs. The National Planning Policy Framework, published following consultation in March 2012, sets out that councils should identify a supply of deliverable sites sufficient to provide five years worth of housing against their local housing requirements. Sites with planning permission should be included within this supply, unless there is clear evidence that schemes will not be implemented within five years. Where there has been a record of persistent under delivery of housing, councils should include an additional 20% buffer of land (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned local supply and to ensure choice and competition in the local market for land.

Peter Luff: To ask the Secretary of State for Communities and Local Government if he will take steps to allow planning authorities to bring forward local development plans to examination in public prior to legal abolition of regional spatial strategies. [121787]

Nick Boles: The National Planning Policy Framework we published in March 2012 provides a strong incentive to update local plans to meet local development needs, including housing. Many authorities are making good progress in putting in place up to date local plans, which are in conformity with the framework.

Councils can bring forward proposals, such as housing targets, which have a local interpretation to them in their plans, based on their own sound evidence base where that is justified by the local circumstances. That evidence base is likely to be more up to date than that included in the regional strategies. Each case will depend on its particular facts.

Regional strategies remain part of the statutory development plan until such time as they are abolished, so a local plan document must be in general conformity with the regional strategy at the stage that the plan is submitted for examination. It is up to each authority to demonstrate to an independent inspector how its plans are in general conformity with regional strategies.

Peter Luff: To ask the Secretary of State for Communities and Local Government if he will make it his policy to instruct the Planning Inspectorate to take account of housing needs assessments conducted on behalf of district councils where they are more recent than the data in the relevant regional spatial strategy; and if he will make a statement. [121788]

Nick Boles: Councils can already bring forward proposals, such as housing targets, which have a local interpretation to them in their plans, based on their own sound evidence base where that is justified by the local circumstances. That evidence base may indeed be more up to date than that included in the regional strategies, and it is for the decision maker to assess each case on its particular facts.

Regional strategies remain part of the statutory development plan until such time as they are abolished. So, a local plan document must be in general conformity with the regional strategy at the stage that the plan is submitted for examination. It is for the local council submitting the plan to determine how their plan meets the requirements of general conformity.

I refer my hon. Friend to the written ministerial statement of the 25 July 2012, *Official Report*, *House of Lords*, column WS66-68, on the timetable and plans for the proposed revocation of the regional strategies, subject to due process and consideration.

Procurement

Hilary Benn: To ask the Secretary of State for Communities and Local Government what expenditure on procurement his Department has contracted to *(a)* small, *(b)* medium-sized and *(c)* large businesses in each month since May 2010. [119142]

Brandon Lewis *[holding answer 5 September 2012]:* Since May 2010, DCLG's proportion of procurement spend with small and medium-sized enterprises has steadily increased. From a starting point of 12% in 2010 (based on DCLG Central spend), we have broadened our ambitions and now including our key arm's length bodies our latest data shows that we have reached a figure of 25.9% for a rolling 12 months to August 2012 which meets the Cabinet Office aspiration for all Whitehall Departments.

Cabinet Office publish data on small and medium-sized enterprises spend by Departments. Based on spend within this fiscal year and our performance of 23% for the first quarter, DCLG is placed third within all central Government Departments.

The following table sets out the detailed expenditure on small, medium and large organisations since May 2010 for my Department and its arm's length bodies where available.

Expenditure (nearest £ million) by business types

	Central department			*Arm's length bodies*	
	Small	*Medium*	*Large*	*Small and Medium*	*Large*
Financial year 2010-11					
May 2010	1.1	[1]-0.4	8.1	—	—
June 2010	2.5	1.8	13.2	—	—
July 2010	2.1	0.7	14.4	—	—
August 2010	1.0	0.7	10.5	—	—
September 2010	1.6	0.6	12.3	—	—
October 2010	1.7	0.4	9.2	—	—
November 2010	0.6	0.5	8.1	—	—
December 2010	2.2	[1]-0.1	11.6	—	—
January 2011	1.3	0.7	3.1	—	—
February 2011	0.5	0.4	6.8	—	—
March 2011	1.1	1.1	15.3	—	—
Total	15.7	6.9	112.7	19.2	68.4

Expenditure (nearest £ million) by business types

	Central department			*Arm's length bodies*	
	Small	*Medium*	*Large*	*Small and Medium*	*Large*
Financial year 2011-12					
April 2011	0.5	2.2	23.6	1.0	3.8
May 2011	0.3	0.7	5.6	1.5	4.1
June 2011	0.9	0.3	13.5	1.5	4.5
July 2011	0.3	0.4	4.2	1.8	2.7
August 2011	0.1	0.7	6.2	0.9	4.2
September 2011	1.2	0.8	12.5	4.0	4.6
October 2011	0.2	0.2	9.1	3.8	3.8
November 2011	0.5	1.0	5.6	3.8	5.5
December 2011	1.1	1.0	12.9	4.1	5.1
January 2012	0.19	0.5	6.5	3.9	6.6
February 2012	0.4	0.3	5.5	4.0	4.2
March 2012	1.4	1.4	14.7	8.1	0.5
Total	7.1	9.5	119.9	38.4	49.6
Financial year 2012-13					
April 2012	0.3	0.3	4.2	3.9	8.5
May 2012	0.4	0.6	12.1	3.2	5.9
June 2012	1.4	0.7	8.7	3.4	4.8
July 2012	0.5	0.4	6.2	3.9	4.2
August 2012	0.3	0.5	9.1	5.0	5.5
Total	2.9	2.5	40.3	19.4	28.9

[1] The negative figures are a consequence of cancellation of invoices.

The DCLG Group is making a 44% real terms saving against its running costs over this spending review period by 2014-15. This equates to savings of over £570 million of taxpayers' money by 2014-15, helping tackle the deficit we have inherited from the last Administration.

Notwithstanding these liabilities, as outlined above, the Department has an ambitious Action Plan to increase the proportion of spending going to small and medium-sized enterprises by March 2015. The plan can be found online at:

www.communities.gov.uk/corporate/jobscontracts/procurement/smallmediumenterprises/

Regeneration: Morecambe

David Morris: To ask the Secretary of State for Communities and Local Government (1) how much Lancaster City Council has received from his Department for regeneration in the West End District of Morecambe in each financial year since 1997-98; [121948]

(2) what funding his Department has provided for the regeneration of homes in Morecambe's West End District since May 2010; [121949]

(3) what funding his Department has allocated to Morecambe and Lunesdale constituency since 2010. [121961]

Mr Prisk: The vast majority of our central Government funding to local areas is allocated on the basis of local authority areas, and therefore it cannot be broken down to constituency areas. It would be of disproportionate cost to obtain data for funding allocated to this area since 1997.

Government is taking a new approach to regeneration and is working to give communities and local partners the powers, tools and information that they need to address local priorities for regeneration and growth. Examples of these are:

The New Homes Bonus, including for bringing empty homes back into use; local business rate retention; and changes to the Community Infrastructure Levy which ensure local areas will benefit financially from local growth and development. The constituency Morecambe and Lunesdale is part of the Lancaster district, in the County of Lancashire and they have received New Homes Bonus set out as follows:

Local authority	*NHB grant paid in year 1 (2011-12)*	*NHB grant paid in year 2 (2012-13)*	*Total payments in year 2*[1]
Lancaster	231,427	230,381	461,807
Lancashire	464,868	566,258	1,031,126

[1] NHB funds reward annual increases in effective housing stock and are paid for six years. The total payment column therefore comprises the total of years 1 and 2 delivery.

The Homes and Communities Agency allocated funds to support Morecambe West End of £132,928 in 2010-11 and £63,949 in 2011-12 for the estate management of the properties. The Homes and Communities Agency also provides specialist expertise and intelligence to help local partners deliver their ambitions.

The West End received £1.9 million under the Empty Homes Cluster Initiative to support the refurbishment and restoration of 114 empty homes.

The Formula Grant for Lancaster was £15.994 million in 2010-11 and £15.124 million in 2011-12.

We are accelerating the release of surplus public sector land and using our innovative Build Now, Pay later model wherever possible, so that housebuilders pay for the land only after homes are built.

Through our new Community Right to reclaim land we are enabling communities to get underused public property back in use.

Lancashire has been allocated £19.4 million from the Growing Places Fund.

Morecambe is one of the Portas Pilots, securing £100,000 to revitalise its high street.

As announced in the Housing and Growth statement on 6 September 2012, *Official Report,* columns 29-34WS, included initiatives which will help Morecambe. An additional £300 million is being made available for the provision of 15,000 additional affordable homes and to bring 5,000 additional homes back into use. The Government will issue debt guarantees worth up to £10 billion to support delivery of both new market rented housing and affordable. More details of the scheme will be published in the autumn.

David Morris: To ask the Secretary of State for Communities and Local Government whether his Department has undertaken any performance management reviews to consider whether money spent on regeneration in the West End area of Morecambe *(a)* was spent effectively, *(b)* was spent on the projects it was allocated to, *(c)* provided value for money and *(d)* achieved the aims stated in the applications for funding. [121952]

Mr Prisk: The Department has not undertaken any performance management reviews for this area.

Regional Development Agencies

John Pugh: To ask the Secretary of State for Communities and Local Government what the total value of assets was of the regional development agencies sold since 2010. [120921]

Brandon Lewis: The proceeds received for the sale of assets by each of the eight Regional Development Agencies outside London in the financial years 2010-11 and 2011-12 was £75.3 million. There have been no further sales in 2012-13.

Assets from the former Agencies transferred to the Homes and Communities Agency in September 2011

In the 2011-12 financial statements for the Homes and Communities Agency, the total value of disposals attributable to former Agencies assets in total was £18.3 million, the majority of which related to land and property asset disposals.

For 2012-13, to the end of August 2012, the total value of disposals attributable to former Regional Development Agencies assets was £19.7 million.

John Pugh: To ask the Secretary of State for Communities and Local Government what the annual cost is of current leases held formerly by regional development agencies and not re-assigned to local enterprise partnerships. [120927]

Brandon Lewis: Homes and Communities Agencies estimated income based on the transferred Regional Development Agencies leases which were in place at 31 March 2012 is £2.9 million per annum.

Regional Planning and Development

Peter Luff: To ask the Secretary of State for Communities and Local Government what progress he is making on the abolition of regional spatial strategies. [121833]

Nick Boles: I refer my hon. Friend to the written ministerial statement of 25 July 2012, *Official Report, House of Lords,* columns WS66-68.

Regional Resilience Forums

Mr Ellwood: To ask the Secretary of State for Communities and Local Government what his policy is on regional resilience forums and their role in responding to level 1 incidents; and if he will make a statement. [122024]

Brandon Lewis: I refer my hon. Friend to my answer of 13 September 2012, *Official Report,* column 311W.

The Department wrote to local resilience forums and responders in March 2011 to explain that Government supports a flexible, localist and risk based approach to cross-boundary working and relationship building rather than prescribing arrangements based on arbitrary regional boundaries.

Renewable Energy: Norfolk

Alison Seabeck: To ask the Secretary of State for Communities and Local Government pursuant to the oral answer of 17 September 2012, *Official Report*, column 634, on waste to energy plants, which statutory bodies asked for a call-in of the energy for waste plant in Norfolk; what their reasons were for seeking a call-in of this decision; and what his reasons were for accepting. [R] [121899]

Nick Boles: King's Lynn and West Norfolk borough council and a number of parish councils in the area asked the Secretary of State to call-in the application for various reasons, including public opposition, the validity of the assessment of alternative sites and prematurity in terms of the Development Plan.

Having taken into account all matters raised by the application, including representations made, the Secretary of State decided to call-in the application as it concerns matters that are of substantial regional or national controversy.

I note as a matter of fact that the Department received call-in representations from 23 Members of Parliament and Peers, 48 local parish councils and 5,800 locally signed letters.

Riots Communities and Victims Panel

Mr Lammy: To ask the Secretary of State for Communities and Local Government pursuant to the answer of 13 September 2012, *Official Report,* column 311W, on the Riots Communities and Victims Panel, when he expects to publish the Government's response to the final report of the Riot Communities and Victims Panel. [121715]

Brandon Lewis: The panel published its final report on 28 March 2012 and the Secretary of State for Communities and Local Government, my right hon. Friend the Member for Brentwood and Ongar (Mr Pickles), made a written ministerial statement to Parliament on 13 July 2012, *Official Report,* columns 74-78WS, in response. That statement set out the measures the Government and other agencies have put in place to rebuild communities following the riots. It also set out the actions that the Government is taking forward to address some of the more entrenched issues highlighted in the panel's report.

In the written ministerial statement, the Government made the commitment to publish further information on the Government's response to the panel's report, this will be published later in the autumn.

Training

Luciana Berger: To ask the Secretary of State for Communities and Local Government what media or public speaking training Ministers in his Department have received since May 2010. [122077]

Brandon Lewis: None. I would add, as outlined in the answer of 30 March 2009, *Official Report,* column 966W, Ministers in the last Administration spent at least £2,115 on public speaking training.

Travellers: Caravan Sites

Andrew Selous: To ask the Secretary of State for Communities and Local Government if he will make it his policy that planning permission granted to people on the basis that they are Travellers, is granted subject to a requirement that those people live a travelling lifestyle. [121847]

Brandon Lewis: Following consultation, the Government published its Planning Policy for Traveller Sites in March 2012. This sets out national policy that must be taken into account when local authorities (and Inspectors) decide relevant applications for planning permission. For the purposes of planning policy "Gypsies and Travellers" means persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family's or dependants' educational or health needs or old age have ceased to travel temporarily or permanently, but excluding members of an organised group of travelling showpeople or circus people travelling together as such.

Urban Areas: Regeneration

Nadine Dorries: To ask the Secretary of State for Communities and Local Government what *(a)* advice and *(b)* resources his Department plans to provide to local authorities on the regeneration of town centres. [121417]

Mr Prisk: The National Planning Policy Framework sets out clear guidance to councils about ensuring town centres are at the heart of their communities, and they should pursue policies to support town centre viability. It makes clear that parking charges should not undermine the vitality of town centres, and applies a strong sequential and impact test for unplanned out of centre development.

"Regeneration to enable growth: A toolkit supporting community-led regeneration" was published in January 2012, and describes how we have put local partners in the lead, providing them with a wide toolkit of powers, flexibilities, options and incentives to help them drive the regeneration of their area, strengthen their local economy, and improve their opportunities.

In July, we published "Re-imagining urban spaces to help revitalise our high streets" aimed at anyone working to improve their high street, town centre or retail area. It is full of case studies describing the many different ways in which under-utilised assets can be used imaginatively to support high streets and town centres—increasing high street vitality, attracting footfall and boosting local economies.

In March this year, the High Street Innovation Fund allocated £100,000 to 100 local authorities across England which encouraged a focus on bringing empty shops back into use. Local areas also have the opportunity to apply for the £1 million Future High Street X-Fund that will reward those who have demonstrated the greatest improvement in their high street.

Government published its response to the Portas review of the High Street "High Streets at the heart of our communities" which encourages local authorities to be the leaders on, and drivers of economic growth and high street improvement, highlighting their new powers to introduce and fund local business rates discounts.

The Department for Communities and Local Government is funding 24 Portas pilot town teams with each of them receiving up to £100,000 to implement their plans to improve their local high streets and town centres. We will use the experience of the pilot towns to create a toolkit to support community-led regeneration.

We have recently invited those 392 town teams that were not selected to be Portas pilots to register as town team partners and receive £10,000 each. They will also be provided with advice, and supported by the Association of Town Centre Management.

