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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES  
(HANSARD)**

**Monday 17 October 2022**

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# House of Commons

*Monday 17 October 2022*

*The House met at Two o'clock*

## PRAYERS

[Mr Speaker in the Chair]

## Members Sworn or Affirmed

2.3 pm

**Mr Speaker:** Order. I now invite remaining Members to swear the oath or make the solemn affirmation to His Majesty. We will suspend at about 2.25 pm before starting our substantive business at approximately 2.30 pm. Let us now begin. I invite Members who have not yet sworn or affirmed to do so.

*Members present took and subscribed the Oath, or made and subscribed the Affirmation.*

2.23 pm

*Sitting suspended.*

## Speaker's Statement

2.29 pm

**Mr Speaker:** I inform the House that I have published a revised version of the proxy voting scheme, which takes effect today. As agreed by the House last Wednesday, the scheme extends proxy voting on a pilot basis to Members experiencing serious long-term illness or injury. The pilot will run until 30 April next year. Copies of the revised scheme are available from the Vote Office.

I also wish to inform the House that I have received a letter from the right hon. Member for South West Surrey (Jeremy Hunt) informing me of his resignation as Chair of the Health and Social Care Committee, following his appointment to the Government. Arrangements for the election of his successor will be as follows.

Nominations will close at 12 noon on Tuesday 1 November. Nomination forms will be available from the Vote Office, the Table Office and the Public Bill Office. Following the House's decision of 16 January 2020, only Conservative party Members may be candidates. If there is more than one candidate, the ballot will take place on Wednesday 2 November from 11 am to 2.30 pm.

## Oral Answers to Questions

### LEVELLING UP, HOUSING AND COMMUNITIES

*The Secretary of State was asked—*

#### Private Renter Security

1. **Mohammad Yasin** (Bedford) (Lab): What steps he is taking to enhance private renter security in the context of the cost of living crisis. [901629]

16. **Kerry McCarthy** (Bristol East) (Lab): What steps he is taking to enhance private renter security in the context of the cost of living crisis. [901644]

19. **Janet Daby** (Lewisham East) (Lab): What steps he is taking to enhance private renter security in the context of the cost of living crisis. [901647]

**The Secretary of State for Levelling Up, Housing and Communities (Mr Simon Clarke):** We understand the pressures that renters are facing with increasing rents and energy bills. That is why we have provided more than £37 billion of support this year to those who need it the most. Everyone deserves to live in a safe and secure home, and the Prime Minister is committed to the ban on section 21 no-fault evictions to protect tenants.

Ensuring a fair deal for renters remains a priority for the Government. The Government consultation on introducing a decent homes standard for the rented sector closed on Friday, and we are carefully considering our next steps to support the rental market.

**Mohammad Yasin:** The Prime Minister has U-turned on scrapping unfair section 21 no-fault evictions, but the freeze on housing benefit rates still stands. Millions are struggling to afford rent or are worried about being evicted during a cost of living crisis. They deserve much better than the chaos in Government. Will the Secretary of State give private renters the certainty that they need by immediately publishing the renters reform Bill?

**Mr Clarke:** We will bring forward reforms for renters when parliamentary time allows. What I can say in reply to the hon. Gentleman's point about housing benefit is that we recognise that it is an extremely important and sensitive area of policy: that is why we have maintained local housing allowance rates at increased levels following the covid pandemic. We keep all these issues under review, and clearly this is something that we will be coming back to in due course.

**Kerry McCarthy:** The Bureau of Investigative Journalism looked at 363 properties in Bristol and found that in only one of them was local housing allowance enough to cover the rent. What is the Secretary of State doing to ensure that LHA keeps pace with market rents, particularly in places such as Bristol, where so many people are now being priced out of housing?

**Mr Clarke:** My colleagues across the Government and I continue to keep rates under very close review. We have maintained the heightened rates that were introduced in April 2020. I very much welcome all proposals that the hon. Lady brings forward about the situation in Bristol so that we can look at that in more detail.

**Janet Daby:** Is the Secretary of State aware that rents have risen by 15% in London and that the same has happened in my constituency? My constituent was forced to leave an abusive marriage. She works, but she can barely afford the private rent for herself and her children. She is already on universal credit. To make matters worse, her rent has recently increased by £300. How will the Government address such situations? When will they bring in the long-awaited renters reform Bill?

**Mr Clarke:** I am very happy to look at the situation affecting the hon. Lady's constituent; it is something about which I always welcome discussion. We do have discretionary housing payments for people in very hard

situations such as the case to which the hon. Lady refers. On the timetable for rental reform legislation, we will bring forward legislation when time in Parliament allows. That is an obvious priority for the whole Government.

**Selaine Saxby** (North Devon) (Con): My constituency has seen its supply of private rental properties drop by more than 60% in the past two years owing to the surge in short-term holiday lets. What plans has my right hon. Friend to redress the situation?

**Mr Clarke:** My hon. Friend is a consistent and effective advocate for the issues that affect rural constituencies such as North Devon, and I recognise—not least as a result of our conversations about the subject—just what a problem this is for her constituency. We are looking at all the options to ensure that there is a proper supply of rental properties in such areas.

**Mr Speaker:** I call the Opposition spokesperson, Matthew Pennycook.

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): Last week Government sources told *The Times* that Ministers were planning to renege on their commitment to abolish section 21 no-fault evictions, only for the Prime Minister to stand up days later and deny that that was the case. Private renters need long-term security and better rights and conditions now, not chaotic mixed messaging from a Government in disarray. Can the Secretary of State give the House a cast-iron guarantee from the Dispatch Box today that if the Government are still standing come the time, a renters' reform Bill will be introduced in the next parliamentary Session?

**Mr Clarke:** I can confirm that we will introduce the rental reform Bill in the course of this Parliament. That is a commitment that we have made and are determined to honour. I could not be clearer in saying that I echo the Prime Minister's words last Wednesday that this is going to happen.

### People Registered as Homeless

2. **Kim Johnson** (Liverpool, Riverside) (Lab): What recent assessment he has made of trends in the level of people registered as homeless. [901630]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities** (**Andrew Stephenson**): The total number of people who have been homeless or threatened with homelessness in the last year is 4% lower than pre-covid-19 levels. That shows that our unprecedented action to protect households during the pandemic has worked, as does the fact that rough sleeping levels are now at an eight-year low.

**Kim Johnson** (Liverpool, Riverside) (Lab): The data that I have is very different. The cost of living crisis is expected to get worse in the coming months, there was an 11% increase in homelessness between 2021 and 2022, and the number of evictions peaked at nearly 5,000 between April and June this year, up nearly 30% on the previous quarter. What commitments will the Minister give today to ensure that hundreds of thousands of people do not risk losing their homes this winter?

**Andrew Stephenson:** The Government understand the pressures that people are facing as a result of the cost of living, and we have undertaken a range of measures to help them with, in particular, their energy bills. That is in addition to the more than £37 billion of cost of living support for families across the United Kingdom that we announced earlier this year.

**Eddie Hughes** (Walsall North) (Con): The most egregious form of homelessness is rough sleeping, which is why I was so delighted that in September this year, thanks to the incredible hard work of Penny Hobman, Richard Chapman and Stephanie Larnder, we were able to publish this Government's strategy to end rough sleeping. Will the Ministers commit themselves to delivering on that strategy?

**Andrew Stephenson:** I am grateful for the opportunity to pay fulsome tribute to my hard-working predecessor for his incredible work in not just getting the strategy over the line, but agreeing the £2 billion of funding that will support the implementation of that strategy over the next three years. I am delighted to be carrying on his great work.

**Mr Speaker:** I call the Opposition spokesperson, Sarah Owen.

**Sarah Owen** (Luton North) (Lab): I know that today's focus is on heating homes, but for far too many people it is on saving their homes. Nearly 20,000 households have been put at risk of homelessness by no-fault evictions in the past year, a rise of 121%, while the Government dither. Mortgages are soaring, rents are rising, homelessness is increasing, and 1,300 Ukrainian refugee households, many with children, are homeless because of the Department's failure to act on repeated warnings. The Chartered Institute of Housing says that without action this Government will break their promise to end rough sleeping by 2024. Will the new Minister tell us whether they are sticking to that pledge, or will he tell us the truth—that the homelessness crisis will not be fixed by increasing bankers' bonuses, but will only be fixed by a change of Government?

**Andrew Stephenson:** We remain absolutely committed to our manifesto commitment to end rough sleeping. According to the latest official statistics, published in February 2020, the number of people sleeping rough is at an eight-year low and has almost halved since 2017. Rough sleeping has now decreased in every region of England. We are committed to continuing the great work of my predecessor and implementing the "Ending rough sleeping for good" strategy, and, as I said earlier, there is £2 billion of funding for the next three years.

### Levelling-up Fund

3. **Ronnie Cowan** (Inverclyde) (SNP): How much and what proportion of the £4.8 billion levelling-up fund has his Department allocated to local authorities since that fund was announced in October 2021. [901631]

4. **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): How many areas have been allocated funding under the levelling-up fund. [901632]

17. **Mrs Natalie Elphicke** (Dover) (Con): When his Department plans to announce the allocation of funds under the levelling-up fund round 2. [901645]

18. **Lee Anderson** (Ashfield) (Con): How many areas have been allocated funding under the levelling-up fund. [901646]

21. **Richard Foord** (Tiverton and Honiton) (LD): What his planned timetable is for (a) announcing the successful bids under levelling-up fund round 2 and (b) disbursing that funding. [901649]

**The Secretary of State for Levelling Up, Housing and Communities (Mr Simon Clarke)**: Round 1 of the levelling-up fund saw a total £1.7 billion awarded to 85 lead applicants across 105 bids from the UK. Of this, my Department has awarded £1.24 billion, with £187 million paid out to date. We expect that figure to increase significantly as these projects move through the delivery phases. I expect to announce the outcome of round 2 by the end of this year, with funding decisions based on the framework set out in our levelling-up fund guidance.

**Ronnie Cowan**: Inverclyde has a very strong bid in, but we need maximum co-operation between this UK Government and my Inverclyde Council to ensure that we can line up all the ducks at our end and therefore get a maximum return on the investment. I heard the Minister saying that this would be announced at the end of the year, but last week I was being told that it would be at the end of November, so things seem to be slipping there, which concerns me. When will he tell me that Inverclyde has been successful, and how much money is he going to give me?

**Mr Clarke**: Fond as I am of the hon. Gentleman, I will not give him the money directly, but we will deliver it by the end of the year.

**Stephen Metcalfe**: I welcome my right hon. Friend's answer, but can he confirm that levelling up is about need and not about geography, because while Essex as a whole may be seen as prosperous, there are pockets of deprivation that would greatly benefit from levelling-up funding?

**Mr Clarke**: My hon. Friend is exactly right: levelling up is all about pockets of need, wherever they occur in this country. I know that there are many pockets in the south of England that are deprived, and it is vital to get the message out across the House that levelling up is a Union-wide concept with benefits for every corner of the country from London to Leeds right up to the north of Scotland and to the west of Wales. It is a concept with applicability wherever there is need.

**Mrs Elphicke**: Dover District Council has developed the exciting Dover Beacon bid project, which would deliver £90 million-worth of economic benefit to the town and up to 60 skilled jobs, transforming a derelict site into a new creative and digital campus and a Dover school of art and design. Does my right hon. Friend agree that this is an excellent proposal from Dover District Council, and can he confirm when a decision will be made?

**Mr Clarke**: My hon. Friend is a fantastic advocate for Dover on so many issues. She will understand, I hope, that I cannot comment on the merits of specific bids while we are evaluating them, but it is vital that she continues to champion the bid that has been brought forward for her town.

**Lee Anderson**: Eastwood is famous for two things: D. H. Lawrence and a whole list of lazy Labour MPs who have not brought one penny of investment into the forgotten town of Nottinghamshire. Things are going to change. We have just put in a £20 million levelling up bid, which will help the most deprived town in Nottinghamshire. Will my right hon. Friend please meet me to discuss my ideas to make sure that we get this money in the bank as soon as possible?

**Mr Clarke**: I am always happy to meet my hon. Friend, who is such a fantastic advocate for his constituency, which I think he has made iconic through his work. As I have just said to my hon. Friend the Member for Dover (Mrs Elphicke), I cannot comment on a specific bid, but I am always happy to talk about the issues affecting places such as Eastwood.

**Richard Foord**: Please could I remind the right hon. Gentleman that levelling-up funding was a pivotal part of this Government's general election manifesto in 2019? Could I also remind him that round 2 of the levelling-up funding was expected by now? We are now in mid-October. Could he let me and my constituents know when we might see an answer on round 2, such that we might fund the Cullompton relief road?

**Mr Clarke**: I thank the hon. Gentleman for his reminder, but I need no reminder of the importance on the need for levelling up. That is indeed why my colleagues and I were elected in 2019, and we will bring forward our answers on round 2 by the end of this year.

**Paula Barker** (Liverpool, Wavertree) (Lab): How can the Minister claim to be levelling up when his Government have presided over a net loss in funding for large parts of the country, such as the north-west, which will lose out by £206 million under the shared prosperity fund?

**Mr Clarke**: I can absolutely defend our record on levelling up. There is a £4.8 billion levelling-up fund, which is transforming opportunities across this country. The hon. Member need only look at the response of communities across the north-west to our manifesto in 2019, when we were joined on the Government side of the House by so many fantastic colleagues from that region, to see that people buy into that vision.

**Michael Gove** (Surrey Heath) (Con): When the Secretary of State launched the levelling-up fund, it was denounced by the Scottish nationalist Government in Holyrood as a "power grab." Now, of course, SNP MPs and SNP councils are only too eager to apply to benefit from the levelling-up fund. What conclusions does my right hon. Friend draw from the vast divergence between the rhetoric of Nicola Sturgeon and the reality of SNP MPs wanting all the financial benefits of being in the United Kingdom?

**Mr Clarke**: This is a fitting opportunity to pay tribute to my right hon. Friend for all his work in this Department. He is a fantastic champion of not only levelling up but the Union as well. As he rightly says, on this day of



all days, when Nicola Sturgeon is bringing forward her vision, it is particularly ironic that we hear so much about the strength of the Union and the support it offers to communities across Scotland, to the benefit of SNP Members' constituents.

**Chris Elmore** (Ogmore) (Lab): We were told that major transport projects would be secured as part of the Government's commitment to levelling up. There is no bigger major transport project in Wales than closing the level crossing at Pencoed in my Ogmore constituency, which opens up the gateway down to Swansea and Pembrokeshire. The project costs in excess of £20 million. If the Secretary of State wants to commit to the people of Wales, he should fund the level crossing closure, improve the area around Pencoed and ensure my constituency gets the money it was promised.

**Mr Clarke:** The hon. Gentleman makes a passionate case for this project, which obviously needs to be considered in the round, including by my colleagues in the Department for Transport. We have certainly heard him today. There is no doubt that accelerating infrastructure that unlocks growth is a key priority for this Government.

**Mark Pritchard** (The Wrekin) (Con): Although I support the Government's levelling-up agenda and funding, there is concern in rural parts of Shropshire and the semi-rural borough of Telford and Wrekin that some areas of the west midlands are perhaps being overlooked. Can the Secretary of State reassure my constituents that the bids from Telford and Wrekin Council and Shropshire Council for electric buses and the regeneration of Wellington will not be overlooked in the second round?

**Mr Clarke:** I can certainly give my right hon. Friend that assurance. Not least thanks to his efforts, there will never be any chance of his part of the world being ignored.

**Mr Speaker:** I call the shadow Minister, Alex Norris.

**Alex Norris** (Nottingham North) (Lab/Co-op): The Government's levelling-up plans have made so little impact that they have had to resort to paying local newspapers to carry positive stories. That is right: they are paying for positive coverage. These ads breach Advertising Standards Authority rules and have subsequently been banned. This is a risible episode. Will the Secretary of State come clean that the only conclusion to be drawn is that levelling up is a sham?

**Mr Clarke:** I am afraid I will neither do that nor accept the premise. With regard to these seven adverts, we have apologised. They all bore the HMG logo very clearly and were marked as advertorials. We accept the ASA's decision, but we fundamentally believe it was appropriate for us to try to spread the message that levelling up has applicability across this country and is doing real good. Colleagues on both sides of the House have spoken about the projects they want to see delivered, which shows the appetite for this programme to succeed.

**Alex Norris:** I am grateful for that answer, but the reality is that the Government have taken £431 per head in funding from local authorities. Now, through the

programme that the Secretary of State trumpets, they will be handing back just £31 per head from the levelling-up fund. Even the winners lose.

Those who have been promised money are now concerned that Downing Street's economic crisis and soaring inflation will mean their bids are no longer affordable. Will the Secretary of State commit that no bid either submitted or approved will have to be downgraded to accommodate the mess the Government have made of the economy?

**Mr Clarke:** The hon. Gentleman has to understand the situation we are in with regard to inflation. It is absolutely the case that, owing to the consequences of Putin's war, prices are rising—[*Interruption.*] I will accept many things at the Government's door, but I will not accept inflation as a consequence of Putin's war. There is a clear read through to the costs of many issues, and this affects economies across the west. Neither central Government nor local government can expect to buck inflation, or to accommodate the cost of inflation in our settlements. There is therefore a mechanism within the levelling-up fund to allow bids to be resized for inflation.

**Mr Speaker:** I call the Scottish National party spokesperson, Patricia Gibson.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Thank you, Mr Speaker.

My hon. Friend the Member for Inverclyde (Ronnie Cowan) has raised his concerns about levelling-up funds reaching his constituency, but if levelling up is to mean anything, it should ultimately be about reducing child poverty. In Scotland, the Scottish Government are doing what they can to deal with child poverty, but in my constituency it stands at a shocking 25%, and that figure is set to increase thanks to the decisions made by the UK Government. So will the Secretary of State explain what reduction in these shocking levels of child poverty he believes will be achieved as a result of the levelling-up agenda?

**Mr Clarke:** The levelling-up agenda is broad and wide, but it does not take account of the levers that sit with the hon. Lady's parent Government in Holyrood. Whether on welfare, drugs or education, so many of the things that will make a difference to children's lives sit within the responsibility of the Scottish Government. They need to work those levers.

#### **Levelling-up Agenda: Affordable Housing**

5. **Christine Jardine** (Edinburgh West) (LD): What assessment he has made of the potential impact of the Government's levelling-up agenda on the supply of affordable housing. [901633]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley):** As the exchanges of the past few minutes have highlighted, the Government remain absolutely committed to the levelling-up agenda to improve opportunities for communities, including the one I have the privilege of representing. As part of that, a substantial taxpayer subsidy rightly continues to be allocated across the country to building affordable housing.

**Christine Jardine:** Will the Minister accept that the chaos we have seen in the economy, created by this Government, over the past couple of weeks has had an impact on the affordability of housing for everyone? It has put up interest rates on mortgages and put up rents in the private rented sector. In constituencies such as mine valuable projects such as North Edinburgh Arts will include affordable rented housing. So when will this Government recognise that this needs to be done quickly and we need to get the next round out and the money distributed to communities that need it?

**Lee Rowley:** As the hon. Lady will appreciate, we are in a period of economic challenge across the world and interest rates have been rising for some time. On her question about affordable rents and affordable housing, she will know that housing is largely devolved, but the UK Government have brought forward hundreds of thousands of new affordable properties in recent years and will continue to do so in the years ahead.

#### **£150 Council Tax Energy Rebate**

6. **Mr Philip Hollobone** (Kettering) (Con): What proportion of eligible households have received the £150 council tax energy rebate in (a) north Northamptonshire and (b) England. [901634]

**The Minister of State, Department for Levelling Up, Housing and Communities (Paul Scully):** As of 31 July 2022, the proportion of estimated eligible households to have received the £150 council tax rebate in north Northamptonshire was 87%, with the figure for England being 86%. However, I am sure that my hon. Friend will be pleased to see the progress his local authority and others have made when the most recent figures are released shortly.

**Mr Hollobone:** Putting £150 into the pockets of eligible households has provided valuable help to tackle rising energy bills, but 13% of people have still not claimed this money. As the Government now look for more targeted help for people with their energy bills after April 2023, if this scheme is revised and reintroduced, what improvements will be made?

**Paul Scully:** It is always a struggle to get the money out as quickly as possible, especially to those who are not paying by direct debit. Over the summer, I have been working with my officials and have directly spoken to a number of councils that have been a little slower than expected. We have issued guidance on the variety of payment methods and given short extensions to the deadline dates where councils have requested that, including in respect of any uncashed voucher-based payments with the Post Office until 30 November. We will always look to improve, to make sure that the money goes as quickly as possible to those who need it.

**Sarah Champion** (Rotherham) (Lab): This morning, the Chancellor said that his support for business energy costs will focus on efficiencies. Beatson Clark and Liberty Steel in my constituency are high energy users and they have already made every energy efficiency they can. What will the Minister do to protect businesses such as those in my constituency with this shift in policy?

**Paul Scully:** I thank the hon. Lady for that comment. When I was in the Department for Business, Energy and Industrial Strategy, my colleagues there were always working with those energy-intensive industries such as the steel industry and with companies such as Liberty Steel, in her area. It is important that we continue to understand the position and develop the technologies that are needed for the long term, but in the medium term we will work with these industries to make sure we can offer support for those crucial supplies.

#### **Mayoral Devolution Deal: East Midlands**

8. **Andrew Bridgen** (North West Leicestershire) (Con): What recent discussions he has had with the Chancellor of the Duchy of Lancaster on the potential merits of a mayoral devolution deal for the east midlands. [901636]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison):** It is a pleasure to take my place at the Dispatch Box for the first time.

Our recent devolution agreement with Derby, Derbyshire, Nottingham and Nottinghamshire will see a directly elected leader take decisions on transport, skills and housing in the region, as well as a new 30-year investment fund totalling more than £1 billion. On the levelling-up White Paper, we also named Leicestershire as one of the places invited to negotiate a county deal. We remain committed to continuing discussions with Leicestershire and the remaining White Paper areas, because we want to see them benefit from the brilliant opportunities that devolution provides.

**Andrew Bridgen:** I thank the Minister for that answer, but it has been apparent that since the west midlands has had a Mayor, it has economically outperformed the east midlands. Due to the Labour Mayor of Leicester's veto, Leicestershire and Rutland cannot join Derbyshire and Nottinghamshire in an east midlands devolution deal. Will the Minister look again at how we can overcome Sir Peter Soulsby's unreasonable objections and unleash the true economic potential of the whole east midlands?

**Dehenna Davison:** I thank my hon. Friend for his question and for his passion for delivering devolution in his local area. It is a shame when some local stakeholders do not back this project to deliver all its incredible opportunities. I will certainly work with my hon. Friend and local stakeholders to see what we can do to make that happen.

#### **Freeports: Wales**

9. **Stephen Crabb** (Preseli Pembrokeshire) (Con): What discussions he has had with Cabinet colleagues on establishing a freeport in Wales. [901637]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison):** We reached an agreement with the Welsh Government earlier this year to collaborate on and deliver a new freeport in Wales, and this has received Cabinet agreement. We launched the bidding prospectus on 1 September, the closing date is 24 November, and we expect to announce the successful locations in spring next year.

**Stephen Crabb:** I thank my hon. Friend for her answer and welcome her to her position.

Floating offshore wind represents a major new industrial opportunity across the whole of the UK, but especially for us in Wales. Does my hon. Friend agree that an innovative and collaborative freeport bid, along the lines of what Port Talbot and the port of Milford Haven are currently putting together, would help to unlock the full economic value and benefits of floating offshore wind for the whole of the south and west Wales region?

**Dehenna Davison:** I thank my right hon. Friend for his question and for his passion and commitment to delivering a freeport. I know that he is a great champion for the Milford Haven bid in particular, and I look forward to sitting down with him to discuss it. The freeports programme has great potential to contribute towards achieving the Welsh and UK Governments' decarbonisation agenda and net zero ambitions. We look forward to receiving strong bids from across Wales that demonstrate how they will meet the Government's shared goals, as articulated in the bidding prospectus.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): The Minister may not know, but I used to be a Swansea politician—I was a councillor. Is it not about time we introduced the Swansea barrage scheme, which would make a great difference to alternative energy for Wales?

**Dehenna Davison:** I thank the hon. Member for his question. As he is a champion for Swansea as well as Huddersfield, I would certainly be happy to sit down with him and discuss this further.

#### Levelling-up Agenda: Impact of Cost of Living Crisis

10. **Patrick Grady** (Glasgow North) (Ind): What recent assessment he has made of the impact of the cost of living crisis on the levelling-up agenda. [901638]

24. **Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): What recent assessment he has made of the impact of the rising cost of living on the levelling-up agenda. [901652]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison):** The rising cost of living is being felt by people right across the UK, but particularly those in some of the least affluent areas, where particularly high inflation combines with low wage growth. That makes levelling up even more important. While providing immediate relief through the energy support package, the Government are also determined to help places build long-term economic resilience and growth, because we know that local growth means better opportunities and a better life for local people.

**Patrick Grady:** But the point is, as all of us have said, that spiralling inflation is devaluing the funds available for infrastructure and levelling-up projects, and labour and supply chain shortages will also cause inevitable delays. Are the Government willing to admit that Brexit lies at the root of all this? The Government's plans are not levelling up; they are falling apart.

**Dehenna Davison:** Brexit is the thing that has allowed us to set up the shared prosperity fund, so that we can deliver local benefits not just in England but right across the UK, including in Scotland. On the point about inflation, we are working with local authorities to see specifically how we can support them in ensuring that their projects are delivered.

**Stuart C. McDonald:** As the Minister has acknowledged, the places most in need of levelling up are those suffering most from this Tory cost of living crisis, yet it was the Levelling Up Secretary who was cheerleader-in-chief for a mini-Budget that prioritised the welfare of the south-east over everyone and everywhere else. The Secretary of State is now talking about there being "fat to trim". How much of that fat will have to be found in levelling-up budgets?

**Dehenna Davison:** I am delighted that the hon. Gentleman mentions the mini-Budget, because he will know that one of the most incredible measures in it is investment zones, which our Department is committed to delivering to bring about local opportunity, local jobs and local investment to benefit local people, including in Scotland.

#### Investment Zones

11. **Nigel Mills** (Amber Valley) (Con): What assessment he has made of the potential merits of investment zones for local (a) residents and (b) businesses. [901639]

15. **Dr James Davies** (Vale of Clwyd) (Con): What assessment he has made of the potential merits of investment zones for local (a) residents and (b) businesses. [901643]

20. **Mr David Jones** (Clwyd West) (Con): Whether the Government plan to extend investment zones to Wales. [901648]

**The Secretary of State for Levelling Up, Housing and Communities (Mr Simon Clarke):** Investment zones will turbocharge our plans for growth, spread opportunity and be transformational for towns and cities across the country. They will create new jobs and homes on targeted sites while maintaining strong environmental outcomes and keeping national green-belt protections in place. They will attract businesses and jobs through lower taxes and streamline planning rules to unlock commercial development. They will be created across the UK, including, we hope, in Wales.

**Nigel Mills:** I thank the Secretary of State for that answer. I hope he will look favourably at the bids from Derbyshire that were duly submitted last week. Can he confirm how investment zones will interact with freeports and whether sites could have both statuses to really supercharge growth on those sites?

**Mr Clarke:** I am a convinced believer in the merits of freeports. Clearly, the final Government approval for some of those will go into place this autumn, and many are already operational. We are already seeing investment in freeports that we want to see in investment zones. Investment zones have the chance, through a very simple streamlined expression of interest process, to upgrade to full tax freedoms.



**Dr James Davies:** The Government intend investment zones to be located UK wide, but, in my constituency and the rest of Wales, that requires the engagement of the Welsh Government. Will my right hon. Friend update the House as to progress on securing that engagement?

**Mr Clarke:** My hon. Friend and his colleagues from north Wales have already been absolutely passionate advocates of the potential of investment zones to benefit their region. He is quite right that we will need the co-operation of the Welsh Labour Government to unlock the full benefits of these zones. Discussions are ongoing with the Welsh Government, and I am delighted that I will have his support in making the case to their Minister for the Economy that Welsh Labour should embrace these zones.

**Mr David Jones:** Further to the last question, my right hon. Friend will know that north Wales is part of the same economic region as the north-west of England, and it is therefore essential that it should have the same economic advantages. Can he confirm that he will be engaging not only with the Welsh Government but with Welsh local authorities and with the North Wales Economic Ambition Board with a view to ensuring that north Wales gets investment zones at the earliest possible moment?

**Mr Clarke:** My right hon. Friend is exactly right: we need to avoid there being a hard border between England and Wales, and indeed between Scotland and England, on these questions. It is vital that we make sure that we listen to the voice of business and local government as well as to MPs—my hon. Friends the Members for Clwyd South (Simon Baynes), for Ynys Môn (Virginia Crosbie), for Vale of Clwyd (Dr Davies) and for Aberconwy (Robin Millar) have already met me about this issue—to make sure that we avoid the disaster for north Wales of England proceeding with these zones and Wales not choosing to do so.

**Mr Speaker:** I call the Chair of the Levelling Up, Housing and Communities Committee.

**Mr Clive Betts** (Sheffield South East) (Lab): It seems that investment zones are one of the few bits of the mini-Budget that are still on the table. Can the Secretary of State clearly explain how investment zones will be financed? Will it be completely new money, and, given the pressure that local authorities have been under from austerity and now from inflation, will he give an assurance that the money for investment zones will not be found by transferring it from other parts of the local government budget and particularly from levelling-up funds?

**Mr Clarke:** Yes, this is new money. It is coming from the Treasury as part of the settlement. Clearly, my right hon. Friend the Chancellor will be setting out the medium-term fiscal plan on 31 October and that will be the moment of confirmation.

**Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): What guarantee can the Minister give that investment zones will not lead to any reduction in the desperately needed flood protection and flood mitigation measures? Will the Minister look again at the amendments that I have tabled to the levelling-up Bill to look at strengthening flood protection and mitigation?

**Mr Clarke:** The hon. Lady is right to advocate for flood protection, which is vital. I actually welcome her question, because it is an important chance to reaffirm that investment zones are not in any way about cutting away environmental protection. They are about streamlining planning and making sure that lower taxes are on offer in targeted sites. Overwhelmingly, they will benefit brownfield regeneration projects, which would otherwise take years to unlock. I really hope that reassures her, and we will look at her amendments in detail.

**Andrew Gwynne** (Denton and Reddish) (Lab): Although this is the current game in town, I will be clearly supporting Greater Manchester's bid to Government, which includes proposals for the Ashton mosque area in my constituency. However, given that this is still part of the mini-Budget—the only bit that has not been shredded yet—can the Secretary of State outline what the tax advantages to an investment zone will be? Can he clarify to the House that expects there to be not displacement of employment across the city region, but genuine growth?

**Mr Clarke:** Obviously, genuine additionality is the litmus test that we set for this policy, although it is vital to note that I see no harm in ensuring that, in areas where there is real opportunity, we bring good opportunities. On tax advantages, there will be a range of powers available, including on business rates relief, enhanced structures and buildings allowances, enhanced capital allowances and, critically, action on employer national insurance contributions, designed to ensure that there are incentives for new jobs in the zones.

**Mr Robin Walker** (Worcester) (Con): Worcester Shrub Hill station and the area around it offer a fantastic opportunity to deliver a brownfield development that can provide jobs and homes in an area of Worcester that is closely connected to some of the more deprived areas of the city. Does my right hon. Friend therefore agree that an investment zone around Shrub Hill in Worcester, as proposed by Worcester City Council, Worcestershire County Council and the Worcestershire local enterprise partnership, would be a great chance to put rocket boosters under the levelling up of Worcester?

**Mr Clarke:** My hon. Friend makes a compelling case for his project. It is clear that the level of interest across the House in investment zones is extraordinary; we have had hundreds of applications from local authorities for these zones, which is testament to the huge appetite for growth and investment opportunities across this country, driven by a low-tax Conservative Government.

**Peter Dowd** (Bootle) (Lab): The National Audit Office, the Public Accounts Committee and the Centre for Cities have criticised the number of jobs created by enterprise zones compared with the initial Treasury estimates. Why on earth does the Secretary of State think this new iteration in the form of investment zones—with attacks, whether he says it or not, on environmental standards, planning and workers' rights—will be any more productive than the other failed zone proposals?

**Mr Clarke:** I am terribly fond of the hon. Gentleman, as I hope he knows, but I am afraid he is just wrong in that summary of investment zones. There is no diminution

of workers' rights or environmental rights; the zones are about lower taxes and streamlined planning to deliver jobs and growth, and we should all welcome that across the House.

### **Investment Zones: Impact on the Environment**

12. **Craig Williams** (Montgomeryshire) (Con): What assessment he has made with Cabinet colleagues of the potential impact of investment zones on the environment. [901640]

22. **Ruth Edwards** (Rushcliffe) (Con): What assessment he has made with Cabinet colleagues of the potential impact of investment zones on the environment. [901650]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley):** Investment zones seek to empower communities to deliver planning and outcomes that are right for the local area, while maintaining strong environmental outcomes and keeping national green belt policies in place. They are about working with local areas, and we look forward to receiving applications from Wales in due course.

**Craig Williams:** I welcome the commitment from the Dispatch Box to get investment zones established in Wales with the Welsh Government. The Montgomeryshire Wildlife Trust and the Royal Society for the Protection of Birds, with which I am working closely, are seeking reassurances from those on the Front Bench about all the environmental protections we have on the statute books. We welcome investment zones and we want them in Montgomeryshire, but those strong protections are important to us. Will the Minister again confirm those protections?

**Lee Rowley:** We are absolutely committed to strong environmental outcomes, as I am happy to repeat and as my right hon. Friend the Secretary of State has already said. We look forward to applications from Montgomeryshire.

**Ruth Edwards:** I draw the attention of the House to my entry in the Register of Members' Financial Interests.

For strong, sustained growth it is vital that we protect, enhance and invest in our natural capital. Can the Minister give me an absolute promise that none of the proposed reforms to the planning system, including in the investment zones, will row back on the Government's 10% biodiversity net gain requirement, as enshrined in our landmark Environment Act 2021?

**Lee Rowley:** As my hon. Friend knows, that biodiversity net gain does not come in for some time yet. It could be that, depending on the applications received for investment zones, the planning permissions will have gone through, or be in the process of going through, under the existing planning process. However, as my right hon. Friend the Secretary of State and I have repeated at the Dispatch Box, and as is clear within the expression of interest guidance on investment zones, we are committed to strong environmental outcomes in those areas and across the planning system.