TRANSPORT

Airports

Zac Goldsmith: To ask the Secretary of State for Transport what steps his Department is taking to *(a)* identify options, within the EU legislative framework, to ensure that slots at congested airports are used in the way most economically beneficial to the UK and *(b)* optimise the functioning of the secondary trading market for airport slots; and if he will make a statement. [121667]

Mr Simon Burns: The Department for Transport and the Department for Business, Innovation and Skills are currently working together to consider what options are available to ensure that slots at congested airports are used in the most economically beneficial way. The focus of the work is on seeking to optimise the functioning of the secondary trading market for airport slots. We are engaging with key stakeholders and will report on the outcomes of the work in due course.

Aviation: Working Hours

Zac Goldsmith: To ask the Secretary of State for Transport (1) whether the relevant trades unions representing airline pilots in the UK have agreed to the implementation of the new rules on flight time limitations proposed by the European Aviation Safety Agency; [121918]

(2) what medical evidence his Department has gathered on the capacity of the new rules on flight time limitations proposed by the European Aviation Safety Agency to ensure the same level of safety for the travelling public as the existing Civil Aviation Authority rules; how many additional hours commercial airline pilots may be required to work in any given duty period under the new rules compared to the present system; and what comparative assessment he has made of the new rules and rules governing flight time limitations in the US; [121919]

(3) what steps he plans to take to integrate the European Aviation Standards Agency's proposals on flight time limitations into UK aviation safety requirements; [121920]

(4) what steps he plans to take to maintain UK standards and protections for airline pilots' flying time limitations after the implementation of the European Aviation Standards Agency harmonisation proposals; and if he will take an active role in protecting and promoting UK standards on airline pilots' flying time limitations in the development of European standards; [121921]

(5) what plans he has for implementation of new flight time limitation rules proposed by the European Aviation Safety Agency. [121922]

Mr Simon Burns: The European Aviation Safety Agency (EASA) is still considering the responses to its consultation on flight time limitations. We do not yet know what the final proposal will contain. We will

consider our position, taking into account advice from the Civil Aviation Authority (CAA), once a final set of rules has been proposed.

Voting on the European Commission regulation adopting implementing rules on flight time limitations will be by qualified majority voting; we will not support the proposed rules if the CAA advises that they do not provide an adequate level of protection against fatigue. The rules will be directly applicable in all member states; opt outs from the proposed implementing rules are not permitted by the enabling legislation, adopted in 2008.

The relevant trade unions representing airline pilots in the United Kingdom have responded to EASA's consultation; we are aware that they have some concerns on the proposals which we have discussed with them on a number of occasions.

The CAA has reviewed the latest draft of the proposals published by EASA on 18 January 2012. The CAA has advised that the package of proposals as currently drafted contains a number of welcome provisions that will deliver a significant improvement in safety across the European Union as a whole. The CAA also considers the package provides a similar level of safety to the rules adopted in the United States and will not lead to any diminution in safety in the UK. I am satisfied with the CAA's advice which takes into account relevant operational, scientific and medical opinion.

The CAA's detailed evidence to the Transport Select Committee inquiry on flight time limitations, including comparisons on flight duty periods, and the Government's Response to the Committee's report are published on the Parliament website at:

www.parliament.uk

Biofuels

Maria Eagle: To ask the Secretary of State for Transport whether he has discussed the sustainability of biofuels used in transport fuel with the EU Commissioners for Energy and the Environment. [121944]

Norman Baker: Biofuels have a role to play in efforts to tackle climate change. But it is crucial that the sustainability of biofuels is assured and that they deliver true greenhouse gas savings.

Department for Transport ministers and officials have met, and continue to meet, with various stakeholders including representatives of the European Commission, UK and international non-governmental organisations to discuss amongst other things the environmental and social impacts of biofuels policy. At these meetings, we have made clear that the indirect land use change (ILUC) impacts of biofuels must be addressed urgently.

I have personally raised the issue both face to face and in writing with Commissioner Hedegaard.

Bus Services: Finance

Maria Eagle: To ask the Secretary of State for Transport whether local authorities pursuing Quality Contracts for bus services will be eligible for funding from the Better Bus Fund Area. [121943]

Norman Baker: The Government's proposals for bus subsidy reform are set out in a consultation document that was published on 13 September. Better Bus Areas will be designated via a competitive process.

I will take a view on the precise matter she raises in the light of consultation responses.

DVLA: Redundancy

Mark Hendrick: To ask the Secretary of State for Transport what costs his Department will incur in respect of redundancy for the 39 DVLA offices that are scheduled to close; and what proportion of such costs will be spent on redundancy for the Preston DVLA office. [122002]

Stephen Hammond: The Driver and Vehicle Licensing Agency has made provision in the business case for up to £33 million in redundancy payments for the 39 offices that are scheduled to close. Of this, a provision of £1.2 million is for Preston local office and enforcement centre. The final costs will not be known until the end of next year when we will know which members of staff will be redeployed and which will be taking redundancy.

Heathrow Airport

Zac Goldsmith: To ask the Secretary of State for Transport (1) what consideration the independent commission on aviation chaired by Sir Howard Davies will give to meeting EU air quality standards at Heathrow Airport and the surrounding area; [121727]

(2) what consideration the independent commission on aviation chaired by Sir Howard Davies will give to meeting EU air quality limits for nitrogen dioxide at Heathrow Airport and the surrounding area; [121728]

(3) what consideration the independent commission on aviation chaired by Sir Howard Davies will give to the UK's capacity to meet its obligations under the EU Environmental Noise Directive at Heathrow Airport and the surrounding area. [121729]

Mr Simon Burns: The Airports Commission, chaired by Sir Howard Davies, will have the scope to examine all issues relating to airport capacity and connectivity. This will include taking into account environmental considerations, including those relating to noise and air quality.

Zac Goldsmith: To ask the Secretary of State for Transport what *(a)* primary and *(b)* secondary legislation would be required to bring into operation a third runway at Heathrow Airport. [121730]

Mr Simon Burns: The coalition's position on a third runway at Heathrow remains as set out in our programme for government and it would not therefore be appropriate for me to speculate about the legislative requirements of a hypothetical situation.

However, I can confirm that the Government believes that maintaining the UK's status as a leading global aviation hub is fundamental to our long term international competitiveness and that we have appointed Sir Howard Davies to chair an independent commission to identify and recommend to Government options for achieving this.

Zac Goldsmith: To ask the Secretary of State for Transport what recent estimate he has made of the number of people resident within the boundaries of the 57-decibel contour at Heathrow. [121745]

Mr Simon Burns: The latest estimate made on behalf of the Department for Transport was provided by the Environmental Research and Consultancy Department (ERCD) of the Civil Aviation Authority for 2011. This showed a total of 243,350 people were enclosed in the 57 dB LAeq 16h contour. The area covered was 108.8 km^2

Heathrow Airport: Passengers

Zac Goldsmith: To ask the Secretary of State for Transport how many *(a)* business and *(b)* tourist passengers arrived at Heathrow on night quota period flights in the latest period for which figures are available. [121668]

Mr Simon Burns: The Department relies on data from the Civil Aviation Authority Passenger Survey to understand the split of passengers between business, tourism and other purposes. The number of passengers surveyed during the night quota period is very small and would not provide a reliable estimate of the total number of business or tourist passengers travelling at that time.

High Speed 2 Railway Line

Geoffrey Clifton-Brown: To ask the Secretary of State for Transport when *(a)* he and *(b)* his predecessor last met the Secretary of State for Wales to discuss the route for High Speed 2. [121816]

Mr Simon Burns: There have been no meetings between the Secretary of State for Transport and the Secretary of State for Wales to discuss the route for High Speed 2.

Geoffrey Clifton-Brown: To ask the Secretary of State for Transport what liaison and consultation his Department has undertaken with the Wales Office on the evaluation of the route for High Speed 2. [121817]

Mr Simon Burns: Officials meet regularly with Departments across Whitehall on all aspects of transport, including High Speed 2.

Geoffrey Clifton-Brown: To ask the Secretary of State for Transport what account his Department took of the European Commission's requirement for transport intermodality in determining the route choice for High Speed 2. [121818]

Mr Simon Burns: The choice of route for High Speed 2 was not specifically influenced by European Commission requirements for transport intermodality, as such decisions are matters for member states.

However, the chosen route is designed to facilitate the use of multiple modes during a single journey and to foster synergies between different modes of transport, including rail and air networks; objectives which are shared with the Commission.

Geoffrey Clifton-Brown: To ask the Secretary of State for Transport what account his Department took of available capacity on the West Coast Main Line when formulating proposals for High Speed 2. [121819]

Mr Simon Burns: Prior to her decisions on high speed rail in January, the then Secretary of State considered a number of strategic alternatives to HS2, and concluded that building a new high speed rail line is the best means of meeting the long term capacity challenge on our railways. These alternatives included measures to increase the available capacity of the West Coast Main Line, which only provide a partial, short-term answer to the demand challenges addressed by HS2, while sacrificing the connectivity benefits high speed rail would bring.

London Airports

Zac Goldsmith: To ask the Secretary of State for Transport if he will assess the extent of spare capacity at *(a)* London Oxford and *(b)* London Southend airports. [121743]

Mr Simon Burns: The Department published an assessment of airport capacity and forecast demand for 31 of the UK's largest airports in "UK Aviation Forecasts, 2011":

http://www.dft.gov.uk/publications/uk-aviation-forecasts-2011

The Department keeps the list of airports included in the forecasts under review and is actively considering the case for including Southend airport in future forecasts. There are no plans to include Oxford airport at present.

Morecambe

David Morris: To ask the Secretary of State for Transport what funding his Department has allocated to Morecambe and Lunesdale constituency since 2010. [121966]

Norman Baker: It is not possible to break the Department's funding down to constituency level. However, the following table sets out the total funding allocated to Lancashire county council between 2010-11 and 2012-13.

	Funding (£000)
2010-11	[1]43,325
2011-12	29,564
2012-13	[2]29,548

[1] Includes Lancashire county council's allocation of funding provided to local highway authorities in relation to the severe winters of 2009-10 and 2010-11.

[2] Includes £909,000 of Local Sustainable Transport Funding. Lancashire county council's full award for this funding is £5 million; the balance will be paid, subject to successful completion of the project, between now and 2015.

Other transport funding is provided by the Department for investment across England, but it is not possible to break this down to either constituency or local authority level. This funding includes, for example, funding given to the Highways Agency for the maintenance and improvement of the Strategic Road Network, and to Network Rail for the maintenance and development of our rail infrastructure.

Motor Vehicles: Disability

Mr Spellar: To ask the Secretary of State for Transport pursuant to the answer of 17 September 2012, *Official Report,* column 519W, on motor vehicles: disability, what assessment he has made of the issues arising from the European Commission's roadworthiness proposal. [122112]

Stephen Hammond: No assessment has been made on the issue of modifications for disabled drivers. Officials will be seeking clarification on the testing of vehicle adaptations as part of the ongoing negotiations on the current Roadworthiness Proposal. The UK will continue to vigorously oppose aspects of this proposal that imply costs for UK.

Motor Vehicles: Exhaust Emissions

Martin Horwood: To ask the Secretary of State for Transport what estimate his Department has made of the effect on *(a)* life expectancy and *(b)* premature deaths avoided of action taken to implement (1) the EU Light Duty Vehicles Directive and associated amendments (i) in total and (ii) in each region since it came into force; and if he will make a statement; [121587]

(2) the EU Heavy Duty Vehicles Directive and associated amendments (i) in total and (ii) in each region since it came into force; and if he will make a statement. [121588]

Norman Baker: EU legislation on new vehicle standards has led to significant reductions in emissions of air pollutants, improving air quality and public health. The most recent legislation for light vehicles is Regulation (EU) No 715/2007, as amended. The most recent legislation for heavy vehicles is Regulation (EU) No 595/2009, as amended. Since 1990 emissions of oxides of nitrogen (NOx) from road transport as a whole have reduced by 70%, and those of particulate matter (PM_{10}) by 38%.

It is not possible to put a precise figure on the improvement in life expectancy or premature deaths in the UK, or in regions of the UK, resulting from the adoption of new vehicle emission standards. An impact assessment for the new Euro VI emission standard for heavy vehicles can be found at

http://webarchive.nationalarchives.gov.uk/tna/20100927131008/http://www.dft.gov.uk/consultations/archive/2008/euroviconsultation/ia.pdf

This includes a monetised estimate of the health benefits associated with reductions in air pollution, including impacts on both mortality, and respiratory and cardiovascular hospital admissions.

Motor Vehicles: Insurance

Mark Hendrick: To ask the Secretary of State for Transport what discussions his officials have had with Co-operative Insurance and Insure The Box on smart box technology. [122004]

Stephen Hammond: Departmental officials met with Co-operative Insurance on 9 July to discuss their smart box technology. Additionally, the Department held its first working group meeting with industry, including Co-operative Insurance, to discuss young drivers. Smart box technology formed part of this discussion.

Mark Hendrick: To ask the Secretary of State for Transport what meetings *(a)* he and *(b)* Ministers in his Department have had with the Association of British Insurers on how to reduce insurance premiums for motorists. [122050]

Stephen Hammond: The Prime Minister and the Secretary of State for Transport met with representatives from major motor insurers on 14 February 2012 to discuss action that can be taken to reduce the number of claims for whiplash which contribute significantly to the cost of settling motor insurance claims. The Secretary of State chaired a further meeting with the insurance industry on 2 May. The Association of British Insurers (ABI) was present at both meetings.

In addition, the Secretary of State met with ABI on 23 April 2012 for a wider discussion on motor insurance issues.

Nottinghamshire

Mr Spencer: To ask the Secretary of State for Transport what ministerial visits to *(a)* the City of Nottingham and *(b)* Nottinghamshire have taken place since May 2010. [121774]

Mr Simon Burns: The following ministerial visits were completed during this period:

(a) City of Nottingham

Norman Baker, Parliamentary Under-Secretary of State, visited the City of Nottingham on the 24 March 2011, 8 January 2012 and 6 September 2012.

(b) Nottinghamshire

Mike Penning, Parliamentary Under-Secretary of State, visited Newark on the 13 June 2011.

Norman Baker, Parliamentary Under-Secretary of State, visited Retford on the 8 January 2012.

Passenger Ships: Disabled People

Neil Carmichael: To ask the Secretary of State for Transport whether cruise liners are exempt from the requirement of EU Regulation 1177/2010 that disabled people should be able to be accompanied by their carer free of charge when travelling. [121723]

Stephen Hammond: EU Regulation 1177/2010 on maritime passenger rights, which enters into force on 18 December 2012, aims to provide disabled persons and persons with reduced mobility with the same opportunities to travel by water as they have in other transport sectors across the EU.

Where strictly necessary, carriers, travel agents and tour operators may require that a disabled person or person with reduced mobility be accompanied by a companion to assist with personal care.

In these circumstances, a companion is entitled to travel free of charge on a timetabled passenger service such as a ferry. However, no such entitlement applies in relation to cruises. So a companion travelling on a cruise ship would need to be paid for.

Public Transport: ICT

Karen Lumley: To ask the Secretary of State for Transport what plans his Department has to utilise *(a)* smart cards and *(b)* other new technologies to improve the quality of public transport service. [121704]

Norman Baker: The Department for Transport supports the roll-out of smart and integrated ticketing more widely and believe that there are huge potential benefits for passengers, local authorities and operators.