### **Energy Efficiency: Guidance to Homeowners**

13. **Anthony Mangnall** (Totnes) (Con): What steps the Government are taking with (a) local authorities and (b) housing associations to provide guidance to homeowners on energy efficiency. [901641]

**The Minister of State, Department for Levelling Up, Housing and Communities (Paul Scully):** The Government have launched help for households on gov.uk, outlining the full range of support available to help with the cost of living. That includes a tool to help homeowners understand how to improve their home's energy efficiency and the grants available to them.

**Anthony Mangnall:** Across Totnes and south Devon, small and medium-sized enterprises and local start-ups such as Oh4 are finding new ways to help to reduce household bills and energy costs. What steps is the Minister taking to co-operate with the Department for Business, Energy and Industrial Strategy and his colleagues to ensure that local authorities and housing agencies are using such organisations?

**Paul Scully:** It is great to hear stories of SMEs such as Oh4 in my hon. Friend's constituency finding those innovative solutions. The building regulations are set in performance terms and do not prescribe technologies, so local authorities and SMEs have flexibility. That encourages industry and SMEs such as Oh4 to continue pushing the boundaries, so that today's trailblazing examples of green innovation become the industry standards of tomorrow.

### **Home Ownership: Government Support**

14. **Peter Gibson** (Darlington) (Con): What steps the Government are taking to support home ownership. [901642]

**The Secretary of State for Levelling Up, Housing and Communities (Mr Simon Clarke):** We are committed to creating a fair and just housing system that works for everyone. We have already cut stamp duty land tax, as the threshold at which it becomes due has doubled to £250,000, and we are expanding first-time buyers' relief. We also have a range of programmes in place to help people into home ownership. Since spring 2010, more than 800,000 households have been helped to purchase a home through Help to Buy.

**Peter Gibson:** My right hon. Friend will know that 836 families in Darlington have benefited from Help to Buy in the past year, and 715 of them were first-time buyers. Given the success of the scheme what consideration has he given to extending it beyond March 2023?

**Mr Clarke:** I gladly pay tribute to Help to Buy, which has been a huge success, helping over 361,000 households to buy a new build from its launch in spring 2013 until the end of March this year. However, it was never designed to be a permanent intervention in the housing market. The closure at the end of March 2023 has been planned and publicised since the 2018 Budget, which has allowed the market to respond by introducing several products that provide similar levels of support to Help to Buy for first-time buyers. The Government have introduced various schemes as well, including First Homes, the mortgage guarantee scheme and shared ownership.

**Hilary Benn** (Leeds Central) (Lab): As well as having to cope with the cost of remortgaging, thousands of people who thought they had bought a safe and secure home are still living with unsafe cladding and other fire-safety defects. What is the Secretary of State's current assessment of the total number of properties in England that have yet to be made safe?

**Mr Clarke:** My commitment to making sure that we follow through on the issue of remediating unsafe buildings is total. There are 24 buildings over 18 metres that have yet to be remediated in the way that the right hon. Gentleman sets out.<sup>1</sup> My priority—I will meet developers shortly—is to ensure that they sign the contract, which they committed to do in the summer, thanks to the hard work of my right hon. Friend the Member for Surrey Heath (Michael Gove), and to make sure that they fulfil their responsibilities. We are also taking action against those freeholders who have declined to remediate the buildings that they are committed to look after. We have served a pre-action notice on the owners of Vista tower in Stevenage with precisely the intention of making sure that they honour their obligations.

**Justin Tomlinson** (North Swindon) (Con): Home ownership is absolutely key to social mobility, but as historically low interest rates come to an end, that becomes more difficult for future generations and existing homeowners. Will the Secretary of State commit to work with Martin Lewis of MoneySavingExpert to make sure that as we collectively navigate the changing landscape we communicate the most helpful advice to help people to deal with the changes?

**Mr Clarke:** My hon. Friend is absolutely right. We need to communicate clearly with the public about all the support and options that are available. My right hon. Friend the Chancellor is coming to the House later this afternoon precisely to give the kind of calm, clear messaging that we want so that we can reassure investors and the markets that there is a clear way forward on this vital question so that we can get interest rates as low as possible.

**Mr Ben Bradshaw** (Exeter) (Lab): One of the things that has helped my local authority to become the best in the south-west in providing affordable housing to buy and to rent is the power to require private developers to provide a proportion of housing that is affordable. Will the Secretary of State reassure me that worrying reports that the Government are considering raising the threshold for that requirement are not true?

**Mr Clarke:** We are looking at all the options that are open to us to try to accelerate house building across the country. We want to make sure that the right incentives are in place for developers to build—*[Interruption.]* If the hon. Member for Luton North (Sarah Owen) will let me answer the question, rather than shout at me. The reality is that we want to look at all those options. We have consulted on that particular option before, and we have decided not to do it. It is an issue that we keep under review, but the reasons that applied in our decision not to proceed then are very powerful.

## Ukrainian Refugees: Departmental Support

23. **Dr Ben Spencer** (Runnymede and Weybridge) (Con): What steps his Department is taking to support Ukrainian refugees. [901651]

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Andrew Stephenson):** The Government stand with Ukraine, and under the two visa schemes, Ukrainian refugees have full access to public services and welfare for up to three years. Over 120,000 Ukrainians have now arrived using those two schemes.

**Dr Spencer:** I thank the Government for the incredible support we are giving to Ukrainian refugees and my constituents, who have welcomed so many into their homes. Sadly, we are already hearing reports of breakdown between sponsor and refugee. Last week, I met the leader of Runnymede Borough Council and discussed the plans that he is putting in place to support refugees who cannot be rematched. What support is available to local authorities in that regard?

**Andrew Stephenson:** I am grateful to the hosts in my hon. Friend's constituency for the generosity and good will they have shown during the past six months, and I recognise the challenges that can bring. We remain steadfast in our support for Ukraine. For arrivals under the Homes for Ukraine scheme, the £10,500 per person we provide to councils helps to provide support to individuals and families, including in the minority of cases where someone is left without accommodation.

**Dame Diana Johnson** (Kingston upon Hull North) (Lab): With the departure of Lord Harrington, who was a Minister in both the Home Office and this Department, will the Minister explain what discussions he has had with the Home Office about how to deal with the potential homelessness of many Ukrainians under the Homes for Ukraine scheme?

**Andrew Stephenson:** I have met the Home Secretary directly since my appointment and I work very closely with the Minister of State, Home Department, my hon. Friend the Member for Corby (Tom Pursglove), who is responsible for immigration. We are closely aligned on all these issues.

## Topical Questions

T1. [901654] **Mrs Emma Lewell-Buck** (South Shields) (Lab): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Levelling Up, Housing and Communities (Mr Simon Clarke):** This Government's mission is to deliver economic growth to make every part of our country more prosperous and successful. Levelling up is central to that mission, and our commitment to delivering on that promise and objective is stronger than ever. We have launched our investment zones, which, as I have said already, elicited a huge response from local government. That is, of course, proof that there is an appetite to make that mission succeed. As Secretary of State, I will back local leaders every step of the way to drive growth and deliver for their communities.

1. *[Official Report, 19 October 2022, Vol. 720, c. 4MC.]*



**Mrs Lewell-Buck:** A recent report and freedom of information requests have found that levelling up is failing the north-east. Our councils are forced to spend millions on preparing bids, there remains a lack of transparency in the Department's decision-making processes, and it is still completely unclear what levelling up means. It has always been an empty slogan, hasn't it?

**Mr Clarke:** Fond as I am of the hon. Lady, who is an excellent parliamentarian, I am afraid that she is wrong on this point. The report in question set out that councils across the north-east had spent £4 million applying for the levelling-up fund and had received more than £360 million in return. That seems a very good rate of return to me. On her point about people not knowing what levelling up means, tell that to the people of Teesside, with the remediation of the Teesworks site. Tell that to the people of Blyth, with Britishvolt. Tell that to the people of Hartlepool—*[Interruption.]*

**Mr Speaker:** Order. This is the topical questions session, Secretary of State. We do not need these personal battles. Let's move on.

T2. [901655] **Mark Eastwood** (Dewsbury) (Con): It has been an exception year for Mirfield in Bloom, winning regional and national Britain in Bloom awards as well as being presented with the Queen's award for voluntary service. Will my hon. Friend join me in congratulating Britain in Bloom community champion Christine Sykes, Ruth Edwards and the Mirfield in Bloom team on receiving recognition for their amazing work and does she agree that Britain in Bloom competitions are vital in transforming the visual appearance of our towns?

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison):** I thank my hon. Friend for bringing the issue to the attention of the House. I join him in congratulating Christine, Ruth and the Mirfield in Bloom team. The Britain in Bloom competition is a fantastic way to bring communities together.

**Mr Speaker:** We now come to the shadow Secretary of State, Lisa Nandy.

**Lisa Nandy** (Wigan) (Lab): I welcome the Secretary of State to his place. He is the third Secretary of State I have had the pleasure of shadowing in the past 10 months and I wish him well for however long he remains in office. In an hour's time, it looks like his investment zones will be the only thing left of this bin fire of a Budget. Can he tell us what assessment he has made of the amount of growth they will generate by the end of 2024 and will it be enough to offset the £26 billion he and his friends have just added to people's mortgages?

**Mr Clarke:** I thank the hon. Lady for her welcome to the Dispatch Box. I am really proud, as someone who represents a classic community that needs to benefit from levelling up, to be in this post. On her point about investment zones, we are clear and, more importantly, local councils are clear that this is a transformational programme and we are evaluating the bids that have come forward so that we can give her an estimate of the numbers that will be unlocked by the bids that have been received.

**Lisa Nandy:** Oh my word, the Secretary of State has not done an assessment, has he? This is literally the only policy that the Government have left and he has not checked whether it will work. He said a moment ago that this is the Treasury's money. It is not the Treasury's money that he is using for this experiment; it is our money, and they have not checked whether it will work. First the Budget, and now this—it is really not getting any better. The truth is that the only thing growing under this Government is the size of people's mortgage payments.

**Mr Clarke:** The hon. Lady is asking me to evaluate the impact of bids that we received only on Friday, so I am afraid that her logic is back to front. We are proposing investment zones because they are needed to drive jobs, growth and opportunity. Councils can recognise that even if, sadly, the Labour Front-Bench team cannot.

T3. [901656] **Greg Clark** (Tunbridge Wells) (Con): Like the hon. Member for Wigan (Lisa Nandy), I wish my right hon. Friend longevity in his vital position. When will he announce the devolution deals with Suffolk and north-east England that were negotiated this summer?

**Mr Clarke:** I am very fortunate to have had two such able predecessors in my right hon. Friend the Member for Surrey Heath (Michael Gove) and my right hon. Friend the Member for Tunbridge Wells (Greg Clark), to whose work at the Department I pay tribute. As he knows, we are bringing forward devolution deals at pace—I believe in them passionately—and I hope that there will be good news to announce on both those deals very shortly.

**Mr Speaker:** I call the SNP spokesperson, Patricia Gibson.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Recently, I raised concerns about fracking being imposed on Scotland using the United Kingdom Internal Market Act 2020. The Business Secretary replied that that Act is the Koh-i-Noor jewel in the crown of the UK constitution—an unfortunate comparison given that the Koh-i-Noor was pillaged from India by the British. Then we heard a Tory MP suggest that fracking should go ahead in Scotland, instead of in her constituency. As the Secretary of State for Communities, will he make it clear to his Cabinet colleagues that there must be no move to impose fracking on communities in Scotland?

**Mr Clarke:** Fracking will take place only where there is community consent.

T4. [901657] **Nickie Aiken** (Cities of London and Westminster) (Con): I appreciate that some elements in Government may insist that we need more powers to deal with aggressive beggars, but I gently suggest that we have such legislation, including the Anti-social Behaviour, Crime and Policing Act 2014. Does the new Secretary of State therefore agree that we do not need clause 187, a placeholder clause, in the Levelling-up and Regeneration Bill, and will he scrap it immediately?

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Andrew Stephenson):** I pay tribute to my hon. Friend's tireless efforts to tackle homelessness and rough sleeping in Westminster, and to her successful campaign to repeal the Vagrancy Act 1824.



My ministerial colleague, the Under-Secretary of State for Levelling Up, Housing and Communities, the hon. Member for Bishop Auckland (Dehenna Davison), and I are keen to continue to work with her to ensure that we get the balance right.

**T6. [901659] Wendy Chamberlain** (North East Fife) (LD): Today, representatives of food poverty charities delivered a petition to Downing Street calling for urgent steps to stop families having to rely on charitable food aid to survive. The all-party parliamentary group on ending the need for food banks has its own inquiry. Will the Minister meet us to discuss our report and its recommendations?

**Andrew Stephenson:** I would be very happy to meet the hon. Lady.

**T5. [901658] Ian Levy** (Blyth Valley) (Con): As Blyth Valley is now at the heart of the renewable energy sector, I have the pleasure of informing the House that work is about to start on an £11 million STEM training centre at the Port of Blyth, which will give young people the skills and education that they need to move forward in the world of work. Does my hon. Friend agree that that has been achieved by having a Conservative Government, a Conservative-led county council and a local Conservative Member of Parliament?

**Dehenna Davison:** My hon. Friend is an incredibly passionate campaigner for Blyth. I am glad to hear that construction will soon begin on that indispensable part of its £20.9-million town deal. I understand that the Energy Central learning hub will provide a range of state-of-the-art industrial training, which all shows the positive difference a Conservative Government, a Conservative council and a Conservative MP working together can make for Blyth residents.

**T7. [901660] Kim Johnson** (Liverpool, Riverside) (Lab): In Liverpool, 12% of all homelessness applications are a result of domestic abuse. Our self-contained apartments for women and children are constantly at capacity, and plans to double their number are expected to barely touch the sides. What measures will the Minister take to protect survivors of domestic abuse from becoming homeless?

**Andrew Stephenson:** My Department is committed to the delivery of safe accommodation with support for all victims of domestic abuse. That is part of the Government's overall strategy to tackle violence against women and girls. I would be happy to write to the hon. Lady with more details.

**T9. [901662] David Johnston** (Wantage) (Con): My hon. Friend will know that I have been campaigning for new homes to be built to the latest environmental standards, about which I have met previous Ministers in his Department. I very much welcome what the Government have done on recent building regulations, but will he meet me to ensure that houses are not just started but completed to the latest environmental standards?

**The Minister of State, Department for Levelling Up, Housing and Communities (Paul Scully):** I thank my hon. Friend, who does amazing work in tackling this issue in his area. In June, an uplift in energy efficiency standards for new homes came into force. There is a

transitional period of one year to minimise disruption to projects that are already under way. To stop developers sitting on this, however, it will be about not just each project but each house, because homes must be built to the new standards.

**T8. [901661] Ruth Cadbury** (Brentford and Isleworth) (Lab): Local councils such as Hounslow have a statutory duty to assess and care for unaccompanied asylum-seeking children placed in local hotels by the Home Office. Many of these children are clearly 13 or 14 years old, and on one day alone 72 arrived in hotels in the borough. What discussion has the Department had with affected boroughs about the additional support they need to provide their statutory duty to these hugely vulnerable children?

**Andrew Stephenson:** We are working closely with local councils to understand where the pressures are, and actively exploring options to find suitable long-term accommodation for a range of different asylum-seeker cohorts. I would be more than happy to meet the hon. Lady to discuss the specific challenges in her area.

**Guy Opperman** (Hexham) (Con): On investment zones, can I urge the Secretary of State to consider mixed-use zones that feature housing and pension fund investments similar to what is seen in the Netherlands?

**Mr Simon Clarke:** I thank my hon. Friend for his question. It is a very perceptive one. We believe that zones can support both housing and jobs. Clearly, in some cases that could be on the same site.

**T10. [901663] Paul Blomfield** (Sheffield Central) (Lab): Contrary to last week's pledge by the Prime Minister, the latest Chancellor has said he will cut public spending. Sheffield Council has seen its Government grant halved in real terms over the last 12 years, as Conservative Chancellors have boasted about shifting money to wealthier areas. We have lost £2.1 billion, the annual grant is worth £288 million less and local services have been decimated, so will the Secretary of State press the new Chancellor not to make any further cuts to council funding and to redress the damage already done?

**Paul Scully:** I am sure the hon. Gentleman will be awaiting the local government finance settlement, but in the meantime Sheffield high street has received nearly £16 million from the future high streets fund and £8.2 million for three projects through the community renewal fund. There is also £20,000 for the gateway to Sheffield bid, and £46,000 across South Yorkshire, including Sheffield, so I hope he will include those funds in his assessment.

**Andrew Jones** (Harrogate and Knaresborough) (Con): In the Harrogate district, a local council has asked for three sites to be considered as investment zones. All are existing commercial operations earmarked for future investment. Does my right hon. Friend agree that the understandable concerns about special protection landscape areas are not borne out by the reality now that the sites are being identified? Will he take the opportunity to reconfirm that targets on biodiversity and net zero remain central to his Department?

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley):** I thank my hon. Friend for his question about investment zones. As we have said, strong environmental outcomes will be absolutely at the core of investment zones, and we welcome applications from his area and from everywhere else in the United Kingdom.

**Mr Toby Perkins** (Chesterfield) (Lab): Many families hosted a Ukrainian family nearly six months ago. Those arrangements are coming to an end, and there is a real danger that we are going to see a large number of Ukrainian families homeless this winter. The Government need to do far more than the response of the right hon. Member for Pendle (Andrew Stephenson) to a previous question. Can Ministers tell us what their strategic approach is to prevent us from having Ukrainian families on our streets this Christmas?

**Andrew Stephenson:** The hon. Gentleman makes a powerful point, and we are working across Government to ensure that we have a sustainable process for this. It was remiss of me, in my answer to the right hon. Member for Kingston upon Hull North (Dame Diana Johnson), not to pay tribute to my predecessor, Lord Harrington, who is in the Gallery today. We all, across the House, owe a debt of gratitude to him for the incredible work he did to support Ukrainian families.

**Nick Fletcher** (Don Valley) (Con): Doncaster Council has put forward three sites that will benefit from investment-zone status, with two in Don valley: Unity at Thorne and Doncaster Sheffield airport. Will the Minister meet me to discuss the merits of each of those proposals?

**Mr Simon Clarke:** I thank my hon. Friend for alerting me to the applications from his authority area. He has been the most tireless champion of saving Doncaster Sheffield airport, for which he deserves our congratulations.

**Chris Bryant** (Rhondda) (Lab): New research by the Disabilities Trust shows that 48% of homeless people have had a major brain injury, which may have led to their being homeless. Is it not time that we put to an end the situation where victims of crime or of a major accident end up losing everything? Will he answer that question and will he and his Department meet the Disabilities Trust and ensure that everything is done to bring that to an end?

**Mr Clarke:** The hon. Gentleman makes a powerful case on this issue and I commit the Department to meeting to discuss it.

**Selaine Saxby** (North Devon) (Con): How will my right hon. Friend ensure that affordable houses are built in rural Britain if the development size limit moves from nine to over 40?

**Mr Clarke:** I thank my hon. Friend for her question. We are looking at all the measures that can be used to drive forward and accelerate housing growth, but as I said in response to the right hon. Member for Exeter (Mr Bradshaw), there are compelling reasons why this option has not been pursued before, and I hope that will give some comfort to my hon. Friend today.

**Mr Speaker:** That ends questions. Before we come to the next business I want to say something about applications for urgent questions. Although such applications are made in confidence, on an exceptional basis I want to say something about applications that I received today about the treatment of protesters at the consulate of the People's Republic of China in Manchester at the weekend. I regard this issue as being of the utmost seriousness; it is something which I am convinced should be considered on the Floor of the House. Given the importance and urgency of the other business being taken I will not allow the UQ today, but if no statement on the subject is brought forward by the Government later this week, I shall certainly be sympathetic to a UQ application.

## Replacement of the Chancellor of the Exchequer

3.31 pm

**Keir Starmer** (Holborn and St Pancras) (Lab) (*Urgent Question*): To ask the Prime Minister to make a statement on the replacement of the Chancellor of the Exchequer during the current economic situation.

**The Leader of the House of Commons (Penny Mordaunt):** With apologies to the Leader of the Opposition and the House, the Prime Minister is detained on urgent business—*[Interruption.]*—and they will have to make do—*[Interruption.]*

**Mr Speaker:** Order. I must hear the answer to why the Prime Minister is not here.

**Penny Mordaunt:** I afraid you will have to make do with me, Mr Speaker.

The Prime Minister has taken the decision to appoint my right hon. Friend the Member for South West Surrey (Jeremy Hunt), one of the longest serving and most experienced parliamentarians, as her Chancellor. Their overriding priority is to restore financial stability in the face of volatile global conditions. We will take whatever tough decisions are necessary, and have made changes to the growth plan, which the Chancellor is waiting to update the House on as soon as this urgent question finishes.

**Keir Starmer:** I thank the right hon. Lady for answering the question put to the Prime Minister; I guess that under this Tory Government everybody gets to be Prime Minister for 15 minutes.

The country is in an economic crisis made in Downing Street. Because they have lost all credibility, Government borrowing costs have soared, mortgage rates have ballooned, markets need reassuring, and there is long-term damage that cannot be undone. Once you have crashed the car at 100 mph, you have damaged it for good and will be paying much more on your insurance for years to come. It is working people who will pay, left wondering if they can afford to stay in their homes—if their hopes of owning a home have not already been crushed.

Now, it is time for leaders to lead, but where is the Prime Minister? She is hiding away, dodging questions, scared of her own shadow; the lady's not for turning—up! Now, it is time to be honest about the mistakes they have made, but what does the Prime Minister say? She says, “My vision is right, my mission remains, I sacked my Chancellor but I can't tell you why.” Now is a time for consistent messaging. But what do we get? A Prime Minister saying, “Absolutely no spending reductions,” a Chancellor saying that there will be cuts, a Prime Minister saying that she is in charge, and a Chancellor who thinks that he is the chief executive officer and the Prime Minister is just the chair. How can Britain get the stability it needs when all the Government offers is grotesque chaos? How can Britain get the stability it needs when instead of leadership we have this utter vacuum? How can Britain get the stability it needs when the Prime Minister has no mandate from her party and no mandate from the country?

**Penny Mordaunt:** Let me start by saying that I am quietly confident that the Leader of the Opposition will not have his 15 minutes of fame. With regard to questions raised on economic policy, I will defer to the Chancellor. Hon. Members will want time to question him fully and hear the detail, and I do not wish to eat into that time. Our constituents will want to hear about the issues facing them—their bills, mortgages and benefits, and their businesses—so I had wondered what else the Leader of the Opposition wished to discuss in an urgent question that would delay such an important statement.

In his urgent question, the Leader of the Opposition paints a contrast, so let me paint one, too. The decision taken by our Prime Minister would have been a very tough one politically and personally, yet she took it, and she did so because it was manifestly in the national interest that she did. She did not hesitate to do so because her focus is on the wellbeing of every one of our citizens. It was the right thing to do, and whether you agree with it or not, it took courage to do it.

In contrast, what the right hon. and learned Gentleman has done today, at this most serious moment, took no courage or judgment or regard to the national interest. Three years ago, when this Parliament was paralysed by Brexit, a general election would have been in the national interest, and he blocked one. Today, when the country needs some stability and urgent legislation to put through cost-of-living measures, and while we are in the middle of an economic war levelled at every school and hospital in the country, he calls for one and for weeks of disruption and delay.

We will take no lectures from the right hon. and learned Gentleman on working in the national interest. I could point to his frustration of our leaving the EU and his campaigning for a second referendum. I could point to his support for the right hon. Member for Islington North (Jeremy Corbyn) and his positions on NATO, his arguments against our leaving lockdown, or his support for our involvement with the EU vaccines agency, all of which were against the national interest. Nor will we take any lectures on consistency of policy or messaging. He has abandoned every single one of his pledges made during the Labour leadership contest—*[Interruption.]*

**Mr Speaker:** Order. I think the country wants to hear what is being said and, if I cannot hear, they cannot hear. Can we please listen to the Leader of the House? I am sure that she is coming to the end now.

**Penny Mordaunt:** I am, Mr Speaker.

**Mr Toby Perkins** (Chesterfield) (Lab): Are you coming to the subject now?

**Mr Speaker:** Order. Mr Perkins, if you want to go and get a cup of tea, I am more than happy to pay for it.

**Penny Mordaunt:** That is why, even on our toughest and most disappointing days, I will always be proud to sit on the Government side of the House. We will put the national interest first. Now, let us get on and hear from the Chancellor.

**Mr Speaker:** First, I want to hear from the Father of the House, more importantly: Sir Peter Bottomley.



**Sir Peter Bottomley** (Worthing West) (Con): I am not sure I am more important, but can I say to my right hon. Friend that the Leader of the Opposition has reversed most of the things he said he would do if he became leader? If Members have a short memory, only nine months ago, some of his senior colleagues were circling to see whether they could be a better Leader of the Opposition than him. When circumstances change, it is right for policy to change and, if what is announced today leads to lower inflation, a lower cost of borrowing and a greater chance that this country can get back to prosperity, it is worth doing.

**Penny Mordaunt:** I agree with the Father of the House. The right hon. and learned Member for Holborn and St Pancras (Keir Starmer) has reversed his position on economic justice, social justice, climate change, promoting peace and human rights, common ownership, defending migrants' rights, strengthening the rights of workers and trade unions, radical devolution of power, wealth and opportunity, equality and effective opposition to the Tories.

**Mr Speaker:** We now come to the SNP spokesperson, Kirsten Oswald.

**Kirsten Oswald** (East Renfrewshire) (SNP): Today, Scotland's First Minister set out an optimistic, ambitious and credible economic plan for Scotland's future—a leader who spent over an hour setting out and answering questions on the positive case for our country's independence. That is in stark contrast to a Prime Minister hiding in Downing Street, terrified to answer for the mess she has made—the mess that will cause so much harm to all our constituents. Mr Speaker, I am going to keep this short and to the point. Can the Leader of the House tell us: where on earth is the Prime Minister? If she does not even have the backbone to show up here today, is there really any point in her showing up here again? Surely, time's up. She needs to go and let the people decide.

**Penny Mordaunt:** I am glad to hear the First Minister of Scotland made a statement. I am hoping that shortly the House will be able to hear from the Chancellor of the Exchequer to set out the Government's position. I would be interested to know if the First Minister's statement included the tax dividend to every Scottish household of being a member of the United Kingdom.

**Dame Maria Miller** (Basingstoke) (Con): In the last four weeks, the facts are that the global economic conditions we face have worsened. *[Interruption.]* The Opposition may not want to acknowledge it, but that is the truth. Inflation rates have increased around the world and in the United States they are now the highest they have been since 1982. Does my right hon. Friend agree that we should always be prepared to make the policy changes we need in the best interests of the people we represent?

**Penny Mordaunt:** I agree with my right hon. Friend and that is why the Prime Minister has taken this decision.

**Dame Angela Eagle** (Wallasey) (Lab): What we have seen in the last month is one of the largest humiliations this country has ever experienced, and it is directly as a result of the current Prime Minister's agenda, which she

set out to the tiny sliver of UK people who voted for her to be the Prime Minister. The Leader of the House is perhaps auditioning to be the next one along, because surely she knows that this humiliated Prime Minister simply cannot last.

**Penny Mordaunt:** As I said in my opening remarks, this will have been a very difficult decision for the Prime Minister and she has taken it because it is in the national interest. She should have all our support in doing so.

**Mr Peter Bone** (Wellingborough) (Con): If I was the financial director of a plc and went to the board and suggested that we cut our revenues greatly and we would not put in an increase next year, the director of the board would look at me and say, "That's good. So, Peter, what are the spending implications and how is it going to be funded?" Unfortunately for the previous Chancellor, he did not provide those answers. We had a statement lasting two and a half hours, instead of a Budget that should have been debated for 23 or 24 hours. Will the Leader of the House admit that that is the reason the Chancellor had to go? He produced a part-Budget, not the whole thing.

**Penny Mordaunt:** I thank my hon. Friend for his remarks. I hope that we will soon be able to hear from the Chancellor on these important matters and concerns for Members of the House and their constituents.

**Ed Davey** (Kingston and Surbiton) (LD): The previous Prime Minister shattered the public's trust in the Government. The current Prime Minister has trashed the British economy. Meanwhile, Conservative MPs have sat there and let it happen. For the damage and pain that they have caused across our country, will the Leader of the House, on behalf of her whole party, address the people and businesses of our great country and apologise?

**Penny Mordaunt:** I thank the right hon. Gentleman for his question. We have made this change for a reason. I understand that people want certainty and reassurance about their bills, their businesses and their benefits. I am sorry that the events leading to the changes today have added to the concerns about the major volatility that already existed in the economy. That is why we are putting it right today, and that is what the Chancellor will speak about in his announcement shortly.

**Richard Graham** (Gloucester) (Con): The country is waiting to hear from the Chancellor on issues of fiscal responsibility, market stability and sustainable growth. Does my right hon. Friend agree that what this entirely unnecessary debate shows is that the Opposition are putting politics before the interests of our constituents?

**Penny Mordaunt:** I agree completely.

**Hilary Benn** (Leeds Central) (Lab): The Leader of the House said yesterday that what the country needs is stability and not a "soap opera". I agree, so will she explain why the Prime Minister is still in office when it is clear to almost everyone, including many of the colleagues of the Leader of the House behind her today, that she is no longer in power?



**Penny Mordaunt:** I think it is incredibly important today that the Chancellor is allowed to set out the policy changes that he has made to provide answers to the House and the country, so we can restore some certainty to the growth programme. That is what will help stability, and I ask all hon. Members to consider, in their questioning to me, how those questions will help that scenario.

**Stephen Crabb** (Preseli Pembrokeshire) (Con): Pragmatism and dealing with the world as it is are the traditional strengths of Conservatives in Government, and the fiscal changes being announced by the new Chancellor today are entirely correct. Does my right hon. Friend agree, though, that the very last thing that is needed right now—the last thing that mortgage holders, people struggling to get on the housing ladder and people who are worried about paying their fuel bills need—is further political instability upsetting markets?

**Penny Mordaunt:** My right hon. Friend is right. We also need to put through legislation to enact some of the measures that will help with the cost of living issues that people are facing. We need time on the Floor of the House to do that and we need to give the public some certainty about the future.

**Alison McGovern** (Wirral South) (Lab): On the turbulence in the markets, and the reason that the Chancellor was replaced, it is not just about tax; it is also about trust. Trust in the British Government comes from the knowledge that they enjoy the consent of the British people. How does the Leader of the House think that is going?

**Penny Mordaunt:** I think that the Chancellor should be able to come to the Floor of the House and outline his policies. This is a serious moment. We want to ensure that the markets are reassured, and I suggest that any questions that the hon. Lady has on economic policy are directed to the Chancellor.

**Alberto Costa** (South Leicestershire) (Con): In her answer to the Leader of the Opposition, my right hon. Friend abundantly demonstrated to this House what an enormous asset she is to the governing party. Does she agree that any single Conservative MP would make a fantastic Chancellor, well above any socialist or separatist on the Opposition Benches?

**Penny Mordaunt:** In terms of the Opposition's performance, I think Larry the cat would give them a run for their money.

**Sammy Wilson** (East Antrim) (DUP): I and my colleagues take no joy in the difficulties in which the Government and the country find themselves at present, because they affect all our constituents. Does the Leader of the House agree that most people watching today do not want to see political point scoring or in-house backstabbing? They want to know how they can afford to pay their mortgages, how they can meet the cost of living and how they can make decisions about their businesses.

**Penny Mordaunt:** The right hon. Gentleman is absolutely right. Lovely though I am, I think that people want to hear from the Chancellor. They want to hear the detail of the policies that are changing, and hon. Members

will want to ask him about how that will affect their constituents. That is what we should be focusing on today.

**John Lamont** (Berwickshire, Roxburgh and Selkirk) (Con): I very much welcome the speed at which the new Chancellor has acted. Can the Leader of the House confirm that the Chancellor and all members of the Government will continue to work with colleagues on the Back Benches to ensure that we are able to communicate the great successes of this Conservative Government to all parts of the nation?

**Penny Mordaunt:** I know that the Chancellor wants to work with all Members of this House in the interests of all our constituents. I hope that there will also be opportunities to talk about our record in government and how we have transformed this country for the better since 2010.

**Chi Onwurah** (Newcastle upon Tyne Central) (Lab): The Leader of the House's response to the urgent question was quite frankly ridiculous. She is claiming that the Prime Minister, cowering in some corner somewhere, is courageous. It does not take courage to crash our economy; it takes reckless arrogance and a disregard for ordinary people's working lives. Equally, it does not take courage to sack a Chancellor after barely a month; it takes total, desperate opportunism. Will the Leader of the House admit that what it will take to restore our fiscal credibility and the confidence of the markets is a Labour Government?

**Penny Mordaunt:** The Prime Minister's actions did take courage—personal courage—and they were the right thing to do in the national interest. I think that the right thing to do in the national interest is to let the Chancellor give his statement.

**Duncan Baker** (North Norfolk) (Con): Whether it was the £450 billion spent during the pandemic, whether it is Ukraine and the 100,000 refugees now in our country whom our constituents are looking after, or whether it is the hardships of the energy crisis, can my right hon. Friend tell us that this Government will always do what is necessary to step up to the plate and help the most vulnerable people in society, across our country and the rest of the world?

**Penny Mordaunt:** As I am sure the Chancellor will say, we are in very volatile times. The war in Ukraine is not just a war against the people of Ukraine; it is an economic war against other nations, too. We will always do the right thing in those circumstances.

**Mr Speaker:** I call Liz Saville Roberts.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): Diolch yn fawr, Mr Llefarydd. The new Chancellor's veneer of fiscal responsibility fails to disguise the fact that imposing more painful austerity is a political choice made to save the absentee Prime Minister from the consequences of her ideological experiment. With the Welsh Government already facing a shortfall of more than £4 billion over three years, and with public services close to buckling, further austerity will entrench the vast wealth inequalities that characterise this disunited kingdom. Will the Leader of the House admit that now even the pretence of levelling up is dead?

**Penny Mordaunt:** I ask the right hon. Lady to remember that we have given the largest budget ever to the devolved Administrations. Against the backdrop of coming into government when there was no money left, we have still managed to hold down fuel duty, introduce a living wage, create a modern welfare system in which people are better off and get nearly 4 million people into work.

**Robbie Moore (Keighley) (Con):** I share the Government's desire to reduce tax on working people, but of course we must ensure stability in the markets, because they go hand in hand. I therefore welcome the Chancellor's announcement to the markets earlier this morning. Can the Leader of the House confirm that the Government are working with the Office for Budget Responsibility and others in developing policy for the upcoming medium-term fiscal plan?

**Penny Mordaunt:** I thank my hon. Friend for his remarks. He is absolutely right to stress the importance of stability, and I think that will be helped by the Chancellor being able to make his statement.