As per our business plan commitment the Department continues to specify smart ticketing technology in all rail franchises as they are re-let. At the same time the Government has allocated £45 million to support the earlier deployment of smart ticketing equipment in a large number of stations in the south-east by 2014. This will give passengers earlier access to smart products than if we had waited for the start of new franchises to make progress.

For buses the Department continues to encourage the roll-out of smart ticketing through the 8% uplift to the Bus Service Operators' Grant. We have, in addition, allocated £15 million to develop and provide a managed service to further stimulate smart ticketing availability.

Beyond smart cards the Department is very keen to encourage industry to innovate in order to improve the quality of public transport services. Practical steps to encourage innovation include the Department's £17 million support for the establishment of a multi-modal Transport Systems Catapult technology and innovation centre which will provide a location and resources develop and test new ideas for all modes of transport.

The Government is currently consulting on proposals for reforming Bus Service Operators' Grant. These proposals will see the devolution of a substantial proportion of the grant to local authorities, enabling them to improve bus patronage thereby stimulating the local economy.

The local government measures taken forward with the grant will reflect local bus needs. It is likely that some local transport authorities will use the grant to take forward the type of measures seen in March 2012 when DFT awarded 24 local transport authorities with just under £70 million to develop Better Bus Areas. Many of the successful bids included new technologies to improve the quality of public transport service, including improved traffic management and traffic enforcement systems to help local authorities make the best of existing road infrastructure, real time information, audio-visual equipment, wi-fi on buses, and smart-phone bus apps.

Railway Stations: Greater London

Mr Lammy: To ask the Secretary of State for Transport how many railway stations in Greater London are served by fewer than four trains per hour throughout the day; and which operating company is responsible for each such station. [121645]

Norman Baker: This information is not held by the Department in the format requested. However, this information is available in the public domain and can be found within public timetables on the National Rail website at

www.nationalrail.co.uk

Railways: Greater London

Zac Goldsmith: To ask the Secretary of State for Transport pursuant to the written ministerial statement of 16 July 2012, *Official Report*, columns 113-4WS, whether investment in increased rail capacity for commuters on the most congested routes in London will include the Reading to Waterloo service route. [121661]

Mr Simon Burns: The Government have specified sufficient peak capacity into London Waterloo to meet the forecast growth in demand up to 2019 and has provided funding for this but it is for the train operating company and Network Rail to determine how this congestion relief will be provided. They are expected to publish their proposals in January 2013.

Renewable Transport Fuel Obligation

Mr Spellar: To ask the Secretary of State for Transport pursuant to the answer of 11 September 2012, *Official Report, column* 130W, on third sector, what discussions he has had with EU counterparts on amending the Renewable Transport Fuel Obligation to reduce or eliminate fuels from food feedstocks. [122093]

Norman Baker: Biofuels have a role to play in efforts to tackle climate change, but it is crucial that the sustainability of biofuels is assured and that they deliver true greenhouse gas savings.

The renewable transport fuel obligation is the domestic instrument which implements the EU's biofuel requirements in the United Kingdom. Biofuel sustainability criteria are decided at an EU level, and the UK has pressed to have indirect land use change (ILUC) impacts, including those associated with the use of biofuels produced from food feedstocks, addressed urgently as part of these criteria. Department for Transport Ministers and officials have met, and continue to meet, with various stakeholders including representatives of the European Commission, UK and international non-governmental organisations to discuss the environmental and social impacts of biofuels policy.

Research

Dan Jarvis: To ask the Secretary of State for Transport how much his Department spent on research and development in *(a)* 2008-09, *(b)* 2009-10, *(c)* 2010-11 and *(d)* 2011-12; and how much he plans to spend in (i) 2012-13, (ii) 2013-14 and (iii) 2014-15. [121886]

Mr Simon Burns: As reported in Science, Engineering and Technology Indicators (SET Statistics), the Department for Transport's expenditure on research and development was:

	Expenditure (£ million)
2008-09	60
2009-10	68
2010-11	35

Final figures for 2011-12 will be available shortly. Spend in future years will depend on the evidence requirements identified to inform best delivery of policy and operational decision-making.

Shipping

John McDonnell: To ask the Secretary of State for Transport what proportion of UK seafarers were employed on *(a)* tonnage tax or *(b)* non-tonnage tax ships in each year since 2001-02 [122061]

Stephen Hammond: Statistical estimates for the number of UK nationals employed as seafarers are available for years from 2002 onwards. Data for 2012 are not yet available. Tonnage tax companies are required annually to inform the Department of the numbers of UK seafarers employed on their ships. The following table gives an extrapolation of these figures to estimate the percentage of UK seafarers who were employed on tonnage tax ships in each year from 2002 to 2011.

Number of UK seafarers serving on board tonnage tax ships as a percentage of all UK seafarers

	Percentage
2002	21
2003	19
2004	14
2005	19
2006	17
2007	23
2008	23
2009	22
2010	18
2011	20

Source:
UK Seafarer Statistics 2011, DFT and tonnage tax companies.

John McDonnell: To ask the Secretary of State for Transport how many UK seafarer *(a)* ratings and *(b)* officers there were in each year since 1982. [122062]

Stephen Hammond: Statistical estimates for the number of UK nationals employed as seafarers are available for years from 2002 onwards. Statistical estimates for the number of UK nationals employed as seafarers are not available for years prior to 2002. Data for 2012 are not yet available. The following table gives the number of ratings and the number of officers (certificated and uncertificated) for each of the years from 2002 to 2011.

Number of UK nationals employed as seafarers: 2002-11

	2002	2003	2004	2005	2006	2007	2008	2009	2010	Number 2011
Ratings	9,500	10,500	10,400	9,400	9,800	8,200	9,300	10,400	11,300	11,900
Officers (certificated and uncertificated)	15,200	16,800	16,400	16,200	16,000	13,900	14,200	14,500	14,300	13,300
Total	24,700	27,300	26,800	25,500	25,800	22,000	23,500	24,900	25,600	25,200

Notes:
1. Statistics for ratings and uncertificated officers are based on numbers employed by members of the UK Chamber of Shipping: No adjustment has been made for UK nationals employed by companies which are not members of the UK Chamber of Shipping.
2. Statistics for Certificated Officers are based on certification data supplied by the MCA (Maritime and Coastguard Agency). Because certificates are valid for five years from the date of validation, for the purposes of these statistics it has been assumed that officers holding certificates retire from service at sea at age 62, and that 16% of other officers with valid certificates are not actively employed at sea at any one time.
3. At any time the number employed will be larger than the number actually serving on ship because of the need to have "relief" employees to cover shore leave.
Source:
UK Seafarer Statistics 2011, DFT

John McDonnell: To ask the Secretary of State for Transport how many UK seafarer *(a)* ratings tax and *(b)* officers served in the merchant navy in each year since 1982. [122063]

Stephen Hammond: The statistics that the Department for Transport has on the number of UK nationals who are seafarers are not broken down by the flag of the vessels on which they serve.

Skipton-Colne Railway Line

Andrew Stephenson: To ask the Secretary of State for Transport what assessment he has made of the economic benefits of re-opening the Colne-Skipton railway line. [121801]

Mr Simon Burns: The Department for Transport has not made an assessment of the economic benefits arising from the re-opening of the Skipton-Colne line. As this line would primarily meet local travel needs, it is for the local authorities to determine the economic benefits that would arise from its re-opening.

Speed Limits: Cameras

Neil Carmichael: To ask the Secretary of State for Transport what his policy is on local parish councils in co-operation with their local police constabulary introducing average speed cameras and using proceeds from fines to finance their purchase. [121722]

Stephen Hammond: It is not possible for local parish councils or the police to receive fine revenue from average speed cameras. It is not departmental policy to change from that position.

The coalition agreement included a commitment to 'stop central government funding for new fixed speed cameras'. This commitment has been delivered.

Training

Luciana Berger: To ask the Secretary of State for Transport what media or public speaking training Ministers in his Department have received since May 2010. [122110]

Mr Simon Burns: Ministers in the Department have not received any media or public speaking training since May 2010.

Transport: Exhaust Emissions

Zac Goldsmith: To ask the Secretary of State for Transport with reference to the Committee on Climate Change's report, Scope of carbon budgets—Statutory advice on inclusion of international aviation and shipping, what assessment he has made of the implications for his policies of the report's recommendations. [121744]

Norman Baker: The Government is in the process of considering the impacts of the potential inclusion of emissions from international aviation and shipping within the scope of the UK's carbon budgets and targets and takes this issue seriously. As part of this consideration, we are taking into account a range of factors, including the anticipated economic impacts and the level of progress that has been made towards action to tackle emissions from these sectors at the international level.

West Anglia Railway Line

Mr Lammy: To ask the Secretary of State for Transport what estimate his Department has made of likely passenger growth on the West Anglia mainline up to 2016. [121647]

Mr Simon Burns: The Department is in the early stages of re-letting the East Anglia franchise and the modelling for passenger demand has not yet started.

Mr Lammy: To ask the Secretary of State for Transport what recent progress has been made on investment in infrastructure on the West Anglia Main Line. [121674]

Mr Simon Burns: There are a number of suggested upgrades for the West Anglia Main Line in the High Level Output Specification (HLOS) publication. The Department is waiting to receive Network Rail's view on these upgrades, which is due in January 2013.

West Coast Railway Line

Maria Eagle: To ask the Secretary of State for Transport how many officials in his Department are working on the franchise arrangements for the West Coast Main Line; and what has been the cost of negotiations on the new franchise for the West Coast Main Line since 15 August 2012. [121942]

Mr Simon Burns: As of 15 October, a core team of three officials are leading on the franchise arrangements for the West Coast Main Line supported by colleagues from other areas of the Department as required. Negotiations with interested parties regarding the future of the West Coast franchise are still underway, and for this reason the Department is unable to release information about the cost of these negotiations.

BUSINESS, INNOVATION AND SKILLS

Manufacturing Industries

Mr Iain Wright: To ask the Secretary of State for Business, Innovation and Skills what steps he is taking to improve skills capability for electronics design in engineering and manufacturing; and if he will make a statement. [119964]

Michael Fallon: The Department for Business, Innovation and Skills (BIS) and SEMTA, the sector skills council for electronics manufacturing, have given their support to the industry-led initiative, the UK Electronics Skills Foundation (UKESF), which reaches into schools and universities to raise awareness of the significance and profile of electronics in modern life and in meeting social and technological challenges. It brings together companies and universities, and provides undergraduate students with early connections with companies in the sector through sponsorship, mentoring, summer schools and industrial work experience. It seeks to achieve a higher retention rate for UKESF-sponsored students graduating into the electronic design sector.

BIS officials are working closely with electronics sector stakeholders on the 'Electronic Systems—Challenges and Opportunities' (ESCO) sector strategy which is focusing on barriers and opportunities for the UK's electronics systems sector and will examine the competitive position of the UK and present information on the size, economic and strategic contribution to the UK economy. The strategy, which is expected to be published in November 2012, includes a workstream looking at the skills and training issues for this sector.

On engineering skills more broadly, Government reforms are developing a demand-led model to help deliver the engineering and technical skills that business needs. We are financing sustained investment in high quality vocational training to boost midrange skills, including record numbers of apprenticeships and creating 33 university technical colleges. The extensive measures we have taken to drive up the quality of apprenticeships will safeguard and improve the learning provided through the apprenticeship programme. We are also rebalancing the apprenticeship programme to offer specific, targeted support to help employers access advanced level and higher apprenticeships, and to develop new higher apprenticeships at level 5 and above. Through the Employer Ownership Pilot, we have taken radical steps to pilot greater employer ownership of vocational training by giving employers the opportunity to take ownership of the skills agenda for their industry or sector.

Aerospace Industry

Andrew Stephenson: To ask the Secretary of State for Business, Innovation and Skills what steps he is taking to help small and medium-sized enterprises in the aerospace industry export to fast-growing markets. [121799]

Michael Fallon: UK Trade & Investment (UKTI) has a range of mechanisms available to support aerospace companies of all sizes. In addition to a renewed drive to encourage more companies to start exporting, UKTI is supporting existing exporters to reach more high growth and emerging markets. This financial year £9 million of additional funding will go directly towards boosting trade opportunities to small and medium size businesses by helping them to attend trade shows abroad or travel on an overseas trade mission. The additional support includes substantial discounts for firms that use UKTI's overseas market introduction service for the first time, to carry out targeted market research to help them find those crucial first contacts overseas and develop relationships, or use it to research one of UKTI's High Growth Markets for the first time.

Apprentices: Peterborough

Mr Stewart Jackson: To ask the Secretary of State for Business, Innovation and Skills how many people have undertaken a Level 3 Science, Technology, Engineering and Mathematics apprenticeship in Peterborough constituency in each of the last five years; and if he will make a statement. [121712]

Matthew Hancock: Table 1 shows the number of apprenticeship programme starts by level and sector subject area in Peterborough parliamentary constituency between 2006/07 and 2010/11, the latest academic year for which final data are available.

Table 1: Apprenticeship programme starts by level and sector subject area in Peterborough parliamentary constituency, 2006/07 to 2010/11

Sector subject area	*Level*	*2006/07*	*2007/08*	*2008/09*	*2009/10*	*2010/11*
Engineering and Manufacturing Technologies	Intermediate (Level 2)	40	60	40	40	60
	Advanced (Level 3)	40	30	20	20	20
	Higher (Level 4)	—	—	—	—	—
	Total	80	90	60	60	90
Information and Communication Technology	Intermediate (Level 2)	—	—	10	10	10
	Advanced (Level 3)	—	—	—	—	10
	Higher (Level 4)	—	—	—	—	—
	Total	—	10	10	10	10
Science and Mathematics	Intermediate (Level 2)	—	—	—	—	—
	Advanced (Level 3)	—	—	—	—	—
	Higher (Level 4)	—	—	—	—	—
	Total	—	—	—	—	—

Notes:
1. Figures are rounded to the nearest 10. '—' indicates a value of less than five.
2. Geography is based on the home postcode of the learner. Geographic information is based on boundaries of regions as of May 2010.
Source:
Individualised Learner Record

Information on the number of apprenticeship starts by geography is published in a supplementary table to a quarterly Statistical First Release (SFR). The latest SFR was published on 28 June 2012:

http://www.thedataservice.org.uk/statistics/statisticalfirstrelease/sfr_current

http://www.thedataservice.org.uk/statistics/statisticalfirstrelease/sfr_supplementary_tables/Apprenticeship_sfr_supplementary_tables/

Breast Cancer: Research

Annette Brooke: To ask the Secretary of State for Business, Innovation and Skills what proportion of public funding of cancer research is spent on identifying the causes of breast cancer. [121654]

Mr Willetts: The Medical Research Council (MRC) is one of the main agencies through which the Government support medical and clinical research. It is an independent research funding body which receives its grant in aid from the Department for Business, Innovation and Skills.

In 2010/11, the MRC spent £4.4 million on research into breast cancer. Of this, £2.0 million supported research on the causes of breast cancer.

The MRC's overall expenditure on cancer research in 2010 was £107.9 million[1, 2]. This includes a broad portfolio of site-specific and general underpinning cancer research, some of which will be relevant to research on breast cancer and its causes as it is often the case that research relevant to one site may also have implications for other forms of cancer.

The Department of Health supports cancer research through the National Institute for Health Research (NIHR). In August 2011, the Government announced £800 million investment over five years in a series of NIHR biomedical research centres and units. This includes £61.5 million funding for the Royal Marsden/Institute of Cancer Research Biomedical Research Centre, which has a research theme on breast cancer.

The NIHR Clinical Research Network (CRN) is currently hosting 108 studies in breast cancer, that are in set-up or recruiting patients. Expenditure by the CRN on research into particular cancer sites cannot be disaggregated from total CRN expenditure.

[2] NCRI present data on research spend in calendar years, this is to allow analysis of investments across a range of different funders. For the MRC, the data for 2010 is broadly comparable to 2010/11 financial year spend.

[1] *Source:*

The National Cancer Research Institute Cancer Research Database[2].

British Antarctic Survey

Dr Huppert: To ask the Secretary of State for Business, Innovation and Skills what assessment he has made of the Natural Environment Research Council report on the future of the British Antarctic Survey; and if he will place a copy of that report in the Library. [121946]

Mr Willetts: The report "The Future of the British Antarctic Survey" was an early version of a paper presented to the NERC Council in May 2012. The Department for Business, Innovation and Skills does not hold a copy so the Secretary of State for Business, Innovation and Skills, the right hon. Member for Twickenham (Vince Cable), has not assessed it. I am, however, aware of NERC's proposals for the British Antarctic Survey on which it is consulting the academic community. In line with the Haldane Principle, future arrangements for the UK operations of the British Antarctic Survey are the responsibility of NERC.

Any changes would have no effect on the UK's commitment to scientific excellence in Antarctica nor on the existing footprint of scientific bases and research ships in the South Atlantic.

The hon. Member may wish to contact the Natural Environment Research Council directly to request the report.

Business

Neil Carmichael: To ask the Secretary of State for Business, Innovation and Skills what his Department's definition is of the small and medium-sized business sector. [121777]

Michael Fallon: There is no single definitive or universally accepted definition of a small and medium-sized enterprise (SME).

For statistical purposes, in the National Statistics publication 'Business Population Estimates for the UK and Regions' BIS define SMEs as those businesses with fewer than 250 employees.

However, there are two further definitions used in the UK and Europe, which are as follows:

1. EU definition of an SME

In EU law an SME is defined as an enterprise with fewer than 250 employees and with a turnover of less than €50 million or alternatively a balance sheet of less than €43 million.

2. UK law definition of an SME company

In the UK, the Companies Act 2006 defines a SME for the purpose of accounting requirements.

According to this a small company is one that meets at least two of the following conditions:

(i) annual turnover of not more than £6.5 million

(ii) a balance sheet total of not more than £3.26 million

(iii) not more than 50 employees.

A medium-sized company one that meets at least two of the following conditions:

(i) annual turnover of not more than £25.9 million,

(ii) a b0alance sheet total of not more than £12.9 million

(iii) not more than 250 employees.

Business: Loans

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills what estimate he has made of the number of small and medium-sized businesses who have had *(a)* an overdraft or *(b)* a business loan application rejected by a bank in each month of the last year; and if he will make a statement. [121849]

Michael Fallon: Over the last year, the percentage of small and medium-sized enterprises (SMEs) which had applied for credit that were unable to obtain a facility are as follows. Figures for the most recent three quarters are based on small sample sizes and are subject to revision over the next nine months.

Percentage

	Q3 2011	*Q4 2011*	*Q1 2012*	*Q2 2012*
Percentage of loan applications ending with no facility	44	32	31	[1]—
Percentage of overdraft applications ending with no facility	17	18	23	33

[1] Not yet available.

Figures are taken from the most recent publication of the quarterly SME Finance Monitor. The SME Finance Monitor is an independently edited report, funded by the British Bankers' Association (BBA) as part of their commitments under the BBA Taskforce. It is the most comprehensive regular survey of small and medium-sized enterprises' experiences accessing finance. Its reports are publicly available at:

http://www.sme-finance-monitor.co.uk

Business: Regulation

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills (1) what steps the Government is taking to reduce the amount of red tape; [121514]

(2) how his Department intends to reduce red tape for start-up businesses and encourage their growth. [121516]

Michael Fallon: The Department for Business, Innovation and Skills has reduced red tape for business by giving over 100,000 more businesses the flexibility to decide whether or not their company accounts should be audited. The regulations also allow companies that prepare their accounts under International Financial Reporting Standards to move to UK Generally Accepted Accounting Principles (ACCP) and take advantage of reduced disclosures.

We have also withdrawn the extension of the right to request time to train to businesses with fewer than 250 employees. We have achieved agreement in Brussels to exempt up to 1.4 million UK small businesses from certain EU accounting rules.

This Government has taken specific and concrete steps to reduce the amount of red tape. We have introduced a three year moratorium on new domestic regulation for micro-businesses and start-ups from 1 April 2011 in order to support growth and establish a period of increased regulatory stability for the smallest businesses. We have also introduced the one-in, one-out rule, so that if a Department wants to introduce a new regulation which generates costs for business, they must first identify a corresponding cut in regulation elsewhere with the same value. To date we have cut the costs of domestic regulation by £850 million thanks to this rule.

The Government is also systematically examining some 6,500 substantive regulations that it inherited, through the Red Tape Challenge process. The Government has committed to abolish or substantially reduce at least 3,000 of these regulations. We will complete the identification of the regulations to be scrapped or overhauled by December 2013. In addition we recently announced that from April 2013 hundreds of thousands of businesses will be exempted from burdensome, regular health and safety inspections.

In January 2012, the Prime Minister launched "Business in You", a major campaign, to inspire people to realise their business ambitions and to highlight the range of support available for start-ups and growing businesses. The campaign is a partnership between Government and private enterprise and is being supported by a wide range of partners. More information is available at

http://businessinyou.bis.gov.uk/

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills what assessment he has made of the British Chambers of Commerce's Report, entitled Red Tape Challenged?. [121515]

Michael Fallon: I refer my hon. Friend to the answer given on 17 January 2012, *Official Report*, column 782W.

Electric Cables

Pauline Latham: To ask the Secretary of State for Business, Innovation and Skills if he will assess the effect of imports of counterfeit or falsely marked foreign electrical cable on employment levels in the UK electrical cabling sector. [119912]

Jo Swinson: There are no plans to make such an assessment. However Government, and associated public and private enforcement organisations, continue to engage actively with UK businesses to raise the profile of the threat of counterfeit products entering relevant supply chains, including supply chains in the electrical cabling sector.

For example, the IP Crime Toolkit launched in November 2011, aims to make businesses more aware of the growing risk from counterfeit goods getting into supply chains—it also gives guidance on how to strengthen and protect intellectual property (IP) assets:

http://www.ipo.gov.uk/ipctoolkit.pdf

Fossil Fuels: Export Credit Guarantees

Zac Goldsmith: To ask the Secretary of State for Business, Innovation and Skills pursuant to the written ministerial statement of 17 July 2012, *Official Report,* columns 115-16WS, on green technologies (UKTI and ECGD Support), whether the Export Credits Guarantee Department would be permitted to support export contracts for new fossil fuel plant with annual emissions exceeding 450g/kWh of carbon dioxide at base load. [121450]

Michael Fallon: The Export Credits Guarantee Department would be permitted to consider support for an export contract for a new fossil fuel plant with annual emissions exceeding 450 g/kWh of carbon dioxide at base load, provided that support is in line with the relevant international standards as set out in the Organisation for Economic Co-operation and Development (OECD) Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence.

Higher Education

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills if he will bring forward legislative proposals to bring commercial for-profit universities within the scope of the Freedom of Information Act 2000; and if he will make a statement. [121634]

Mr Willetts: The Ministry of Justice is the lead department for the Freedom of Information Act and will respond in due course to the House of Commons Justice Select Committee's report 'Post-legislative scrutiny of the Freedom of Information Act 2000.' Currently, higher education providers who receive grant funding from the Higher Education Funding Council for England (HEFCE) are within the scope of the Freedom of Information Act 2000. Typically, higher education providers not in receipt of HEFCE grant funding, including those operating on a commercial for-profit basis, are not within the scope of the Freedom of Information Act.

India

Ian Paisley: To ask the Secretary of State for Business, Innovation and Skills what the UK's primary exports are to India. [118895]

Michael Fallon: The UK exported over £2.2 billion of goods to India in the first six months of 2012, as shown in the following table.

UK goods exports to India, first half of 2012 (by SITC code)

	January to June 2012 (£ million)	*Percentage of total*
Total	2,256	—
667—Pearls, precious and semi-precious stones, unworked or worked	460	20
681—Silver, platinum and other metals of the platinum group	316	14
282—Ferrous waste and scrap; remelting ingots of iron or steel	220	10
714—Engines and motors, non-ele (other than those of groups 712, 713, & 718); parts, nes, of these engines and motors	104	5
288—Non-ferrous base metal waste and scrap, nes	91	4
792—Aircraft & associated equipment; spacecraft (including satellites) & spacecraft launch vehicles; parts thereof	73	3
874—Measuring, checking, analysing and controlling instruments and apparatus, nes	67	3
781—Motor cars & other m/vehicles principally designed for transport of persons (o/t public-transport vehicles)	53	2
All other commodities	872	39

Source:
HMRC Overseas Trade Statistics

The UK also exports services to India. The UK exported over £2.6 billion of services to India in 2011 (the latest data available). Data by service type is shown in the following table. ″Other business services″ account for a third of all service exports, followed by Travel and Transportation both accounting for around a fifth of service exports by value.

UK services exports to India, 2011

	£ million	*Percentage of total*
Total	2,637	—
Other business services	909	34
Travel	559	21
Transportation	524	20
Financial	262	10
Government	113	4
Computer and information	81	3
Communications	59	2
Insurance	51	2
Royalties and license fees	40	2
Construction	22	1
Personal, cultural and recreational	17	1

Source:
ONS Pink Book 2012

Industry: Scotland

Cathy Jamieson: To ask the Secretary of State for Business, Innovation and Skills pursuant to the answer of 16 July 2012, *Official Report*, column 576W, on industry: Scotland, what recent discussions have taken place with the Scottish Government on the *(a)* manufacturing and *(b)* construction sector in Scotland. [121327]

Michael Fallon: Most matters relating to the development of the Scottish manufacturing and construction sectors are devolved to the Scottish Parliament and discussions take place within that context. Discussions on construction have included the Construction Act reforms, prequalification, the Low Carbon Construction Action Plan and Building Information Modelling.

Licensing

Richard Fuller: To ask the Secretary of State for Business, Innovation and Skills what permits and licences his Department and its public bodies issue to businesses. [118821]

Michael Fallon: The Department issues export and import licences to UK businesses.

Four of the Department's Executive agencies issue licences.

The UK Space Agency issues licences on behalf of the Secretary of State under the Outer.

Space Act 1986 to enable organisations established in the UK or one of its Crown.

Dependencies or overseas territories to carry out one of the following activities:

(a) launch or procure the launch of a space object;

(b) operate a space object;

(c) any activity in outer space.

As an information trading fund, Land Registry licences the use and reuse of data it has collected and analysed, on commercial terms. Each add value service has its own separate contract in order to comply with the Information Fair Trader Scheme (IFTS) principles of transparency, fairness and challenge. Each contract requests that customers agree to the terms and conditions, sets out service descriptions and clauses addressing data protection and permitted use, as well as pricing, payment methods, operating hours and service level agreements.

The Met Office uses a variety of licences for its products and services, depending on the type of customer and the use to which the product or service will be put.

Ordnance Survey issue various licences which enable the use and reuse by a wide range of users of the geographic information products and services that Ordnance Survey creates. The type of licence issued depend on the proposed type of use of the information, however, a range of licences are available in order to best meet business' needs. Ordnance Survey's authority to issue these licences originates from the delegation of authority from the controller of OPSI to licence and manage the Crown copyright and Crown database rights subsisting in Ordnance Survey materials. These licensing activities are primarily overseen and regulated via the Information Fair Trader Scheme administered by the National Archives.

London Metropolitan University

Mr Frank Field: To ask the Secretary of State for Business, Innovation and Skills how many overseas students at London Metropolitan University he expects to apply for help from the fund set up to support them. [121593]

Mr Willetts: The fund will provide up to £2 million from existing budgets to allow affected legitimate students to meet additional costs they may incur by moving to another institution. The fund went live on 1 October 2012 and at the moment it is too early to say what the overall level of demand will be. Initial data from the Higher Education Funding Council for England shows that, as of 3 October 2012, there had been 53 applications to the fund.

Mr Frank Field: To ask the Secretary of State for Business, Innovation and Skills what estimate he has made of the likely average payment per student from the fund set up to help overseas students at London Metropolitan University. [121594]

Mr Willetts: The fund will provide up to £2 million from existing budgets to allow affected legitimate students to meet additional costs they may incur by moving to another institution. The fund went live on 1 October 2012 and at the moment it is too early to say what the level of demand will be or the average payment per student.

Mr Frank Field: To ask the Secretary of State for Business, Innovation and Skills how many students affected by the decision to revoke London Metropolitan University's highly trusted status have gained a place on a new university course to date. [121595]

Mr Willetts: Following the recent legal proceedings, legitimate non-EU students are able to continue study at London Metropolitan University until their course has ended or the end of the academic year, whichever is sooner. As a result, the number of students choosing to stay at the university or transfer to another institution is changing and the final position will not become clear until later in the month, when the application cycle closes.

Mr Frank Field: To ask the Secretary of State for Business, Innovation and Skills what methodology informed the Government's decision to establish a fund to help overseas students at London Metropolitan University affected by the decision to revoke London Metropolitan University's highly trusted status. [121596]

Mr Willetts: Our decision to establish a fund covering the reasonable additional costs faced by legitimate students was informed by our recognition of the important contribution that overseas students make to the UK's economy.

The Government's priority is to ensure that legitimate overseas students affected by the decision to revoke London Metropolitan University's highly trusted status are given the support required to continue their studies.

Mr Lammy: To ask the Secretary of State for Business, Innovation and Skills pursuant to the answer of 17 September 2012, *Official Report,* column 517W, on London Metropolitan University, how many students have made an application for support from the London Metropolitan Fund; and how many such students have been successful. [121935]

Mr Willetts: The fund went live on 1 October 2012. Initial data from the Higher Education Funding Council for England (HEFCE) shows that as of 3 October 2012 there had been 53 applications to the fund. HEFCE are aiming to process claims within 10 working days so it is too early to say how many have been successful.

London Metropolitan University

Mr Lammy: To ask the Secretary of State for Business, Innovation and Skills pursuant to the answer of 17 September 2012, *Official Report,* column 517W, on London Metropolitan University, how many non-EU students who were previously enrolled at London Metropolitan University have found a place at another UK higher education institute through the UCAS clearing system. [121936]

Mr Willetts: Following the recent legal proceedings, legitimate non-EU students are able to continue study at London Metropolitan university until their course has ended or the end of the academic year, whichever is sooner. As a result, the number of students choosing to stay at the university or transfer to another institution is changing and the final position will not become clear until later in the month, when the application cycle closes.

Manufacturing Industries

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills if he will assess the findings in the report The route to growth from EEF; and if he will make a statement. [122001]

Michael Fallon: We welcome this report from the Engineering Employers' Federation (EEF), which includes a number of recommendations that are consistent with and build on the work the Government has done to date on growth. In their report, the EEF call for a clear vision for the economy through an industrial strategy. The Secretary of State for Business, Innovation and Skills, the right hon. Member for Twickenham (Vince Cable), recently outlined our industrial strategy on 10 September 2012, *Official Report,* column 25.