**Stella Creasy (Walthamstow) (Lab/Co-op):** The Leader of the House suggests that we should be grateful for the fact that the Prime Minister has made a difficult decision. I presume that she means "grateful for the fact that the Prime Minister has stuck to it," given the number of U-turns that we have seen over the last couple of days, but that is what the job is—making difficult decisions. There are difficult decisions to be made about what is happening in Ukraine, about the fact that President Putin has nuclear weapons, about the chaos caused by Brexit, about gang crime, about the climate crisis, and about Ebola in Africa; and all that we know right now—unless the Leader of the House tells us otherwise—is that the Prime Minister is cowering under her desk and asking for it all to go away. Is it not about time she did that, and let someone else who can make decisions in the British national interest take charge instead?

**Penny Mordaunt:** The Prime Minister is not under a desk, as the hon. Lady suggests. I can assure the House that, with regret, she is not here for a very good reason. Neither has she taken this decision to win the hon. Lady's gratitude; she has done it out of a sense of duty, because she knows what is in the national interest.

**Aaron Bell (Newcastle-under-Lyme) (Con):** As my right hon. Friend has said, this will have been a difficult decision for the Prime Minister, both politically and personally because of her loyalty of my right hon. Friend the Member for Spelthorne (Kwasi Kwarteng). However, it is vital that we provide economic stability for the families and businesses in constituencies like mine and across the country. We have already seen that this morning from the Chancellor. Does my right hon. Friend agree that it is high time the House heard from the Chancellor about how we are going to provide that stability?

**Penny Mordaunt:** Yes.

**Andrew Gwynne (Denton and Reddish) (Lab):** We know that the Prime Minister is now not in power. We know that there has been a coup, because the Prime Minister should be here to defend her decisions today.

We want to know from the Prime Minister why her economic plan has been trashed just weeks after it was announced. We want to know from her whether she is sorry for the misery she has caused to millions of people across the country. We want to know, on behalf of those who now have new mortgages at higher interest rates for the foreseeable future, whether she is sorry for her actions. The Prime Minister, the Leader of the House says, is not cowering away. If she is not cowering away, will she be here to sit by the Chancellor and show her confidence in the new plans to the country?

**Penny Mordaunt:** I know it is not usually in the nature of the hon. Gentleman to overdramatise a situation, but I do not think there has been a coup. I do, however, agree with him that these are serious matters for our constituents, and I hope that all hon. Members will be able to question the Chancellor and receive the answers that they need for their constituents.

**Jerome Mayhew (Broadland) (Con):** Fiscal credibility is always the backbone of any growth policy, so I welcome the actions of the Chancellor of the Exchequer, but just as important are pro-growth reforms to back entrepreneurs and businesses. Can the Leader of the House confirm that the Government will continue to review EU-inspired regulations to make them bespoke for the UK economy, deliver pro-growth investment zones right across the country, and boost our energy supply?

**Penny Mordaunt:** I can give my hon. Friend that assurance. This is really important to our communities. We will continue with our programme on EU law and EU retained law, and our enabling regulation that the Department for International Trade is looking at, and also our programme on investment zones, in which there has been an enormous number of expressions of interest.

**Bill Esterson (Sefton Central) (Lab):** In her initial answer to the urgent question, the Leader of the House blamed international circumstances. If that is true, why do people in this country face paying more in increased mortgage payments than people elsewhere in the world; and if it is true, why did the former deputy Governor of the Bank of England say yesterday that the crash in the markets was the result of unique circumstances in the UK? Would it not be better for the Leader of the House and the Prime Minister to admit that they got it wrong and they are responsible, as a first and necessary step in rebuilding confidence in the markets?

**Penny Mordaunt:** I would point the hon. Gentleman to mortgage rates elsewhere in the world. I also suggest that he raises this with the Chancellor, who is waiting to give a statement.

**Dr Kieran Mullan (Crewe and Nantwich) (Con):** I welcome the change of approach; I think it was the right decision to take in the circumstances. At times like this, our constituents still want to be reassured, as they are worried about their bills. Can the Leader of the House confirm, for them and for the whole House, that our plan to help people with their bills this winter remains in place?

**Penny Mordaunt:** I can give my hon. Friend that assurance. The Chancellor's statement today is incredibly important, and people will want to hear about the package that we are bringing forward to help on energy prices and the other measures to help with the cost of living.

**Caroline Lucas** (Brighton, Pavilion) (Green): We have just seen the back of one Tory Prime Minister for trampling over standards in public life, only for him to be replaced by another who in just 40 days has herself failed to meet at least three of the Nolan principles. I would love to ask the Prime Minister herself about this, but given that she is not here, I shall ask that Leader of the House: is it leadership to sack your Chancellor for doing exactly what he was asked to do; is it objectivity to refuse to allow the OBR experts to assess the so-called mini-Budget; and does she agree that the first test of accountability is to actually show up?

**Penny Mordaunt:** I would suggest to the hon. Lady that it is leadership to take tough decisions in the national interest, even though they may be personally and politically difficult to take.

**Anna Firth** (Southend West) (Con): The Labour party stood on a manifesto that would have inflicted the highest ever tax burden on my constituents, so does my right hon. Friend agree that Labour can never be trusted to support the hard-working people of the UK or of Southend West?

**Penny Mordaunt:** My hon. Friend is not wrong.

**Rebecca Long Bailey** (Salford and Eccles) (Lab): Pendleton leisure centre, a flagship council development to tackle health inequalities in an area of high deprivation that seldom enjoys such investment, was suspended last week, largely, I am told, as a result of the Government's economic car crash and the prospect of more public spending cuts to come. Will the Leader of the House apologise on behalf of the Prime Minister to the people of Salford?

**Penny Mordaunt:** Although this is not business questions, if the hon. Lady would like to give me the details of that case, I would be happy to take it up.

**Simon Baynes** (Clwyd South) (Con): Can my right hon. Friend assure the House and my constituents that this Government will always pay their way and make whatever tough decisions are necessary to ensure that we go for growth in a responsible and Conservative way?

**Penny Mordaunt:** I can give my hon. Friend that assurance, and the Chancellor will be along shortly to give him some more details.

**Stephen Flynn** (Aberdeen South) (SNP): Who does the Leader of the House consider does a U-turn better: the Prime Minister or the leader of the Scottish Tories?

**Penny Mordaunt:** I live in hope that the hon. Gentleman and his party might do a U-turn and decide to honour the democratic vote in the referendum.

**Dr Luke Evans** (Bosworth) (Con): Since being elected, I have spent three years working on the Health Committee with the now Chancellor. He has an eye for detail, and compassion as well. Is he not exactly the right person to come forward and stabilise, and to demonstrate to the markets how difficult it can be in turbulent times and that he is the man to take us forward?

**Penny Mordaunt:** I thank my hon. Friend for those remarks about the new Chancellor. I think that is precisely why the Prime Minister has chosen him.

**Dame Diana Johnson** (Kingston upon Hull North) (Lab): In the national interest, and also to offer reassurance to the markets, can the Leader of the House confirm that the Prime Minister will not be taking any decisions on economic policy in the future? [*Laughter.*]

**Penny Mordaunt:** I have great affection for the right hon. Lady and am sure that the whole House appreciates her question, but the Prime Minister, her Chancellor and her Cabinet will be taking these decisions in the future. The decision that she has taken over the weekend, although personally difficult for her, is the right one for the nation.

**Sarah Owen** (Luton North) (Lab): The Leader of the House has mentioned a couple of times that the Prime Minister has taken difficult decisions. May I please enlighten her that these are not difficult decisions? Difficult decisions are what are facing our constituents, choosing how to turn on the lights, heat their home and feed their children. Do our constituents not deserve an answer from the Prime Minister, rather than an answer saying the Chancellor will come and tell us later?

**Penny Mordaunt:** The hon. Lady will want to hear from the Chancellor, because she will be able to ask him the precise questions that are of interest to her constituents. This Government have always protected people against the cost of living, and we have always protected the most vulnerable in our society. We will continue to do that.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): The Leader of the House and her colleagues do not have a monopoly on understanding what it is to take difficult decisions in the national interest. In 2010, my colleagues and I entered Government and took many difficult decisions for which we paid a political price. We did that because it was in the national interest. We did it on the advice of the Bank of England, and we set up the Office for Budget Responsibility. The Prime Minister was also part of that Government. At what point did she think it was no longer necessary to listen to the Bank of England and the OBR?

**Penny Mordaunt:** I thank the right hon. Gentleman for raising the issues we faced in 2010. People will remember the note outlining that there was no money left. What is less well understood is the scorched earth policy accompanying it, which tied the incoming Government into all kinds of contractual difficulties to make their job so much harder. That is why those on the Opposition Benches should never be allowed near Government. The Chancellor will be along shortly to answer questions about the OBR.



**Jess Phillips** (Birmingham, Yardley) (Lab): I find it absolutely incredible that the Leader of the House is incredulous that people might want to hear from the Prime Minister, as if it is a political game to ask questions of the leader of our country. That is an embarrassing thing to assert. She so wants to hear from the Chancellor but, in the national interest, can I ask her to be completely honest, because nothing we have seen has been honest—[*Interruption.*] I apologise.

**Mr Speaker:** Order. It was not about an individual, and the comment has been withdrawn. Carry on.

**Jess Phillips:** Oh yes, it was not about an individual.

We had the statement at 11 o'clock, when I was on the train—I could actually get on a train—so why was it that the markets needed reassuring?

**Penny Mordaunt:** First, I fully appreciate the optics of my appearing at the Dispatch Box, but there is a very genuine reason why the Prime Minister is not here. I understand that people will wish to make political hay out of it. She would wish to be here, but she is unable to be here at the moment. The Chancellor will be along shortly to answer these questions.

**Rushanara Ali** (Bethnal Green and Bow) (Lab): Last Friday, the value of the pound fell after the Prime Minister walked out of her press conference after just over eight minutes. Is it not increasingly the case that she and her Government are a risk to Britain's financial stability? It is time she stopped shirking and turned up to be held accountable, or she should get out of the way and call a general election.

**Penny Mordaunt:** I stress again to all honourable colleagues that there is a very good reason why the Prime Minister is not here. The Chancellor will be making a statement shortly, when Members will be able to ask him these questions.

**David Linden** (Glasgow East) (SNP): On the replacement of the Chancellor, given that he lasted 38 days in office and crashed the economy, will the Leader of the House confirm that the right hon. Member for Spelthorne (Kwasi Kwarteng) will be rejecting his ministerial severance payment?

**Penny Mordaunt:** I would not be involved in that decision at all, but the hon. Gentleman will know to whom he can write in order to find that out.

**Mr Ben Bradshaw** (Exeter) (Lab): The Leader of the House has claimed repeatedly that the Prime Minister has been courageous, but if the Prime Minister were really courageous, she would be here today, would she not? If she cannot or will not come to explain to the British people the reasons for her humiliating U-turns and to apologise to them, as the Leader of the House just did, from the Dispatch Box for the damage the Tories and she have done to this country, living standards and businesses, what is the point of her?

**Penny Mordaunt:** I refer the right hon. Gentleman to the answer I gave a little while ago about the Prime Minister and to the one I gave a moment ago about the fact that I certainly regret the uncertainty that has

added to worries that were already there about the very volatile global economic situation. That is why I am keen and happy that we have a statement from the Chancellor today.

**Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): The Prime Minister repeatedly declared that she was working in lockstep with her Chancellor but then unceremoniously dumped her closest political friend at the earliest possible opportunity in order to temporarily save her job. Now, in the greatest of ironies, she has sent out to speak on her behalf the very right hon. Lady who is desperately seeking to replace her. Leader of the House, I understand that Downing Street is hosting a reception this evening—is it a wake?

**Penny Mordaunt:** The motivations for the Prime Minister taking the decisions she has have been about the national interest. The hon. Gentleman may not appreciate, and I am not asking him to, the courage and duty that she felt to do that, but that is why she has done it.

**Chris Stephens** (Glasgow South West) (SNP): I want to get this clear. Can the Leader of the House confirm that the former Chancellor has been removed by the Prime Minister for acting on her instructions? Can the Leader of the House also confirm that the Prime Minister overruled the former Chancellor on the contents of the financial statement before it was made? If both things are true, the Prime Minister needs to resign, doesn't she?

**Penny Mordaunt:** These are not matters for me. The hon. Gentleman may wish to raise matters with the Chancellor. I think that what our constituents want to hear about from us today are the issues that are affecting them, and that is what the Chancellor will be speaking about, whenever he gets to this Chamber.

**Wayne David** (Caerphilly) (Lab): On behalf of the Prime Minister, will the Leader of the House simply say to the people of this country, "We are sorry"?

**Penny Mordaunt:** I have done so twice before in this urgent question and I will do so again. I know that this is an incredibly uncertain time for families and businesses across the country. The events that led up to the statement that is being made today are unfortunate and I am pleased that the Prime Minister has taken decisive action to stabilise markets. I am sure that the hon. Gentleman will want to question the Chancellor on those detailed matters. I have done this and I am happy to do so again.

**Clive Efford** (Eltham) (Lab): We are told that that the Prime Minister is going to be coming here in a moment to join the Chancellor when he makes his statement—presumably propped up "El Cid"-like, like Charlton Heston. This should have been an opportunity for the Prime Minister to show leadership and to apologise to the nation at the Dispatch Box in the Chamber of the House of Commons, yet she has failed to do so. We have all heard the stories about our constituents, up and down the country, who have had mortgages withdrawn at the last minute and whose lives have been put on hold because of the reckless mini-Budget that she agreed with her Chancellor. Does the Leader of the House agree that it is reckless of the Prime Minister to not show that leadership today and be here in this Chamber to be accountable for what she has done?



**Penny Mordaunt:** I think that the Prime Minister has shown leadership in taking the tough decision that she has and not for the first time. If our Prime Minister had not shown leadership when she was Foreign Secretary, we would not, alongside European nations, be giving the support to Ukraine that we rightly should be proud of.

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): If the Prime Minister was as courageous the Leader of the House asserts, she would be here answering questions this afternoon. The fact that the Prime Minister is unwilling to come to the House shows her complete lack of authority—weak before the country, weak before Parliament and weak before the markets. Refusing to face parliamentary accountability for her actions is not cowardice, it is a dereliction of duty. Does the Leader of the House agree that it is well past time for this lame duck Prime Minister to go?

**Penny Mordaunt:** The Prime Minister has come to this House many times, and in the previous roles she has held, she has come to this House many times, often to talk about very difficult issues. There is a genuine reason why she is not here, and I hope that she will be able to join the House later this afternoon.

**Dame Margaret Hodge** (Barking) (Lab): I was not going to rise to ask a question, but I have been concerned at some of the answers that the Leader of the House has given. If we are to stabilise the markets and restore some confidence in the economy, we have to have trust in the strong leadership of our country, and that is the role of the Prime Minister. The Leader of the House has said a number of times that there are good reasons why the Prime Minister is not here this afternoon. In the interests of total transparency and proper accountability, and to restore confidence in markets, will she give us those reasons?

**Penny Mordaunt:** The right hon. Lady will have to be content with my assurances. I cannot disclose the reasons; I have asked if I can—I am being very genuine with the House on this matter. I hope that she will be able to join us a bit later on this afternoon, but both the Prime Minister and her Chancellor, and her Cabinet, are determined to take the tough decisions to ensure that we have stability and confidence going forward. I hope that the Chancellor's statement will reassure the right hon. Lady.

**Chris Bryant** (Rhondda) (Lab): To be honest, I just thought it was utterly shabby to sack the Chancellor of the Exchequer for doing precisely what he had been told to do by the boss. It is like sacking the staff for messing up yourself. It is not on. It is bad form. It is not honourable; it is despicable. But what really worries me is that you cannot really govern if you do not have a mandate. You cannot govern if you cannot get your Budget through this House, because by definition that shows that the House does not have confidence in you. Every honourable Government previous to this, at that moment when it was evident that they could not get their Budget through, has resigned and allowed a general election. Is that not what should happen now?

**Penny Mordaunt:** What I would say to the hon. Gentleman is that I think it is an honourable thing to act in the national interest, even if it is incredibly

difficult personally and politically for someone to do that, and that all Conservative Members were elected in 2019 as a team, on a manifesto that we are determined to deliver.

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): The right hon. Lady has said many times that the Prime Minister could not come here for a specific reason at this time. Is there a reason why the Prime Minister decided she did not want to make a statement to the House? She could have chosen any time to do that, even at 10 pm. Does the Leader of the House not think that we, as elected MPs, and the public in this country deserve to hear from the Prime Minister?

**Penny Mordaunt:** I am sure there will be many opportunities to hear from the Prime Minister, some in the next 24 hours, but given the nature of the statement today, it is appropriate that the Chancellor delivers it.

**Brendan O'Hara** (Argyll and Bute) (SNP): Whether she is under her desk or behind a couch, people rightly view the Prime Minister's sacking of the Chancellor as a particularly unedifying act of self-preservation, given that he was thrown under the bus for saying exactly what she asked him to say. It would be like the ventriloquist Ray Alan sacking Lord Charles for saying the wrong thing. Will the Leader of the House now join me in asking the ventriloquist dummies on her own Benches, who demanded that the Scottish Government follow this insane, economy-wrecking policy, to apologise to the people of Scotland?

**Penny Mordaunt:** I thank the hon. Gentleman for noting that the public might be concerned for the former Chancellor, but I think what they are really going to be concerned about is their own household budgets and their businesses. That is why it is important that this decision was taken, and we will hear from the Chancellor shortly. With regard to the hon. Gentleman's other point, I would point out that there are many people, including many in Scotland, who would like the First Minister to apologise for some of her decisions.

**Christian Wakeford** (Bury South) (Lab): With her economic plan, much like her judgment, in tatters and the fact that she cannot even be bothered to come to the Chamber today, I have to ask: what is the point of the Prime Minister?

**Penny Mordaunt:** I thank the hon. Gentleman for that insightful question. I repeat that the Prime Minister would normally be here, but that there is a good reason why she is not.

**Nick Smith** (Blaenau Gwent) (Lab): Is it true that the right hon. Member for Spelthorne (Kwasi Kwarteng) first found out that he was sacked on Twitter, rather than being told to his face?

**Penny Mordaunt:** Hon. and right hon. Members of this House obviously want to ask all kinds of questions, but what the public are worried about are cost of living issues, the stability of the markets, and the energy package that we will be putting through later today to

[*Penny Mordaunt*]

help them with the cost of living. I urge all colleagues to remember the context in which we are meeting this afternoon.

**Stephanie Peacock** (Barnsley East) (Lab): Is the Prime Minister on her way to the Palace?

**Penny Mordaunt:** I would very much like to be able to tell all hon. Members what the Prime Minister's business is today, but there are very serious matters, as well as economic matters, in her in-tray. As Members know, she comes to this House on a regular basis, and she will be here tomorrow, but she is not able to be here at this precise moment.

**Mr Toby Perkins** (Chesterfield) (Lab): The markets were spooked not just by the reckless mini-Budget, but by the sense that we had a Prime Minister incapable of answering questions at the end of her press conference and without any sort of grip on this Government. It is entirely legitimate for my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) to give her an opportunity to come here to assure the markets. Is not the reality that the Prime Minister's inability to answer questions is just as fundamental as her failure on policy in why this country is now in an economic crisis?

**Penny Mordaunt:** I am buoyed up by the fact that Opposition Members very much want to see the Prime Minister. I hope that, if she is able to join us this afternoon, they will give her a big cheer.

**Christine Jardine** (Edinburgh West) (LD): I accept what the right hon. Lady is saying about the Prime Minister not being here—that there may be a very good reason. I also agree with her when she says frequently that, at the moment, we must be acting in the national interest. For me, the national interest is what is in the interests of our people—our constituents. What they are telling me in Edinburgh West, and I am sure what constituents are telling many other hon. Members, is that they no longer have any confidence in this Prime Minister. Although she may have had the courage to sack her partner in presenting the growth plan to the country, what they would like is for her now to have the courage to accept that she was also wrong and to step down. Will the right hon. Lady and her Cabinet colleagues please take that message back to the Prime Minister wherever she is?

**Penny Mordaunt:** The Prime Minister, in her current and previous roles, has always acted in the national interest and will continue to do so. Her Government will continue to support her. This country needs some stability and some assurance now, and she always takes decisions in the national interest.

**Geraint Davies** (Swansea West) (Lab/Co-op): As the new Chancellor has reversed all the economic promises made by the Prime Minister in her election campaign to become Prime Minister and as that very Chancellor had the fewest votes in that leadership election—he was thrown out with only 18—does that not show that the next Prime Minister should not be chosen by Conservative

Members and their wider membership, but by the British people in a general election, as soon as possible, to get this country back on track?

**Penny Mordaunt:** There are serious questions that we as a Parliament should be examining today. I hope we will soon move on to the Chancellor's statement, because that is what our constituents are concerned and worried about—not events within the Westminster bubble.

**Matt Western** (Warwick and Leamington) (Lab): Obviously, it is a legitimate question that has been put forward today. The public want to know why the Prime Minister sacked her Chancellor after just 38 days—and particularly, given that she was co-architect of the economic plans, why she has not resigned.

**Penny Mordaunt:** Later this week we will have Prime Minister's questions, and hon. Members have an opportunity every week to put questions to the Prime Minister.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): The pound has fallen off a cliff, interest rates are soaring, inflation is rocketing and pensions have been on the verge of collapse. We have a new Chancellor who is the de facto Prime Minister and a Prime Minister who has been reduced to a spectator as her own MPs plot her removal. The Leader of the House has defended the Prime Minister today, but does she think that, had she won the leadership contest, she would have been a better Prime Minister?

**Penny Mordaunt:** I support the Prime Minister. This Prime Minister has shown great courage and duty over the last few days and she has my admiration and respect for that. The hon. Lady has various criticisms of the Prime Minister, but I would stand our Prime Minister against her First Minister any day of the week.

**Charlotte Nichols** (Warrington North) (Lab): Local public services in Warrington have been slashed to pieces over the past 12 years and we were finding it increasingly difficult to meet the demand for basic statutory services even before inflation started rocketing, pushing the costs of delivery up. Any more cuts will mean collapse. The Prime Minister spent last week promising no cuts to public spending and boasting about her two-year energy price freeze. Does she have any say at all on Government economic policy?

**Penny Mordaunt:** The hon. Lady can put her questions to the Chancellor shortly, but I would point out that all organisations are facing rising costs. That is in part why we have acted so swiftly; even today we will be putting through legislation to help with business and the cost of living.

**Richard Thomson** (Gordon) (SNP): The Prime Minister has been in office for six weeks, but notoriously, even with the rigours of the Budget, has yet to find time to call the First Ministers of Scotland or Wales. Does the Leader of the House think the Prime Minister will remain in office long enough to be able to do so?

**Penny Mordaunt:** I know the Prime Minister takes seriously her responsibilities to work constructively with the other Administrations, and she will always do so.

**Justin Madders** (Ellesmere Port and Neston) (Lab): I am sure the markets will be reassured to see the Prime Minister is not hiding under her desk but is here in the House today. She still has until 10 pm tonight to answer questions that have been asked if she wants to reassure the markets and create some stability. However, I have another question for the Leader of the House. I have been drawn in the ballot for Prime Minister's questions on Wednesday; can she guarantee that the current Prime Minister will be answering them?

**Penny Mordaunt:** Yes.

**Christian Matheson** (City of Chester) (Lab): The Prime Minister throwing her Chancellor under the bus in order to save her skin is not a tough decision. Tough decisions are made by people who then show true leadership by asking others to come with them and by inspiring them. This Prime Minister has done none of that. Why should we follow her when she has shown no leadership whatsoever, but has hidden away?

**Penny Mordaunt:** I think if we spoke to any member of the Ukrainian Parliament, they would tell us that our Prime Minister has shown leadership.

**Dave Doogan** (Angus) (SNP): Urgent business, we are told by the Leader of the House, prevented the Prime Minister from coming to the House. What on earth could have been more urgent than coming to atone for the economic chaos she has wrought on pension holders and mortgage payers across these islands, and especially in Scotland, where the Conservative party enjoys no mandate whatsoever? The Prime Minister thanked her former Chancellor for the "excellent work" he had done. Can the Leader of the House explain—or maybe the Prime Minister can, now she has turned up—thanked for what?

**Penny Mordaunt:** The hon. Gentleman will know that the Prime Minister has Prime Minister's questions every single week. He can put questions to her then. There was very good reason, as I have repeatedly explained to the House, why she could not be here. He will notice that she is present now, and I will begin listening to the hon. Gentleman on democratic mandates when he honours the result of the Scottish referendum.

**Jim Shannon** (Strangford) (DUP): I thank the Leader of the House for her answers. I am not in the business of point scoring. Does she not agree that the face behind

a Budget is much less important than what the Budget outlines? Is there confidence that the Chancellor can help business, help people stay in work and ensure that funding is available for the NHS—Government Departments cannot take further austerity—so that all of the United Kingdom of Great Britain and Northern Ireland truly can be better together?

**Penny Mordaunt:** The hon. Gentleman is held in great affection by all Members of the House, and he is often the finale at urgent questions because he is full of common sense. I think that what he says is absolutely right, and I hope that we will hear from the Chancellor very shortly.

**Chris Bryant:** On a point of order, Mr Speaker.

**Mr Speaker:** Is it relevant to the question? [*Interruption.*] If it is relevant, I will take the point of order.

**Chris Bryant:** I am grateful, Mr Speaker. You know that for the past hour we have been listening to questions that were meant to be directed to the Prime Minister. The Leader of the House said repeatedly that there were reasons why she could not be here. If there were legitimate reasons, I am sure that every single Member of the House would want to hear them. Now that the Prime Minister has arrived, would this not be a perfect opportunity for her to explain why she could not be here?

**Mr Speaker:** Let us put this to bed. It is not for me but for the Government to put forward Ministers to respond to urgent questions once they are granted. It is not a matter for the Chair. The hon. Member has put the point on the record, and I note that the Prime Minister is now in her place.

**Mr Bradshaw:** Just get up and tell us—go on.

**Mr Speaker:** Order. Mr Bradshaw, I expect better. I want you to be silent while I read this out, as it is very important.

Before I call the Chancellor to make his statement—*[Interruption.]* Yes, I should think so. This has happened a few times today. That is the third apology, and I do not want any more.

Before I call the Chancellor to make his statement I would like to point out that a British Sign Language interpretation of proceedings is available to watch on [parliamentlive.tv](http://parliamentlive.tv). I now call the Chancellor of the Exchequer.



## Economic Update

4.32 pm

**The Chancellor of the Exchequer (Jeremy Hunt):** Mr Speaker, the central responsibility of any Government is to do what is necessary for economic stability. Behind the decisions we take and the issues on which we vote are jobs that families depend on, mortgages that have to be paid, savings for pensioners, and businesses investing for the future. We are a country that funds our promises and pays our debts. When that is questioned, as it has been, the Government will take the difficult decisions necessary to ensure that there is trust and confidence in our national finances. That means decisions of eye-watering difficulty, but I give the House and the public this assurance: every single one of those decisions, whether reductions in spending or increases in tax, will be shaped through core compassionate Conservative values that will prioritise the needs of the most vulnerable. That is why I pay tribute to my predecessors for the energy price guarantee, for the furlough scheme and, indeed, for earlier decisions to protect the NHS budget in a period in which other budgets were being cut.

I want to be completely frank about the scale of the economic challenge that we face. We have had short-term difficulties, caused by the lack of a forecast from the Office for Budget Responsibility alongside the mini-Budget, but there are also inflationary and interest pressures around the world. Russia's unforgivable invasion of Ukraine has caused energy and food prices to spike. We cannot control what is happening in the rest of the world, but when the interest of economic stability means that the Government need to change course we will do so, and that is what I have come to the House to announce today.

In my first few days in the job, I have held extensive discussions with the Prime Minister, Cabinet colleagues, the Governor of the Bank of England, the OBR, the head of the Debt Management Office, Treasury officials and many others. The conclusion I have drawn from those conversations is that we need to do more more quickly to give certainty to the markets about our fiscal plans and to show through action and not just words that the United Kingdom can and always will pay our way in the world. We have therefore decided to make further changes to the mini-Budget immediately rather than waiting until the medium-term fiscal plan in two weeks' time, in order to reduce unhelpful speculation about those plans.

I am very grateful for your agreement, Mr Speaker, about the need to give the markets an early brief summary this morning, and I welcome the opportunity to give this House details of those decisions now. We have decided on the following changes to support confidence and stability. First, the Prime Minister and I agreed yesterday to reverse almost all the tax measures announced in the growth plan three weeks ago that have not been legislated for in Parliament. We will continue with the abolition of the health and social care levy, changes to stamp duty, the increase in the annual investment allowance to £1 million and the wider reforms to investment taxes, but we will no longer be proceeding with the cuts to dividend tax rates, saving around £1 billion a year; the reversal of the off-payroll working reforms introduced in 2017 and 2021, saving around £2 billion a year;

the new VAT-free shopping scheme for non-UK visitors, saving a further £2 billion a year; or the freeze on alcohol duty rates, saving around £600 million a year. I will provide further details—[*Interruption.*]

**Mr Speaker:** Order. Let's just sort this telephone out. Has it been switched off all right? It is off. I am sorry, Chancellor, carry on.

**Jeremy Hunt:** I will provide further details on how alcohol duty rates will be uprated shortly.

Secondly, the Government are currently committed to cutting the basic rate of income tax to 19% in April of 2023. It is a deeply held Conservative value, a value that I share, that people should keep more of the money they earn, which is why we have continued with the abolition of the health and social care levy. But at a time when markets are asking serious questions about our commitment to sound public finances, we cannot afford a permanent discretionary increase in borrowing worth £6 billion a year. I have decided that the basic rate of income tax will remain at 20%, and it will do so indefinitely until economic circumstances allow for it to be cut. Taken together with the decision not to cut corporation tax and restoring the top rate of income tax, the measures I have announced today will raise about £32 billion every year.

The third step I am taking today is to review the energy price guarantee. That was the biggest single expense in the growth plan and one of the most generous schemes in the world. It is a landmark policy for which I pay tribute to my predecessor, my right hon. Friend the Member for Spelthorne (Kwasi Kwarteng), and it will support millions of people through a difficult winter, reducing inflation by up to 5%. I confirm today that the support we are providing between now and April next year will not change, but beyond next April the Prime Minister and I have reluctantly agreed that it would not be responsible to continue to expose the public finances to unlimited volatility in international gas prices. I am announcing today a Treasury-led review into how we support energy bills beyond April of next year. The review's objective is to design a new approach that will cost the taxpayer significantly less than planned while ensuring enough support for those in need. Any support for businesses will be targeted at those most affected and a new approach will better incentivise energy efficiency.

There remain, I am afraid, many difficult decisions to be announced in the medium-term fiscal plan on 31 October when, I confirm, we will publish a credible, transparent and fully costed plan to get debt falling as a share of the economy over the medium term based on the judgment and economic forecasts of the independent Office for Budget Responsibility. I would like to thank the OBR, whose director, Richard Hughes, I met this morning, and the Bank of England, whose Governor, Andrew Bailey, I have now met twice. I fully support the vital independent roles that both institutions play, which give markets, the public and the world confidence that our economic plans are credible and rightly hold us to account for delivering them.

I also want more independent expert advice as I start my journey as Chancellor, so today I am announcing the formation of a new economic advisory council to do just that. This council will advise the Government on economic policy, with four names announced today:



Rupert Harrison, a former chief of staff to the Chancellor of the Exchequer; Gertjan Vlieghe from Element Capital; Sushil Wadhvani of PGIM Wadhvani; and Karen Ward of J.P. Morgan Asset Management.

We remain completely committed to our mission to go for growth, but growth requires confidence and stability, which is why we are taking many difficult decisions—starting today. But while we do need realism about the challenges ahead, we must never fall into the trap of pessimism. Despite all the adversity and challenge we face, there is enormous potential in this country, with some of the most talented people, three of the world's top 10 universities, the most tech unicorns in Europe, one of the world's great financial centres, and incredible strengths in the creative industries, science, research, engineering, manufacturing and innovation.

All that gives me genuine optimism about our long-term prospects for growth, but to achieve that, it is vital that we act now to create the stability on which future generations can build. The reason the United Kingdom has always succeeded is because, at big and difficult moments, we have taken tough decisions in the long-term interests of the country, and in a way that is consistent with compassionate Conservative values, that is what we will do now. I commend this statement to the House.

4.41 pm

**Rachel Reeves** (Leeds West) (Lab): As I regularly say now, I welcome the new Chancellor to his place. He is the fourth in four months of chaos and fiasco as this Conservative Government spiral down the political plughole. But the damage has been done: this is a Tory crisis made in Downing Street, but ordinary working people are paying the price. All that is left, after these humiliating U-turns, are higher mortgages for working people and higher bonuses for bankers. The Government's climbdown on energy support begs the question yet again why they will not extend the windfall tax on energy producers to help to foot the bill.

It is good to finally see the Prime Minister in her place and not, as the Leader of the House had to assure us earlier, under a desk. But what is she left with? She has no authority, no credibility and no plan for growth. It is clear to see that the people who caused the chaos cannot be the people to fix the chaos. They are out of ideas, out of touch and out of time.

The Prime Minister should have spoken to the House today, but we know that she could not do that with a shred of credibility, given that the survival of this Government now depends on smashing to smithereens everything that she stands for. Now she is attempting to reverse everything that she campaigned on—it is not just impossible; it is absurd. The Prime Minister is barely in office and she is certainly not in power. Only five days ago, the Prime Minister said at Prime Minister's questions that there would be “absolutely” no public spending reductions, but after what we heard from the Chancellor today, every single public service is again at risk from the Conservatives—from our NHS nurses to our schools and our servicemen and women—with the country paying the price for the Conservatives' incompetence.

The Prime Minister said that she had an energy package for two years. Now that is being withdrawn on the very day it is supposed to be legislated for. She insisted that her Conservative mini-Budget would

lead the country to the promised land. Instead it has led to the highest mortgages in 15 years and emergency interventions by the Bank of England to protect pensions. Then on Friday, there was the unedifying spectacle of the then Chancellor being dragged back from the IMF before he could do any more damage to our economy. So she has turned to a new Chancellor, who finished eighth out of eight in the Tory leadership contest, winning just 18 votes from MPs. The Tories have run out of credibility and now they are running out of Chancellors.

The latest office holder has been in the Cabinet for nine of the past 12 years, at the centre of a Government responsible for low growth and weakened public services, with him responsible for helping run the NHS into the ground. He was a big part of austerity season 1, and now he says the cure is austerity season 2. What was the Chancellor's flagship policy in his own short-lived leadership contest? It was to reduce corporation tax in a totally unfunded manner, and not from 25% to 19%. The right hon. Gentleman called for it to be lowered to 15%, with not a single explanation of how it was to be paid for. The truth is that had he won the contest and implemented these policies, we would be in an even worse place than we are now. There is no mandate and no authority for any of this.