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills what steps his Department is taking to lower the cost of doing business for *(a)* British industry and *(b)* the manufacturing sector. [122003]

Michael Fallon: The Government's "Plan for Growth", published in March 2011, set out clear ambitions to create the most competitive tax system in the G20 and to make the UK the best place in Europe to start, finance and grow a business. By 2014 corporation tax will fall to 22%, the lowest in the G7, and the rate of relief under the Small and Medium-Sized Enterprise Research and Development (R&D) Tax Credits scheme has been increased to 225% of qualifying R&D costs from 1 April 2012; this represents one of the most competitive rates in the world. The Patent Box, which will be introduced from April 2013, will offer a preferential 10% Corporation Tax on profits from patents and similar intellectual property.

Rising electricity costs pose a key risk for energy intensive industries whose international competitiveness is most affected by energy and climate change policies. In November's autumn statement the Government announced a package of measures to reduce the impact of Government policy on the cost of electricity for these businesses. The package is worth around £250 million to energy intensive industries to reduce their energy bills, subject to state aid approval.

The Government has set out an ambitious agenda to reduce the overall burden of regulation on business over the course of this Parliament. The "One In, One Out" rule introduced by the Government is the first of its kind anywhere in the world, and has so far delivered a cumulative reduction of business burdens since 2011 of at least £850 million. The "Red Tape Challenge" aimed to scrap or simplify regulations that are ineffective, unnecessary or obsolete. The Manufacturing theme of the Red Tape Challenge was launched in July 2011, with results announced as part of autumn statement 2011. The final deregulation package sets out changes to scrap or simplify 65 different rules and regulations affecting this sector.

Furthermore, plans from other themes such as employment-related law and environment are expected to deliver significant savings to industry and the manufacturing sector, for example a package of environmental deregulation which will save businesses at least £1 billion over five years.

Manufacturing Industries: Government Assistance

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills what steps his Department is taking to assist manufacturing companies wishing to enter a new market. [121999]

Michael Fallon: UK Trade and Investment (UKTI) has a range of mechanisms available to support manufacturing companies of all sizes. In addition to a renewed drive to encourage more companies to start exporting, UKTI is supporting existing exporters to reach more high growth and emerging markets. This financial year £9 million of additional funding will go directly towards boosting trade opportunities to small and medium-sized businesses by helping them to attend trade shows abroad or travel on an overseas trade mission. The additional support includes substantial discounts for firms that use UKTI's overseas market introduction service for the first time, to carry out targeted market research to help them find those crucial first contacts overseas and develop relationships, or use it to research one of UKTI's High Growth Markets for the first time.

Meetings

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills on what dates *(a)* he, *(b)* his Ministers and *(c)* senior officials in his Department met representatives of (i) Bridgepoint, (ii) Lincoln, (iii) Kaplan, (iv) Corinthian, (v) Apollo, (vi) Kaiser, (vii) Education Management Corporation,

(viii) Rosmussen, (ix) Career Education Corporation and (x) Westwood in (A) 2011 and (B) 2012; and if he will make a statement. [121510]

Mr Willetts: My right hon. Friend the Secretary of State and I meet regularly with organisations that have an interest in higher education. A quarterly-updated list of all Department for Business, Innovation and Skills (BIS) ministerial meetings with external organisations is available at:

http://data.gov.uk/dataset/disclosure-ministerial-hospitality-received-department-for-business

BIS officials will also have had meetings with a range of higher education providers, but a comprehensive record of these is not maintained.

Minimum Wage

Katy Clark: To ask the Secretary of State for Business, Innovation and Skills what estimate he has made of the number of times an accommodation offset was deducted by an employer from an employee's wage packet in each year since 1998. [121651]

Jo Swinson: The Department does not hold this information.

Accommodation is the only benefit in kind that can count towards the minimum wage and employers can offset the cost of providing accommodation to workers up to a maximum daily limit. The Low Pay Commission is currently reviewing the accommodation offset and is due to report to Government in February 2013. We will consider its report carefully once it has been received.

Motor Vehicles: Manufacturing Industries

Karen Lumley: To ask the Secretary of State for Business, Innovation and Skills how much his Department has invested in supporting UK car manufacturers develop green and hybrid car technologies in the last year; and what plans he has for the future allocation of funds for this purpose. [121700]

Michael Fallon: The Government has made provision of over £400 million for measures to promote the uptake of ultra-low carbon vehicles in the UK. This includes approximately £80 million supporting research and development activities; £30 million for the installation of infrastructure; and £300 million to support consumer incentives for the life of the Parliament.

BIS, with the Technology Strategy Board (TSB) and the Office for Low Emission Vehicles has to date invested over £150 million in more than 100 major automotive research, development and validation projects under the TSB's Low Carbon Innovation Platform which has been more than matched with around £200 million of private sector funding. In addition, TSB recently announced £7.5 million funding for five major research and development projects which could speed-up the adoption of energy systems using hydrogen and fuel cell technologies.

At the Low Carbon Vehicle 2012 event on 5 September 2012, I announced £9 million of new funding to support the creation of an Energy Storage Centre based at the High Value Manufacturing Catapult.

Further competitions under the Low Carbon Vehicles Innovation Platform are under consideration which would likely be formulated around strategic CO_2 reduction technologies identified by the Automotive Council.

New Businesses: Young People

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills pursuant to the answer of 16 July 2012, *Official Report*, column 573W, on business: Government assistance, how many *(a)* expressions of interest have been received and *(b)* loans have been issued under the Start Up Loans scheme. [121486]

Michael Fallon *[holding answer 18 September 2012]:* By Friday 14 September, 1264 expressions of interest had been received directly by the Start-Up Loans Company. Further expressions are being received by our delivery partners, but that data is not yet held centrally.

Applications take around three weeks to be processed, allowing applicants time to develop their business plans and benefit from hands-on support in getting from concept to finance. To date, an initial seven loans have been made, and the Start-Up Loans Company projections forecast around 2,800 loans being issued under the pilot period of the scheme.

Overseas Students: EU Nationals

Andrew Percy: To ask the Secretary of State for Business, Innovation and Skills how many EU citizens from other member states enrolled at UK universities to study as an undergraduate in each of the last five years. [121312]

Mr Willetts *[holding answer 18 September 2012]:* The latest available information on EU domiciled undergraduate enrolments at UK Higher Education Institutions is shown separately in the following table for the academic years 2006/07 to 2010/11. Information on enrolments at UK Higher Education Institutions for the 2011/12 academic year will become available from the Higher Education Statistics Agency in January 2013.

EU domiciled[1] undergraduate enrolments[2] UK higher education institutions—Academic years 2006/07 to 2010/11

Academic year	*Enrolments*
2006/07	64,165
2007/08	69,865
2008/09	73,375
2009/10	77,465
2010/11	80,320

[1] Domicile refers to a student's permanent or home address prior to entry to their course.
[2] Covers undergraduate full and part-time students in all years of study.
Notes:
Figures are based on a HESA standard registration population and have been rounded up or down to the nearest five, so components may not sum to totals.
Source:
Higher Education Statistics Agency (HESA) Student Record.

Overseas Trade

Simon Kirby: To ask the Secretary of State for Business, Innovation and Skills what steps his Department is taking to work with the Foreign and Commonwealth Office to assist British companies wishing to export their products. [122000]

Michael Fallon: Through UK Trade and Investment (UKTI), this Department helps UK based businesses to take advantage of export opportunities and assists overseas companies to bring their high-quality investment to the UK.

UKTI works closely with the Foreign and Commonwealth Office (FCO) to provide practical support to exporters and inward investors through its teams which are co-located in FCO Posts in some 100 markets overseas.

The FCO's 'Charter for Business' complements UKTI's strategy 'Britain Open for Business' and has made supporting UK businesses abroad and attracting investors to the UK a core activity for the FCO. It focuses on getting the whole of the FCO behind growth and has put prosperity at the heart of foreign policy.

This approach emphasises the Government's joined-up approach to trade and investment and how UKTI's activities help to support British businesses overseas, in partnership with the FCO and other Government Departments.

Procurement

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills what proportion of his Department and its agencies' procurement contracts were won by small and medium-sized businesses in *(a)* 2010-11, *(b)* 2011-12 and *(c)* 2012-13 to date. [121488]

Jo Swinson *[holding answer 18 September 2012]:* Research Councils UK Shared Services Centre Ltd (RCUK SSC) has taken over the provision of procurement services on behalf of the Department for Business, Innovation and Skills (BIS) from 1 August 2012. RCUK SSC are currently undertaking a data analysis of BIS and Partner Organisations which initially will focus on who BIS are transacting with, this information will then enable us to identify where to direct our efforts to establish the number of contracts that are in place and subsequently identify what proportion of those contracts are with small and medium sized enterprises (SMEs).

What we can provide is the data which has been collected recently which identifies the percentage by value of business placed with SMEs. This information is collected across Government and is the current metric used to measure performance against the target of 25% of activity with SMEs.

	Percentage
(a) 2010-11	25
(b) 2011-12	27
(c) 2012-13	[1]30

[1] Quarter 1 figures only.

These figures are based on the data RCUK SSC have access to and cover the following organisations only:

Advisory Conciliation and Arbitration Service
Companies House
Culham Centre for Fusion Energy
Department for Business Innovation and Skills
Higher Education Funding Council for England
Intellectual Property Office
Land Registry'
National Measurement Office
Ordnance Survey
Skills Funding Agency
Student Loans Company
The Met Office
UK Commission for Employment and Skills"
RCUK and the 7 Research Councils
UK Trade and Investment Administration

RCUK SSC does not have and cannot provide data for all other BIS partner organisations and which would need to be approached individually. I have asked the Chief Executive of the Insolvency Service to reply directly to the hon. Member with their information.

Letter from Richard Judge, dated 18 September 2012:

The Secretary of State, for Business, Innovation and Skills has asked me to reply to your question, what proportion of his Department and its agencies' procurement contracts were won by small and medium-sized businesses in (a) 2010-11, (b) 2011-12 and (c) 2012-13 to date.

Where the Insolvency Service has had direct responsibility for awarding contracts, the figures obtained show the following:

2010 - 2011 = Not all data available
2011 - 2012 = 50%
2012 - 17/09/12 = 0%

Redundancy

Kate Green: To ask the Secretary of State for Business, Innovation and Skills what evidence his Department gathered on the potential direct benefits to business in advance of taking the decision to consult on reducing the consultation period prior to collective redundancies. [120190]

Jo Swinson: The Government decided to consult on changes to the collective redundancies rules in response to a Call for Evidence conducted between November 2011 and January 2012. The Call for Evidence asked specific questions on the impact of the current rules and on options for change. In response, businesses identified a number of areas where they would benefit directly and indirectly from change. The findings of the Call for Evidence informed the consultation-stage impact assessment (IA), which the Department published in June 2012. The IA can be found at:

http://www.bis.gov.uk/assets/biscore/employment-matters/docs/c/12-809-collective-redundancies-consultation-impact.pdf

Officials in the Department gathered further evidence through a public consultation exercise which closed on 19 September. Throughout the Call for Evidence and the consultation, the officials have engaged with stakeholders to assess the impact of the proposed changes.

Regional Growth Fund: North West

Helen Jones: To ask the Secretary of State for Business, Innovation and Skills how much has been spent by the regional growth fund in *(a)* the North West and *(b)* Warrington since its launch; how many jobs have been created as a result; and what the average cost was of each job created. [121828]

Michael Fallon: 47 bids from the North West to Rounds 1 and 2 of the regional growth fund (RGF) were successful. These bids were conditionally allocated £234 million and are expected to leverage £1.549 billion of private sector investment, and create and safeguard a total of 55,598 jobs over the period 2011-12. This corresponds to a gross cost per job of £4,209. None of the North West bids will directly create jobs in Warrington, although businesses in other Warrington may benefit from national and regional programmes.

Beneficiaries must achieve specific investment and employment triggers in order to draw down RGF funding. To date 25 of the 47 projects/programmes have started and £37.5 million of RGF funding has been drawn down. Three projects have withdrawn.

Monitoring reports to date indicate that 1,411 jobs have been created or safeguarded in the North West as a result of RGF funding. The results of RGF Round 3 funding bids will be announced shortly.

Research

Dan Jarvis: To ask the Secretary of State for Business, Innovation and Skills how much his Department spent on research and development in *(a)* 2008-09, *(b)* 2009-10, *(c)* 2010-11 and *(d)* 2011-12; and how much he plans to spend in (i) 2012-13, (ii) 2013-14 and (iii) 2014-15. [121876]

Mr Willetts: This Department published Science, Engineering and Technology Statistics on 21 September 2012 which provides out-turn figures for Departmental expenditure on research and development for 2008-09, 2009-10 and 2010-11. Figures for 2011-12 have not yet been published.

http://www.bis.gov.uk/policies/science/science-funding/set-stats

The Department for Business, Innovation and Skills does not prescribe departmental budget to be spent on research and development for future years. Directorates or groups allocate their budget to fund research as policy questions arise.

However, the £4.6 billion per annum funding for science and research programmes through the Research Councils and the Higher Education Funding Council for England has been protected in cash terms, and ring fenced against future pressures during the spending review period to 2014-15.

Social Enterprises

Chris White: To ask the Secretary of State for Business, Innovation and Skills (1) how many visits he has made to social enterprises since May 2010; [121376]

(2) how many meetings he has attended with representatives of social enterprises since May 2010. [121377]

Michael Fallon: The Secretary of State for Business, Innovation and Skills, the right hon. Member for Twickenham (Vince Cable), regularly meets and visits businesses (including social enterprises) in the course of his work.

Chris White: To ask the Secretary of State for Business, Innovation and Skills what steps his Department has taken to support the growth of social enterprises. [121379]

Michael Fallon: The Department for Business, Innovation and Skills is committed to supporting social enterprise as a key strand of our drive for sustainable economic growth. We are working with HM Treasury on their review of social enterprise announced in Budget 2012 and along with the Cabinet Office we launched Big Society Capital last year funded through the Big Society Trust and with £200 million through the Merlin Bank agreement. We also provide access to finance through the community development finance institutions who provide microfinance through loans to start-up companies, individuals and established enterprises from their geographical area or community who are unable to access finance from the more traditional sources such as banks. The businesslink.gov.uk website provides information on the different streams on non-bank finance available to businesses and social enterprises. It also provides a link to the Community Development Finance Association's (CDFA) Finding Finance website. This tool enables both small and medium-sized enterprises (SMEs) and social enterprises to find the community development finance institution (CDFI) that provides finance best suited for their specific needs.

Students: Loans

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills how many students originally studying at commercial for-profit universities had informed the Student Loans Company they had *(a)* withdrawn from their course and *(b)* not passed their degree in (i) 2010-11 and (ii) 2011-12; and if he will make a statement. [121533]

Mr Willetts: In assessing students' eligibility for student loans, the Department does not distinguish between those universities that operate on a commercial for-profit basis, and those that do not. The information requested is not available.

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills what estimate the Student Loans Company has made of the number of students in receipt of loans who will be studying at commercial for-profit universities in *(a)* 2012-13 and *(b)* 2013-14; and if he will make a statement. [121636]

Mr Willetts: The Department for Business, Innovation and Skills does not distinguish between those universities that operate on a commercial for-profit basis, and those that do not.

I have, however, previously placed a list in the Libraries of the House showing the number of students that took out student loans in respect of studies with all types of non-publicly funded providers in each year since 2006. This was in response to parliamentary question 100853 (2010/9517) answered on 19 March 2012, *Official Report*, column 334W.

This shows an upward trend in the numbers of students, courses, and institutions. This in line with the Government's policy that new providers and new forms of higher education provision will help to stimulate and strengthen market competition, promote student choice, and ensure value for money.