The Conservatives have put a lasting premium on people's mortgages. Uncosted borrowing has sent interest rates spiralling. Millions of people's mortgage deals will be coming to an end in the next few months, leaving many families forking out £500 more a month. People will be paying a Tory mortgage premium for years to come, so how does the Chancellor think ordinary people can possibly afford any more of this Conservative Government? We have heard no answers today. The Chancellor has said that growth requires “confidence and stability”. I agree, but where does he think the lack of confidence and stability has come from? It did not come from the sky; it came from the mini-Budget three weeks ago.

What does it say about our country that we are watching borrowing costs hour by hour? That is not the sign of a strong G7 economy; it is the exact opposite. Businesses are now saying that things are so unstable they are pausing investment here in Britain. The former deputy governor of the Bank of England Charles Bean has outlined the extraordinary damage that the Conservatives have done to our standing. In his words, “we've moved from looking not too dissimilar from the US or Germany...to looking more like Italy and Greece.”

What a mess.

Where is the Office for Budget Responsibility forecast? Have this Government learnt nothing? Does the Chancellor really expect the country to take everything from him at face value? Last week, the Business Secretary was busy undermining the Office for Budget Responsibility. Today, we have received another massive fiscal statement with no forecast. What have this Government got to hide? They should publish the numbers so that we know the true state of the public finances after 40 days of this Prime Minister and after 12 years of Conservative Governments.

Today, the Chancellor has scaled back help with energy bills for families and pensioners. It prompts the question yet again: why will the Government not bring

[Rachel Reeves]

in a proper windfall tax on energy producers to help foot the bill for consumers, and when will the current Chancellor publish in full the Government's estimates of the windfall profits of the energy giants over the next two years?

No one was talking about spending cuts until the Tories crashed the economy with their mini-Budget, so I ask the Chancellor: why should the British people pay the economic price for the Tories' mistakes, and what spending cuts do the Government plan to make? We believe that the Government must honour their commitments to uprate benefits and pensions in line with inflation. Will the Chancellor make it clear today that is what he intends to do? What a contrast that cuts to benefits are still on the table, but the one thing the Chancellor could not bring himself to reverse today was lifting the cap on bankers' bonuses. Why is this the last policy standing in this disastrous mini-Budget?

Let me come to credibility. Does the Chancellor accept that once credibility and trust have been destroyed, they cannot simply be regained by a series of zig-zagging, chaotic U-turns? Will he and the Prime Minister apologise for the costs and anxieties laid on families? Can he admit once and for all that the market turmoil we are in was directly caused by the disastrous decisions of his predecessor and of the Prime Minister? Can he guarantee that the Bank of England will not have to intervene again to save the Government, and what guarantee can he give people about their pensions, their mortgages and their household bills?

The Chancellor said today that everything is now on the table, but is that really the case? We know that abolishing the non-dom tax status will raise £3 billion a year, yet there was no mention of that. How can it be right that some of the richest individuals in society are allowed to buy their way out of paying the tax that should be paid here Britain? This would not be an eye-wateringly difficult decision, so why do not the Government just do it?

There is lasting damage which these policy U-turns will not change. They have set fire to everything; now they insist it is all fine. The truth is that an arsonist is still an arsonist even if he runs back into a burning building with a bucket of water. Because they cannot be trusted; the Tories are clinging on for themselves, regardless of the cost to the country.

Trickle-down economics will always fail; what drives forward our economy are the talents and efforts of millions of working people and thousands of ordinary businesses. The Government's economic credibility has been destroyed. They have harmed our economic institutions, people are paying higher mortgages; the same set of people doing U-turns is not going to fix it. The only way to change this is a real change of Government.

**Jeremy Hunt:** I thank the hon. Lady for her questions, and I am sorry that, given the speed with which things moved at the weekend, I have not had time to sit down with her one to one as would normally be the practice before parliamentary exchanges.

I understand the role Opposition parties play—I have stood at that Dispatch Box myself—but behind the rhetoric, and I was listening very carefully, I do not

think the hon. Lady disagreed with a single one of the decisions I announced to Parliament, and that is important for the country and markets to know. I think there is also agreement on the process of policy making. I support the independence of the Bank of England, introduced by Gordon Brown, and I know the hon. Lady supports the independence of the Office for Budget Responsibility, set up by George Osborne. The whole Government support the independence of those two important institutions.

I fully accept—I do not think I could have been clearer—that we have had to change some decisions made in the last few weeks, but I reject wholeheartedly the hon. Lady's broader narrative about Conservative economic management. Let me remind her that the UK's unemployment rate is the lowest since 1974; it is lower than that of France, Italy, Canada, Belgium, Sweden, Spain and the Netherlands and is massively lower than in 2010. Let me remind her that since 2010 our growth rate has been the third highest in the G7—[*Interruption.*] She may not want to hear this, but these are the economic facts. Our growth rate since this party came into power has been higher than that of Germany, France, Italy and Japan and has been faster than that of any G7 country this year. Looking to the future, we have the largest technology sector in Europe and more foreign direct investment than anywhere in Europe bar one country. That is a legacy to be proud of.

I was listening carefully for some questions about the measures I announced, but the hon. Lady did not ask any and I think she agrees with them. I will pick her up on one point, however. She talked about the NHS; let me tell her—[*Interruption.*] Maybe they do not want to listen about the NHS. She talked about the NHS: because of the global financial crisis, which happened on her party's watch, the NHS went through one of its most difficult periods ever, yet this party protected the NHS budget, and then in 2017 we were able to give it its biggest single increase in funding, because of the difficult decisions we took and the hon. Lady's party opposed.

In conclusion, we inherited the financial crisis, we dealt with the global pandemic, and we have led the world in support of Ukraine, all possible because of difficult decisions taken over the last 12 years, each and every one opposed by the party opposite. So if the hon. Lady is preaching today the need for fiscal credibility, which I warmly welcome, may I just tell her this: the true test will be in two weeks' time, to see whether she supports public spending restraint? I have showed Conservatives can raise taxes; will she show Labour is willing to restrain spending?

**Mr Speaker:** I call the Chair of the Treasury Committee.

**Mel Stride** (Central Devon) (Con): I welcome my right hon. Friend's statement. It was both frank and bold, and it appears—in the very short term, at least—to have steadied the markets. One point that he raised at the Dispatch Box—although it was absent from his statement earlier today—was his renewed commitment to our financial institutions, and in particular the Bank of England and the Office for Budget Responsibility. He has also brought forward the economic advisory council, a number of whose members have appeared before the Treasury Committee; I think that he has chosen well. Will he reassure the House that the economic advisory council will not in any way conflict with the

Bank of England, the Office for Budget Responsibility, the Financial Conduct Authority, the Prudential Regulation Authority or any of our institutions and that it will be there to complement and not work against any of them?

**Jeremy Hunt:** I thank my right hon. Friend, who in recent weeks has spoken wisely about the difficult issues that we face. I can absolutely give him that assurance. I want, to be frank, to ensure that I am getting advice from fantastic institutions such as the Treasury, the Bank of England and the Office for Budget Responsibility, but also advice that is independent of those institutions, because that is how we will get the best result. Rupert Harrison in particular has enormous experience of running the Treasury under George Osborne over many years, and I think that he will make an important contribution, as will his colleagues on the council.

With respect to the markets, my right hon. Friend is absolutely right to be cautious about what happens. They go up as well as they go down, and no Government can—or should seek to—control the markets. What we can do is the thing that is within our power, which is a very firm and clear commitment to fiscal responsibility.

**Mr Speaker:** I call the SNP spokesperson.

**Alison Thewliss** (Glasgow Central) (SNP): Thank you, Mr Speaker—[*Interruption.*] I see that the Prime Minister has urgently run off to something else rather than stay to listen.

When the previous Chancellor came to give his mini Budget three long weeks ago, I called it economic chaos. What an understatement that turned out to be. I am not sure that words have yet been invented to describe the scale of unmitigated disaster which the Prime Minister and her Chancellors have created in the past 24 days. We are back where we started but significantly worse off due to Tory incompetence. Is it not just as well that, in Scotland, the Scottish Government did not take Tory MPs' advice to copy and paste from here before Government Front Benchers delete all? People will be paying the price for many years to come through higher interest and borrowing rates. Will the Chancellor apologise for the increased costs that his colleagues have inflicted on people? He has not been clear at all, so will he confirm the status of the bankers' bonus cap—has it been scrapped or not?

There is little by way of detail from the current Chancellor about doubling down on austerity and what that will mean for people. However, the Institute for Government and the Chartered Institute of Public Finance and Accountancy have been clear that there is no fat left to cut after a lost decade for public services under the Tories. Where does the current Chancellor expect to make these cuts or “efficiency savings”? We know what he means when he says that. We already know the terrible price of austerity, because the Glasgow Centre for Population Health has attributed 330,000 excess deaths to Tory austerity policies: an unacceptable human cost. Again and again, the Tories bring forward harmful policies that they never feel the consequences of.

We know that guarantees mean nothing under the Tories, either. The so-called energy price guarantee turns out to be for six months, not two years, with a cliff edge looming next April. National Energy Action has said:

“Many vulnerable people were holding on by their fingertips. Government has to be very, very careful it doesn't prise them away.”

Will the Chancellor tell us exactly what will happen for households in April? The scale of increases makes almost everybody vulnerable—except, perhaps, his banker pals. What will happen to the most vulnerable when inflation soars as a result of the return of spiralling energy costs?

The previous Chancellor never got round to telling me what will happen to businesses' energy costs at the end of their six-month reprieve. Will the current Chancellor tell me what support businesses signing impossibly expensive contracts as we speak can expect? Will he, as the former, former, former Chancellor did, commit to uprating benefits with the rate of inflation? Will he also increase support for those languishing in the asylum system and end the punishing “no recourse to public funds” regime? Will he cancel the benefit cap and scrap the two-child limit, which is trapping so many children in poverty? Where is his compassion for them?

Will the Chancellor invest in renewables, carbon capture and storage, and a comprehensive energy-efficiency and insulation package? Does he really understand, when looking at broken Britain, the chaos that the Tories have wreaked and the prospect of a bleak Brexit future under both Labour and the Tories, that more and more of Scotland's people are looking at the comprehensive independence prospectus set out by the First Minister today and moving towards the vision of a fairer, greener, more prosperous Scotland back in the heart of Europe where we belong?

**Jeremy Hunt:** It is a pleasure to exchange comments with the hon. Lady and I look forward to working with her closely in the months ahead. I remind her that this Conservative Government are spending £37 billion this year to support people across the United Kingdom with cost of living concerns. That is possible because of difficult economic decisions that the SNP has opposed at nearly every stage, and that includes large support for businesses up and down the country. The main thing I would say to her very gently is that she cannot claim to be concerned about the economic turmoil of the last few weeks when the central policy of the SNP—independence—would leave turmoil for Scotland not for a few weeks but for many, many years to come: a new currency; somehow finding a way to trade with the UK internal market but also the European single market; border checks between England and Scotland, as announced today by the First Minister; and a massive gap in public finances that would have to be breached. That is a recipe for precisely the austerity she says she is worried about. Let me say this: if we want economic stability and if Scotland wants economic stability, to coin a phrase we are stronger together.

**John Redwood** (Wokingham) (Con): What will the impact of these measures be on the growth rate, and will we still avoid recession?

**Jeremy Hunt:** I will publish the economic forecasts from the OBR when I make my statement in a fortnight's time. I think it is better for me to wait until I hear that. The proper answer to my right hon. Friend's question is that what we are seeking is a long-term sustainable increase in the economic growth rate. That is a central policy of the Prime Minister, which has my wholehearted support.



**Dame Margaret Hodge** (Barking) (Lab): I think the country is feeling a sense of relief that trickle-down economics this time has been so quickly abandoned, but there was one element in the mini-Budget that the new Chancellor did not address: investment zones. We have great evidence all over the place about how, as a mechanism for encouraging growth, jobs and prosperity, that has failed from the Thatcher years onward. All that happens is that they are incredibly expensive, we lose income from them, they only lead to the transfer of jobs from one poor area to another, and they are a massive opportunity for every kleptocrat, oligarch and criminal to launder money into the UK. Will the Chancellor abandon that policy, too?

**Jeremy Hunt:** I have a great deal of respect for the campaigning the right hon. Lady has done over many years against people illicitly hiding wealth and not paying their share of tax. I totally support the benefits that investment zones can bring, but we will implement that policy in a way that learns the lessons of when similar models have been tried in the past and we will make sure they are successful.

**Matt Hancock** (West Suffolk) (Con): I welcome the return of an iron-clad fiscal responsibility, albeit within the most velvet of gloves, for there can be no growth without economic credibility. Will my right hon. Friend answer this question? When, in a fortnight, he brings forward the forecasts made independently by the OBR, will he guarantee that they will show debt falling as a proportion of our income and that once we have the finances fully under control we will not be borrowing for day-to-day spending, because we cannot put the nation's spending on the never-never?

**Jeremy Hunt:** Yes and yes.

**Ed Davey** (Kingston and Surbiton) (LD): People are already suffering from the damage caused by this Government's economic mistakes. Hundreds of pounds have now been added to mortgage bills, pushing millions of families to the brink, on top of higher food prices, higher fuel costs and higher energy bills. Despite that, the Chancellor refuses to undo one of the Government's biggest injustices: their failure to impose a proper windfall tax on the record profits of the oil and gas companies, earned only because Putin is killing innocent Ukrainians. After so many U-turns, surely the Chancellor can persuade the Prime Minister to do one more. Will he introduce a proper windfall tax and help struggling families?

**Jeremy Hunt:** Let me tell the right hon. Gentleman that I am not against the principle of taxing profits that are genuine windfalls, but as he will know well, the energy industry is very cyclical and there are businesses that have periods of feast and famine. We have to be very careful that we do not tax companies in a way that drives away investment. We have said that nothing is off the table.

**Mr Andrew Mitchell** (Sutton Coldfield) (Con): I congratulate my right hon. Friend on his statement, which is both wise and necessary. There will be great relief across the House that the markets have responded to the statement positively, not least thanks to his economic leadership and political skill. In the run-up to 31 October, will he reassure us and the markets that the Treasury, the OBR and the independent Bank of England will work closely together and in total lockstep?

**Jeremy Hunt:** I absolutely want to give my right hon. Friend that reassurance and I thank him, as someone who has enormous experience of how the City works, for the advice that he gave me over the weekend. One of the best things about the economic structures that we have is the interaction between institutions that have independence and that are able to give independent advice and Treasury and the Government. It has helped to create stability and I hope that what I have said today will bolster that further.

**Rushanara Ali** (Bethnal Green and Bow) (Lab): I congratulate the Chancellor on his appointment and I hope that he lasts longer than his predecessors. Five million people will see their mortgages go up, and the mini-Budget fiasco means, on average, £500 more on payments and, in London, nearly £900. Can the Chancellor assure us that he will look at how he will take that additional Prime Minister's mortgage premium off people's bills and take action to protect them in these difficult times? If he cannot, should they send the bill to him?

**Jeremy Hunt:** We have an absolute responsibility as a Government to do everything we can to hold increases in mortgage rates down as much as is possible, insofar as the Government have an influence on them through their actions. That is why I have taken, I think, very strong and quick steps to demonstrate the Government's commitment to fiscal balance, but we are in a world in which, unfortunately, interest rates are going up everywhere and everyone is having to deal with increases in mortgage rates. We are thinking about the challenge for people who have those mortgages, but I want to make sure that that does not happen as a result of actions by this Government.

**Kevin Hollinrake** (Thirsk and Malton) (Con): I welcome all the measures in the Chancellor's statement. It is absolutely right that we look for better value for the taxpayer through spending restraints, but will he confirm that any cuts to spending will not impact on capital expenditure—infrastructure expenditure, particularly across the north—and that we will fully deliver on projects that we have already committed to, such as Northern Powerhouse Rail?

**Jeremy Hunt:** As my hon. Friend will know—sorry; my voice is a bit croaky at the moment, because I have probably been talking too much over the last few days—there are very important projects that we all care about a great deal, but given the severity of the situation at the moment, we are not taking anything off the table, whether that means tax increases or spending reductions. But I do not believe that it is possible to have a long-term, credible economic growth strategy that does not recognise the vital importance of capital spending.

**Siobhain McDonagh** (Mitcham and Morden) (Lab): Even a screeching U-turn cannot repair the damage when we have already had the crash. When the Chancellor dismantled Trussonomics overnight, why on earth did he decide to carry on boosting bankers' bonuses in the heart of a cost of living crisis?

**Jeremy Hunt:** Because the policy did not work, and we will get more tax from rich bankers with the policy that we now have.

**Greg Clark** (Tunbridge Wells) (Con): I welcome the Chancellor's statement. If further steps are required, will he do whatever it takes to restore the UK's fiscal credibility?

**Jeremy Hunt:** I will.

**Sammy Wilson** (East Antrim) (DUP): I welcome the Chancellor's appointment and wish him well in his job, because on his success depends the success of all our constituents in meeting the cost of living. While inflation cannot be blamed on the Government, because it is an international thing, and while interest rates are going up across the world, the one thing for which the Chancellor is fully responsible is today's increase in taxation. It will take money from people at a vital time, meaning that they are unable to pay their bills or pay for their investment plans. I assume that he has done some economic modelling on that. What impact does he believe it will have on growth and on the burden of debt in relation to GDP over the next two years?

**Jeremy Hunt:** The right hon. Gentleman asks a very important question. I remind him that what I have announced today has been very largely the cancellation of planned tax cuts, rather than being new tax increases. This has a very important impact, in a positive direction, on national finances, but unfortunately it will not be the end of the story. If we are to deliver a credible Budget in which we can demonstrate—my right hon. Friend the Member for West Suffolk (Matt Hancock) asked about this earlier—that debt is falling as a percentage of GDP by the end of the period, we will have further difficult decisions ahead. This Government will not shirk from them.

**Helen Whately** (Faversham and Mid Kent) (Con): With a pandemic followed by a war, our constituents do not expect this time to be easy, but they do expect us to set out the difficult choices, make the difficult choices and then set out the path to a better future. May I ask my right hon. Friend, particularly considering his experience of many years, to continue to press ahead with our commitment to reforming social care, knowing as he does how social care and the NHS go hand in hand and how important they are to our constituents?

**Jeremy Hunt:** My hon. Friend and I have had very many discussions about social care over the years, mainly when I was a Back Bencher and she was a Minister. The sector is in great difficulty at the moment; I am very aware of those concerns, and I am also very aware of the pressures in the NHS at the moment. I am not making any commitments as to what exactly we will do, but as I said earlier, all these decisions will be taken through the prism of what matters most to the people who need help the most.

**Dame Angela Eagle** (Wallasey) (Lab): The Chancellor has put a brutal end to the self-proclaimed new era of Trussonomics with his announcements. He has taken away £32 billion-worth of planned cuts. According to the Institute for Fiscal Studies, that still leaves a hole of £30 billion in his sums, and if rumours are correct—if the OBR calculations that I have heard about are correct—it could be as much as £40 billion. Surely that means austerity 2.0, of at least the same size as the first round of austerity from 2010 to 2015. Surely the Chancellor

must know that public services simply cannot deal with that level of cuts when they have been so weakened by the first round of austerity.

**Jeremy Hunt:** I was a Cabinet Minister in 2010 when we had very difficult decisions to take in the wake of the financial crisis, and my Department's budget was cut by 24%. I do not believe that we are talking about anything on that scale; I think it likely that cash spending will continue to go up. That being said, I want to be completely frank with people: we are going to have very difficult decisions, both on tax and on spending, in the next couple of weeks. We will try to take those decisions as compassionately as possible. So it is going to be tough going forward, but I do not expect it to be on the scale that the hon. Lady suggests.

**Sir Edward Leigh** (Gainsborough) (Con): I congratulate the Chancellor on his soothing and competent tone, and of course we have to calm the markets, but what is our vision? Of course we accept the shortcomings of the mini-Budget, but does the Chancellor accept that we cannot just slide into a second-rate economy and go in the direction of France, with a bloated public sector, the highest taxes for 70 years and gross inefficiencies? By the time of the next election, can we as a Conservative party promise to get taxation back to at least its level at the start of the current Parliament, and get corporation tax back to being one of the most competitive in Europe? Otherwise, what is the point of a Conservative party? *[Interruption.]*

**Jeremy Hunt:** There is the problem, with all the noise from the Opposition. This compassionate Conservative Government were able to step in with massive help for members of the public, with the furlough scheme and the energy price guarantee, because we took difficult decisions on the economy in the preceding years, each and every one of which was opposed by the Labour party. I say to my right hon. Friend that the point of a Conservative Government is to build a strong economy, and that is what we will do. It is the job—*[Interruption.]* This is an important point that I wish to make. It is the job of the Chancellor not just to balance the books but to have a vision for economic growth, and I hope I will persuade my right hon. Friend in two weeks' time that I have just that vision.

**Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): Does the Chancellor agree with the Prime Minister, who confirmed that the state pension would rise with inflation in April? If he does agree with her, can he commit himself to that today?

**Jeremy Hunt:** I am very aware of how many vulnerable pensioners there are, and of the importance of the triple lock. As I said earlier, I am not making any commitments on any individual policy areas, but every decision we take will be taken through the prism of what matters most to the most vulnerable.

**Mr Mark Harper** (Forest of Dean) (Con): I thank the Chancellor for his robust defence of Conservative economic policy over the last 12 years. More of that, please! My inner chartered accountant cannot but welcome the fact that he has reassured me that it is the Treasury's job—its essential task—to ensure that the sums add up.

[Mr Mark Harper]

May I ask the Chancellor to say a little bit about the review of the energy price guarantee? It is right to focus taxpayer support on those who need it most, but may I draw his attention to the fact that one seventh of the population are not on the gas grid, and 40% of my constituents are not? As he designs that system to protect the most vulnerable, can he ensure that it works for everyone in the country, wherever they live and however they heat their homes?

**Jeremy Hunt:** I look forward to lots of useful advice from my right hon. Friend's inner accountant in the months and years ahead, and I will certainly bear his points in mind. The issue with the revised scheme that we want to announce for the energy price guarantee is that, while I think most people agree with the logic of targeting support where it is needed the most, we need a scheme which works practically, and it is not particularly easy to design that kind of scheme. We are going to do as much work as we can, and we will announce what we are going to do as soon as we can; but we will certainly bear in mind the points that my right hon. Friend has made.

**John McDonnell** (Hayes and Harlington) (Lab): The backdrop to today's statement is not just the chaos of the last fortnight. It is also the report of three weeks ago which demonstrated that, as a result of austerity, there have been more than 300,000 excess deaths. May I ask the Chancellor to recognise, during his preparations for 31 October, that, unless he increases benefits by at least the rate of inflation, there will be more excess deaths and suffering?

**Jeremy Hunt:** The right hon. Gentleman will know, because I have said it many times today, that I am not making firm commitments on any individual elements of tax and spending, but I hope he is reassured by the fact that I have been very clear about the values through which we will take those decisions.

**Chris Grayling** (Epsom and Ewell) (Con): I congratulate my right hon. Friend: he has hit the ground running in his job. These are difficult decisions, but they are the correct decisions right now. We all aspire to tax cuts in the future, but he is right to say that we have to have the money to pay for them. May I ask him, as he prepares for 31 October, to look in detail at how we should address what is the most—in my view—deep-rooted problem that the country faces and has faced for decades, which is our current account deficit? We will not truly get rid of these issues until we restore a better balance in our national finances, and I ask him to make that a priority.

**Jeremy Hunt:** I thank my right hon. Friend for his question. I agree: ultimately, it is not sustainable to have a permanent current account deficit and that is something that we need to address.

**Ben Lake** (Ceredigion) (PC): The Chancellor announced that he would be reviewing the energy price guarantee, but do the Government have any plans to review the level of support offered to off-grid properties for the cost of their heating bills this winter? There is cross-party consensus that the £100 payment is inadequate to meet the rising bills, so will he bring forward further support in advance of this winter?

**Jeremy Hunt:** I have listened carefully to what the hon. Gentleman has said, as I did to my right hon. Friend the Member for Forest of Dean (Mr Harper), and we will certainly look carefully at what can be done for off-grid properties.

**Mr Tobias Ellwood** (Bournemouth East) (Con): I welcome the necessary but vigorous course corrections that my right hon. Friend has introduced. He began his statement by describing the central responsibilities of any Government. They also include security: the defence of Britain, supporting our allies and standing up to our adversaries, as we have done in Ukraine. He knows that the world is getting more dangerous, not less, so will he commit to continuing the promise of 3% of GDP on the Defence spend?

**Jeremy Hunt:** It will not have been a secret to my right hon. Friend that I am sympathetic to that, because I campaigned for it very loudly and visibly when I was a Back Bencher, but all these things have to be sustainable. Any increase in Defence spending has to be an increase that we can sustain over many years. I agree with him entirely that the duty of a Government is to provide security for the population, in all senses of the word.

**Steve McCabe** (Birmingham, Selly Oak) (Lab): Does the Chancellor's compassionate conservatism extend to raising the minimum income component of pension credit, or is he prepared to let the poorest pensioners in the land be sacrificed on the altar of Trussonomics?

**Jeremy Hunt:** I would gently say to the hon. Gentleman that, while I completely understand how important it is to support our most vulnerable pensioners, what they need more than anything is a strong economy that can pay for the support that we would want to give them.

**Simon Hoare** (North Dorset) (Con): I welcome my right hon. Friend to his place and breathe a sigh of relief at the grown-up and sensible approach he has taken to the issues at hand. I also echo the remarks of my right hon. Friend the Member for Forest of Dean (Mr Harper) and the hon. Member for Ceredigion (Ben Lake) about the need to take into account those who are off grid and using heating oil. They deserve as much support as possible.

My right hon. Friend is newly empowered and he is able to slay many dragons. Could he slay the dragon of fracking, which was not in our manifesto?

**Jeremy Hunt:** This is an issue that has raised its head in my own constituency. Let me simply say to my hon. Friend that the Government's position is clear: we will not proceed unless there is local support.

**Caroline Lucas** (Brighton, Pavilion) (Green): In the bonfire of Government policy that has just taken place, the Chancellor was not very specific about what would happen to the Prime Minister's investment zones policy. Personally, I was hoping that it would be incinerated as well, not least because it is designed to undermine environmental regulation, to avoid fair taxation and to bypass local democracy. In the past, he has said that he is a green Tory. I have to put it to him that that is sadly an endangered species right now, but if he is serious about being a green Tory, will he now take steps to demonstrate it by ruling out any policies that will undermine



nature protection and restoration, and will he accept there is no financial capital that is not entirely dependent on a thriving natural capital?

**Jeremy Hunt:** I am absolutely committed to protecting our green spaces and boosting biodiversity, but I also think it is important to look at environmental regulations to see if they can be streamlined in a way that is consistent with allowing the natural world to flourish as well as the economy.

**George Freeman** (Mid Norfolk) (Con): I welcome the Chancellor and thank him for bringing calm reassurance to the markets and to this crisis so quickly. Does he agree that economic crises based on political confidence mean that everybody in this Chamber, on both sides of the House, has a duty to reassure the markets that we are capable of taking tough decisions? Does he also agree that, as we look to grow as he has highlighted, the technology and science sectors provide huge opportunities and that we should resist the opportunity to cut their funding?

**Jeremy Hunt:** There is no more formidable an advocate of science and technology than my hon. Friend, and he knows that I also care very much about the sector. With respect to reassuring the markets, the most important thing is, as we said earlier, that there is no disagreement about the policies announced today. It is important for the markets to know that there is that consensus in the House.

**Dame Diana Johnson** (Kingston upon Hull North) (Lab): Last month, the Prime Minister told the BBC in Hull that we would be included in Northern Powerhouse Rail despite not being included in the Government's integrated rail plan. Was the Prime Minister wrong to say that?

**Jeremy Hunt:** I do not know, but I will write to the right hon. Lady.

**Dr Julian Lewis** (New Forest East) (Con): May I warmly welcome the Chancellor's remarks about defence and security? As it took us very many years to pay off this country's colossal second world war debt, am I right in thinking that the huge costs of covid and Putin's aggression in Ukraine cannot possibly be cleared completely in the short to medium term?

**Jeremy Hunt:** I wish I could answer that question. As my right hon. Friend will know better than me, this appalling saga is far from over, so we do not know what the total costs will be. I thank him for his rapid and not entirely unexpected lobbying on defence budget issues since I took up this post. I think the job of the Chancellor of the Exchequer is to make sure that our economy is strong enough to fund the role that Britain wants to play in defence of democracy and freedom all over the world.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I have worked with and against the Chancellor of the Exchequer on many occasions, and I have learned that he is an honest man, but he said in his opening remarks that this country is always good at rising to the challenge of big and difficult times. What I hate about what he

said today—I really do hate it—is that there was no note of contrition. This big and difficult was started by his lot only two weeks ago. It is not just big and difficult; it is a national disaster. He spoke not one word of contrition about the mess that his party has made of this country.

**Jeremy Hunt:** I have the greatest respect for the hon. Gentleman, and we have had many exchanges in this House over the years. I think actions speak louder than words, and I do not think I could have been plainer in going out this weekend and today to accept that mistakes were made. The country wants to see us correcting those mistakes, and that is what we have done.

**Steve Brine** (Winchester) (Con): My right hon. Friend knows that I am very pleased to see him in Downing Street. The sense of relief expressed to me this weekend as I was out and about in my constituency was palpable. I welcome his statement—I welcome its realism and honesty—and I welcome his trademark sense of optimism in his final remark, from which I could certainly learn. He is right that growth demands confidence. Does he have confidence that, when the Bank makes its decisions a week or so after his statement in two weeks' time, the rise in interest rates, the mere prospect of which is terrifying my constituents, is not inevitable?

**Jeremy Hunt:** I thank my hon. Friend for his generous comments. It is not for the Government to say what the Bank of England does when the Monetary Policy Committee makes its decision on interest rates, but of course I have had conversations with the Governor about what the Bank needs to hear for it to feel that the inflationary pressures will be lower and so it will not have to make as high an increase as some people are predicting. Our constituents' mortgages are at the top of my mind.

**Zarah Sultana** (Coventry South) (Lab): The Chancellor has pledged a new wave of austerity, with public spending cuts squeezing services that have already been cut to the bone over the past 12 years. This is without a mandate and, as before, this round of austerity is a political choice not an economic necessity. Instead of cutting our services, the Government could raise taxes on the super-rich. If the Chancellor believes in his approach, why does he not put it to the people and call for a general election?

**Jeremy Hunt:** With the greatest respect to the hon. Lady, I did not pledge a new wave of austerity. If she does not like austerity, she should look at the generosity of the furlough scheme and what we are doing on the cost of living crisis. This has all been done because of difficult decisions she opposed every time.

**Richard Drax** (South Dorset) (Con): I welcome my right hon. Friend to his place. He talks about growing the economy and a strong economy, and I agree with that. May I remind the House, particularly those on the Opposition Benches, that it is, in the main, the private sector that raises the money that pays the tax for the public sector? We cannot go on hammering the private sector if we want to see the growth we want. As he takes his place, will he bear that in mind and reduce taxation as soon as he is able?

**Jeremy Hunt:** The answer is yes. To demonstrate that I understand what my hon. Friend is talking about when he talks about the private sector, I am going to say some words I have always dreamed of saying from this Dispatch Box: I used to be an entrepreneur.

**Stewart Hosie** (Dundee East) (SNP): The Chancellor spoke about difficult questions to be faced in the future, and I hope he is not going to fall into the old trap of trying to cut his way to growth, because that cannot work and it never works. May I welcome what he did today: the screeching U-turn on the vast majority of the mini-Budget from the Prime Minister and his predecessor? Given that he has done that—I do welcome it—may we have a guarantee from him today that for as long as he has anything to do with it, there will never be a return to extremist, crank, experimental, think-tank economics?

**Jeremy Hunt:** I am happy to offer that guarantee if the right hon. Gentleman will agree to explicitly reject the extremist, crank, think-tank economics of Scottish independence.

**Robert Halfon** (Harlow) (Con): I welcome the direction of travel of my right hon. Friend and the reinstatement of compassionate conservatism, which is at the heart of this political party. When the Conservative Government under Chancellor George Osborne had rightly to cut the deficit and cut debt, they also helped the most needy with the cost of living, introducing the living wage and cutting taxes for lower earners, introducing a fuel duty freeze, and investing in skills and apprenticeships. I know that my right hon. Friend is not going to give me an answer now, but may I ask him: will that be his guiding philosophy as he goes forward in his new role?

**Jeremy Hunt:** I always listen to my right hon. Friend carefully on these issues. Let me say to him this: I do not think we will solve the growth paradox of this country, raising our long-term rate of economic growth to 2.5% from under 1%, unless we tackle the skills issue—that is central. I do not promise that I can give him an entire solution to that in two weeks' time, but it is something I would very much like to talk to him more about.

**John Cryer** (Leyton and Wanstead) (Lab): Government insiders are busy telling the press that the Bank of England is “playing roulette” with the British economy. Is that helpful or unhelpful?

**Jeremy Hunt:** Those comments have not been coming from the Government since I have been a part of the Government. I cannot talk about what happened before, but what I will say is that I am working extremely closely with the Bank of England, and we are both absolutely aligned on the need for stability.

**James Cartlidge** (South Suffolk) (Con): I congratulate my right hon. Friend and welcome him to his post. Is a crucial point not that one weakness of the plan for growth is that fiscal and monetary policy were, in effect, contradicting one another? When we talk about working with the Bank of England, what that really means is fiscal and monetary policy working in lockstep so that we deal with inflation, which is the biggest economic challenge we face.

**Jeremy Hunt:** My hon. Friend has actually answered the previous question much better than I did—the answer is yes.

**Stephen Farry** (North Down) (Alliance): It is right that the Chancellor is seeking to reassure the markets, but will he take the opportunity today also to reassure the millions of people who rely on benefits, both those who are in work and those who are out of work? The UK has some of the lowest benefits in Europe. There are people on benefits with no plan B and no savings, and huge anxiety at present, given the current situation. So will he pledge that benefits will increase in line with existing Government policy—in line with the consumer prices index? Will he also reverse what the previous Chancellor said in his mini-Budget about the more punitive approach to be taken against those on benefits?

**Jeremy Hunt:** What I will say to the hon. Gentleman is straightforward. It is because I want us to be able to support the poorest, the most vulnerable and those in the greatest difficulties in society that the most important thing I can do right now as Chancellor is what I can to create economic stability, and that is what I am doing.