Tobacco: Packaging

Ann McKechin: To ask the Secretary of State for Business, Innovation and Skills with reference to his Department's Better Regulation guidelines for consultations, whether his Department indicated either orally or in writing to the Department of Health that it was satisfied with the consumer surveys which form part of the consultation on plain packaging for tobacco products. [119993]

Michael Fallon *[holding answer 7 September 2012]:* I refer the hon. Member to the answer I gave her on 6 September 2012, *Official Report*, column 401W.

Written Answers to Questions

Tuesday 16 October 2012

WOMEN AND EQUALITIES

Females: Directors

Mark Reckless: To ask the Minister for Women and Equalities what assessment she has made of the likely effect of the introduction of quotas for female board members on the economy. [120575]

Jo Swinson: I have been asked to reply on behalf of the Department for Business, Innovations and Skills.

The Government is successfully pursuing a voluntary, business-led approach to increasing the number of women on corporate boards following the 2011 report and recommendations from Lord Davies. Since this report, the proportion of female FTSE 100 directors has increased from 12.5% to 17.3%, the number of all-male FTSE100 boards has fallen from 21 to eight, and women represent 44% of FTSE100 board appointments since 1 March 2012[1].

Lord Davies set out a compelling economic case for greater boardroom diversity. This followed a number of studies which found a strong positive correlation between boardroom diversity and company performance. However, a recent study (Dittmar and Ahern, 2010) suggests the imposition in Norway of mandatory quotas to increase the number of women on corporate boards has negatively affected business performance. This may be, for example, because quotas have led firms to recruit women board members that were less experienced than the existing directors.

[1] *Source:*

Professional Boards Forum.

CULTURE, MEDIA AND SPORT

Broadband

Helen Goodman: To ask the Secretary of State for Culture, Olympics, Media and Sport whether she expects to meet the target on the proportion of premises to be covered by super-fast broadband by 2015. [121679]

Mr Vaizey: We continue to make good progress towards our target of ensuring the UK has the best superfast broadband network in Europe by 2015, including 90% of households having access to superfast broadband.

Electronic Publishing: Public Libraries

Dan Jarvis: To ask the Secretary of State for Culture, Olympics, Media and Sport (1) whether it is her intention to announce an independent taskforce on e-book lending; [121676]

(2) if she will make it her policy that publishers, librarians and authors should be represented on an independent taskforce on e-book lending; [121747]

(3) when she plans to establish an independent taskforce on e-book lending; and whom she expects to lead it. [121748]

Mr Vaizey: A clear strategy is needed if more libraries are to adopt e-lending across England, and as such, the Department has launched a review of the best ways of making electronic books available on loan to the public.

The review will focus on ensuring that public libraries and their users, authors and publishers can all benefit as this fledgling service grows. It will also consider the benefits of e-lending; including the current nature and level of e-lending and projection of future demand; the barriers to supply of e-books to libraries; and the possible consequences of e-lending. On 12 October, the review led by William Sieghart, called for evidence from all those with an interest in e-lending in public libraries, and William will submit his review to me in the new year. William Sieghart, founder of Forward Publishing and the Forward Prize for Poetry, is chairing the review, with a panel comprised of Janene Cox (President, Society of Chief Librarians and Commissioner for Tourism and Culture; Staffordshire County Council), Roly Keating (Chief Executive of the British Library and formerly Director of Archive and Content for the BBC), Caroline Michel (CEO Peters Fraser and Dunlop), Stephen Page (Chief Executive of Faber and Faber), Joanna Trollope OBE (author) and Jane Streeter (Bookseller, past President at the Booksellers Association and soon to be Chair of Writing East Midlands).

Dan Jarvis: To ask the Secretary of State for Culture, Olympics, Media and Sport what representations she received from publishers, librarians and authors on establishing an independent taskforce on e-book lending between June and September 2012. [121749]

Mr Vaizey: The Department has received correspondence in support of a review of e-lending and offering contributions to the review. Such correspondence has been received from those including the Society of Authors, the Booksellers Association, the Royal National Institute of Blind People National Library Service, Askews and Holts Library Services Ltd, individual librarians and authors.

Local Broadcasting: Bristol

Helen Goodman: To ask the Secretary of State for Culture, Olympics, Media and Sport when she expects Ofcom to announce its decision on the awarding of a local television licence for Bristol. [121680]

Mr Vaizey: Ofcom awarded a local television licence to Bristol on 19 September.

HOUSE OF COMMONS COMMISSION

Electric Vehicles

Mr Spellar: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, what provision exists for the charging of electric or hybrid vehicles on the Parliamentary Estate. [122054]

John Thurso: The situation remains as it was in the previous answer to the hon. Member on 12 September 2011, *Official Report,* column 981W, when the Commission confirmed the installation of two charging points for

use by the Government Car Service. The House authorities will continue to keep provision of vehicle charging facilities under review.

If the hon. Member has further questions on this matter, the Environment Manager in the Parliamentary Estates Directorate would be happy to discuss them with him.

Written Questions

Chris Ruane: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, how many questions for written answer were tabled on average per day, including non-sitting days, in the period *(a)* 25 May 2010 to 21 October 2011 and *(b)* 22 November 2011 to 17 September 2012. [121714]

John Thurso: The information requested is as follows:

(a) The number of questions for written answer tabled in the period 25 May 2010 to 21 October 2011 (including those tabled on non-sitting days) was 410 per sitting day.

(b) The number of questions for written answer tabled in the period 22 November 2011 to 17 September 2012 (including those tabled on non-sitting days) was 329 per sitting day.

Questions tabled on sitting and non-sitting days cannot be readily distinguished.

TRANSPORT

Motorcycles: Driving Tests

Karl McCartney: To ask the Secretary of State for Transport what assessment he has made of the effect of the introduction of the two part motorcycle test on the number of qualified motorcyclists; and what assessment he has made of the effect on the economy of the change in the number of qualified motorcyclists. [121752]

Stephen Hammond: The format of the motorcycle practical test is currently under review. The Department for Transport is working with stakeholders to identify ways in which the test could be improved.

Immediately prior to the introduction of the two-part test, the demand for the practical motorcycling test increased markedly—approximately 19% from 2006-07 to 2008-09—as candidates sought to pass the test in its existing, familiar format.

Following the introduction of the two-part test there was an initial fall in demand of approximately 35%. However demand has been gradually increasing ever since.

The Driving Standards Agency is not aware of any effect on the economy that is attributable to the fall in demand for practical motorcycling tests.

ATTORNEY-GENERAL

Hillsborough Independent Panel

John Mann: To ask the Attorney-General what correspondence relating to the Hillsborough tragedy the Director of Public Prosecutions has not *(a)* made public or *(b)* released to the Hillsborough Independent Panel. [121677]

The Attorney-General: The Crown Prosecution Service (CPS) was one of the first contributing organisations to be approached by the Hillsborough Independent Panel and the Director of Public Prosecutions fully supported the panel's aim of maximum possible public disclosure. As a result, all documents held by the CPS since the disaster in April 1989 were released to the panel and have been made public in accordance with the panel's disclosure protocol. In addition, there has been no redaction of content by the CPS save in accordance with the limited legal and other circumstances outlined in the panel's disclosure protocol.

HOME DEPARTMENT

Business: Equality

Kate Green: To ask the Secretary of State for the Home Department what evidence her Department has gathered on the direct benefits to business of not implementing proposals on dual discrimination. [119923]

Mrs Grant: I have been asked to reply on behalf of the Department for Culture, Media and Sport.

The dual discrimination provisions in the Equality Act 2010 have not been commenced. Based on the impact assessment of the Equality Act published in April 2010 when the Act was given Royal Assent, it is estimated that this provision would cost business some £3 million each year.

While these provisions remain uncommenced, business will not incur these costs.

Kate Green: To ask the Secretary of State for the Home Department what evidence her Department gathered on the potential direct benefits to business in advance of taking her decision to consult on repealing employment tribunals' power under the Equality Act 2010 to make recommendations that apply to all of an employer's staff. [119924]

Jo Swinson: I have been asked to reply on behalf of the Department for Business, Innovation and Skills.

The impact assessment published in the consultation document on removing this provision estimated that the annual financial benefit to employers of no longer receiving wider recommendations in successful discrimination cases would be in the range of zero to £80,000 a year, depending on the number of cases involved. Although that document indicated a best estimate within this range of zero, this reflected the fact that we were only aware of one such case at the time the assessment was prepared. In the event, employment tribunal judgments involving wider recommendations have now been handed down in several additional cases, a fact mentioned in a number of responses to the consultation. In light of this further evidence, a revised estimate of costs and benefits has been published this month alongside the Government's response to the consultation.

Kate Green: To ask the Secretary of State for the Home Department what evidence on the potential direct benefits to business she used to inform her decision to consult on repealing the statutory questionnaire procedure under section 138 of the Equality Act 2010. [119982]

Jo Swinson: I have been asked to reply on behalf of the Department for Business, Innovation and Skills.

The impact assessment published in the consultation document on removing this provision took into account research prepared for the Government Equalities Office in June 2009.

The research found that under the legislation which the Equality Act 2010 replaced, 9,000 to 10,000 businesses completed the ″"answers forms" in response to the potential complainants' questions forms each year, taking five to six hours to complete in each case. This means that compliance with this provision required around 45,000 60,000 staff hours a year. Although we do not have evidence on usage of the forms prescribed under the Equality Act 2010, we have assumed that it remains broadly similar given that the format and purpose of the procedure remains unchanged. On this basis, the impact assessment estimated an annual cost to business of £1.3 million. If this provision were removed from the Equality Act, the costs associated with the tasks outlined above would potentially no longer be incurred, and this would therefore be a direct benefit to business.

Employers' Liability

Kate Green: To ask the Secretary of State for the Home Department what evidence on the potential direct benefits to business she used to inform her decision to consult on removing employers' liability for third party harassment. [119978]

Jo Swinson: I have been asked to reply on behalf of the Department for Business, Innovation and Skills.

The impact assessment published in the consultation document on removing this provision estimated that the overall average cost to an employer of a third party harassment case is about £5,500. The consultation noted that we are aware of only one case of third party harassment having been ruled on by an employment tribunal, although responses to the consultation indicated that a number of cases have been settled without recourse to formal judicial process.

If these provisions were removed from the Equality Act, there would be a direct benefit to business in not incurring these costs in the future.

Police and Crime Commissioners

Nic Dakin: To ask the Secretary of State for the Home Department what steps she is taking to ensure a high turnout in the police and crime commissioner elections. [122136]

Karl Turner: To ask the Secretary of State for the Home Department what steps she is taking to ensure a high turnout in the police and crime commissioner elections. [122144]

Damian Green: Information about every candidate will be published online and delivered in written form to anyone who wants it. Details of the website:

www.choosemypcc.org.uk

and how to request paper copies will appear on every voter's poll card. Further, every household will receive information about the elections from the Electoral Commission, and candidates will of course circulate information themselves. We have also launched an advertising campaign, including TV and radio which we estimate will reach 85% of voters across the 41 forces to explain the reforms and encourage participation in the elections.

ENERGY AND CLIMATE CHANGE

Charities

Steve Baker: To ask the Secretary of State for Energy and Climate Change what his policy is on the *(a)* grant to and *(b)* use by registered charities of funding from his Department for the purposes of advocacy, lobbying or campaigning; and if he will make a statement. [121405]

Gregory Barker: The Department does not have a singular policy to address the *(a)* grant to and *(b)* use by registered charities of funding for the purposes of advocacy, lobbying or campaigning. The charities we engage take no position on policy issues and do not engage in advocacy, lobbying or campaigning.

Grants are awarded to organisations after a tender process has been undergone. These organisations are contracted for the delivery of services for DECC activities which are defined under individual contractual arrangements and relate to the provision of those services.

Electricity Generation

John Robertson: To ask the Secretary of State for Energy and Climate Change with reference to the Ofgem press release entitled Projected tightening of electricity supplies reinforces the need for energy reforms to encourage investment, published on 5 October 2012, what steps his Department is taking to mitigate the risks of the tightening of electricity supplies. [123149]

Gregory Barker: Ofgem's Electricity Capacity Assessment provides a comprehensive analysis of the security of electricity supply outlook up to 2017. Government is considering carefully the implications and will respond formally by the end of the year.

The assessment emphasises the importance of action to ensure we enjoy electricity security. That is why the Government is legislating to ensure the market provides a strong and stable framework for long-term investment. The Government is also consulting on options to reduce demand for electricity.

Later this year Government will publish an Energy Security Strategy which will set out the action we are currently undertaking to ensure that we continue to enjoy secure electricity supplies.

Nuclear Power Stations: Construction

Caroline Flint: To ask the Secretary of State for Energy and Climate Change whether he plans to announce a public consultation on community benefits for new nuclear power. [122091]

Mr Hayes: There are currently no plans to publicly consult further on community benefits for new nuclear. It is important that a package for community benefits is set out as quickly as possible to provide clarity for local communities. In recent years DECC has

consulted extensively with local authorities, parish councils and community groups, including seeking their views on community benefits, and this dialogue will continue.

Wind Power

Mr Ellwood: To ask the Secretary of State for Energy and Climate Change if he will assess the effect of differences in subsidies for on- and offshore wind farms; and if he will make a statement. [121682]

Mr Hayes: The impact of different Renewables Obligation (RO) banding levels for offshore and onshore wind is presented in Annex B in the Impact Assessment[1] (IA) which accompanied the Government Response to the RO Banding Review. The IA assessed the impact of the following two banding options for each technology.

[1] *Note:*
http://www.decc.gov.uk/assets/decc/11/consultation/ro-banding/5945-renewables-obligation-government-response-impact-a.pdf

RO certificates per megawatt hour	*Option 1—Current Bands*	*Option 3—Government Response Bands*
Offshore Wind	2 to 2013-14	2.0 in 2013-14 and 2014-15
	1.5 2014-15 to 2016-17	1.9 in 2015-16
		and 1.8 in 2016-17
Onshore Wind	1.0 from 2013-14 to 2016-17	0.9, except small scale in Northern Ireland, from 2013-14 to 2016-17

The following table sets out the estimates of onshore and offshore wind deployment under these two options, which are taken from the IA.

	Generation from net new build under the RO during the 2013-17 Banding Review period[1]		
Generation, GWh per year	*Generation from capacity built by 31 March 2012*	*Option 1—current bands*	*Option 3—Government Response Bands*
Onshore Wind	17,100	6,800	6,400
Offshore Wind	[2]11,000	0	1,600

[1] For offshore wind this only includes generation from new build in 2014-15 and 2015-16.
[2] This includes generation from capacity built by 2013-14, as the offshore wind band for 2013-14 has already been set.

The impact of these options on renewable generation are explored further in fossil fuel price sensitivity scenarios in tables B4 and B6 of the IA.

The written ministerial statement announcing the Government Response to the Renewables Obligation Banding Review is available here:

http://www.decc.gov.uk/en/content/cms/news/wms_ro_lm/wms_ro_lm.aspx

FOREIGN AND COMMONWEALTH OFFICE

China

Andrew Stephenson: To ask the Secretary of State for Foreign and Commonwealth Affairs what progress has been made in expanding *(a)* high commission facilities and *(b)* UK Trade and Investment facilities in China. [121803]

Mr Swire: Plans to expand the Foreign and Commonwealth Office and UK Trade and Investment network in China are progressing. Over 60 staff are being added across the network as part of our expansion announced by the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), on 11 May 2011. A key element of this expansion is evaluation work on the location of a new Consulate-General, for which we are awaiting formal approval from the Chinese Government. Work to modernise our embassy in Beijing and our Consulate-General in Shanghai has recently been completed, as part of a programme of improvement.