**Alex Chalk** (Cheltenham) (Con): I warmly welcome the Chancellor's swift and decisive action today, but also the tone and, above all, the candour of his remarks. Does he agree that the best way in the long term to build a strong economy and a fair society for my constituents in Cheltenham, many of whom he met recently, is to repair the public finances in the short term? That is the Conservative way; that is what builds prosperity in the long term.

**Jeremy Hunt:** Absolutely, and only a couple of weeks ago I was sitting in a café in Cheltenham having a cold sandwich with my hon. Friend. I want to thank him for his incredible articulacy in lobbying for the needs of the people of Cheltenham.

**Stephen Kinnock** (Aberavon) (Lab): Does the Chancellor think that it is morally justifiable to lift the cap on bankers' bonuses while refusing to confirm that he will link benefits to inflation?

**Jeremy Hunt:** I understand why the hon. Gentleman has asked the question. I believe that wealthier people should pay more as we go through a difficult period, but the mechanism of the cap, with which we were doing that, was not working. We will get more money out of the pockets of those rich bankers through what we are going to do now.

**Mrs Flick Drummond** (Meon Valley) (Con): Many of our more advanced manufacturing businesses are in the defence sector, and they welcome our commitment to growing defence spending. They have no problem with paying more corporation tax, as long as there are incentives to support their cutting-edge research and development. Will my right hon. Friend commit to ensuring that those incentives are available across all industries?

**Jeremy Hunt:** That is a very important point. We have an issue in that we need our companies to invest more in R&D. We have a fantastic opportunity to be the world's next silicon valley, with all the potential of our great

universities and incredible levels of innovation, but I absolutely think there is more that we can do, and I will bear in mind my hon. Friend's comments.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Since 2015, the value of the pound has dropped about 30% compared with the dollar. After this Government's mini-Budget, the pound hit an all-time low against the dollar. Given that oil and gas, and other, related energy products are traded in dollars, is it not the case that, by absolutely tanking the pound against the dollar, this Government have added other costs to the cost of energy in the UK?

**Jeremy Hunt:** I am delighted that someone from the SNP is worried about the value of the pound, which I think shows that it matters to all of us. I would say to the hon. Gentleman, in all seriousness, that Governments cannot control the value of currency and should not seek to do so, but in so far as our actions affect the stability of our markets, including the currency markets, the one thing we can do is to show that we are balancing the books.

**David Morris** (Morecambe and Lunesdale) (Con): I would like to welcome my right hon. Friend—my friend—to his new position as Chancellor. Madam Deputy Speaker, you would not know this, but my right hon. Friend should have been coming to Morecambe on Thursday, but of course last weekend has changed these things. However, I extend the invitation to come to Morecambe so that he can see how much money has been spent there and how well it has been doing since 2010, and also see the Eden Project North site and the stakeholders.

**Jeremy Hunt:** I would be delighted to accept my hon. Friend's invitation. He might not want to tell me what he would like as a christening present for his daughter, because I now have a trillion pounds at my disposal.

**Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): In the history of British democracy, have we ever had such a calamitous start for a Prime Minister? We have now had four Chancellors in four months, but it was a majority of Conservative MPs and members who inflicted fantasy trickle-down economics upon our country, when they naively decided to take a holiday from reality, which has left many of my Slough constituents struggling to pay their bills. Given that the new Chancellor has effectively dumped the kamikaze mini-Budget, does he agree that he and the Prime Minister no longer have a democratic mandate to continue in their positions and that they should step aside and let the exasperated British people make their decision?

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. Just before the Chancellor answers that question and responds to the very neat speech that the hon. Gentleman has just made, I must appeal to colleagues for quick questions. We have had all the speeches; we do not need to hear all the same things all over again. We need quick questions so that the Chancellor can give brief replies, because otherwise we will never get on to the other business.

**Jeremy Hunt:** A general election would not contribute to stability if people had to worry about the disastrous policies of a future Labour Government.

**Mike Wood** (Dudley South) (Con): I know the Chancellor will not have taken the decisions that he has today easily, but he will recognise that the planned increases in alcohol duties will have a devastating impact on many small pubs, small brewers and hospitality businesses. Will he look at how the changes he is making to beer duty in particular can be structured to help rather than harm small hospitality businesses, and perhaps bring forward the implementation of draught beer duty?

**Jeremy Hunt:** I hear my hon. Friend. The hospitality industry is incredibly important to our economy. I have two things to say. As he knows, we are reviewing the whole structure of alcohol duties, and as part of that process we will be keeping the levels of duty under constant review.

**Tim Farron** (Westmorland and Lonsdale) (LD): We have had many U-turns, but there is one that the Chancellor has not made that is massively relevant to Cumbria and other rural communities. The cut in stamp duty will help nearly nobody who can currently not afford a home to be able to afford one. What it will do is add fuel to the fire of a second home ownership and Airbnb disaster in areas such as the lakes and the dales. Does he understand the damage that excessive second home ownership and Airbnb do to communities such as mine and other parts of the country? Will he think again and do something to support our communities and stop the housing catastrophe?

**Jeremy Hunt:** I entirely understand the concerns about second home ownership, and the Government have been looking at that policy in enormous detail over recent months. However, I gently say to the hon. Member that it would be wrong to be dismissive of the concerns of young people desperately trying to get onto the housing ladder, and the help that we are giving them with the stamp duty reforms will make a significant difference.

**Alun Cairns** (Vale of Glamorgan) (Con): I pay tribute to the Chancellor for his statement and for the urgency with which he has acted. The energy price guarantee was welcomed across the House, although it was probably the policy that created the greatest uncertainty in the financial markets. Does he agree that, as he reviews the policy, there will continually be challenges in this area so long as Putin maintains his aggressive conflict in Ukraine?

**Jeremy Hunt:** Absolutely. I am very pleased that my right hon. Friend has made that point. We should remember that Putin's gain is to try to turn economic instability into political instability, and we must not play along with it.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): The chaos in the bond markets impacting on pensions was a result of decisions by the right hon. Gentleman's Government, his party and his Prime Minister. Can he now tell us whether all pension funds are secure, what is the value of the total losses, and what actions will he be taking to ensure that people can have confidence in their pensions? Why should they ever trust the Tories with their pensions again?



**Jeremy Hunt:** I am afraid that I do not accept at all the hon. Member's analysis of why those problems happened, but I do not deny that we have had some issues with pension funds. I point him to today's statement by the Governor of the Bank of England that says we are well on our way to resolving them.

**Jack Brereton** (Stoke-on-Trent South) (Con): People and businesses across Stoke-on-Trent are incredibly thankful for support with their energy bills throughout the winter. When my right hon. Friend comes to review those policies in April, will he make sure that those who most need that support are protected the most, particularly energy-intensive businesses such as ceramics in Stoke-on-Trent?

**Jeremy Hunt:** My hon. Friend will be pleased to know that I have already had extensive discussions with my Treasury officials about the needs of energy-intensive industries and we are very well aware of those issues.

**Jess Phillips** (Birmingham, Yardley) (Lab): I welcome the Chancellor to his place, but it seems quite baffling to me that everybody is giving him plaudits for all the work that he is doing—well done—when the thing that he is undoing is the Prime Minister's Budget. It is as if the past four weeks have not happened, and I feel a tiny bit gaslit by that, I have to say. Why is he spending £2 billion a year on unfunded stamp duty cuts when he said today that he could not announce unfunded tax cuts? How will he pay for that?

**Jeremy Hunt:** The hon. Lady will find out in two weeks.

**Andrew Jones** (Harrogate and Knaresborough) (Con): It is good to see my right hon. Friend in his place. Does he agree that, as well as support for families and businesses with energy bills now, the need for long-term energy resilience is as urgent as ever? Will that be one of his priorities?

**Jeremy Hunt:** It will. It is not just my responsibility, but that of the whole Government. Good government is about fixing long-term issues as well as dealing with short-term crises, and that is definitely an important long-term issue.

**Jeremy Corbyn** (Islington North) (Ind): We live in a deeply divided country and a deeply divided society. There are more poor people than ever, more people accessing food banks than ever before and more children growing up in absolute poverty and, as a result, not achieving their best in life. Twice the Chancellor has refused to answer the question whether he will raise benefits in line with inflation. I ask for the third time: can he please assure people who rely on benefits for their very existence that they will be increased at least in line with inflation, to tackle the appalling poverty so many people face?

**Jeremy Hunt:** I respect the right hon. Gentleman for pressing me on that issue, because I understand how important it is. The reason I am not able to give him the answer he seeks is that I am not giving that answer on any area of spending or tax policy. The situation we face is extremely grave, and we must look at those issues in the round. We will come to the House with

those decisions just as soon as they have been made and then independently audited by the Office for Budget Responsibility.

**Laura Farris** (Newbury) (Con): I welcome the rapid grip my right hon. Friend has exerted on the public finances, which has been reflected throughout the day by the rally in sterling and gilts. However, I seek clarification of his comments on investment relief. Will he maintain his commitment to seed enterprise investment schemes focused on science and technology? Those are thriving sectors in my constituency and, as he alluded to, they are the engines of our future economic success.

**Jeremy Hunt:** I ran a small technology business for 14 years, so that is very much where my heart is. There is a massive opportunity for the UK to create something a bit like the City of London, something that will pay an enormous amount of corporate tax for many years to come. Although I cannot give my hon. Friend the answer, I am determined to grip that opportunity.

**Pete Wishart** (Perth and North Perthshire) (SNP): Will the Chancellor take this opportunity to concede that he is now the de facto Prime Minister and that it is he who calls the shots in government, in what must be the most bizarre and surreal coup in political history? In this new role, does he think the current Prime Minister is a help or a hindrance to his economic objectives?

**Jeremy Hunt:** I will just say this: it is the most challenging form of leadership to accept that a decision one has made has to be changed. The Prime Minister has done that, and she has done so willingly, because she understands the importance of economic stability. I respect her for it.

**Ian Levy** (Blyth Valley) (Con): I welcome my right hon. Friend to his place. Will he please give my constituents an assurance that this Conservative Government will continue to support the most vulnerable in society with their energy bills in the months ahead?

**Jeremy Hunt:** I will absolutely give that assurance. My hon. Friend's own background is in mental health and he understands just how vulnerable people can get. Those concerns will be topmost in our mind.

**Geraint Davies** (Swansea West) (Lab/Co-op): Before the Chancellor goes on a spending cut spree of public services, will he look at the analysis in today's *Financial Times* that says that every £1 invested in the NHS generates £4 in growth? Will he also do what he can to protect poorly paid health workers who are facing much higher mortgage costs due to his Government?

**Jeremy Hunt:** Until the hon. Gentleman got to the end bit, I was going to say that that sounded like the question I should have been asking the previous Chancellor as Chair of the Health and Social Care Committee. I am very aware that the NHS does not just cost us money but can contribute to our growth. There is an enormous opportunity for this country to become one of the life science giants of the world.

**Mr Robin Walker** (Worcester) (Con): I welcome my right hon. Friend to his place and I welcome his focus on both fiscal responsibility and compassionate conservatism. Further to his welcome answer to my right hon. Friend

the Member for Harlow (Robert Halfon), does he agree that money invested in the skills and education of the most disadvantaged is money well spent and will benefit the future fiscal growth and stability of our country?

**Jeremy Hunt:** I absolutely do, and I think that there are many economists, such as Paul Johnson, who would say that if we really want the productivity, levels of wealth and prosperity of places such as Germany and Singapore, the skills gap is the biggest gap that we have. It is scandalous that for decades Governments from all parts of the House have not been able to deal with the fact that about 100,000 people leave school every year unable to read. These are important issues, but I want to be honest: this is not something that the Government or I can address in the next two weeks, but it is absolutely something that we will have to come back to.

**Chris Bryant** (Rhondda) (Lab): For all the hand-wringing and soft soap, I am afraid that I do not think that this Chancellor is any better than the last one. *[Interruption.]* Well, he has been present at all the failures over the past 12 years: the failure to invest in the NHS; the failure to make sure that we had personal protective equipment in time for a pandemic; the failure to deal properly with the invasion of Ukraine and the annexation of Crimea. In all those things, he has been at the scene of the crime. The biggest problem is that, as a result of 12 years of Tory economics, we will have the highest tax take in our history and still the highest borrowing in our history and probably the largest tax cuts in our history. Why is this the only major economy in the world that has not yet grown to the level that it occupied before the pandemic?

**Jeremy Hunt:** I have a lot of respect for the hon. Gentleman as a great parliamentarian, but will he allow me to say that there is not really a polite word to describe the nonsense that he has just uttered? We inherited the worst financial crisis since the second world war from his party, and since then, we have become the third-fastest growing country in the G7. He talked about the NHS, which had a £20 billion increase in funding on my watch—40,000 more doctors, nurses and other clinicians—and there is more to come if we take the difficult decisions to grow our economy that his party always opposes.

**Holly Mumby-Croft** (Scunthorpe) (Con): My right hon. Friend the Chancellor knows very well the importance of steel, both to my Scunthorpe constituency and to our country. Will he confirm that the energy support package for business remains unaltered, and that when the Treasury enters into the three-month review it will do so mindful of the strategic value of steel?

**Jeremy Hunt:** Yes and yes.

**Mr Toby Perkins** (Chesterfield) (Lab): First, when the Chancellor rises to respond to this question, will he withdraw the claim that Labour opposed furlough? We did not—we supported it. Secondly, the previous Chancellor took the view that if we reduced corporation tax more money came back in revenue. Indeed, in his own short-lived leadership contest the Chancellor seemed to be saying the same thing and proposed even greater cuts to corporation tax. Will he now tell us whether he believes that an increase in corporation tax will raise more revenue or, as he has previously said, less?

**Jeremy Hunt:** I did not say that Labour opposed the furlough scheme. What I said was that Labour Members like it when we spend money, but they oppose all the measures necessary for the economy to be able to afford them.

When it comes to corporation tax, I would love to reduce it. In the long run, I think we do get more money. *[Interruption.]* Well, I am answering the hon. Gentleman's question. We do get more money back, but that has to be on money that we actually have—it cannot be on borrowed money, which is why we have changed direction.

**Anthony Mangnall** (Totnes) (Con): I am utterly delighted to see my right hon. Friend in his place. It was an honour to be on his campaign team at the very beginning.

May I add one small point? Last week, I met representatives from the hospitality and tourism sector, which sees the possibility of 10,000 businesses going out of business. Will he meet me and representatives from the sector to talk about what we can do to keep it open, because it is absolutely the powerhouse of the British economy?

**Jeremy Hunt:** After my hon. Friend's generous comments, the answer is absolutely, yes.

**Beth Winter** (Cynon Valley) (Lab): The Chancellor has raised the prospect of further departmental savings—he means cuts—but from the TUC to the Institute for Government and the Welsh Local Government Association, people agree that there is nothing left to cut. When will the Chancellor listen to the Wealth Tax Commission and others who urge the Government to raise tax on wealth and non-earnings income, rather than decimate public services on which our constituents rely?

**Jeremy Hunt:** We already, with Conservative support, ask wealthier people to pay far more tax than people on low means, but the kind of taxes that the hon. Lady is advocating would destroy the wealth of the overall economy, so we would have less money for the NHS and the people who need it most.

**John Stevenson** (Carlisle) (Con): I appreciate that the Chancellor has some really difficult decisions to make on tax and spending, but if we are to grow the economy, we must maintain capital expenditure. Up and down the country, there are a number of projects to which we allocated funding three or four years ago. They are now out to tender and can be built in the next 12 to 18 months, but they may have a slight shortfall. Will the Chancellor be sensitive to those projects, because if we are to grow the economy, it is those sorts of capital projects that we need to commence?

**Jeremy Hunt:** I absolutely agree about the importance of capital to the long-term growth of the economy—indeed, not just those projects, but many other projects. So, yes, we will be sensitive to that, but that does not mean that we will not have to make difficult decisions.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Dame Eleanor Laing):** I call Brendan O'Hara. *[Interruption.]* The hon. Gentleman disappeared before my very eyes. I call Ronnie Cowan.

[*Madam Deputy Speaker*]

[HON. MEMBERS: “He is not here either.”] Fine—they are falling like ninepins. Goodness me, we had better try something different. I call Kirsten Oswald.

**Kirsten Oswald** (East Renfrewshire) (SNP): Thank you, Madam Deputy Speaker. It has been reported that No. 10 was briefing that the Chancellor’s statement was due to unspecified global headwinds, rather than the mini-Budget, but the former deputy governor of the Bank of England, Charles Bean, disagreed and said that the Prime Minister’s insistence that the UK’s economic turmoil was part of a global phenomenon was “disingenuous”. To be clear, what does the Chancellor believe has happened? Who does he agree with? Who does he think is responsible for the terrible financial thumping that now affects my constituents?

**Jeremy Hunt**: I do not think I could have been clearer in my statement. I said that the turmoil we have had is the result of international and domestic factors.

**Jerome Mayhew** (Broadland) (Con): The Chancellor will be aware that his actions over the past few days have already lowered long-term expectations for interest rates. Can he set out for the House what impact he anticipates that that will have on mortgage rates in my constituency and across the country, as well as on the Government’s ability to fund future services?

**Jeremy Hunt**: I absolutely salute my hon. Friend for thinking about the needs of families having to pay mortgages, which have an enormous impact on their finances. As I have learned in my short time in this job, Chancellors never comment on what mortgage rates or interest rates should be, but I absolutely want to make sure, in so far as the Government can influence it, we make sure that they are held down as low as possible.

**Andrew Gwynne** (Denton and Reddish) (Lab): I will be a bit more generous. I genuinely welcome the re-emphasis on market stability, sound economic finance and ensuring that our country genuinely has an economic policy that is not going to frighten the markets.

The Chancellor says that he is reviewing all tax and spending before the Budget, and he wants to ensure that he takes communities with him. May I impress on him the very real damage that was done in lots of communities across the country that one might call red wall seats, although not all of them voted for the Conservatives in 2019, as a result of the cuts to local government—60p in the pound. Local government cannot take that level of cuts again. May I ask him at least to consider ensuring that those communities are protected?

**Jeremy Hunt**: I am not making any commitments on individual areas of any tax or spend, but yes, I absolutely understand the pressures faced in local government.

**Aaron Bell** (Newcastle-under-Lyme) (Con): I welcome the Chancellor to his place. I welcome what he said about economic stability, the stability he has brought, and what he said about protecting the most vulnerable, which my constituents will welcome. When the people of Newcastle-under-Lyme voted for me and for the Government in 2019, they wanted us to deliver Brexit,

deliver them from the Labour party, and deliver levelling up. Despite the difficult economic circumstances, can the Chancellor reassure me that the Government will continue to spread opportunity, growth and investment across the nation?

**Jeremy Hunt**: I am absolutely delighted to give that assurance. It is a fundamental part of the Conservative philosophy that economic opportunity should be evenly shared across the country, and we accept that it is not at the moment.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): The chief executive of the Scotch Whisky Association made the point this morning that, time after time, freezes in spirits duty have delivered more revenue to the Treasury, contrary to all the forecasts from the Treasury. The Chancellor will know that that is correct, so why does he think that it would be different this time?

**Jeremy Hunt**: I will happily take that piece of wisdom away to the Treasury and ask them to relook at the figures, but I do not think that it is likely that they would have advised me to take the measures I took today if that was the case. I will go and ask them to look at it again.

**Peter Aldous** (Waveney) (Con): I welcome my right hon. Friend to his new role and commend him for the prompt and decisive action he has already taken. He has rightly said that the Government wish to protect the most vulnerable. With that in mind, taking into account the parameters he has already set out, may I urge him to confirm as soon as practically possible that benefits will be uprated in line with inflation? In doing so, he will remove the burden of worry and anxiety that is hanging over a great many people in this country.

**Jeremy Hunt**: That issue has been raised by several colleagues from across the House and, as I have said previously, I thank my hon. Friend for raising it and understand how important it is. He will understand that I am not in a position to make any commitments in any area today. We will make our decisions as soon as we can and bring them back to this House, but I hear what he says.

**Ellie Reeves** (Lewisham West and Penge) (Lab): SE20 Cycles in my constituency is a popular bike shop and the proud home of Penge cycle club, but owner Winnie faces an energy bill of £11,000 before winter has even started. It is only through the support of a local crowdfunder that Winnie is able to keep his doors open. What does the Chancellor have to say to SE20 Cycles and the thousands of other small businesses that face higher energy bills, higher rents, higher prices and, frankly, terrifying uncertainty because of this Government’s incompetence?

**Jeremy Hunt**: We introduced the energy price guarantee precisely because we care about families and also businesses that face unexpected increases in their fuel bills. I will write to the hon. Lady to tell her exactly how we are supporting small businesses in her constituency.

**Mr Richard Holden** (North West Durham) (Con): I welcome my right hon. Friend to his place as a great first step in restoring trust and confidence in our economy.



Although I welcome the broad package of energy support measures, can I echo sentiments of other hon. Members and those of my constituents from Cowshill village hall, who I met this weekend up in rural Weardale. They are very concerned about the extra costs of being off-grid, and if my right hon. Friend could look at that over the next couple of weeks, it would be massively appreciated. Will he also keep working on the broader energy security measures so that we can ensure that we do not face this situation again in the future?

**Jeremy Hunt:** I will absolutely do that.

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): I note that Brexit merited not one mention in the Chancellor's statement. The truth is that this economic crisis was baked in when his party committed to a hard Brexit; it was just a matter of when, although the Prime Minister substantially brought that forward. The then Member of Parliament for South West Surrey said that service levels and investment in public services would be massively impacted by Brexit. Does the Chancellor agree with the then Member for South West Surrey?

**Jeremy Hunt:** I am very sorry; I missed the last part of the hon. Gentleman's question. I am not sure whether he is allowed to say it again, but on the first part of his question I would simply say that when it comes to Brexit the UK grew faster than the eurozone countries since 2016, so I do not accept his analysis.

**James Morris** (Halesowen and Rowley Regis) (Con): I warmly welcome the Chancellor to his place. He, more than anybody else, will be aware of the pressures in the health and social care system as we enter a difficult winter. Will he be able to give reassurance to people working in the NHS and patients across the country that he will maintain the levels of funding necessary to cope with those winter pressures and with the future challenges that the health and social care system will face?

**Jeremy Hunt:** I am, I think, one of only two Chancellors to have been Health Secretary, so I am very aware of the pressures in the NHS. I am not making any commitments, but when it comes to the NHS the whole country wants to make sure that it can cope not just with winter crises but with the pressures we have had since covid. We will look at that very carefully, but I would also like to see reform in the way NHS funding is spent, because I think we can do better with the large sums that we spend already.

**Barbara Keeley** (Worsley and Eccles South) (Lab): After the Government's disastrous mini-Budget, I heard from a constituent, a single person first-time buyer who had been saving to buy a home for seven years and can no longer afford a mortgage. She described that as a kick in the teeth. What does the Chancellor of the Exchequer say to my constituent and all those ordinary people across the country battling price rises, struggling with increased mortgage costs and having their pensions hit by the effects of three weeks of instability caused by the economic incompetence of the current Prime Minister and her Government?

**Jeremy Hunt:** We have listened to her concerns and we have changed our policies as a result. Also, in fairness, the rise in interest rates is not just because of

actions taken by the UK Government in the past few weeks but because of global factors, and we will do everything we can going forward to shield people like the hon. Lady's constituent from those global factors, but we cannot do everything.

**Dr Ben Spencer** (Runnymede and Weybridge) (Con): I thank my right hon. Friend for his statement today. It is absolutely right that the Government should prioritise economic stability above all else and accordingly make some necessary but difficult decisions given the challenging circumstances. Can he confirm that pursuing a high-growth economy remains central to the vision and will he continue to pursue policies of reducing the tax burden as circumstances and the economy allow?

**Jeremy Hunt:** I am happy to confirm both those points to my hon. Friend.

**Wendy Chamberlain** (North East Fife) (LD): I would like to return to a theme that I picked up at the plan for growth statement three weeks ago: carers, particularly unpaid carers. Because of the carers allowance, they either cannot work at all or are struggling to make ends meet. Will the Chancellor confirm whether we will see inflationary increases to benefits and, if not, will he consider expanding the means-tested cost of living payments to include those on carers allowance or, at the very least, will he allow people to work more before their carers allowance is impacted?

**Jeremy Hunt:** I have said, as the hon. Lady will have heard, that I am not announcing decisions in any individual areas because of the gravity of the situation we face. On carers allowance, I will happily write to her anyway as I think these are all things we keep under review.

**Jason McCartney** (Colne Valley) (Con): I very much welcome the fact that we now have an entrepreneur in 11 Downing Street. I also welcome the fact that over the weekend the Chancellor spoke once again about compassionate Conservatism, supporting those in our communities who are most in need while striving for sustainable growth. I know that my right hon. Friend is not making any spending commitments today, but does he agree with me in principle that one of the best ways we can support and create sustainable jobs in our communities is by continuing to invest in our levelling-up agenda across communities in our country?

**Jeremy Hunt:** I absolutely am very happy to confirm that I agree with that in principle.

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): Two very important conferences are taking place in the UK this week that support the Government's aim for a UK cryptocurrency hub: the digital assets summit and the bitcoin collective summit. The crypto and digital assets all-party parliamentary group, which I chair, is keen to meet the Treasury to hear about the Chancellor's commitments to regulation and consumer protection and to take forward the area's vast potential in job creation, innovation and growth.

**Jeremy Hunt:** I know that the hon. Lady has been in discussions with the Financial Secretary to the Treasury, and I know that he would be delighted to communicate with her further, because she obviously has a lot of expertise in this area.

**Rachael Maskell** (York Central) (Lab/Co-op): For three and a half weeks, the Government have gambled with people's pensions, with their mortgages and with their futures. I notice that the Chancellor, in the list of people he has met, did not mention the Pensions Regulator, yet pensions have taken a significant hit over this period. Can he say that pension schemes will not be deemed unviable over this period, that they will get the support they need from Government, and that he will ensure they are stable for the future as both defined contribution and defined benefit schemes?

**Jeremy Hunt:** Well, I have had many discussions on pensions issues with the Governor of the Bank of England who, as the hon. Lady knows, has taken extensive action to protect the viability of pension funds. She will be as pleased as I was that he announced today that he thinks that he has basically succeeded in resolving that issue in nearly every case.

**Chris Stephens** (Glasgow South West) (SNP): Will the Chancellor commit to the House that, as part of his decision making, he will also take cognisance of the social consequences and the consequences for social stability? Food aid charities handed a petition to Downing Street today saying that they are struggling to meet the demands of our fellow citizens. Will he meet those charities so that they can impress on him the urgent need to uprate benefits in line with inflation?

**Jeremy Hunt:** I am meeting many different people to discuss that very issue, but I am afraid that I can only point the hon. Gentleman to my earlier answer that I am not announcing any decisions on it today.

**Clive Efford** (Eltham) (Lab): The Chancellor is taking plaudits for having calmed the markets, but he has not resolved the problem—he has just stopped it getting worse. Gilts will still cost more so borrowing will still cost more for the Government in perpetuity, which will have an impact on people's mortgage rates. Does he expect reposessions to go up in future? If so, what action will he take to assist people who find themselves in that situation because of the Prime Minister's reckless Budget?

**Jeremy Hunt:** It is because I do not want that to happen that I have taken the very difficult decisions today.

**Christine Jardine** (Edinburgh West) (LD): I am sure that the Chancellor would agree that certainty is key to stability for businesses. As has already been mentioned by one or two of my hon. Friends, the Scotch whisky industry, and the spirits industry generally, is now facing uncertainty because of his U-turn on freezing the duty, and it has no certainty about whether or when the duty will go up, or when it will even know. Can he commit to letting the industry know at an early date—as soon as possible—what will actually happen to it, as it is vital to many of our constituencies?

**Jeremy Hunt:** We will conclude the decisions on what we will do in terms of excise duty reform generally as quickly as we can, but for now, I am afraid that the difficult decision that I announced today stands and we will not be able to proceed with the freeze from next February.

**Barry Gardiner** (Brent North) (Lab): I genuinely welcome many of the announcements that the Chancellor has made today and the stability that they will produce, and I wish him well for all our sakes in his new role. I want to focus his attention back on the young couple seeking to purchase their first home. They fear that the housing shortage means that the cut in stamp duty will not benefit them, but will simply raise the price of property and benefit existing homeowners—or have he and his party managed to abolish the law of supply and demand in the last 24 hours?

**Jeremy Hunt:** No, I have not. We recognise the need for more housing and the problems in the planning system. They will be at the top of our mind as we announce reforms to restore economic growth.

**Joanna Cherry** (Edinburgh South West) (SNP): Last month, I pressed the Government to commit to extending the short-term energy price support announced for business and said that it could not afford to wait for the three-month review, because it needs certainty. Today, we have heard that the same uncertainty is to be imposed on every single household across my Edinburgh South West constituency, and indeed across the United Kingdom, because the Chancellor has reversed the Prime Minister's promise to give them energy support for two years. My constituents live in one of the most energy rich countries in the world, yet they face crippling bills. Does the Chancellor think that that is a good example of the dividend that he says Scotland gets from being in the Union?

**Jeremy Hunt:** Well, I think that not just Scotland but England, Wales and Northern Ireland get a fantastic dividend from being in the Union. I say to the hon. and learned Lady that we have not reneged on our commitment to help people on low incomes with energy bills next year. We have said that we will review it and that we need a more targeted scheme, but we absolutely want to give help to her constituents and everyone's constituents.

**Sir Stephen Timms** (East Ham) (Lab): Does the Chancellor recognise that there was a very heavy blow to the lowest-income households in the country in April when social security benefits were uprated by 3.1% and inflation was nearly 10%? It was justified at the time on the basis that that was what the regular uprating formula had delivered, and that the same formula would be used next April. That assurance was given by both the then Chancellor and the then Prime Minister. Will the Chancellor recognise, when he reflects on his announcements in a couple of weeks' time, that that is a matter of compassion, yes, but also of fairness?

**Jeremy Hunt:** I do accept that, and I think compassion and fairness are two sides of the same coin. I have told the right hon. Gentleman that while I cannot give the answers to any of these decisions, it will be through those prisms that we make those very difficult choices.

**Patrick Grady** (Glasgow North) (Ind): How will the concerns and experiences of the nations and regions of the United Kingdom be represented on the Chancellor's new advisory panel? What, if any, are the Barnett consequential of today's announcement for the devolved Administrations' budgets?

**Jeremy Hunt:** On the latter point, I will write to the hon. Gentleman. On the former point, I am confident that the advisers I have will be able to speak for the whole United Kingdom.

**Nick Smith** (Blaenau Gwent) (Lab): May I press the Chancellor? The defined benefit pensions market has been in turmoil. Schemes have nearly folded, and the Bank of England has spent £20 billion to steady the market. How will he grip that better so that pensioners can have confidence in their schemes?

**Jeremy Hunt:** I believe that the Bank of England has taken important action and I refer the hon. Gentleman to what the Governor of the Bank of England said today and his confidence that those issues have been largely resolved.

**Allan Dorans** (Ayr, Carrick and Cumnock) (SNP): Earlier this afternoon, the Chancellor announced the formation of a new economic advisory council. Can he confirm that its members will be independent and that they are not major donors to the Conservative party seeking to gain influence on Government policy?

**Jeremy Hunt:** I can confirm that the council's members will be independent; I can confirm that there will be no improper influence exerted; and I can confirm, as the hon. Gentleman will be pleased to hear, that all donations to the Conservative party are vetted and legal.

**Richard Burgon** (Leeds East) (Lab): I have listened carefully to what the Chancellor has said. Our public services are on their knees after 12 years of Tory misrule; they really cannot cope with any further cuts. In contrast, the very richest have seen their wealth soar threefold over the past decade. Surely, rather than further cuts to our public services, would it not be fairer to impose a wealth tax on the very richest in our society?

**Jeremy Hunt:** The trouble with those kinds of taxes is that they end up inhibiting the wealth-creating capacity of the economy to fund the very public services that the hon. Gentleman supports. I support wealthier people paying more tax, but only when it creates more resources to put into the public services that we all need.

**Stephen Flynn** (Aberdeen South) (SNP): We have a Government who Scotland did not vote for, and a Chancellor who is leading the way despite Scotland not voting for him and who is, of course, about to impose swingeing public sector cuts on Scotland that, again, we did not vote for. With that prospectus, is it any surprise that the people of Scotland are going to choose a different path?

**Jeremy Hunt:** I am very happy that the hon. Gentleman is concerned about what the people of Scotland voted for, which was to remain in the United Kingdom.

**Karin Smyth** (Bristol South) (Lab): In the past year, I have found myself regularly agreeing with the right hon. Gentleman when he warned that workforce burnout across the NHS and social care had reached emergency levels and

“is an extraordinarily dangerous risk to the...functioning of both services.”

Does he stand by that assessment today and will he now support an independent workforce plan?

**Jeremy Hunt:** It is very difficult to un-invent or un-say things that one has said on the Floor of this House. I am not going to make any commitments today, but let me say that, in my time as Chair of the Health and Social Care Committee, I learned a great deal about how the NHS functions, as indeed I did when I was Health Secretary, and I hope that will be useful to me in my role.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): The doglike devotion that Tory branch office members in Scotland have for their London bosses was hopelessly exposed when they urged the Scottish Government to follow the disastrous tax plans of the soon-to-be former Prime Minister. Hours later, the same branch office members applauded October's Chancellor's abandonment of those plans in a desperate effort to stay on script. Does the current Chancellor agree that those in the Tory branch office in Scotland should apologise to the people of Scotland for seeking to railroad the Scottish Government down a path that would have caused even more pain for struggling households?

**Jeremy Hunt:** The Tory Government the hon. Member so hates have shown ourselves in the last few days to be willing to take tough and difficult decisions if they are right for the country, so here is a tough and difficult decision for her. Independence will make Scotland poorer in every single way, so why does she not abandon it?

**Mohammad Yasin** (Bedford) (Lab): The Chancellor has reversed most of his Prime Minister's Budget, yet he is still talking about spending cuts to pay for the fine mess his Government have got this country into. Tory austerity broke our precious NHS, which he had a hand in. Now he is in charge of the purse strings, will he put his money where his mouth is, invest in the NHS and implement the workforce plan he knows is desperately needed?

**Jeremy Hunt:** Before I was Chancellor, with great respect to the hon. Gentleman, I think I did put my money where my mouth was. When I became Health Secretary we were funding the NHS at the OECD average and now it is the fifth highest in the OECD, so I have started to fix years of disastrous Labour underfunding.