Gambia

Katy Clark: To ask the Secretary of State for Foreign and Commonwealth Affairs what reports he has received of the arrest of two Gambian journalists after their application to demonstrate against the execution of nine prisoners in that country; and if he will make a statement. [121359]

Mark Simmonds: The UK is deeply concerned about the rights of journalists in The Gambia and we are committed to supporting their freedom of expression.

We understand that two journalists were detained in September after applying for a permit to demonstrate against the recent executions of nine death-row prisoners. They are facing charges of committing a felony and inciting violence. We are monitoring their case closely.

Our high commissioner in Banjul raises human rights issues, as well as more specific concerns about individual cases, as they occur and at the twice-yearly EU meetings with the Gambian Government. The sudden closure of Taranga FM radio station in August is a recent example of an issue that the UK has raised. The UK is also supporting a resolution on the safety of journalists at the September Human Rights Council meeting in Geneva which is currently under discussion.

India

Andrew Stephenson: To ask the Secretary of State for Foreign and Commonwealth Affairs what progress has been made in expanding *(a)* high commission facilities and *(b)* UK Trade and Investment facilities in India. [121802]

Mr Swire: The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), announced to Parliament on 15 May 2012, *Official Report*, column 417, that the Indian Government had agreed to the opening of deputy high commissions in Hyderabad and Chandigarh. The Permanent Secretary of the Foreign and Commonwealth Office formally opened the new mission in Hyderabad on 31 May 2012. We have identified premises for the deputy high commission in Chandigarh. We hope to open that mission by the end of the year. On completion of the expansion project, overall staff numbers across India will be increased by more than 30.

Indian Subcontinent

Andrew Stephenson: To ask the Secretary of State for Foreign and Commonwealth Affairs how many trade missions to *(a)* India, *(b)* Pakistan and *(c)* Sri Lanka his Department has supported in the last 12 months. [121804]

Mr Swire: Our records show that in the last 12 months the Foreign and Commonwealth Office and its overseas posts have supported 19 trade missions to India, one to Pakistan and two to Sri Lanka.

WORK AND PENSIONS

Post Office Card Account

Cathy Jamieson: To ask the Secretary of State for Work and Pensions what his most recent estimate is of the number of people who have benefits paid into a Post Office card account by parliamentary constituency. [121325]

Mr Hoban: The information is not available in the format requested as data held relates to the number of payment accounts paid into a Post Office card account, rather than the number of people. A person may receive a separate payment for each benefit or pension they are entitled to, or a single, combined payment paid into their Post Office card account.

Information showing the number of payment accounts paid into a Post Office card account by parliamentary constituency will be placed in the Library.

HEALTH

Ambulance Services: Airwave Service

Mr Ellwood: To ask the Secretary of State for Health if he will assess the use of the Airwave radio system by the Ambulance Service; and if he will make a statement. [121681]

Anna Soubry: The Airwave radio system is used by all ambulance services in England, Scotland and Wales to communicate vital information between ambulances, their control rooms and the wider national health service. This includes both voice and data messages that are used to control the dispatch of ambulances to critically ill patients who require rapid access to healthcare.

Airwave also provides interoperable communications between the ambulance service, the fire and rescue service and police forces, which is particularly important during large scale events and major incidents. Most recently Airwave has been used successfully as the primary communications tool for the emergency services the Olympic and Paralympic games.

The performance of Airwave in delivering communications services to trusts is under regular, ongoing review by the Department.

Charities

Steve Baker: To ask the Secretary of State for Health what his policy is on the *(a)* grant to and *(b)* use by registered charities of funding from his Department for the purposes of advocacy, lobbying or campaigning; and if he will make a statement. [121402]

Norman Lamb: The Department supports and recognises the role of charities and voluntary organisations to undertake advocacy, lobbying and campaigning where they are seeking to improve the health and well-being outcomes for the population of England. They play critical roles as advocates and in representing the voice of service users, patients and carers, particularly in making sure the most disadvantaged communities needs are heard. Through its grant schemes, the Department does provide some funding to support charities and voluntary organisations in undertaking this type of activity where there are shared interests and priorities.

Voluntary organisations, community groups and social enterprises across the country do extraordinary work every day to improve the lives of others. The Compact is the agreement which governs relations between the Government and civil society organisations, such as charities, in England. It aims to encourage successful partnership between the Government and civil society organisations to ensure better outcomes for citizens and communities. One of the key principles of the Compact is to recognise and support the independence of the voluntary sector; including the right within the law to campaign, to comment on and to challenge government policy (whatever funding relationship exists). To ensure that we can make the most of the voluntary sector's potential, an open, honest and transparent relationship with the Department is essential.

Heart Diseases: Children

Stuart Andrew: To ask the Secretary of State for Health if his Department is ensuring that Joint Committee of Primary Care Trusts officials are releasing non-confidential information regarding the recent Safe and Sustainable review into children's heart surgery services in England to local authorities. [121675]

Anna Soubry: My hon. Friend will be aware that the Safe and Sustainable review is a clinically led, national health service review, which is independent of Government. It is, therefore, for the Joint Committee for Primary Care Trusts to decide what information to release about the review and we are unable comment any further.

Medical Records: Veterans

Mr Ellwood: To ask the Secretary of State for Health whether he has any plans to include mention of a veterans' service in the health records maintained by general practitioners in order to raise awareness of the potential for combat-related stress. [121683]

Dr Poulter: When a veteran has left the armed forces and re-enters the care of our national health service, they are asked during routine registration with a general practitioner (GP) if they are a patient returning from the armed forces. It is important to be aware however, that some veterans do not want to identify themselves as such.

In addition, there is a current process where the patient, whilst still in the armed forces, is given a summary of his medical record at a pre-discharge medical, along with instruction to pass this onto his/her NHS GP on registration following their transition to civilian life.

The form which is passed on to the NHS GP includes instructions as to how the GP can request a full medical record, with the patient's consent required for this. We

recognise that there can be instances where the patient may lose, or perhaps forget to pass this form on.

However, the Ministry of Defence (MOD) and the Department are working on a joint project, one aspect of which will strengthen this part of the process. At the moment, the medical record from pre-service is stored at an NHS back office for the duration of the patient's career in the services. When he/she returns to civilian life and registers with an NHS GP, the record from pre-service will be triggered back into circulation, though with no reference to the period whilst the patient was with the armed forces. The joint project will introduce new processes, which will mean that the record is updated to confirm that the patient has spend a period of time (dates provided) under the care of the Defence Medical Services (DMS). This infers that the individual may be a veteran, but it does not provide confirmation as it is down to the individual whether or not they wish to associate themselves as a veteran—the MoD will not do this. DMS also treats some civilians, so this really cannot be taken as confirmation. However, with the notification that the patient was cared for by DMS, along with any declaration on the patient registration form, this may provide a trigger for the GP to consider any special needs of the patient. The aim is not only to confirm that care was provided by DMS, but also to update the record with a summarised medical record from that period. The medical record summary exchange is . planned to begin in the second half of 2013.

As far as reservists are concerned, their care is provided by the NHS except when they are on training or deployed, when their medical care becomes the responsibility of DMS.

Finally, the Department has funded an e-learning package. The package is hosted on the Royal College of General Practitioners website and allows GPs to equip themselves with further information about veterans' health conditions in general, and act accordingly. The aim is to help increase awareness amongst GPs of the conditions associated with service.

Strokes

John Mann: To ask the Secretary of State for Health what guidance his Department has issued on the critical importance of stroke victims reaching hospital. [121678]

Anna Soubry: Both the National Stroke Strategy and NICE Stroke Quality Standard underline the importance of getting people with a suspected stroke to a specialist acute stroke unit as soon as possible.

The Department's award-winning Act FAST campaign aims to raise awareness of the symptoms of stroke and the need to treat it as a medical emergency so that people receive the necessary specialist treatment as quickly as possible.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Bovine Tuberculosis

Mary Creagh: To ask the Secretary of State for Environment, Food and Rural Affairs how many false *(a)* positives and *(b)* negatives were found in tests for bovine tuberculosis in each year for the last three years. [121754]

Mr Heath: All TB reactors are regarded as infected. European and national legislation require all such animals to be slaughtered in order to eliminate risk of infection to other animals. There are no figures for false positive and false negative TB tests detected in each of the last three years. However, it is known that the TB skin test detects 80% of infected cattle giving a 20% false negative probability. When the skin test is applied to non-infected cattle, it has a specificity of 99.9% giving a 0.1% false positive probability.

Ducks: Animal Welfare

Chris Williamson: To ask the Secretary of State for Environment, Food and Rural Affairs with reference to the research funded by his Department on duck farming, if he will take steps to raise the minimum welfare standards for ducks farmed for meat. [122029]

Mr Heath: The Government is committed to improved standards of welfare of all livestock. The welfare of ducks is provided for in the general provisions of the Animal Welfare Act 2006 and the Welfare of Farmed Animals (England) Regulations 2007. DEFRA also has a duck welfare code which keepers are required by law to have access to and be familiar with, which encourages high standards of husbandry.

DEFRA completed a three-year research project in 2007 to assess whether farmed ducks needed bathing water and if so, how it should be provided. The findings of this research were built on, with the RSPCA, academics and the duck industry, to look at how water could be provided to ducks in a commercial setting, whilst being mindful of the risk to biosecurity. DEFRA took an active part in the accompanying RSPCA 'Higher Duck Welfare Programme' steering group. As a result of this collaborative approach, duck welfare standards have been raised as both the RSPCA's Freedom Foods scheme and the industry's own Duck Assurance Scheme have ensured that their standards reflect the latest research.

DEFRA welcomes the availability of duck meat products reared to a range of standards which meet the law and allows consumers to make their own choice in purchasing.

Members: Correspondence

Mr Baron: To ask the Secretary of State for Environment, Food and Rural Affairs when he plans to respond to the *(a)* letter of 6 June and *(b)* email of 4 July 2012 from the hon. Member for Basildon and Billericay regarding Mr David Knight. [121755]

Richard Benyon: The Government has undertaken to consult key stakeholders on new research proposals on buzzards to understand better the relationship between raptors, game birds and other livestock. I shall respond to my hon. Friend's correspondence as soon as possible.

Natura 2000

Martin Horwood: To ask the Secretary of State for Environment, Food and Rural Affairs how many species are found in Natura 2000 sites *(a)* nationally, *(b)* in each region and *(c)* in each Natura 2000 site; and if he will make a statement. [121753]

Richard Benyon: Within the United Kingdom Natura 2000 site network there are a total of 47,419 distinct taxa. Taxa are the units used in grouping and naming living organisms and is a general term that can refer to any level of a taxonomic classification. Of this total, 158 distinct taxa represent "qualifying features" on one or more UK Natura 2000 sites. Due to the extent of the regional and site level data, I have placed this information in the Library of the House. The information is also available on the Joint Nature Conservation Committee website at:

http://jncc.defra.gov.uk/2012-13/PQ0845

TREASURY

EU Emissions Trading Scheme: Aviation

Zac Goldsmith: To ask Mr Chancellor of the Exchequer what estimate he has made of revenues that will result from aviation joining the Emissions Trading Scheme each year in Phase III and Phase IV. [121366]

Sajid Javid: Revenues resulting from aviation joining the Emissions Trading Scheme for Phase III are estimated to be around £0.1 billion per annum. This is based on the Office for Budget Responsibility forecast made at Budget 2012 for the period up to 2016-17. Future forecasts may change according to possible changes in the EU emissions allowance price.

Estimates of the revenue from Phase IV of the Emissions Trading Scheme are not available, because the parameters of the EU ETS beyond phase III have not yet been set.

Financial Services: Taxation

Michael Fabricant: To ask the Chancellor of the Exchequer what recent discussions he has had with his EU counterparts on the EU Commission President's plans for an EU financial transaction tax. [121522]

Greg Clark: The European Commission's proposal for a financial transaction tax was discussed at ECOFIN on 22 June. At this meeting, it was noted that unanimity on this dossier would not be achieved. Germany and Austria, supported by France, suggested that this proposal now be taken forward by a smaller group of member states, using the enhanced co-operation procedures provided for in the EU Treaties. The Chancellor made clear the UK would not take part in this tax.

The first step in an enhanced co-operation procedure is for at least nine member states to submit a request to the European Commission for consideration of compatibility with the provisions in EU Treaties.

At the 9 October ECOFIN, 11 member states confirmed that they had written to, or were intending to write to, the Commission requesting the introduction of a financial transaction tax through the enhanced co-operation procedures.

The Government believes that any financial transaction tax would have to apply globally to avoid transactions relocating to those countries not applying the tax.

Michael Fabricant: To ask the Chancellor of the Exchequer what estimate he has made of the revenue which would be generated by a 0.01 per cent levy on financial transactions in the City of London; and what estimate he has made of the likely level of lost revenue to the Exchequer. [121523]

Greg Clark: The EU Commission published proposals for an EU. financial transactions tax (FTT) on 28 September 2011. Under this proposal, the tax rate would be 0.1% for equity and bond trades, and 0.01% for derivative trades—this tax would apply to each financial institution that is party to the financial transaction.

The Explanatory Memorandum to Parliament on this proposal of 12 October 2011 sets out the Government's estimate that over half of the FTT revenues raised across the EU would derive from activity in the UK, amounting to around £26 billion per year. This figure, does not take account of several factors likely to reduce Exchequer yield including loss of stamp duty revenues, reductions in corporation tax receipts from the sector and reduction in tax revenues as a whole due to the growth impacts of tax.

There is a risk that any short-term revenue gains from a FTT will be eroded in the longer-term through the wider economic impacts of the tax and reductions in revenue as activity shifts away from the EU in response to the tax. Overall, it is possible that the tax might raise no additional money at all for the Exchequer.

The Government believes that any financial transaction tax would have to apply globally to avoid transactions relocating to those countries not applying the tax.

Procurement

Luciana Berger: To ask Mr Chancellor of the Exchequer what his Department's policy is on taking into account when assessing tenders submitted for departmental contracts the (a) apprenticeship schemes, (b) policies on employment of paid interns and (c) policies of payment of at least the living wage of each bidding company. [120798]

Sajid Javid: UK public procurement policy is to award contracts on the basis of value for money, which means the optimum combination of cost and quality over the lifetime of the project/contract. Public sector procurers are required to assess value for money from the perspective of the contracting authority using criteria linked to the subject matter of the contract, including compliance with the published specification.

Wider socio-economic benefits that accrue to the contracting authority can be taken into account at tender evaluation stage if they relate to the subject matter of a contract from the point of view of the contracting authority.

JUSTICE

Criminal Injuries Compensation

Tony Lloyd: To ask the Secretary of State for Justice what plans he has for the future of the draft Criminal Injury Compensation Scheme 2012 and the draft Victims of Overseas Terrorism Compensation Scheme 2012. [121750]

Mrs Grant: The Government listened carefully to the views expressed in the First Delegated Legislation Committee on 10 September 2012 and we are considering next steps.

CABINET OFFICE

Charities: Warwickshire

Chris White: To ask the Minister for the Cabinet Office how much charities in Warwickshire have received through the Transition Fund since the inception of the fund. [121378]

Mr Hurd: Big Fund delivered the Transition Fund on behalf of the Cabinet Office. The Department awarded a total of £105 million with the aim of enabling civil society organisations to adapt to, and manage, the transition to a different funding environment. The programme closed for applications on 21 January 2011.