**Madam Deputy Speaker (Dame Eleanor Laing):** I call Jim Shannon. *[Interruption.]*

**Jim Shannon** (Strangford) (DUP): Sorry, Madam Deputy Speaker, you threw me off there. I was looking round to see who it was. Thank you very much for calling me. Can I say how very pleased I am to see the Chancellor in his place? I wish him well, and I think this House wishes him well in the job he has to do.

Northern Ireland is a global leader in areas such as cyber-security and advanced manufacturing, and it is also the top location in the UK outside London for foreign direct investment. However, the rate of economic inactivity in Northern Ireland is higher than anywhere in Great Britain, which costs the economy some £16 billion annually. Can I ask the Chancellor if he can give any indication as to whether Northern Ireland will receive a fair proportion of the levelling-up funding under round 2, rather than in the first phase, when the 3% share target was missed?



**Jeremy Hunt:** As the hon. Member knows, I am not announcing any decisions today, but it would always be my intention to give a fair deal to Northern Ireland, which is an incredibly precious part of our Union.

**Dave Doogan (Angus) (SNP):** The new Chancellor—October's Chancellor—said, with no small measure of smug superiority and constitutional illiteracy, that in his opinion the four members he identified of his economic advisory board, who by my count are three members of large accountancy firms and one former insider from the Treasury, were well equipped to usher in the best possible economic plan for the devolved nations. That is clearly patent nonsense, but has it occurred to the Chancellor to invite the Finance Ministers from the devolved nations to form part of his economic advisory board, or is that beneath him?

**Jeremy Hunt:** I have regular contact and will continue to have regular contact—[*Interruption.*] Excuse me, would you let me answer? Sorry, Madam Deputy Speaker, but I was hoping the hon. Gentleman would let me answer.

I have regular contact with my Finance Minister counterparts in the devolved nations—and, indeed, the Chief Secretary to the Treasury had such discussions today—but this economic council is something different. This is about trying to make sure that we deal effectively with the instability we have seen in the markets, which is mainly London-based, and we want to make sure that it does not happen again, so I think I have four fantastic people for that role.

**Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab):** My constituents in Birmingham, Perry Barr and the people of the west midlands, who work tirelessly to be able to secure homes for their families, now look on in disbelief as they are having to focus on soaring energy bills in addition to crippling mortgage interest rates. Can the Chancellor explain how he will ensure that my constituents will not lose all they have worked for and will not need to make a choice between heating, eating or keeping their homes?

**Jeremy Hunt:** We are taking difficult decisions, and we will do whatever it takes to restore economic stability. That is the biggest single thing we can do.

**Ms Marie Rimmer (St Helens South and Whiston) (Lab):** Could the Chancellor explain to me whether the announcements today on tax will have implications for the primary legislation the Government are looking to introduce to enable the offer on tax and simplified regulations on investment zones? The in principle policy was published on 24 September, with expressions of interest asked for on 2 October and a rushed announcement that they had to be in by 14 October. There is very little detail for people to make really informed decisions. I will write again to the BEIS Secretary of State, if he remains the same—I have written to two—about one really good scheme, which is going to be massive. My constituency has two of the most deprived boroughs—Knowsley, the second most deprived in the country, which has had nothing yet, and St Helens, which is high up there. The schemes are just wonderful. What is the impact?

**Jeremy Hunt:** Because we are getting towards the end of our questions, I will reply to the hon. Member's letter. I do not believe there are any implications from what I have said today but, if I am wrong, I will let her know.

**Munira Wilson (Twickenham) (LD):** If the Chancellor is serious about growth, he has to be serious about education, yet school governors in my constituency recently described the funding situation they face as “soul destroying”, and one said that

“we have trimmed everything we can possibly trim”.

They are considering laying off teaching assistants, delaying building repairs and axing school trips. Could the Chancellor of the Exchequer tell parents and teachers in my constituency what else he wants schools to cut to pay for the Prime Minister's economic incompetence?

**Jeremy Hunt:** I want to do everything I can to protect our precious public services. I totally agree with the hon. Member about the link between education and economic growth, but I also think it is about social justice. I want to have fantastic schools for all our children, whatever their background. That is why I have taken the difficult decisions I have announced today.

**Cat Smith (Lancaster and Fleetwood) (Lab):** I know the Chancellor has already performed quite a lot of U-turns today, but can I invite him to make another U-turn specifically on fracking? Given that renewable energy is nine times cheaper, would it not make good economic sense to invest in renewables rather than fracking?

**Jeremy Hunt:** We are not going to do fracking unless it has local consent, but I also say, as someone who believes passionately that we have to do more on climate change, that it is not helping climate change to import hydrocarbons from other countries and say that as a result we are being very virtuous in reducing our own emissions. We need to do what it takes to reduce overall emissions.

**Peter Grant (Glenrothes) (SNP):** Can I thank the Chancellor in advance for what he has promised to publish over the next two weeks because it will be the starkest ever confirmation of the awful price of Better Together?

Unless you are a banker on a bumper bonus, which not many of my constituents are, you are looking at higher food prices, higher fuel prices, higher mortgages, reducing wages in real terms, falling benefits in real terms and savage real-terms cuts in public services. Alternatively, my constituents could be building towards a Scotland that is creating 385,000 jobs in renewable energy, producing between three and four times as much energy as we need, and—who knows?—maybe even selling it on at mates' rates to our friends and neighbours, as long as they treat us well. I respect the Chancellor's right to dismiss that future. I think he is doing himself an injustice by basing his dismissal on blind, evidence-light dogma, rather than looking at the facts, but does he accept that it is not for him, anyone on the Government Benches or, indeed, anyone on the Opposition Benches to deny my constituents the right to choose between those two futures?

**Jeremy Hunt:** I can accept that the hon. Member and I are different in that I am totally emotionally committed to the Union and it is part of my identity, and he feels differently about that, but what I cannot accept is that it would be anything other than madness for every household in Scotland to want to leave the United Kingdom, which would make them much worse off.

**Rebecca Long Bailey** (Salford and Eccles) (Lab): The Chancellor spoke of cuts, albeit shrouded in compassionate conservatism—a paradox if ever there was one—but surely he must realise how serious things are in public services at the moment. In Salford alone, the council is sitting on a £16 million shortfall due to soaring energy costs. That is on top of slashing its previous budget in half and slashing its staff rotas by over half. How can he possibly put forward compassionate cuts to services that are barely able to function at the moment?

**Jeremy Hunt:** It is because I want to be able to invest in public services like the ones the hon. Member talks about that I think it is so important to take tough economic decisions at times like this. All I would say is that, while she and I have a different viewpoint on many issues, her party has supported the decisions I have taken today, and I think that was the right thing.

**Martyn Day** (Linlithgow and East Falkirk) (SNP): After the Chancellor's televised statement earlier, gilt prices rose and the yield on them fell, thereby reducing their effective interest rate. Does he recognise that the markets have effectively factored in the removal from office of the Prime Minister and what does he think will happen if that does not happen?

**Jeremy Hunt:** One of the first lessons I was told as Chancellor is never to speculate on why markets do what they do and I am not going to break that today.

**Carol Monaghan** (Glasgow North West) (SNP): The Chancellor has repeatedly refused to answer questions about uprating of benefits, but with the Resolution Foundation briefing last week that it expects 2 million more people to be pushed into absolute poverty, can he guarantee to the House that any attempt to balance the books, to steady the ship, or whatever other expression we are going to use, is not going to be made at the expense of those already struggling?

**Jeremy Hunt:** As I have said—I am happy to repeat it—all these decisions will be taken through the prism of the impact on the most vulnerable people in society.

**Sam Tarry** (Ilford South) (Lab): Many constituents in Ilford South will be very glad that the last Labour Prime Minister had the foresight to make the Bank of England independent, given the mini-Budget a few weeks ago almost tanked six pension funds in the UK. What I would like to know from our new Chancellor today is what he is going to do—at least one more is still at risk—to reassure pensioners in Ilford South, and the millions of people across the country who are not only

angry but frightened, that he will do something concrete to shore up pension funds not just over the next few weeks but over the next few years.

**Jeremy Hunt:** We have had very decisive action from the Bank of England to do exactly that, and I hope the hon. Gentleman is encouraged by what the Governor of the Bank of England said today about his belief that he has largely solved those issues.

**Madam Deputy Speaker (Dame Eleanor Laing):** Finally, the prize for patience and perseverance goes to Daisy Cooper.

**Daisy Cooper** (St Albans) (LD): Thank you, Madam Deputy Speaker; I now know what it feels like to have the knees of the hon. Member for Strangford (Jim Shannon). *[Interruption.]* It is a fleeting thought, but it has gone.

Pubs and hospitality businesses in my seat of St Albans are really up against it. Suckerpunch is a bar that closed its doors just a couple of days ago because it can no longer continue. Others are clinging on until Christmas and we know that around the country hospitality businesses are saying that they are going to go into complete hibernation until the spring, and that means redundancies. Will the Chancellor confirm that he understands that hospitality is one of the sectors that is most affected and will therefore attract support, and will he look again at the broken business rates system, which is killing our pubs and high streets while letting multinationals off the hook?

**Jeremy Hunt:** Another of the promises I now vainly wish I had not made in the summer as to policies we should do is a fundamental review of business rates, so I have a great deal of sympathy for the hon. Member on that front and I will happily look at those issues. I do not want to promise we are going to make any progress in the next two weeks because there are so many other things we have to consider, but what she has said has been well heard—and I, too, congratulate her on her patience.

**Madam Deputy Speaker (Dame Eleanor Laing):** That concludes the statement. I thank the Chancellor for taking questions for a whole two hours—perfect timing.

## BILL PRESENTED

### BENEFIT CAP (REPORT ON ABOLITION) BILL

*Presentation and First Reading (Standing Order No. 57)*

David Linden presented a Bill to require the Secretary of State to report to Parliament on the likely effects of the abolition of the benefit cap, including on levels of absolute and relative poverty, poor mental health, food bank use, borrowing of money from friends and family, evictions from homes and problem debt, and on different groups including women, lone parents and people from Black and minority ethnic backgrounds; and for connected purposes.

*Bill read the First time; to be read a Second time on Friday 21 October, and to be printed (Bill 161)*

## Financial Investment and Deforestation

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

6.33 pm

**Chris Grayling** (Epsom and Ewell) (Con): I beg to move,

That leave be given to bring in a Bill to require banks and investment institutions regulated in the UK to verify and certify that they do not provide any form of financial or investment support to businesses which derive income from forest risk commodities, or that relevant local laws were complied with in relation to such commodities; and for connected purposes.

Deforestation around the world is a critical issue for the future of our natural world and our planet. The loss of forest cover has made climate change worse, has pushed millions of species closer to extinction and continues to cause real damage to ecosystems. The threat to the three biggest forest areas, in the Amazon, the Congo basin and south-east Asia, is particularly acute, and I am very proud that the United Kingdom has taken such a lead in the Congo in particular to try to halt deforestation and protect the key habitats there. I know that Members on both sides of the House share my concern about the conduct of the Brazilian Government over deforestation in the Amazon, and I will continue to use opportunities in the House to push for change there, regardless of who wins power at the elections later this month.

The deforestation threats that remain around the world overwhelmingly result from commercial pressures driven by agriculture. Forests are being cut down to make way for palm oil plantations, for soya production or for cattle ranches. In some places, including Costa Rica and Gabon, Governments have put a brake on deforestation, which is hugely welcome, but in too many places illegal deforestation is still destroying the natural world.

I am proud that this country has been at the forefront of creating legislative frameworks to help to address the commercial exploitation of forest-risk products. The Environment Act 2021 creates the first real framework to require UK businesses to know where their supplies are coming from and whether they come from areas affected by illegal deforestation, although I would say to Ministers that they need to move faster in putting the necessary regulations in place to back up the Act. What we have done should make it much harder for UK retailers to end up selling products from areas where illegal deforestation has taken place, but more needs to be done and that is what this Bill seeks to achieve. Solving the problem of illegal deforestation is not just about identifying where agricultural products originate from, or the sustainability, or otherwise, of supplies of commodities such as timber; it is vital to follow the money as well and that is where we need another round of change.

We should all be proud that the UK has one of the tiny number of major financial centres around the world. The City of London is probably the most important part of our economy today, generating profits that bring taxes to the Exchequer and help to pay for things such as the NHS. But the City is also a place where deals are done that affect countries around the world, so it is a place where corporate responsibility is of

exceptional importance. I want the City to provide financial resource and advice to investment projects and to corporations around the world—that is a given, and the City does a good job of it. In doing so, however, the institutions offering those services from the UK also need to be mindful of the impact the finance they provide has on the communities, countries and environments they work with. Although the clearance of an area of rainforest is often carried out at a local level by people creating a new farmland area, rather than by big corporations, it is the corporations that then arrive to buy the products of that illegal land clearance.

The Government are rightly requiring retailers to know where products such as soy and palm oil come from, and that they do not sell products that are sourced from illegally deforested areas, but it has to be right that the financial institutions that bankroll those big corporations also apply a similar standard to the investments that they make, to the banking services that they supply, and to the shares that they purchase.

Over the past couple of years, the Government's global resource initiative taskforce has looked carefully at this issue and I commend the Ministers involved in setting up that initiative. However, it found that the UK finance sector lends and invests, directly and indirectly, in forest product supply chains where issues genuinely exist. Although it found that there is no overall figure for the UK finance sector's exposure to forest-risk ventures, it clearly identified that the financial support and investment being provided to companies, sectors and financial institutions with high deforestation risk amounts to hundreds of billions of pounds. It also found that, although a handful of the biggest institutions internationally are working to try to address the issue, the majority of financial institutions have not taken steps to actively assess or manage deforestation risks.

The majority of institutions do not have deforestation policies. Many of these are headquartered in the UK. Many others also operate local branches in the City of London.

**Barry Gardiner** (Brent North) (Lab): Will the right hon. Member give way?

**Chris Grayling:** If I am allowed to. Am I? No.

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. This is a ten-minute rule Bill.

**Chris Grayling:** Madam Deputy Speaker, I know how passionately the hon. Member for Brent North (Barry Gardiner) feels about this issue. I am glad to number him among the Bill's sponsors.

Even where the head office team in an institution are working to try to change their approach, all too often decisions are being taken in a branch elsewhere by local teams that end up having the opposite effect. Whether through bond sales, banking services, investment funds or any other route, the reality is that the finance sector globally—this includes some institutions in London—is backing big international corporations that are still doing business directly or indirectly with those cutting down the rainforests. My Bill would change that. It would require financial institutions to include forest risk in the due diligence they do before making any investment or providing any banking service.



We are moving to require retailers to know whether the products that they sell contain forest-risk products from areas of illegal deforestation, and I want to see the investment community required to do the same. I know that regulation and deregulation in the City is a live topic at the moment, and I share the ambition to see the removal of unnecessary red tape that is imposed on our financial services. All too often, regulation ticks a box but does not actually make a difference. However, I do not think that regulation around deforestation is an example of that; it is not the same thing.

It is vital to all of us that we halt the loss of our natural habitats. We cannot afford to see the continuing loss of biodiversity in the Amazon or elsewhere, and the reality is that our financial services sector—whether it intends to or not—is financing those who make illegal deforestation possible. Businesses involved in financing projects around the world already do due diligence to work out financial viability and test risks. The Bill would not impose an extra process on them but simply add something to what they already do. That could make a massive difference. It is essential if we are to step up our combat against deforestation.

We face a problem around the world that is disastrous for all of us. It must stop. My Bill would make it much more difficult for financial institutions to provide the support that is enabling illegal deforestation to take place in too many parts of the world. I commend it to the House.

*Question put and agreed to.*

*Ordered,*

That Chris Grayling, Andrew Selous, Jim Shannon, Chris Bryant, Wera Hobhouse and Barry Gardiner present the Bill.

Chris Grayling accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 24 March 2023, and to be printed (Bill 162).*

### **ENERGY PRICES BILL (ALLOCATION OF TIME)**

*Motion made, and Question proposed,*

That the following provisions shall apply to the proceedings on the Energy Prices Bill:

#### *Timetable*

(1)(a) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall be taken at today's sitting in accordance with this Order.

(b) Proceedings on Second Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 pm.

(c) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 10.00 pm.

#### *Timing of proceedings and Questions to be put*

(2) When the Bill has been read a second time:

(a) it shall, despite Standing Order No. 63 (Committal of bills not subject to a programme order), stand committed to a Committee of the whole House without any Question being put;

(b) proceedings on the Bill shall stand postponed while the Question is put, in accordance with Standing Order No. 52(1) (Money resolutions and ways and means resolutions in connection with bills), on any financial resolution relating to the Bill;

(c) on the conclusion of proceedings on any financial resolution relating to the Bill, proceedings on the Bill shall be resumed and the Speaker shall leave the Chair whether or not notice of an Instruction has been given.

(3)(a) On the conclusion of proceedings in Committee of the whole House, the Chair shall report the Bill to the House without putting any Question.

(b) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

(4) For the purpose of bringing any proceedings to a conclusion in accordance with paragraph (1), the Chair or Speaker shall forthwith put the following Questions in the same order as they would fall to be put if this Order did not apply:

(a) any Question already proposed from the chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment, new Clause or new Schedule selected by the Chair or Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(e) any other Question necessary for the disposal of the business to be concluded;

and shall not put any other questions, other than the question on any motion described in paragraph (11)(a) of this Order.

(5) On a Motion so made for a new Clause or a new Schedule, the Chair or Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

(6) If two or more Questions would fall to be put under paragraph (4)(d) on successive amendments moved or Motions made by a Minister of the Crown, the Chair or Speaker shall instead put a single Question in relation to those amendments or Motions.

(7) If two or more Questions would fall to be put under paragraph (4)(e) in relation to successive provisions of the Bill, the Chair shall instead put a single Question in relation to those provisions, except that the Question shall be put separately on any Clause of or Schedule to the Bill which a Minister of the Crown has signified an intention to leave out.

#### *Other proceedings*

(8) Provision may be made for the taking and bringing to a conclusion of any other proceedings on the Bill.

#### *Miscellaneous*

(9) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on the Bill.

(10) Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings to which this Order applies.

(11)(a) No Motion shall be made, except by a Minister of the Crown, to alter the order in which any proceedings on the Bill are taken, to recommit the Bill or to vary or supplement the provisions of this Order.

(b) No notice shall be required of such a Motion.

(c) Such a Motion may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly.

(d) The Question on such a Motion shall be put forthwith; and any proceedings suspended under sub-paragraph (c) shall thereupon be resumed.

(e) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on such a Motion.

(12)(a) No dilatory Motion shall be made in relation to proceedings to which this Order applies except by a Minister of the Crown.

(b) The Question on any such Motion shall be put forthwith.

(13)(a) The start of any debate under Standing Order No. 24 (Emergency debates) to be held on a day on which the Bill has been set down to be taken as an Order of the Day shall be postponed until the conclusion of any proceedings on that day to which this Order applies.

(b) Standing Order No. 15(1) (Exempted business) shall apply in respect of any such debate.

(14) Proceedings to which this Order applies shall not be interrupted under any Standing Order relating to the sittings of the House.

(15)(a) Any private business which has been set down for consideration at a time falling after the commencement of proceedings on this Order or on the Bill on a day on which the Bill has been set down to be taken as an Order of the Day shall, instead of being considered as provided by Standing Orders or by any Order of the House, be considered at the conclusion of the proceedings on the Bill on that day.

(b) Standing Order No. 15(1) (Exempted business) shall apply to the private business so far as necessary for the purpose of securing that the business may be considered for a period of three hours—(*Joy Morrissey.*)

*Manuscript amendment made:* (a) in paragraph 1(b), leave out “7.00 pm” and insert “7.30 pm”.—(*Joy Morrissey.*)

*Main Question, as amended, put and agreed to.*

*Ordered,*

That the following provisions shall apply to the proceedings on the Energy Prices Bill:

#### *Timetable*

(1)(a) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall be taken at today's sitting in accordance with this Order.

(b) Proceedings on Second Reading shall (so far as not previously concluded) be brought to a conclusion at 7.30 pm.

(c) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 10.00 pm.

#### *Timing of proceedings and Questions to be put*

(2) When the Bill has been read a second time:

(a) it shall, despite Standing Order No. 63 (Committal of bills not subject to a programme order), stand committed to a Committee of the whole House without any Question being put;

(b) proceedings on the Bill shall stand postponed while the Question is put, in accordance with Standing Order No. 52(1) (Money resolutions and ways and means resolutions in connection with bills), on any financial resolution relating to the Bill;

(c) on the conclusion of proceedings on any financial resolution relating to the Bill, proceedings on the Bill shall be resumed and the Speaker shall leave the Chair whether or not notice of an Instruction has been given.

(3)(a) On the conclusion of proceedings in Committee of the whole House, the Chair shall report the Bill to the House without putting any Question.

(b) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

(4) For the purpose of bringing any proceedings to a conclusion in accordance with paragraph (1), the Chair or Speaker shall forthwith put the following Questions in the same order as they would fall to be put if this Order did not apply:

(a) any Question already proposed from the chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment, new Clause or new Schedule selected by the Chair or Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(e) any other Question necessary for the disposal of the business to be concluded;

and shall not put any other questions, other than the question on any motion described in paragraph (11)(a) of this Order.

(5) On a Motion so made for a new Clause or a new Schedule, the Chair or Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

(6) If two or more Questions would fall to be put under paragraph (4)(d) on successive amendments moved or Motions made by a Minister of the Crown, the Chair or Speaker shall instead put a single Question in relation to those amendments or Motions.

(7) If two or more Questions would fall to be put under paragraph (4)(e) in relation to successive provisions of the Bill, the Chair shall instead put a single Question in relation to those provisions, except that the Question shall be put separately on any Clause of or Schedule to the Bill which a Minister of the Crown has signified an intention to leave out.

#### *Other proceedings*

(8) Provision may be made for the taking and bringing to a conclusion of any other proceedings on the Bill.

#### *Miscellaneous*

(9) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on the Bill.

(10) Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings to which this Order applies.

(11)(a) No Motion shall be made, except by a Minister of the Crown, to alter the order in which any proceedings on the Bill are taken, to recommit the Bill or to vary or supplement the provisions of this Order.

(b) No notice shall be required of such a Motion.

(c) Such a Motion may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly.

(d) The Question on such a Motion shall be put forthwith; and any proceedings suspended under sub-paragraph (c) shall thereupon be resumed.

(e) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on such a Motion.

(12)(a) No dilatory Motion shall be made in relation to proceedings to which this Order applies except by a Minister of the Crown.

(b) The Question on any such Motion shall be put forthwith.

(13)(a) The start of any debate under Standing Order No. 24 (Emergency debates) to be held on a day on which the Bill has been set down to be taken as an Order of the Day shall be postponed until the conclusion of any proceedings on that day to which this Order applies.

(b) Standing Order No. 15(1) (Exempted business) shall apply in respect of any such debate.

(14) Proceedings to which this Order applies shall not be interrupted under any Standing Order relating to the sittings of the House.

(15)(a) Any private business which has been set down for consideration at a time falling after the commencement of proceedings on this Order or on the Bill on a day on which the Bill has been set down to be taken as an Order of the Day shall, instead of being considered as provided by Standing Orders or by any Order of the House, be considered at the conclusion of the proceedings on the Bill on that day.

(b) Standing Order No. 15(1) (Exempted business) shall apply to the private business so far as necessary for the purpose of securing that the business may be considered for a period of three hours.—(*Joy Morrissey.*)

## Energy Prices Bill

### Second Reading

6.44 pm

**The Secretary of State for Business, Energy and Industrial Strategy (Mr Jacob Rees-Mogg):** I beg to move, That the Bill be now read a Second time.

I am glad that the House has agreed to the amended allocation of time motion—otherwise, I would have been in danger of filibustering my own motion. I am sure that hon. Members across the House agree with me about the urgency of this legislation. Nevertheless, I thank hon. Members for the speed with which the Bill is being considered. In particular, I thank Members of His Majesty's official Opposition, and especially the right hon. Member for Doncaster North (Edward Miliband), for their constructive engagement.

The world is facing a global energy crisis, which has been exacerbated by Russia's illegal invasion of Ukraine. The soaring cost of energy means that families and businesses across the United Kingdom are facing rising energy bills this winter. On 8 September, the Prime Minister announced an unprecedented package of assistance, which will support households, businesses, charities and public sector organisations across the UK with the increasing cost of energy. This decisive action will help deal with the rising cost of energy while reducing inflation and supporting economic growth. The Bill puts the assistance announced by the Prime Minister on a secure legislative footing. The legislation is crucial to providing immediate support to people and businesses.

The domestic scheme, the energy price guarantee that was announced, is already up and running. The Bill prioritises the legislative underpinnings of that scheme. The energy price guarantee will provide support to the end of March 2023 that will be equivalent to an annual bill of £2,500 for the typical household. The average unit price for dual-fuel customers on standard variable tariffs subject to Ofgem's price cap paying by direct debit will be limited to 34p per kWh for electricity and 10.3p per kWh for gas, inclusive of VAT, from 1 October. It is important to emphasise that per-unit use.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (Ind): The Secretary of State will be aware that, in constituencies such as mine, a large number of homes are off the gas grid. The Government have come up with an alternative fuel payment of about £100 for those homes, but oil prices have nearly doubled. I know that changes to the whole policy have been announced by the Chancellor today, but will he commit to equivalent support for those off the gas grid?

**Mr Rees-Mogg:** I will come to that, but the intention is that the support should be equivalent to that for people on the grid.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Talking about an average household bill of £2,500, the Prime Minister said that the measures would stop people paying £6,000 on average, but the explanatory notes to the Bill estimate that the measures will save people from bills reaching £4,200. Given that the support will end in

April, what can people who, after April, will not be receiving any support expect to pay for an average household bill?

**Mr Rees-Mogg:** The Bill is setting the immediate support, which will run until April. The Government are reviewing how to ensure that support is more targeted in future, but there is no question that there will be support, and the Bill provides the powers for that. It is important to emphasise that bills will still depend on usage. That is why I am grateful for the work of my hon. Friend the Member for Hexham (Guy Opperman), who has emphasised the advantages of a prudent use of energy benefiting all users.

**Anna McMorris** (Cardiff North) (Lab): The Secretary of State talks about energy usage and families not having bills of more than £2,500, but bills for large families with high usage will be far, far more. How can families have certainty? If the Government will not have a communications campaign on reducing energy usage—they have said that they are against that on principle—how do we get that message across to people up and down the country?

**Mr Rees-Mogg:** What we are doing is making it clear that it will depend on usage and that the figures are average figures. The £2,500, therefore, is for an average family and, obviously, not necessarily for all families. Larger families will have particular pressures, but I am coming on to the other support that remains which will help families. The price per unit of electricity and gas is part of the package, but it is of course combined, and we recognise the difficulties that families and businesses will face with higher prices.

**Jim Shannon** (Strangford) (DUP): I thank the Secretary of State for bringing forward the proposals he is outlining. I am very concerned for those I refer to as the working poor, and I know the Secretary of State is as well. With the cumulative money that people have to pay, the working poor, in my opinion, seem to be the ones who are losing out. Can he give us some reassurance that that will not be the case?

**Mr Rees-Mogg:** Yes, I think I can give the hon. Gentleman the assurance he is asking for. That is why the scheme is as broad as it is. The effect of the price rises we were in danger of seeing was so great that it would have affected people who were not on benefits. They would have found that they were in fuel poverty without this assistance. That is why it is so encompassing. The support is being provided at the point in the year when 60% of consumption takes place.

The energy price guarantee comes in addition to the £400 of support provided by the energy bills support scheme for Great Britain, announced earlier this year.

**Sammy Wilson** (East Antrim) (DUP) *rose—*

**Mr Rees-Mogg:** I see the right hon. Gentleman is about to intervene. I will just say one thing, because I am coming on to a point about Northern Ireland on the energy bills support scheme. It will be extended to Northern Ireland to provide domestic consumers with the equivalent level of support being provided to households in Great Britain. This is very much a Unionist package.



**Sammy Wilson:** First of all, I give our thanks to the Secretary of State for the diligent way he has sought to address the problems in Northern Ireland. He points out that the package is coming at the point of the year where energy consumption is at its highest. In Northern Ireland, because of the difficulties of one electricity company, it may well be that the whole scheme will be held up until it is ready to give a discount on bills. Can he give us an assurance that, since 60% of consumers are with companies that could do it tomorrow, there will be no delay in waiting for the slowest to catch up before the benefits are made available?

**Mr Rees-Mogg:** The point of the Bill is to bring in support from 1 October. It has already been done in GB for domestic users and it will be retrospective for Northern Ireland. That is what the Bill is trying to achieve.

**John Redwood (Wokingham) (Con):** The way out of this problem is far more domestic capacity, so that there is a bigger supply in due course. That requires investment. Can my right hon. Friend reassure us that although there will be temporary subsidies, price controls and surrogate windfall taxes, sufficient incentives and signals will be sent to industry that we really do need the investment and that it will be worthwhile?

**Mr Rees-Mogg:** Yes, indeed. This is a temporary measure. The legislation runs out; there are various sunset clauses that will affect it. We need more of our own supply. Some will be renewable, and some will be oil and gas. We need to ensure that cheap energy flows in this country for the good of the economy.

The legislation will enable the Government to provide support to consumers across the UK who are not on the main gas grid. This will benefit consumers who use alternative fuels to heat their homes, such as heating oil, as well as those who live on heat networks. Eligible households will receive a £100 payment this winter through alternative fuel payment powers, which are introduced under the Bill. The Government will be setting out the support available for non-domestic consumers on the same basis.

The important point on the £100 payment is that it is designed with reference to changes in the price of heating oil from September 2021 to September 2022 and aims to provide support which is equivalent to that received by people who heat their homes using mains gas. I know right hon. and hon. Members are interested in how those figures have been calculated, so I will place more information in the House of Commons Library detailing the basis of our calculation.

In addition, measures in the Bill will extend the energy bills support scheme to UK households that would otherwise miss out on the automatic £400 payment as they do not have a domestic electricity contract. That may be because they receive their energy through an intermediary with a commercial connection, or because they are otherwise off the electricity grid. The Bill will also ensure that in cases where intermediaries receive support from the schemes, they are required to pass it on to the end users as appropriate.

For example, the legislation will provide powers so that landlords are required to pass on support to tenants. His Majesty's Government are taking action to provide equivalent support to heat network customers.

This includes measures that will ensure heat network suppliers pass on the support they receive to their customers. In addition, the Bill provides for the appointment of an alternative dispute resolution body, which will handle complaints raised by consumers against their heat network if it has not passed through the benefit.

Let me turn to non-domestic schemes. As well as helping households, the Government are taking action to provide support to businesses, charities and public sector organisations through the energy bill relief scheme. We will provide support to non-domestic consumers as soon as possible to help businesses and other organisations with their energy bills this winter. The Bill is vital for the implementation of the scheme, which will provide a price reduction to ensure businesses are protected from excessively high bills. Initially, the price reduction will run for six months, covering energy use from 1 October. After three months, the Government will publish a review, which will consider how best to offer further support. It will focus in particular on non-domestic energy users who are most at risk to energy price increases. Additional support for those deemed eligible will begin immediately after the initial six-month support scheme.

In addition to those unprecedented support schemes, the Bill will contain measures that will allow us to protect consumers from paying excessively high prices for low-carbon electricity. The provisions will limit the effect of soaring global gas prices by breaking the link between gas prices and lower cost renewables. This will help to ease the pressure on consumer bills in the short term, while ensuring energy firms are not unduly gaining from the energy crisis. In addition, the Bill will enable the Government to offer a contract for difference to existing generators not already covered by the Government's contract for difference scheme. This voluntary contract would grant generators longer-term revenue certainty and safeguard consumers from further price rises.

Taken as a whole, the Bill will ensure that families, businesses, charities, schools, hospitals, care homes and all users of energy, receive the urgent support they require owing to the rising costs of global energy prices. In addition, the legislation takes important steps to decouple the link between high gas and electricity prices, which will ensure consumers pay a fair price for their energy. I hope that Members, right hon. and hon. Members alike, will agree that this is a vital and timely piece of legislation.

**Caroline Lucas (Brighton, Pavilion) (Green):** Will the Secretary of State give way?

**Mr Rees-Mogg:** I am within a moment of finishing, and I had better finish because time is so short.

This is a crucial package of measures that meets the challenges posed by sky-high global energy prices and Russia's illegal invasion of Ukraine. Without the launch of the schemes I have outlined, many individuals and businesses would be left facing growing financial turmoil in the face of increasing energy costs. Now is the time to act and the Bill delivers the support that is required. I therefore commend the Bill to the House.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. Colleagues will know that this debate has to finish at 7.30 pm. After the shadow Secretary of State has spoken, I will put on a three-minute time limit. We will then go to the SNP. I will try to get as many people in as possible, but we will not, realistically, be able to have wind-ups. I therefore suggest that people who do not get in perhaps prepare for what they might like to contribute in Committee.

6.58 pm

**Edward Miliband** (Doncaster North) (Lab): Thank you, Madam Deputy Speaker. I will try to be as brief as I can to let as many people as possible speak in this debate.

Let me start by saying that Labour called for support for families and businesses in August through an energy price freeze, so we will support the passage of the Bill. I thank the Secretary of State for the conversations we have had on the Bill. This is an incredibly serious issue for families and businesses across the country.

I have to say, before I get into the detail, what a shambles this Government are. We are debating what they describe as their landmark Bill for a two-year price guarantee. It was published only last Wednesday and it has already been shredded by the Chancellor this morning. Last Wednesday, Members were in the House for Prime Minister's questions. The Prime Minister went on and on about her decisive action of a two-year guarantee. She even derided the Opposition's approach of a six-month freeze, seeking to spread to fear about what would happen in March, and now the Government have adopted our proposal. Never mind a vision; never mind a plan for the years ahead—this Government cannot even give us a plan for the coming week. They are truly in office but not in power. This matters, because families and businesses need to be able to plan.

I want to talk about the substantive action in the Bill and the way that the revenue to pay for it is raised, because there are important issues for the House. On the substantive action, there is a contrast with our six-month package. That was a real freeze, not a rise in bills, and £129 for millions of families across the country is significant. That even takes account of the £400. I worry about off-grid households, which we will talk about in Committee. I understand the basis of the Secretary of State's argument. Our costed package provided £1,000 to help off-grid households. The Bill provides just a tenth of the support, and even with the Government's measures, the University of York estimates that more than 10 million families will be in fuel poverty, so we will want to debate those issues during the Bill's passage.

I will focus my remarks on the second set of issues relating to the way that funding for the Bill is provided, which is important. Our argument five weeks ago, when the Government announced their energy price guarantee, was that they should do everything they could to find some of the money for this intervention from the energy companies that are making enormous profits. Anyone who heard the Business Secretary's dulcet tones on the radio last week will have heard him say that there is no windfall tax in the Bill. The right hon. Member for Wokingham (John Redwood) described it as a "surrogate windfall tax", which is a new invention. However, page 3 of the Bill's explanatory notes states:

"The Bill aims to do the following...Require certain generators currently receiving supernormal revenues to make a payment to a

third party...for purposes of lowering the cost of electricity for consumers, or to meet expenditure incurred by the Secretary of State".

Payments on the basis of windfalls received to lower the cost of electricity for consumers, or to meet expenditure incurred by the Secretary of State—it sounds like a windfall tax. It works like a windfall tax. It talks like a windfall tax. It is a windfall tax.

I want to hear during this debate that the Government will definitely use the powers to have a windfall tax that are in clause 16. That matters, because while we set out a clear plan for a windfall tax, the truth is that the Government, having resisted a windfall tax tooth and nail, have now taken the broadest and most ill-defined powers imaginable. Companies and the public have no idea from the Bill about the size of the levy, how much it will raise and how there will be fairness with the fossil fuel windfall tax that the previous Chancellor announced—to remind the House, that was four Chancellors ago, in May this year.

We will probe two issues that go to the question of whether we will raise sufficient resources from the windfall tax, or "surrogate windfall tax", in the Bill. First, according to their press release, the Government will start the windfall tax on electricity generators only in 2023. Those months of delay matter, because it will mean billions in extraordinary profits being left—[*Interruption.*] I do not know why the Secretary of State is shaking his head. This is a very important point: that will leave billions of pounds of extraordinary profits with the companies, and it means that the British people will be forced to foot billions more of the bill for energy price support. If having a windfall tax is the right thing to do, why not have it from the date of the intervention in September? I am very happy to give way to the right hon. Gentleman so he can explain why he is not doing that.

**Mr Rees-Mogg:** I am very happy to explain. The right hon. Gentleman knows perfectly well that the energy companies have sold their electricity forward, and therefore the profit is not accruing on the prices at which they have sold it forward.

**Edward Miliband:** That would mean that there are no windfalls, so why is the Secretary of State having a special payment made by the energy companies anyway? That makes no sense at all. We will definitely want to probe that during the debate. How can it possibly all have been sold forward, as he says? So he is saying that the energy companies are currently making no windfalls. That does rather prompt the question: why are they going to have to make special payments, if it has all been sold forward and they are making no windfall profits?

Secondly, I want to talk about the question of the level playing field in what is happening to the fossil fuel companies and to the electricity generators. The previous Chancellor but one—I think that is right—introduced a super-deduction for fossil fuel companies as part of his windfall tax. That means that for every pound invested in oil and gas and fracking, companies get 91p back. But to be clear: that is not available to renewables, nuclear or other zero-carbon technology. That is an absurd tilting of the playing field towards fossil fuels and against investments in cheap, home-grown, clean power, and that is absolutely indefensible. It will not reduce bills. We will want to use the Bill as best we can,

[Edward Miliband]

given the constraints of its scope, to debate the merits of that provision. I urge the House to support attempts to eliminate that preposterous loophole.

In the time I have left, let me deal with the wider questions about the Bill. We will continue to be in this position unless we learn the proper lessons from this crisis. Those lessons are not some extreme fringe idea that fracking, which will not lower bills, is somehow the answer to the problems that we face. The answer is a clean sprint for clean energy—for solar, wind, nuclear as part of that and energy efficiency all together.

The other day, the Secretary of State wrote an article in *The Guardian*, in which he said, “Dear Guardian reader”:

“I can assure Guardian readers that I am not a ‘green energy sceptic’.”

Let him prove it. He is for fracking, which will not lower bills and is dangerous. His colleague, the Secretary of State for Environment, Food and Rural Affairs, is seeking to block solar energy worth 34 GW—the equivalent of 10 nuclear power stations. That is not some whim of the DEFRA Secretary, but an instruction from the Prime Minister, who said that she does not like the look of solar panels. If the Business Secretary wants to convince people that he understands the stakes and what is necessary to get out of this crisis, he needs to make a proper sprint for green energy.

The other thing that the Business Secretary needs to do—we will again discuss this during the passage of the Bill, and I think he may agree with this—is set a timetable for the proper de-linking of electricity and gas prices. We suggest that we should set a two-year timetable in the Bill for that to happen.

Let me end by saying that the Bill is necessary, because we need support to be put on the statute book, but the truth about the Government is that they are lurching from U-turn to U-turn, and they cannot provide the country with the strategic direction that it needs to get out of the crisis. The truth is that, day by day, they are showing that they are out of ideas, out of time, and now, in the national interest, they should be out of power, too.

7.7 pm

**John Redwood** (Wokingham) (Con): I welcome the Government’s announcement today that this scheme should be time-limited to six months and that a different scheme should be developed against the possibility that energy prices remain very high for the months thereafter. I do not think that we can go on indefinitely at the rate of the cost of this particular scheme over the winter. If this continues, we need to target the support much more clearly on the many people and families in this country who could not afford the bills otherwise and leave those who have rather more money and are using rather more energy on luxuries to pay more of that for themselves. We have time to sort out a scheme that we can target better. I am sure that this Committee, and the dialogue that will continue, will make sure, through pressure from Back Benchers and Front Benchers, that we do not leave anybody out. It is very important that everybody has proper support one way or another so that they can afford their energy bills this winter and beyond.

I am also sure that the long-term solution is more domestic energy. We cannot carry on relying on unreliable imports, which can, at times, force our country to pay extreme prices on world markets to top up our gas or electricity because we do not have enough for ourselves. We are a fortunate country with many opportunities to produce fossil fuel and renewable energy. We have been a bit lax in recent years in not putting in enough investment, so I hope that the Secretary of State will look again at the incentives—as I am sure he will—and at the predictability of contracts and investment, so that Britain is a great place in which to invest for these purposes, and so we can exploit more of our energy and have more reliable supplies, even generating a surplus in some areas so that we can help Europe, which is very short of energy and does not have many of our natural advantages.

My concluding point is that we cannot go on for too long with a complex net of subsidies, price controls and interventions without damaging the marketplace more widely and sending the wrong signals, so I am glad that this measure will be short-term. We need a better system for the future so that there can be plenty of support for those on low incomes if energy prices remain high, but also much more investment to solve the underlying problem.

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

7.10 pm

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Obviously everybody in the House welcomes any measures that will help people with the cost of energy crisis, but it beggars belief that this emergency legislation is being rushed through Parliament today, yet at 11 o’clock this morning the Chancellor pulled the rug from under it by saying that the support package will be not for two years, but for only six months.

It was only last week that the Prime Minister’s robotic response to any question put to her was “Energy price guarantee for two years.” She stated that her measures would prevent households from paying more than £6,000 in energy costs in future. If the energy support package is to be pulled in April, what will the average future household bill look like? The Government say that they will bring in support to help the most vulnerable, but people need to know what their bills will look like. This is scaring millions of people, and the Government need to get a grip. When will we know what their support for the most vulnerable will look like? Will they give proper consideration to alternatives such as social tariffs?

The Secretary of State was very clear in spelling out that the so-called guarantee is just a price cap per unit of energy, and that £2,500 is just an estimate for an average household. It is just a pity that the Prime Minister did not understand that: when she was doing media rounds for the Tory party conference, she kept saying that households would not pay more than £2,500. Her rhetoric was dangerous and misleading. Unfortunately, some families might have the wrong impression of the household bills they will pay, because the Prime Minister did not understand her so-called flagship policy.

Even as we talk about limiting average bills to £2,500, we need to remember that just a year and a half ago the cap was set at £1,100, so energy bills for everybody are more than doubling. That is really difficult for people to



deal with, and other costs are going up as well. Although the Government talk about an average bill of £2,500, it has been estimated that in Scotland the average household will pay £3,300, which is really difficult for people to manage. In Argyll and Bute, one of the most rural communities, the average dual fuel bill will be £4,400. Families are really struggling. National Energy Action estimates that 6.7 million households in Great Britain will be in fuel poverty even with the support package that the Government have announced, so we have really big concerns about what fuel poverty will look like when the package is lifted in April.

Off-grid homes in rural Scotland and in rural Great Britain will suffer even more and will have to pay much higher costs, as the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) pointed out in his intervention. The Secretary of State says that he will provide workings for the one-off £100 payment, but no matter what workings he provides, £100 will not be enough for people to deal with the increased cost of filling their oil or liquefied petroleum gas tanks.

**Sammy Wilson:** I do not know what calculations have been done in Scotland, but in Northern Ireland the regulator has estimated that to give equivalence, there would have to be a payment of £500 per consumer. There needs to be greater transparency about that.

**Alan Brown:** I have not seen that figure, but I agree that it seems more realistic. The reality is that the minimum delivery for a fuel tank costs £500 to £600, and completely filling a fuel tank costs £1,200. The cost per litre has gone up from about 30p to more than £1. It is a crippling cost, and there is no way that £100 will do anything to help people in the circumstances.

It is fair to say that it is effectively Scotland that is paying for the support packages. First, the oil and gas windfall tax was clearly about the revenues from the North sea, and now the new measures are being charged to Scotland's renewables sector. At the time, we challenged the Government to consider that in investment tax write-offs for the oil and gas sector, investment in renewables should be part of the deductible policy. That was ignored.

Unless the detail of the cap revenue mechanism is examined properly, there is a risk that future investment in renewables will be put in jeopardy. Bizarrely, as the shadow Secretary of State, the right hon. Member for Doncaster North (Edward Miliband), said, we will incentivise people to invest in fossil fuels rather than renewables, which is certainly not the way to bring down bills. Another disparity between the Bill and the oil and gas profits levy is the time specified in the sunset clause: for the oil and gas profits levy, it is only two years. We need to ensure that we do not disincentivise investment in renewables.

The Bill gives too much power to Ministers, with not enough parliamentary scrutiny. At one time the Secretary of State was a so-called champion of parliamentary scrutiny, but now that he is in the Cabinet he seems quite happy to take on parallel powers for himself, including the ability to spend sums of up to £100 million without any approval from the House. Even beyond £100 million, if he feels that it is too difficult to get a resolution of the House, he can still justify spending that much. That is hardly parliamentary sovereignty.

We need to know much more about how the revenue caps will be set. What assessment has the Secretary of State made in respect of hedging? He touched on the fact that a lot of energy has been sold forward. How will the Government deal with that? How will they deal with multiple ownership structures? What discussions has he had with the sector?

We welcome support for consumers, but given the Chancellor's announcements today, there is clearly not enough. There is too much uncertainty for business. There is too much power in the Secretary of State's hands. I would like to think that he will agree to amendments in Committee that would return a bit of power to Parliament and to this House, because we know he really believes in that. However, this shambles shows yet again that to go forward, what the people of Scotland really need is independence, proper utilisation of oil and gas revenues, and investment in a truly green future.

7.16 pm

**John Penrose** (Weston-super-Mare) (Con): I have yet to hear a question to which, in the view of the hon. Member for Kilmarnock and Loudoun (Alan Brown), the answer is not more independence for Scotland.

I rise partly to support this very necessary—albeit nose-bleedingly expensive—measure, which is essential to making sure that people can afford to heat their home over the next few months. However, while I support the fundamental underlying principle and the humanity behind it, I must register some grave disquiet in relation to the hon. Gentleman's point about Henry VIII powers in the Bill.

The concern is not just mine but from many in the industry. Nor is it just about the constitutional point, although that matters; the Secretary of State needs no lessons from anybody here on concerns about Henry VIII powers. Broadly speaking, clauses 13, 21 and 22 will give him the power to intervene and reach in, past Ofgem, with pretty much anything he likes and for pretty much as long as he likes, provided that he can persuade himself or a few other people that the emergency is continuing.

That means two things. First, it means that nobody will be willing to invest in our energy industry if there is a continuing risk that the rules of the game are likely to be changed and the goalposts of the industry moved on a political whim. Secondly, I struggle to think of a measure that will be welcomed more by socialists on the Opposition Benches. It will give them carte blanche, without having to do anything in Parliament, to renationalise anything they like in any future Parliament, unless we trim these powers substantially and impose a significant sunset clause on them. At the moment, we have a programme that is supposed to last for six months and then be subject to a Treasury-led review, but these powers carry on well beyond that. That seems too broad, unconstitutional and a danger to investment in the industry. I urge my right hon. Friend to think carefully and urgently to trim that feature of the Bill.

Finally, the one area in which there is no sunset clause—in which we are actually removing a sunset clause that already exists—is the energy price cap. It will no longer be subject to the sunset clause to which Parliament agreed when it was originally created. That means that legislation that has dramatically and demonstrably failed

[John Penrose]

to do what it was originally supposed to, which was to kill off the loyalty penalty, will carry on like the undead. It will never die, yet it is the one thing that absolutely should. I hope that my right hon. Friend will think again about those important issues.

7.19 pm

**Barry Gardiner** (Brent North) (Lab): If it walks like a duck and quacks like a duck, it is a duck; and if it looks like a tax and takes money like a tax, it is a tax.

This Bill introduces another windfall tax, not on the oil and gas producers but on the renewables producers. It is in the form of a cap on the revenues that renewable and nuclear companies can make. The electricity price is set on the basis of the wholesale gas price, and when the gas price went up companies saw an increase in the price they were paid for the electricity that they produced, although they did not have to pay the increased gas prices to produce it. When the Minister for Climate, the right hon. Member for Beverley and Holderness (Graham Stuart), told the Select Committee the other day that this was not a windfall tax, his official tried to persuade us that it was simply a reframing of the regulations, but in fact the Government are trying to force those companies into a retrospective contract for difference, and they should be honest about it.

But look who benefits! The Government continue to allow the oil and gas companies to make excess profits from the global crisis, and also give them a way to claw back the windfall tax under the investment allowance scheme by claiming as a tax break 91p in every pound they invest in more production in the North sea. The Minister must explain why the Government are compensating these companies for the windfall tax, and also why the renewables companies—which are the ones we really need to incentivise to invest in more capacity—are being hit by this revenue cap, while not being given a similar investment allowance.

Before the temporary windfall tax the UK levied the lowest tax take from its oil and gas producers anywhere in the world, and even with the temporary windfall tax it still taxes a full 6% below the global average. If the UK taxed these companies even at the global average, it would recover an extra £13.4 billion for the Exchequer each year. The Committee on Climate Change wrote to the previous Chancellor—when he was the previous Secretary of State for Business, Energy and Industrial Strategy but one—saying that he should support a tighter limit on production with stringent tests and a presumption against exploration. He took no notice, and the measures in this Bill are the consequences of the Government's now being forced to protect consumers and business from their past failure to invest in renewables.

Last year, energy prices meant that an average family was paying £1,100. After the windfall tax and the unfunded borrowing, that will now be limited to an average of £2,500. The cost would, for the two years, be £31 billion, but given the statement from—

**Madam Deputy Speaker (Dame Rosie Winterton):** Order.

7.22 pm

**Helen Morgan** (North Shropshire) (LD): I am most concerned about what is missing from the Bill, particularly the lack of support for those in rural areas who are off the gas grid and rely on heating oil or liquefied petroleum gas. As an off-grid homeowner, I can verify that the cost of heating oil has almost doubled since this time last year, meaning that the average off-grid household is spending £1,200 more than last year to heat itself. I am afraid that £100 will not go near helping those families who are struggling to make ends meet in rural Britain. Beyond that, the scheme is confusing. It is unclear how consumers will be able to prove that they are eligible and submit a request for the grant to be applied to their electricity bills.

However, it is not just rural off-grid households that are struggling, as I am sure a number of Members will testify this evening. Many on-grid users are also feeling the squeeze, given that £2,500 for an average household is still almost double what it was paying this time last year. Today Cornwall Energy predicted that next April bills would be more than £4,300, over 70% more than households are paying this year and more than 3.5 times more than they were paying last year. What will the Chancellor be saying to the millions of people who are worried about their energy bills next year, despite the Government's promising them certainty. How will he help those who, while also dealing with spiralling mortgage costs, will struggle to make ends meet? The Government could have provided much more responsible assistance by extending the windfall tax on the oil and gas giants which continue to rake in extraordinary profits at the expense of British consumers, instead of botching a Budget and leaving taxpayers and mortgage holders to pay for this mess for years to come.

The Government have also failed to take any steps to encourage reductions in energy use. Last week's flip-flopping on the most simplest of options, a public information campaign on energy efficiency, highlights just how chaotic the plan for this winter is. The Conservatives have scrapped energy efficiency schemes, despite UK homes being the least efficient in Europe, and have reduced the standards for new homes, which means that 1 million homes have been built since 2015 to lower standards than before. Insulating homes is an important, practical step that would have helped people to help themselves. Also missing is the certainty that is needed for businesses to plan for the future. Six months of assistance is welcome, but, as with the rest of this Bill, it does not go nearly far enough. If the Prime Minister wants to promote economic growth, she must recognise that stability and certainty are vital preconditions for businesses to invest. This assistance is too little, too late: many businesses have already closed, and many more do not see how they can operate beyond the winter.

The need for large-scale intervention to prevent many households from facing unimaginable difficulty this winter is beyond dispute, but the Government have made the choice—the wrong choice—to allow heating costs to double while refusing to properly tax the eye-watering profits of oil and gas companies.

7.25 pm

**Anna McMorris** (Cardiff North) (Lab): It is good to be here, especially on the day on which our acting Prime Minister, the new Chancellor, took control of these

chaotic finances following the mini-Budget. The results of this Government's callous disregard for human lives will be felt—is already being felt—by households and businesses across the country. Businesses in my constituency, particularly pubs and restaurants, are writing to me; one that has had to use candlelight in the evenings has just received a bill for £24,000 and does not know how it is going to pay that bill.

This country is in desperate need of stability, but instead we have a Prime Minister who has dragged it through chaos and mayhem in just a few short weeks, making U-turns into a hobby. In the last few months, it has been predicted that 7 million homes will be in dire fuel poverty this winter. Professor Sinha of the Institute of Health Equity said there was “no doubt” that children would die this winter. That is how serious the situation is becoming, but we are not seeing adequate action from this Government. We are seeing support for new licences and new extraction for oil and gas companies, rather than the Government's simply investing in home-grown cheaper renewables, which is what we needed to see throughout these 12 years of incompetence in the Government's energy policy.

This crisis has been created by a Conservative party which is falling apart at the seams, and it must not be resolved by an increase in that party's dependence on oil and gas. Last year, the Government made a pledge at COP26 to keep global warming below 1.5°, and they need to act on that. This is a human crisis, it is a crisis that we are seeing throughout the country, and it is a crisis that will not be resolved by the incompetence that we are seeing now.

7.27 pm

**Nadia Whittome** (Nottingham East) (Lab): This Government gambled with the markets and lost, and for what? To give their super-rich friends and donors massive tax cuts, and now working people are having to pay the price.

Just five days ago, the Prime Minister argued that pensioners would suffer if her plans for a two-year energy price guarantee did not go ahead. This morning, the Chancellor cancelled that guarantee, saying that it would be

“irresponsible to continue exposing public finances”

and that he would take

“whatever tough decisions are necessary”.

Why is it that those “tough decisions” are always paid for by working-class people and not by the wealthiest?

The United Kingdom is already one of the most unequal countries in the global north, second only to the United States in the G7, 3.9 million children live in poverty and many more are on the brink. Making the

situation worse, not just in recent weeks but over the last 12 years—now that is irresponsible! The response to this crisis should be to tax the rich. If the Chancellor wants to balance the books, why does he not impose a windfall tax on the energy giants which are set to make up to £170 billion in excess profits over the next two years? Would it by any chance have something to do with the fact that the Conservative party has taken £1.3 million from fossil fuel interests since the last election? This is a Government who serve the energy corporations that are raking in massive profits and trashing our planet, and not the millions of people who cannot afford to pay their bills and rent or to buy food. We are in a rudderless boat that is sinking, the Prime Minister has no authority or credibility and, after yet another U-turn, only one thing is certain, and that is that this Government are finished.

*Question put and agreed to.*

*Bill accordingly read a Second time; to stand committed to a Committee of the whole House (Order, this day).*

*Further proceedings on the Bill stood postponed (Order, this day).*

### ENERGY PRICES BILL (MONEY)

*King's recommendation signified.*

*Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the Energy Prices Bill, it is expedient to authorise the payment out of money provided by Parliament of:

- (1) any expenditure incurred under or by virtue of the Act by the Secretary of State or any other public authority, and
- (2) any increase attributable to the Act in the sums payable under any other Act out of money so provided—  
(*Amanda Solloway*).

*Question agreed to.*

### ENERGY PRICES BILL (WAYS AND MEANS)

*Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the Energy Prices Bill, it is expedient to authorise—

- (1) provisions by virtue of which persons concerned with the generation of electricity may be required to make payments or become liable to penalties;
- (2) provisions by virtue of which electricity suppliers may be required to make additional payments or provide additional financial collateral under Chapter 2 of Part 2 of the Energy Act 2013;
- (3) the payment of sums into the Consolidated Fund—  
(*Amanda Solloway*).

*Question agreed to.*



## Energy Prices Bill

*Proceedings resumed (Order, this day).*

*Considered in Committee.*

[DAME ROSIE WINTERTON IN THE CHAIR]

### Clause 1

#### DOMESTIC ENERGY PRICE REDUCTION SCHEMES FOR GREAT BRITAIN

7.31 pm

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

**The First Deputy Chairman of Ways and Means (Dame Rosie Winterton):** With this it will be convenient to discuss the following:

Amendment 10, in clause 2, page 3, line 5, leave out “negative” and insert “affirmative”.

Clause 2 stand part.

Amendment 11, in clause 3, page 4, line 7, leave out “negative” and insert “affirmative”.

Clauses 3 to 8 stand part.

Amendment 19, in clause 9, page 8, line 3, at end insert—

“(2A) Within two weeks of this Act coming into force the Secretary of State must make a statement to Parliament as to whether he intends to introduce regulations under subsections (1) or (2), and including any indicative reductions that will be implemented.”

*This amendment would require the Government to state within two weeks of Royal Assent whether it will introduce regulations under clause 9.*

Amendment 7, in clause 9, page 8, line 16, at end insert—

“(4A) Regulations under this section must apply to non-domestic customers—

- (a) that signed a fixed agreement with their energy provider after 1 December 2021, and
- (b) on variable rates tariffs.”

*This amendment would ensure that non-domestic customers who signed a fixed tariff agreement between 1 December 2021 and 1 April 2022 also benefit from the reduced energy charges.*

Amendment 17, in clause 9, page 8, line 17, leave out “may” and insert “must”.

Amendment 18, in clause 9, page 8, line 18, after “section” insert “, and provide a report to Parliament setting out the amount of money paid to electricity and gas suppliers over the 6 month period, an estimate of how many businesses have been supported, and a business sectorial breakdown of the financial support provided.”

*This amendment is to enable analysis of the cost of the scheme, the types of businesses supported, and the approximate sums paid to different business sectors.*

Clauses 9 to 12 stand part.

Amendment 16, in clause 13, page 10, line 26, at end insert—

“(1A) The Secretary of State may establish a domestic fuel reduction scheme in Great Britain for off gas grid homes heated from supplies of fossil fuels such as LPG and oil.”

Amendment 6, in clause 13, page 10, line 37, at end insert—

“(3A) The Secretary of State must make alternative fuel payments to non-domestic consumers of energy who are not connected to the gas or electricity grid and who will not benefit

from the non-domestic energy bill relief schemes, and these payments must be at a level which provides such consumers with a cost reduction equivalent to those consumers benefiting from the non-domestic energy bill relief schemes.”

*This amendment would provide non-domestic customers that are off grid and who are not covered by the Energy Bill Relief Scheme with support which has parity with that given to other non-domestic users.*

Amendment 9, in clause 13, page 10, line 37, at end insert—

“(3A) Any payments made to energy users not connected to the gas or electricity networks must be provided direct to those users’ bank accounts.”

*This amendment would ensure that those receiving payments under the Alternative Fuel Payments schemes do so through their bank accounts rather than through their electricity bill.*

Clause 13 stand part.

Amendment 12, in clause 14, page 11, line 24, leave out “as soon as reasonably practicable” and insert “within 28 days of the expenditure being incurred”.

Amendment 13, in clause 14, page 11, line 25, at end insert “; and in calculating the period of 28 days, no account is to be taken of any whole days that fall within a period during which—

- (a) Parliament is dissolved or prorogued, or
- (b) either House of Parliament is adjourned for more than four days.”.

Clauses 14 and 15 stand part.

Amendment 14, in clause 16, page 14, line 40, leave out “The first”.

Amendment 15, in clause 16, page 14, line 41, leave out “any other regulations under this section are subject to the negative procedure”.

Clause 16 stand part.

Amendment 8, in clause 17, page 15, line 24, at end insert—

“(2A) The Secretary of State must place any information received in response to a direction under subsection (1) in the Library of the House of Commons.”

*This amendment would require the Secretary of State to place in the Commons Library the responses to any direction to an electricity generator to provide information under the power in clause 17(1).*

Clauses 17 and 18 stand part.

Amendment 4, in clause 19, page 16, line 37, at end insert—

“(1A) Regulations under subsection (1) must provide that the pass-through requirements on intermediaries are in force until at least 30 September 2024.”.

*This amendment would ensure that the requirement on intermediaries to pass through to end users the benefit of Government price support will last for two years.*

Clauses 19 to 26 stand part.

Amendment 1, in clause 27, page 22, line 40, at end insert—

- “(c) anything done or proposed to be done to prevent electricity generators and oil and gas producers from passing on the costs of any levy imposed on them or payments they are required to make under this Act.”.

*This amendment is a power for the Secretary of State to undertake consequential actions in order to secure the full reduction in the cost of domestic or non-domestic energy bills in Great Britain.*

Clauses 27 to 30 stand part.

New clause 1—*Impact assessment on VAT zero rating insulation works for tenement buildings in Scotland—*

“Within six months of the date of Royal Assent to this Act, the Secretary of State must carry out an assessment of the impact of zero rating value added tax on work and materials to insulate tenement buildings in Scotland.”.

**New clause 2—Marginal cost of electricity—**

‘Within two years of the date of Royal Assent to this Act, the Secretary of State must consult on and implement a scheme to disaggregate the cost of production of natural gas from the cost of production of other energy sources with a view to reducing the cost of electricity to domestic and commercial consumers.’

*This new clause requires the Secretary of State to devise and implement a scheme to disaggregate the cost of production of natural gas from the cost of production of other energy sources in order to reduce the cost of electricity to domestic and commercial consumers.*

**New clause 3—Report on additional expenditure treated as incurred for purposes of section 1 of the Energy (Oil and Gas) Profits Levy Act 2022—**

‘(1) The Secretary of State must, within six months of the date of Royal Assent to this Act, publish and lay before Parliament a report on the effect of reducing the amount of the allowance under section 2(3) of the Energy (Oil and Gas) Profits Levy Act from 80% to 5%.

(2) The Report must set out projections of the effect of the reduction set out in subsection (1) on domestic and non-domestic energy bills.’

*This new clause requires the Secretary of State to produce a report assessing the impact of reducing the investment allowance for oil and gas companies as set out in the Energy (Oil and Gas) Profits Levy Act from 80% to 5%, and in particular to assess such a reduction's impact on domestic and non-domestic bills.*

**New clause 4—Energy cost support for users of heat networks—**

‘(1) The Secretary of State must make energy cost support payments to users of heat networks who will not benefit from the Energy Price Guarantee.

(2) These payments must be at a level which provides such users with a cost reduction equivalent to that received by those benefiting from the Energy Price Guarantee.

(3) These payments must apply from 1st October 2022 and run for two years.’

*This new clause would ensure that users of heat networks will receive energy cost support for two years.*

**New clause 5—Report on support for business after six months—**

‘Within one week of the date of Royal Assent to this Act, the Secretary of State must lay before Parliament a statement about the support that will be offered to non-domestic customers in Great Britain and Northern Ireland when the initial six-month period of support has ended.’

*This new clause would require the Government to produce a report on support for business after the initial six months one week after the Bill receives Royal Assent.*

**New clause 6—Impact assessment of a housing decarbonisation scheme—**

‘(1) Within six months of the date of Royal Assent to this Act, the Secretary of State must work with the devolved authorities to carry out an assessment of the potential impact of a housing decarbonisation scheme.

(2) The assessment must set out the different impacts of reaching the following Energy Performance Certificate (EPC) ratings—

- (a) all domestic properties in the UK to EPC rating “A” by 2030;
- (b) all domestic properties in the UK to EPC rating “B” by 2030;
- (c) all domestic properties in the UK to EPC rating “C” by 2030.

(3) The assessment must consider the impact of a housing decarbonisation scheme under the different scenarios outlined in subsection (2) on—

- (a) average domestic energy bills for households across the Wales, England, Scotland and Northern Ireland;
  - (b) the number of households living in fuel poverty in Wales, England, Scotland and Northern Ireland;
  - (c) the Welsh Government’s climate targets;
  - (d) the UK Government’s climate targets;
  - (e) the Scottish Government’s Climate Targets;
  - (f) the Northern Ireland Executive’s Climate Targets.
- (4) The impact assessment must be co-authored by—
- (a) the UK Government;
  - (b) the Welsh Government;
  - (c) the Scottish Government;
  - (d) the Northern Ireland Executive.

(5) A report on the findings of the impact assessment must be laid before Parliament within three months of its publication.

(6) The Secretary of State must make an oral statement to the House of Commons when any report under subsection (4) is laid.’

*This new clause would require the Government to work with the devolved authorities to assess the impact of a UK-wide housing decarbonisation scheme.*

**New clause 7—Impact assessment of setting the Domestic Energy Price Reduction Scheme at the pre-April Ofgem cap levels—**

‘(1) Within one month of the date of Royal Assent to this Act, the Secretary of State must carry out an assessment of the potential impact of using the Domestic Energy Price Reduction Scheme to set domestic energy bills for Scotland, Wales and England at the following levels—

- (a) £1,277 for standard-variable tariffs;
- (b) £1,309 for pre-payment meters.

(2) The Impact assessment must consider the impact of the policy set out in subsection (1) on—

- (a) the number of households living in fuel poverty in Scotland, Wales and England;
- (b) the number of children living in relative income poverty in Scotland, Wales and England;
- (c) the number of children living in absolute income poverty in Scotland, Wales and England.’

*This new clause would require the UK Government to assess the impact of using the price reduction scheme to set energy prices at the pre-April Ofgem cap levels.*

**New clause 8—Review of forecast and outturn revenue and profits of electricity generators and UK oil and gas producers—**

‘(1) The Secretary of State shall, within one month of the passing of this Bill and every six months thereafter, publish an assessment of forecast and outturn revenue and profits of electricity generators and oil and gas producers.

(2) This review must cover all electricity generators as specified in section 16(10) of this Act and all companies carrying on a ringfenced trade as defined in Clause 1 of the Energy (Oil and Gas) Profits Levy Act 2022.

(3) This review must consider total revenue and profits from UK production and generation that are forecast in each financial year from 2022/23 until 2025/26, as well as outturn revenue and profits in these years when data becomes available.”

*This new clause would require the Government to assess the revenue and profits of electricity generators and oil and gas producers every six months until 2025/26.*

**New clause 9—Removing regional variation from standing charges—**

‘The Secretary of State must make provision to ensure that electricity standing charges are uniform throughout the country, including England, Northern Ireland, Scotland and Wales.’

*This new clause would end regional variations of electricity standing charges.*

**New clause 10—*Establishment of a domestic home heating oil voucher scheme for households in Northern Ireland*—**

‘(1) The Secretary of State must establish a domestic home heating oil voucher scheme for households in Northern Ireland.

(2) A “domestic home heating oil scheme for Northern Ireland” is a scheme that makes provision for making voucher payments to households in Northern Ireland to provide either 1000 litres of home heating oil, or a quantity that is substantially consistent with the support offered to domestic gas customers.’

**New clause 11—*Energy Profits Levy*—**

‘(1) The Secretary of State must lay before the House an assessment of the additional revenue that would result from the following policy measures—

- (a) amending the Energy (Oil and Gas) Profits Levy so that it applies to oil and gas profits incurred since 1st October 2021,
- (b) removing from the Energy (Oil and Gas) Profits Levy allowances for investment in oil and gas extraction,
- (c) increasing the rate of the Energy (Oil and Gas) Profits Levy beyond its current level of 25%, and
- (d) implementing a windfall tax on the excess profits of coal and gas-fired power stations.

(2) In addition the Secretary of State must lay before the House an official estimate of the oil and gas super profits over the next two years.

(3) The Secretary of State must lay the report no later than 31st October 2022.’

*This new clause would require the Secretary of State to lay a report before the House detailing the impact of expanding the government’s Energy (Oil and Gas) Profits Levy.*

**New clause 12—*Energy cost support for off-grid consumers*—**

‘(1) The Secretary of State must make energy cost support payments to users who are not connected to either the gas or electricity grid and who will not benefit from either the Energy Price Guarantee or Energy Bill Relief Scheme.

(2) These payments must be at a level which provides such users with a cost reduction equivalent to those benefiting from the Energy Price Guarantee.

(3) These payments must apply from 1st October 2022 and run for two years.’

*This new clause would ensure those off-grid will receive energy cost support for two years.*

**New clause 13—*Report into effectiveness of energy efficiency programmes in reducing energy costs*—**

‘(1) The Government must review the impact of energy efficiency programmes in reducing energy costs in accordance with this section and lay a report of that review before the House of Commons within 6 months of the passing of this Act.

(2) A review under this section must consider the impact of—

- (a) the number of homes and business properties which have increased their EPC rating,
- (b) the number of homes and business properties which have undergone retrofitting programmes, including—
  - (i) solar panels, and
  - (ii) replacement of gas boilers,
- (c) increases in renewable energy sources, and
- (d) public messaging campaigns in changing energy usage habits.’

*This new clause would require the Secretary of State to report on the impact of energy efficiency programmes in reducing energy costs.*

**New clause 14—*Fuel poverty impact analyses of provisions of this Act*—**

‘(1) The Chancellor of the Exchequer must lay before the House by 31st January 2023 a report assessing the impact of this Act on fuel poverty, taking into account the following two scenarios—

- (a) the energy price cap being set at its current level of £2,500, and
- (b) the energy price cap being set at £1,971.

(2) A review under this section must consider the impact of the provisions of the Act on—

- (a) households at different levels of income,
- (b) households in receipt of the Alternative Fuel Payment (that is, not connected to either gas or electricity grid),
- (c) households who use heat networks, and
- (d) households in rural communities.

(3) A review under this section must include a separate analysis of each separate measure in the Act, and must also consider the cumulative impact of the Act as a whole.’