Details of all awards can be found on the Big Lottery Fund's website at:

www.biglotteryfund.org.uk/transitionfund

DEPUTY PRIME MINISTER

Party Funding

7. **Dr Huppert:** To ask the Deputy Prime Minister what recent progress he has made on reforming party funding. [122137]

Miss Chloe Smith: Discussions between the main political parties at Westminster are ongoing. Six meetings have now taken place and the Government hopes consensus will be reached swiftly.

Social Mobility

8. **Paul Goggins:** To ask the Deputy Prime Minister what recent assessment he has made of the effect of the Government's welfare reform programme on social mobility. [122138]

The Deputy Prime Minister: The Government's welfare reforms are about ending welfare dependency and getting people into work. The best way out of poverty and on the road to social mobility is through work. For example, 1.8 million children—more than one in seven—are living in a household where no one has a job. This seriously damages their prospects: they are less likely to do well in school, less likely to go on to further and higher education and less likely to get a good job as adults.

The Government is also supporting the children of those who do not work, helping to improve their life chances through major new steps like introducing 15 hours' free child care per week for two-year-olds in economically disadvantaged households, and the introduction of the Pupil Premium.

Political and Constitutional Reform

9. **Gemma Doyle:** To ask the Deputy Prime Minister what the Government's political and constitutional reform priorities are for the remainder of this Parliament. [122139]

10. **Mr Bain:** To ask the Deputy Prime Minister what the Government's political and constitutional reform priorities are for the remainder of this Parliament. [122140]

11. **Diana Johnson:** To ask the Deputy Prime Minister what his political and constitutional reform priorities are; and if he will make a statement. [122141]

The Deputy Prime Minister: I refer the hon. Members to the answer I gave to the hon. Member for Edinburgh East (Sheila Gilmore), at oral questions earlier today.

Parliamentary Boundary Review

13. **Mr McCann:** To ask the Deputy Prime Minister what recent progress he has made on the parliamentary boundary review. [122143]

The Deputy Prime Minister: I refer the hon. Member to the answer I gave to the hon. Member for Wellingborough (Mr Bone), at oral questions earlier today.

BUSINESS, INNOVATION AND SKILLS

Banks: Accountancy

Steve Baker: To ask the Secretary of State for Business, Innovation and Skills what assessment he has made of the implications of the outcome of the Cattles plc case for his policies on the application of International Accounting Standard 39 to banks; and if he will make a statement. [120820]

Jo Swinson: Until fuller investigation of the issues associated with Cattles plc is complete, it cannot be determined whether this case indicates an underlying issue with International Accounting Standard 39 or its specific application. However, it is recognised that IAS 39 is in need of improvement. The International Accounting Standards Board has a project in hand to address this.

Equal Pay

Kate Green: To ask the Secretary of State for Business, Innovation and Skills what evidence his Department has gathered on the direct benefits to business of not implementing section 78 of the Equality Act 2010 on equal pay audits. [120182]

Jo Swinson: Section 78 of the Equality Act 2010 concerns publication of gender pay information by large employers. The previous Government included this provision in the Equality Bill without quantifying its financial costs or benefits to business and Ministers gave assurances to the House during the passage of the Bill that section 78 would not be commenced until 2013 at the earliest.

In 'Building a Fairer Britain' (December 2010), the coalition Government made clear that it would not commence, amend or repeal section 78 while we worked with business to ensure a successful voluntary approach. The Secretary of State for the Home Department, the right hon. Member for Maidenhead (Mrs May), launched the "Think, Act, Report" initiative in September 2011 to encourage greater transparency on gender equality. This initiative is supported by a large number of employers including BP, Tesco and Deloitte, and we will shortly publish a report demonstrating progress.

Pay

Philip Davies: To ask the Secretary of State for Business, Innovation and Skills what the highest paid position is in *(a)* his Department and *(b)* his Department's agencies. [121617]

Jo Swinson: Information on the salaries of those on the Department of Business, Innovation and Skills (BIS) Board is published in the BIS annual report. The highest paid position in BIS is the chief executive of the shareholder executive.

I have approached the chief executives of the Insolvency Service, Companies House, the National Measurement Office, the Intellectual Property Office, UK Space Agency, Ordnance Survey, Met Office, Land Registry and the Skills Funding Agency and they will respond to my hon. Friend directly.

Letter from Ann Lewis, dated 17 September 2012:

I am replying on behalf of Companies House to your Parliamentary Question tabled 14 September 2012, to the Secretary of State for Business, Innovation and Skills, UIN 121617.

The highest paid position in Companies House is that of the Chief Executive and Registrar of Companies.

Letter from John Hirst, dated 1 October 2012:

I am replying on behalf of the Met Office to your Parliamentary Question tabled on 14 September 2012, UIN 121617 to the Secretary of State for Business, Innovation and Skills.

My position is the highest paid in the Met Office. Details of the pay of senior Directors at the Met Office can be found in the Remuneration Report contained in the Met Office Annual Report and Accounts:

http://www.metoffice.gov.uk/learning/library/publications/corporate

Letter from David Williams, dated 17 September 2012:

Thank you for your question addressed to the Secretary of State for the Department of Business, Innovation and Skills, asking what the highest paid position is in (a) his Department and (b) his Department's agencies. (121617)

The highest paid position in the UK Space Agency, an executive agency of the Department of Business, Innovation and Skills is that of the Chief Executive Officer.

Letter from Malcolm Dawson, dated 19 September 2012:

I write on behalf of Land Registry in response to your Parliamentary Question 121617 tabled on 14 September 2012 which asked the following:

To ask the Secretary of State for Business, Innovation and Skills, what the highest paid position is in (a) his Department and (b) his Department's agencies.

I can confirm that the highest paid position in Land Registry is that of Chief Land Registrar and Chief Executive.

Letter from Kim Thorneywork, dated 5 October 2012:

Thank you for your question in asking the Secretary of State for Business, Innovation and Skills, what the highest paid position is in his Department and his Department's agencies.

Please be advised that the highest paid position within the Skills Funding Agency is the Chief Information Officer and Executive Director of Information Management.

Letter from Richard Judge, dated 4 October 2012:

The Minister of State, Department for Business, Innovation and Skills has asked me to reply to your question, what the highest paid position is in (a) his Department and (b) his Department's agencies.

The highest paid position in The Insolvency Service is the post of Inspector General/Agency Chief Executive.

Letter from Dr Vanessa Lawrence, dated 1 October 2012:

As Director General and Chief Executive of Ordnance Survey, I have been asked to reply to you in response to your Parliamentary Question asking the Secretary of State for Business, Innovation and Skills "what the highest paid position is in (a) his Department and (b) his Department's agencies".

The highest paid position within Ordnance Survey is that of the Director General and Chief Executive, who is the Accounting Officer for the organisation. However, the highest paid individual currently in Ordnance Survey is filling the position of Director of Finance and Corporate Services. This is because the individual in question is an interim manager who will be leaving shortly. His replacement, who has already been appointed, will be earning less than the Director General and Chief Executive Officer.

Letter from Peter Mason, dated 5 October 2012:

I am responding in respect of the National Measurement Office to your Parliamentary Question tabled on 14 September 2012, asking the Secretary of State, Department for Business, Innovation and Skills about the highest paid position.

The highest paid position in the National Measurement Office is that of Chief Executive. Details of the remuneration can be found on page 25 of the Annual Report under the following web link:

http://www.bis.gov.uk/assets/nmo/docs/about-us/key-docs/nmo-annual-report-and-accounts-2011-12-website-version.pdf

Letter from Sean Dennehey, dated 5 October 2012:

I am responding in respect of the Intellectual Property Office to your Parliamentary Question tabled 14th September 2012, to the Secretary of State, Department for Business, Innovation and Skills.

The Intellectual Property Office (IPO) is an Executive Agency of BIS. The highest paid position in the IPO is that of the Chief Executive.

Post Offices

Chris Leslie: To ask the Secretary of State for Business, Innovation and Skills what estimate he has made of the number of post offices which will provide *(a)* vehicle tax disc renewals, *(b)* driving licences, *(c)* passport applications and check and send and *(d)* collections of biometric data for residence permits; and what criteria will be used to determine which post offices offer such services. [123105]

Jo Swinson: The availability of specific Government services across the post office network is an operational matter for Post Office Ltd and the Departments and agencies it works with. I have therefore asked Paula Vennells, chief executive of Post Office Ltd, to respond directly to the hon. Member and a copy of her reply will be placed in the Libraries of the House.

Postal Services: Rural Areas

Andrew Bingham: To ask the Secretary of State for Business, Innovation and Skills what discussions he has had with the Secretary of State for Transport on the decision on the Post Office tender for Driver and Vehicle Licensing Agency services and the wider effect that any decision to place the tender elsewhere would have on the viability of the post office network, particularly in rural areas. [121998]

Jo Swinson: The Driving and Vehicle Licensing Agency is currently procuring a number of counter services. As would be expected, this is being done in line with EU

procurement regulations, so it would not be appropriate for me to discuss the outcome of this live procurement with the Secretary of State for Transport, my right hon. Friend the Member for Derbyshire Dales (Mr McLoughlin).

More broadly, Government have allocated £1.34 billion of funding for Post Office Ltd to refresh and modernise its network. As a condition of Government's funding, Post Office Ltd must continue to adhere to strict access criteria which include specific provision for access in rural areas. The Post Office's commercial strategy also requires it to grow crucially important new revenues to reach a more sustainable financial position. In this respect, it is pleasing to note that both the business's total revenues (excluding subsidy) and also its revenues from Government services grew during 2011/12 for the first time in many years.

Rugby

Zac Goldsmith: To ask the Secretary of State for Business, Innovation and Skills if he will ask the Office of Fair Trading to make an assessment of market features restricting, preventing or distorting competition between clubs in Premiership Rugby and the RFU Championship. [121732]

Jo Swinson: I have no plans to do so. As an independent authority, the Office of Fair Trading decides which cases to investigate.

Students: Loans

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills what estimate has been made of the number of students in receipt of loans from the Student Loan Company who will be studying at commercial for-profit universities in *(a)* 2012-13 and *(b)* 2013-14; and if he will make a statement. [121751]

Mr Willetts: The Department for Business, Innovation and Skills does not distinguish between those universities that operate on a commercial for-profit basis, and those that do not.

I have, however, previously placed a list in the Libraries of the House showing the number of students that took out student loans in respect of studies with all types of non-publicly funded providers in each year since 2006. This was in response to parliamentary question 100853 answered on 19 March 2012, *Official Report*, column 334W.

This shows an upward trend in the numbers of students, courses, and institutions. This in line with the Government's policy that new providers and new forms of higher education provision will help to stimulate and strengthen market competition, promote student choice, and ensure value for money.

Training

Luciana Berger: To ask the Secretary of State for Business, Innovation and Skills what media or public speaking training Ministers in his Department have received since May 2010. [122069]

Jo Swinson: The following Ministers under took media training in June 2010 at an overall cost of £2,100. Training took place at BIS's headquarters, 1 Victoria Street, London.

The former Parliamentary Under-Secretary of State for Employment Relations, Consumer and Postal Affairs, the now Secretary of State for Energy and Climate Change, my right hon. Friend the Member for Kingston and Surbiton (Mr Davey): 8 June 2010—Cost £700.

The former Minister of State for Further Education, Skills and Lifelong Learning, the now Minister of State, Department of Energy and Climate Change, the hon. Member for South Holland and The Deepings (Mr Hayes): 8 June 2010—Cost £700.

The former Parliamentary Under-Secretary of State for Business, Innovation and Skills, my noble Friend Baroness Wilcox: 15 June 2010—Cost £700.

CHURCH COMMISSIONERS

Marriage: Civil Partnerships

Tom Blenkinsop: To ask the hon. Member for Banbury, representing the Church Commissioners, what recent discussions the Church of England has had with the Coalition for Equal Marriage. [122619]

Sir Tony Baldry: The Church Commissioners and the Archbishops' Council of Church of England have had no recent discussions with the Coalition for Equal Marriage.

Ministerial Correction

Tuesday 16 October 2012

COMMUNITIES AND LOCAL GOVERNMENT

Council Housing

The following is the answer given by the Under-Secretary of State for Communities and Local Government, the right hon. Member for Bath (Mr Foster), to a supplementary question from the hon. Member for Islington North (Jeremy Corbyn) during Communities and Local Government Question Time on 17 September 2012.

Jeremy Corbyn: Will the Minister join me in congratulating my own local authority and other Labour-controlled authorities that have managed to build council housing at the present time? Will he also recognise that until now, council tenancies have been the most secure form of tenancy in the country and have provided a stable home for many families, and that that is the best way out of the housing crisis? Will he stop using the word "affordable" and start talking about council housing at fair rents?

Mr Foster: What I will do is tell the hon. Gentleman that during the last three years of the Labour Government, the number of social houses fell by 421,000. I hope that he is delighted that the number of completions of social houses in his constituency has gone up significantly in the last 12 months, and that he will welcome the additional funds we are making available—funding that his local authority failed to join in with when the Homes and Communities Agency offered it.

[Official Report, 17 September 2012, Vol. 550, c. 633-34.]

Letter of correction from Don Foster:

An error has been identified in the answer given on 17 September 2012 to the hon. Member for Islington North (Jeremy Corbyn).

The correct answer should have been:

Mr Foster: What I will do is tell the hon. Gentleman that during the last **13 years** of the Labour Government, the number of social houses fell by 421,000. I hope that he is delighted that the number of completions of social houses in his constituency has gone up significantly in the last 12 months, and that he will welcome the additional funds we are making available—funding that his local authority failed to join in with when the Homes and Communities Agency offered it.

ORAL ANSWERS

Tuesday 16 October 2012

WRITTEN MINISTERIAL STATEMENTS

Tuesday 16 October 2012

PETITION

Tuesday 16 October 2012

WRITTEN ANSWERS

Monday 15 October 2012—*[Continued.]*

WRITTEN ANSWERS

Tuesday 16 October 2012

MINISTERIAL CORRECTION

Tuesday 16 October 2012

Members who wish to have the Daily Report of the Debates forwarded to them should give notice at the Vote Office.

The Bound Volumes will also be sent to Members who similarly express their desire to have them.

No proofs of the Daily Reports can be supplied. Corrections which Members suggest for the Bound Volume should be clearly marked in the Daily Report, but not telephoned, and *the copy containing the Corrections must be received at the Editor's Room, House of Commons,*

not later than
Tuesday 23 October 2012

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE PROMPT PUBLICATION OF THE VOLUMES

Members may obtain excerpts of their Speeches from the Official Report (within one month from the date of publication), on application to the Stationery Office, c/o the Editor of the Official Report, House of Commons, from whom the terms and conditions of reprinting may be ascertained. Application forms are available at the Vote Office.

PRICES AND SUBSCRIPTION RATES

DAILY PARTS

Single copies:
Commons, £5; Lords, £3·50.

Annual subscriptions:
Commons, £865; Lords, £525.

LORDS VOLUME INDEX obtainable on standing order only. Details available on request.

BOUND VOLUMES OF DEBATES are issued periodically during the session.

Single copies:
Commons, £105; Lords, £60.
Standing orders will be accepted.

THE INDEX to each Bound Volume of House of Commons Debates is published separately at £9·00 and can be supplied to standing order.

All prices are inclusive of postage

Volume 551
No. 49

Tuesday
16 October 2012

CONTENTS

Tuesday 16 October 2012