*This new clause would require the Secretary of State to report on the impact of the provisions of the Act on the level of fuel poverty.*

**New clause 15—*Report into the impact of provisions in the Act on the long term viability of the green energy industry*—**

‘(1) The Government must review the impact of provisions in the Act on the long term viability of the green energy industry.

(2) A review under this section must consider the impact of the Act on—

- (a) the likelihood of achieving net zero by 2050, and
- (b) creating allowances for investment in green energy.’

*This new clause would require the Secretary of State to report on the long term viability of the green energy industry.*

**New clause 16—*Investment in renewables*—**

‘In exercising the powers under this Act the Secretary of State must seek to ensure that they do not disincentivise investment in renewables.’

*This new clause would require the Government not to disincentivise investment in renewables when exercising the powers under this Act.*

**New clause 17—*Calculation of energy and gas prices*—**

‘The Secretary of State must publish details of how the Government has determined the relative levels of the gas and electricity price reductions brought into effect under the provisions of this Act.’

*This new clause would require the Government to explain how it has arrived at the electricity and gas price reductions under the Act.*

**Manuscript new clause 18—*Energy support after April 2023*—**

‘(1) The Government must lay a report before the House of Commons within 28 days of Royal Assent stating what energy price support it will provide from April 2023 onwards.

(2) The report must also contain—

- (a) an estimate of what average domestic energy bills are expected to be in April 2023 if no further support provided;
- (b) an estimate of how many households will be classed as being in (a) fuel poverty and (b) extreme fuel poverty if no further support is provided;
- (c) what the extension of the universal support scheme for a further—
  - (i) 6 months;
  - (ii) 12 months and
  - (iii) 18 months is estimated to cost; and
- (d) what alternative support schemes the Government will introduce to prevent any further increases in fuel poverty and protect the most vulnerable including—
  - (i) pensioner households,
  - (ii) those with disabilities and
  - (iii) those in receipt of benefits.’



*This new clause would require the Government to make a report to the House setting out the energy support it will provide from April 2023 onwards.*

That schedule 1 be the First schedule to the Bill.

That schedule 2 be the Second schedule to the Bill.

That schedule 3 be the Third schedule to the Bill.

That schedule 4 be the Fourth schedule to the Bill.

That schedule 5 be the Fifth schedule to the Bill.

Amendment 2, in schedule 6, page 36, line 17, after "may" insert

'provide for the reduction of the amount charged for domestic electricity supply from 8 September 2022 but'.

*This amendment allows the domestic electricity price reduction scheme to begin from 8 September 2022.*

Amendment 3, in schedule 6, page 36, line 25, after "may" insert

'provide for the reduction of the amount charged for domestic electricity supply from 8 September 2022 but'.

*This amendment allows the domestic electricity price reduction scheme to begin from 8 September 2022.*

Amendment 5, in schedule 6, page 37, line 22, leave out sub-paragraphs (1) to (4) and insert—

'5 (1) Regulations under section 9(1) and 9(2) must provide for the reduction of charges for electricity supply and for gas supply to last for a period of two years beginning with the operative date.'

*This amendment would require the support for non-domestic electricity and gas users in Great Britain to continue for two years.*

Amendment 20, in schedule 6, page 39, line 6, leave out "three years and six months" and insert "two years".

That schedule 6 be the Sixth schedule to the Bill.

That schedule 7 be the Seventh schedule to the Bill.

**The Minister for Climate (Graham Stuart):** We are facing a global energy crisis, which has been exacerbated by Russia's illegal invasion of Ukraine. This Bill puts support to help people, businesses, charities and the public sector across the UK with their energy bills on a secure legislative footing. It is a vital step in delivering the necessary package of assistance for the whole of the UK. We are putting the Bill through in an expedited way, and I thank His Majesty's Opposition and other parties for their constructive engagement with us ahead of today. It is important that I put on record what the Bill will do, but I will seek to be brief because a number of Members are keen to speak to their amendments.

Clause 1, together with clauses 2 to 8, provides for the establishment in legislation of the energy price guarantee schemes in Great Britain and Northern Ireland for electricity and gas. The EPG represents significant and bold action that will help to protect families from the spiralling cost of energy. This clause provides for the establishment of the EPG schemes and for them to be amended and revoked. For example, the schemes could be amended to change the eligible tariffs or the amount of financial support provided. The GB scheme has been operational from 1 October and delivered through contracts between the Secretary of State and energy suppliers. The Bill will put the scheme on a more secure statutory footing. The House will be aware that the Chancellor's statement intends to refine the scheme after six months.

Clauses 9 to 12 will introduce a scheme that enables the Government to reduce the charges for electricity and gas supplied by licensed electricity suppliers to eligible non-domestic customers in Great Britain and

Northern Ireland. This scheme represents significant and bold action to protect all eligible non-domestic customers, including businesses, charities and the public sector, such as hospitals and schools, from excessively high energy bills over the winter period. Without this intervention, the wider negative effects of this economic pressure would be severe and would materialise very quickly.

**Jonathan Edwards:** What advice would the Minister give to manufacturing companies in my constituency that have order books that extend past the six-month period, which the Bill supports, on pricing their products, given that they will have no idea what the cost of production will be following the increase in energy prices?

**Graham Stuart:** The hon. Gentleman's question goes to the heart of the matter, which is that, if it were not for this intervention, those businesses would have been facing very high costs. We are committed to a review after three months, which will look at those who are least able to alter their energy use and come forward with proposals to help them in due course. That is why this is so important, but because of the costs and the impact, it needs to be time limited.

Clauses 13 to 15 will introduce powers for the Secretary of State to allow the Government to take steps, including the giving of financial assistance, to respond to the energy crisis, and to designate other bodies to take action in support of such steps. The power to give financial support is a time-limited power, at three years and six months. This is essential for the delivery of the various energy price support schemes and the administrative tying-up of them at the end part.

Clauses 16 to 18 allow the Government to break the link between high gas prices and cheap low-carbon electricity. These measures will allow the Government to take decisive action, through subsequent regulations, for a payment administrator to obtain excessive revenues from low-carbon electricity generators. This temporary measure will help more fairly to reflect the cheap costs of low-carbon generation. Clause 18, which extends the contracts for difference scheme to existing low-carbon electricity generators, will grant such generators longer-term revenue certainty.

**Alan Brown:** I apologise if I missed it, but did the Minister explain clauses 13 and 14? How does he see clause 13 working in terms of giving the Secretary of State the power to spend up to £100 million on various schemes at any one time without a resolution in the House? What kind of measures does he envisage the Secretary of State entering into with such a power?

**Graham Stuart:** As the hon. Gentleman knows, this legislation lays out the remit of the Secretary of State, under the powers within the Bill, to intervene to protect businesses and consumers. That is its central aim.

Clause 19 ensures that the support schemes I have mentioned reach their intended beneficiaries. The requirement to pass on energy price support will help to ensure that tenants and other end users receive the support they need. Clause 20 will make amendments to the existing price cap legislation to support the delivery of the energy price guarantee. The clause will ensure that Ofgem continues to calculate the cap level to determine

[Graham Stuart]

what it costs an efficient energy supplier to provide a household with gas and/or electricity. In response to the points made by the right hon. Member for Doncaster North (Edward Miliband), this will not determine the prices that households pay, but it will enable the Government to identify what level of support is needed to deliver the prices in the energy price guarantee. So it has a different purpose, but a useful one, in delivering the EPG. Finally, clauses 21 to 23 provide the power to enable the Secretary of State to modify energy licence conditions urgently, as necessary, and give directions to support the response to the energy crisis.

**Dr Alan Whitehead** (Southampton, Test) (Lab): I am sorry that we have such truncated time to discuss this legislation this evening, because while we have a substantial level of support for the Bill, we have our concerns about sections of it and there are parts of it that should not be in it at all. I did not have the opportunity to commend the excellent speeches on Second Reading by a number of my hon. Friends, who put into context the issues surrounding the Bill very well. I will not go over them again. I want instead to concentrate on what is in the Bill and what it will do to move towards the point that we all want to get to, which is to see the support mechanism for domestic and non-domestic customers placed into legislation and supported as well as it can be.

One of the many things that have occurred by way of recent significant U-turns is the fact that the energy price support scheme is now going to last not for two years but for six months. I appreciate that there are, shall we say, warm words behind that, and measures will subsequently be sought to concentrate help for people, but we need to be clear that this Bill is written as if the previous scheme were still in place. Various parts of the Bill, including substantial elements of schedule 6, talk about a two-year programme, after which, by way of a sunset clause, charges should not be raised on energy generators specified in clause 16.

I do not expect the Minister to make immediate manuscript amendments reflecting the change that has taken place between this morning and this afternoon, but he should reflect on the effect it will have on the Bill and whether, by way of a statement to this House or through subsequent changes in secondary legislation, he will introduce into this Bill a more accurate reflection of where we are now. I would be interested to hear from him on that in due course.

The Bill effectively has three parts. Clauses 1 to 8 essentially establish the energy bill relief scheme in legislation, which is just as well because the energy bill relief scheme has so far been effectively voluntary. It is important that we put the scheme into legislation so that it works properly. Not only do the Opposition have no quarrel with that, but we strongly support it.

As my right hon. Friend the Member for Doncaster North (Edward Miliband) told us on Second Reading, however, there are a number of issues relating to the Bill that are not quite so clear-cut. Clause 16 contains a measure that requires designated energy generators—one assumes they consist mostly of renewable generators not in possession of a CfD, although that is not specified in the Bill—to make payments over a period of time that is now in excess of the six-month energy bill relief

scheme in order to support that energy bill relief scheme. There is a difference between the two timescales in place under the Bill.

Nor is there clarity, particularly in clause 16, on what the Government mean by “designated energy producers.” What the Government will designate those producers to be is one of the remaining question marks about the Bill. How will the Government decide what the designation looks like? Who is going to be designated? Over what period? And who, by definition, will be excluded from that designation? When we are talking about renewable and low-carbon energy, it is pretty difficult to define exactly who is doing what, who is or is not making super-profits, and who may therefore be excluded from designation or within designation. We are talking about energy companies that run wind farms with renewable obligation certificates. In some instances, those ROCs are relatively recent, and in some instances they cover a longer period of time. The ROC scheme under which they were founded has very different effects.

7.45 pm

**Barry Gardiner:** I agree about the difficulties under clause 16. Does my hon. Friend share my suspicion that, actually, the designated companies are precisely those renewable and nuclear generators that have not previously entered a contract for difference? This is simply intended to be a stick to force them into a voluntary contract for difference with the Government.

**Dr Whitehead:** My hon. Friend makes a good, if somewhat speculative, point. As the Bill mentions, the Government are seeking to regularise the status of various renewable generators into some form of CfD arrangement, but of course the “compensation” one might get varies according to the status of those particular generators that do not have a CfD and are getting their remuneration by other means.

Of course, there are generators in this particular area that are not making super-profits, and indeed are not making profits at all, because in most instances they are community-owned wind farms with a large number of shareholders. The purpose of those shareholdings is, among other things, to keep bills down by paying dividends from the wind farm. Such arrangements should clearly not be designated in the same way as other arrangements, even though these wind farms are perhaps not in receipt of a contract for difference and may look like a number of other arrangements.

My plea is that, first, the Government should define, as soon as possible, what is going to be designated and how it is going to be designated. That should go well beyond what is in this Bill and ensure that those generators that are designated really are those that should pay into a scheme. After reading the Bill, I think it is possible to make those changes so that designation is fair and equitable. I am sure that the Government will, very shortly, want to come out with a scheme that enables that to happen. I will certainly be on the phone to the Minister if it does not happen very quickly.

**Graham Stuart:** That is our intention.

**Dr Whitehead:** I am delighted to hear that, and it is one gain from this evening's debate.

On the third part of the Bill, I very much concur with a lot of what the hon. Member for Weston-super-Mare (John Penrose) said. The Bill gives powers to the Minister and the Secretary of State that provide for sweeping arrangements not only to intervene in energy markets, but to override Ofgem in various licensing arrangements. There is a power to give direction and a power to change licences, and a whole range of other measures. A number of industry figures are certainly concerned about the stability of investment they can undertake with those powers on the statute book, not knowing whether those changes could take place at short notice and in a way that may affect their investment decisions and the investment landscape for the future.

At the weekend, a senior source at one energy supplier suggested that the Secretary of State had undertaken a power grab “worthy of Henry VIII”. Obviously, our modernist Secretary of State may well be modelling himself on Henry VIII. I do not know whether he is, but this source said that this

“gives absolute power to the secretary of state over all rules governing all aspects of the UK’s energy industry, in perpetuity.”

He continued:

“That means bypassing Ofgem and the entire licensing and regulatory regime without any safeguards or time constraints and no consultation or appeal process for anyone—supplier, generator, networks—affected by any decision.”

So we are very concerned to ensure that those powers taken by the Secretary of State should at the very least have a sunset clause on them when the energy crisis has abated a little. As we can see from the legislation, no such sunset clauses are provided, which leads to a suspicion that this is a potential serious power grab by the Government, and these are powers to oversee the energy process without any of the checks and balances that we have in the system at the moment. If that is the Government’s intention, it is to be deplored. Again, I hope that at the very least the Minister could clarify his intentions on that section of the Bill and how he intends to limit the activity of these things over a period of time.

We have tabled a number of amendments, and as they relate to some of the comments I have made, I shall briefly address them. Amendment 1 would ensure that the full cost of reductions is passed on to customers. Although a passing through arrangement is contained in the Bill to deal with people such as landlords, park home owners and various others who are taking the rebates on bills on behalf of customers and supposedly passing them on but not actually doing so—I very much welcome those clauses—there are other arrangements for third parties in receipt of funds where they are not necessarily required to pass those rebates on to customers at all. For example, the Low Carbon Contracts Company gets money in from contracts for difference but is by no means obliged to pass that back to customers. It is supposed to pass this back to energy companies, but it does not have to do so, and the energy suppliers themselves have no obligation to pass it back to customers. The amendment tries to close some of those loopholes to make sure that all moneys related to this area are passed on to customers.

New clause 2, on the marginal cost of electricity, was mentioned by my right hon. Friend the Member for Doncaster North on Second Reading. The new clause would ensure that we would not be in this situation in

the first place. If we had sorted out the whole question of the marginal cost of electricity as it relates to all electricity being effectively determined in retail price as if it had derived from gas and the much lower cost of renewables that we have at the moment in the system being effectively discounted, we would not have some of those renewable generators making “super-profits” and being perhaps subject to the ministrations of clause 16. That is because they would be working in the market on their own prices and looking competitively at a price set by their own boundaries, rather than working through gas in the first place. We think it is important that the Government take action on that quickly, which is what our new clause suggests we do.

I know we are running out of time, but let me come to our amendment on the Energy (Oil and Gas) Profits Levy Act 2022 arrangements. Again, as my right hon. Friend said on Second Reading, they were deplorable, as where fossil fuels are concerned 91% of profits can be returned back to those companies, and do not come to the customer to help reduce their bills, if they have investments in fossil fuels for the future. No such arrangement is provided for in this Bill as far as renewable generators are concerned; it is just a request for payment and nothing else. We want the Government to urgently look at this and bring forward a report on what the effect of reducing that 91% arrangement to 5%, for example, would have on the money that would be coming through to help customers pay their bills for the future.

Finally, as we mentioned on Second Reading, we have tabled a couple of amendments to start the process of payments from September, rather than the end of this year, as is proposed in the Bill. We think that would produce quite a lot more money for customers’ bills to be assured in the process. We understand that the Scottish nationalists are moving a manuscript amendment, new clause 18. It would worry us as it is calling for all the arrangements to be sorted out as far as what happens after six months is concerned within one month. We would prefer that we all united behind new clause 8, which would require full disclosure of the profits and turnover of oil and gas companies and various other generators over the next two years.

**David Linden** (Glasgow East) (SNP): I suspect the hon. Gentleman is probably only clearing his throat and getting on to his speech, but may I ask him what his objection is to new clause 18? If I heard him properly, he suggested at the beginning of his speech that if the Government had brought forward a manuscript amendment, he would not necessarily be too upset. Given that the SNP has done that, via manuscript and new clause 18, what is the Opposition’s objection to that?

**Dr Whitehead:** We think that most of what is new clause 18 is unexceptionable as far as information that is required. We do not think that all this has to be or should be resolved within one month, as is proposed; getting all that information on the table about the profits and turnover of companies over the next two years is a better way to do this.

**Alan Brown:** New clause 18 is about extending support, because the Government today withdrew that support. It was supposed to be a two-year support package but as of today consumers are receiving support for only



[Alan Brown]

six months, not two years. Surely the hon. Gentleman should support consumers getting additional support. On the analysis of fuel poverty levels and protecting the most vulnerable, why does Labour not want to vote to protect these people and make the Government have to come to this House to report on what their policies are doing to fuel poverty?

**Dr Whitehead:** We want to get everything on the table that will be germane to decisions that may have to be made after six months about what to do, particularly about windfall levies and various other such things. That is what new clause 8 concentrates on.

8 pm

**David Linden** *rose*—

**Dr Whitehead:** I am about to finish my remarks, but we might well have a debate about new clause 18—

**David Linden:** Will the hon. Gentleman give way on that point?

**Dr Whitehead:** I am sorry, I cannot give away further because I am right out of time, and I know that the Chairman is encouraging me to bring my remarks to a close, which is precisely what I intend to do.

Subject to what the Minister says, we may wish to divide on new clause 3 and amendment 2. I am anxious to hear what he makes of our various other amendments, but although we probably do not wish to proceed further with them, that is not to say that they do not merit important consideration in our proceedings on the Bill. We hope the Minister will be cognisant of that.

**David Linden:** I am grateful to the hon. Gentleman for giving way—

**The Second Deputy Chairman of Ways and Means (Mr Nigel Evans):** Order. Dr Whitehead, are you giving way?

**Dr Whitehead:** I have sat down.

**The Second Deputy Chairman:** I call Peter Aldous.

**Peter Aldous (Waveney) (Con):** I am largely supportive of the Bill, as there is an urgent need for assistance to be delivered at speed to hard-pressed families and businesses, but it is important to avoid any unintended negative consequences for other key Government objectives, in particular energy security, the transition to net zero and the full deployment of renewables and low-carbon forms of energy production.

My constituents urgently need the support that the Bill will provide, but to regenerate the local economy and create long-term, well-paid jobs, we need investment in offshore wind, nuclear and hydrogen. There are exciting opportunities in the sector throughout east Anglia, and specifically Waveney and Lowestoft, although certain clauses in the Bill raise worries that such investment could be imperilled. I hope that the Minister will be able to allay that unease. The Government are not pursuing a windfall tax on renewables and nuclear generators because they are worried that it would deter investment. Some of the mechanisms proposed in the Bill could

have a similar negative impact, and it is important that further clarification is provided quickly. I will briefly outline three specific concerns.

Clause 16, along with schedule 6, introduces the cost-plus revenue limit, which is a cap on the revenue of low-carbon energy generation. There is a worry that this mechanism could penalise investment in clean, cheap and low-carbon generation. To avoid that, there is a need for a reinvestment allowance to channel investment into low-carbon projects, which are needed to meet our net zero and energy security targets, and which will also provide the long-term route map out of the cost of living crisis.

Clause 21 enables the Secretary of State to modify the licences under which energy companies operate. Currently, the regulator Ofgem determines licence conditions. This is an arrangement that works well and has the confidence of investors. Further clarification is required as to the Government's intentions, and consideration should be given to providing a definitive timeframe through a sunset clause for how long this provision will be in place.

Clause 19 sets out the arrangements for passing on the energy price support from generators to end users. There is a concern that the Bill as drafted does not properly take into account the fact that generators do not all operate in the same way and that they incur differing operational costs.

In conclusion, I hope the Minister can allay these concerns. I urge the Government to liaise and consult with all relevant stakeholders, including energy companies and civil society organisations, to avoid these unintended consequences, which could imperil energy security, decarbonisation and economic regeneration in coastal communities such as Waveney.

**Alan Brown:** It is a pleasure to serve under your chairmanship, Mr Evans, and to follow the hon. Member for Waveney (Peter Aldous). I very much expect that the Minister will not listen too much to my suggestions, but I hope he will listen to at least some of hon. Gentleman's suggestions for making sure that we do not disincentivise investment in renewables and for amending some of these overreaching powers.

I would like to put on record my thanks to the Chairman of Ways and Means for selecting our manuscript amendment, new clause 18, which was obviously tabled in response to the Chancellor's shock announcement this morning at 11 am that the UK Government's flagship energy price guarantee policy, which we were told would last for two years, will now end in April 2023. People are already worried about the cost of living and the cost of the energy crisis, even with the support currently pledged, so many millions more will now be even more worried.

When the Chancellor gave his statement to the House later, he committed to at least some form of Treasury review in a modified scheme to protect the most vulnerable, but that in no way negates the merit of new clause 18. Given the mistakes and the recent track record of this shambles of a Government, it is surely in the House's interest to set the parameters of a review and the considerations required for a new scheme post April 2023. The shadow Minister said that 28 days is too short a timeframe. I would argue that it is more than time enough for a Secretary of State to report back to Parliament and try to give households some certainty going forward.

**David Linden:** We can normally get through a Chancellor in 28 days, so it is ample enough time for the Government to come forward with a review.

**Alan Brown:** It is a fair point and, as my hon. Friend pointed out earlier, Labour Members also have a new clause, which they want to push, calling for a report to Parliament in 28 days, so it seems to be a timeframe that we can all agree on.

New clause 18(2) would mandate the Government to assess what average household bills will look like when the pledged support scheme ends next April. I appreciate that estimating future energy bill increases is not an exact science, but the Government should be able to come up with an indicative price range, which should also give a look-ahead at the supposedly two-year support period of the so-called energy price guarantee. This is an important exercise, because it was the Prime Minister who told us that the two-year policy would stop average bills hitting £6,000 a year. As I said earlier, the explanatory notes for the Bill state that these mitigations will prevent so-called average bills of £2,500 from rising to £4,200. That means that, without further support, average household energy bills will, on the evidence before us and according to this Government, rise to something like £4,200 to £6,000 per annum. How on earth is that affordable? Clarity is required urgently.

New clause 18(2)(b) is all about analysing fuel poverty statistics. Now, when I mention fuel poverty statistics, we need to remember that these are not statistics but real people we are talking about—people who cannot afford to heat their homes; people who might not even be able to turn on their cooker and heat their food; parents skipping meals; people with health conditions that are made worse because they are having to live in a damp house; terminally ill people who are having to move out of their homes and are unable to die in dignity in their homes because they cannot afford to heat them; people on prepayment meters who are building up their standing charge debt because they cannot afford to put money in them. That is the reality of fuel poverty. That is why I want the Government to assess and report on the reality of their policy decisions during this cost of energy crisis.

Fuel poverty statistics lag behind real time: it takes time to analyse the statistics and then bring them through. The cost of energy has gone up so quickly that past fuel poverty statistics are effectively meaningless. National Energy Action estimates that, even with a £2,500 average bill put in place, some 6.7 million households will end up in fuel poverty. We need to understand how much worse that will get across the United Kingdom. I suggest that if the Government wish to make an informed decision about what future support packages will look like and how they will actually support the most vulnerable, they should be the ones to undertake the assessment.

That feeds directly into subsections (2)(c) and (2)(d), which are about, first, assessing the merit of extending the universal scheme as it was originally intended and, secondly, looking at a more targeted approach. The key to subsection (c) is ensuring that we have no further increases in fuel poverty. Given that we are still saying that 6.7 million households will be in fuel poverty, that is an extremely tame target. The real target should be the eradication of fuel poverty, which is why I am willing to support many other amendments on the

Order Paper, particularly from other parties, on energy-efficient installations and the upgrading of homes to EPC band C, which is a UK Government target. There should be greater investment in energy efficiency measures, and truly upgrading homes will reduce bills, reduce the energy demand and of course create additional green jobs.

Given how damaging fuel poverty is, and that the Government have not made clear what future support will look like, I cannot believe that the Labour party is not willing to support manuscript new clause 18 and try to force the Government's hand to provide information to Parliament so that we know the real impact of the cost of energy crisis.

Amendment 16 is about support for off-grid homes. Earlier, I highlighted that a one-off payment of £100 for alternatively fuelled properties is insufficient. Liquid fuels have increased in price from 30p a litre to more than £1 a litre, which is three times more expensive. People cannot afford to fill their fuel tanks. They have to lay out a minimum of £500 to £600 for a delivery. If they do not have that cash, they do not get it—they do not get credit. Filling a tank costs about £1,200 once VAT is included. Why do the Government think that a one-off £100 payment is sufficient?

One of my constituents lives in an off-gas grid property. He rightly observed that the energy price guarantee is being paid for by the general taxpayer, because it comes out of borrowing or taxpayers' money. That means that off-grid customers are effectively subsidising people on the gas grid who are getting a bigger support package. Four million households are effectively subsidising 28 million households, which actually have cheaper fuel bills. It is an incoherent policy, which is why we brought forward amendment 16, but I would also support any other proposals that would make the Government support those who live in off-gas grid properties.

I wrote to a previous energy Minister about regulation of off-grid fuels for properties. The answer I got was that we do not need regulation; the market will take care of itself. That in itself shows a complete lack of understanding of what it is like for people in rural properties who cannot shop around. Generally, there is only one supplier in the area, so it gets to set the terms and conditions and the prices of the fuel that people buy. The Government need to look at regulation of those fuels as well.

Amendments 10, 11, 14 and 15 are about giving Parliament a greater level of scrutiny and approval. It is about ensuring that proposals are implemented under the affirmative rather than the negative procedure, which puts all the powers into the hands of the Secretary of State. I tried to point this out to the Secretary of State who, as a Back Bencher, was all about Parliament sovereignty, but now that he is in the Cabinet he is yet another hypocrite who is quite happy to take Henry VIII powers and other unparalleled powers for himself. *[Interruption.]* I said hypocrite, yes.

**The Second Deputy Chairman of Ways and Means (Mr Nigel Evans):** Who were you referring to?

**Alan Brown:** The Secretary of State.

**The Second Deputy Chairman:** No.

**Alan Brown:** Okay, I withdraw my remark about the Secretary of State being a hypocrite, but he has certainly changed his mind about parliamentary sovereignty. I will try to make sure that I do not stray again, Mr Evans.

Given the wide-scale nature of these measures and the criticality of support measures—measures that, as we have heard today, the Government have already reneged on—it is critical that Parliament has its say on proposals.

8.15 pm

Amendments 10 and 11 require parliamentary approval for energy and gas support packages. Amendments 14 and 15 are about ensuring that, if introduced, the new electricity generator payment system is also undertaken under affirmative procedures. This is the revenue cap scheme that the Government really have to get correct to ensure that it does not disincentivise investment in renewables. That is why it is important that the House has a say in these matters.

Amendments 17 and 18 are also about greater Parliamentary oversight. Amendment 17 compels the Secretary of State to review the impact of any reduced energy charges for non-domestic customers in Great Britain. Amendment 18 should be self-explanatory. It compels the Secretary of State to report to Parliament how the scheme has worked and how much money has been paid out to energy companies. They also have to report how many businesses have been supported through the scheme and how that works per sector and for businesses across the various different business types.

Good governance dictates that Parliament should understand the success or otherwise of business support for energy usage and also indicate what else might be required going forward. I welcome support for businesses, but the reality is that it is long overdue. If the Government do not provide clarity on how this scheme will operate, more companies will go to the wall. They are being given unaffordable deals at the moment by energy suppliers and encouraged to sign fixed-rate contracts for long periods of time. The longer the Government dither without coming forward with this business support scheme and making it clear how it will operate, the higher the risk of business closures. That could affect the hospitality trade, the baking industry and myriad intensive-use industries. That is why we have tabled amendment 19—to force the Government to provide clarity to businesses across Great Britain as to what level of support and energy unit reductions they will provide and to do so within the next two weeks. Given the shambles of the mini-Budget and the fact that there has already been a massive U-turn on the support available for domestic energy customers, it is even more critical to provide some form of certainty to businesses.

Amendments 12 and 13 are very modest given the scale of clauses 13 and 14. It is incredible that the Secretary of State has been given carte blanche to spend sums of £100 million without parliamentary approval. While clause 14(2) states that sums exceeding £100 million need a resolution of the House, subsection (3) gives an exemption if the Secretary of State thinks that it is not reasonably practicable to obtain a resolution. All amendments 12 and 13 do is ensure more timely reporting to Parliament of such expenditure authorised by the Secretary of State.

The reality is that we need much greater clarity from the Government and from the Minister on how clause 13 will operate in practice. It lists encouraging or enabling efficient use of energy and taking steps to purchase storage capacity. I agree that those measures and principles are required for energy security and to be part of net zero transition. Infrastructure is referred to as well, but energy infrastructure is very costly and could easily cost more than £100 million, so why have the Government set such an arbitrary limit? What Government expenditure is expected to be undertaken through clause 13?

However, my real concern is that the clause could allow ad hoc purchases that do not meet strategic aims for net zero or place storage in the best locations. How will the Secretary of State decide where taxpayer money will be thrown at what projects? What is there to stop a repeat of the Seaborne Freight fiasco, where £13 million was directly awarded to a ferry company with no ferries—a move that cost many more millions in compensation? At the moment, the Government have unparalleled powers to spend money, which could lead to contracts being awarded to friends and cronies. That is why Parliament needs more power to stop that happening and to ensure there is proper oversight.

New clause 17 is also about greater parliamentary scrutiny. Surely it is logical for Parliament to understand how the Secretary of State assessed and determined the levels of gas and electricity price reductions. The new clause allows for consideration of the level of support, the merits of the Government's providing it and what considerations are likely to be required in the future.

New clause 16 is effectively a probing clause. I accept that in many ways it states the obvious: the Government should agree with the principle it contains, "that they do not disincentivise investment in renewables."

However, the new clause is drafted to underline how the Government must get this right. The sunset clauses beyond the oil and gas profit levies cause concern. When considering revenue caps, the Government must take account of any that are set by the EU so that we do not become less attractive than the EU for investment in renewables.

The Government must consider exemptions for not-for-profit, co-operative and community energy projects. If those types of projects achieve a greater return than perhaps they initially expected, the revenues they receive are automatically reinvested in additional projects. We cannot put those future projects at risk, particularly small-scale renewable projects; we must accept that the additional revenue streams will do good in the long run.

I have some other small observations on some clauses of the Bill. Clause 1(8) allows the Secretary of State to modify the scheme to ensure that suppliers do not receive increased payments or, as per the explanatory notes, manage to profiteer. I welcome that principle, but can the Minister explain how it will work in reality? How will they ensure that supply companies do not profiteer?

I have read of concerns that supply companies have rushed to put customers on fixed-term contracts for two years at much higher tariffs. If their customers were still on the standard variable tariff, they would not benefit so disproportionately from the Government's support package. The Government must take cognizance and find a way to assess that, ensuring that they hold companies to account.



Clause 21 contains extremely wide-ranging powers to vary licences, which is causing the industry big concerns, as the hon. Member for Waveney (Peter Aldous) highlighted. How will that clause work? What checks and balances are in place? So far the Minister has not been able to explain how some of those wide-ranging powers will be utilised and implemented, and that gives rise to concern. I want more certainty about what the Government are going to do with them.

On that point, I will draw my remarks to a close. We will be pushing new clause 18 to a vote, and hopefully I have said enough to make the Labour party change its mind and come forward in support of it. Let us demand proper support for this Government and hold them to account on what they are doing about fuel poverty.

**Guy Opperman (Hexham) (Con):** We—both this country and the entirety of Europe—are in an energy price war. It is an honour and a privilege to speak in support of this Bill and to make my first speech from the Back Benches in, I think, about seven and a half years.

It is unquestionably the case that I support the key measures. It is quite right that we support households up and down this great country, who are facing such difficulties over the next year. The measures come on top of the £37 billion package brought forward by the previous Chancellor bar one in spring this year, which offered £400 in support to every household in October, and the £1,200-plus support for the most vulnerable, including pensioners, who are particularly supported by that.

I have three points. First, I urge the Government, as I urged the Prime Minister and the then Chancellor of the Exchequer last week in questions on the Floor of the House, to conduct a communications campaign to send a message out to households and businesses about the nature of the support and how they could save money on an ongoing basis.

That is not the nanny state; it is outlining the support that people can take advantage of, and I urge the Secretary of State and the esteemed Minister to take that forward. Doing so will save the state money, because the state is subsidising the energy consumption of people up and down this country. If there is less usage, the state needs to provide less subsidy, providing savings to the Chancellor. Surely that is both self-evident and a self-fulfilling prophecy of reduction in expenditure.

Secondly, there is genuine concern about the proposed contracts for difference for biomass, given that there is already a renewables obligation subsidy that expires in 2027. I hope that the Minister will address the question of a severely subsidised biomass sector competing for timber and forestry with a non-subsidised sector that struggles to compete in those particular circumstances. I hope he will give some assurances on that.

Finally, I urge the state to follow the precedent enjoyed by Germany, Italy, France and other countries that have embraced energy saving on a much wider basis than we have here. You will be aware, Mr Evans, that in the House of Commons some rooms are heated to 30°. That is utterly ridiculous. In Germany and France, they do not heat their buildings to more than 19° and they have proper localism to drive forward energy reduction. They do not light buildings at night and they turn off hot water on a regular basis. Why does that matter?

It matters because potentially they can save 2% of their energy consumption. We need that sort of leadership from the Government on energy consumption. I hope that as this matter progresses, the Minister and the Secretary of State will go away and consider how we can have either direction by the state or empowerment of localism so that our local public sector institutions, which are paying the most on energy, can be encouraged to reduce their expenditure—which, after all, is in all our interests.

**Helen Morgan:** I will not speak for too long, but I want to draw attention to the amendments tabled in my name, which I would have liked to see incorporated into the Bill.

One of my greatest concerns about the support available is for non-domestic users, which have only been given six months of certainty. As I alluded to on Second Reading, businesses need certainty to be able to plan ahead and invest. We also have local authorities raising distress calls about their budgets. To enable them to plan for the future, I would have hoped to see two years of support. That is why I tabled amendment 5. For the same reason, I support new clause 18, which provides support for non-domestic users.

Non-domestic users who signed a fixed-tariff agreement between December 2021 and April 2022 have also been left high and dry by the Bill. Amendment 7 would ensure that they also benefit from capped energy charges. Again, I draw Members' attention to the plight of local authorities, many of which are struggling to balance their budgets for the remainder of the year.

Many businesses in my constituency are off grid, as everyone will be aware, and some of them are not covered by the energy bill relief scheme, so amendment 6 would provide them with support that has parity with that given to other non-domestic users. I urge the Government to consider that because rural businesses are up against it and struggling to see a way forward.

That brings me to off-grid homes, which have been hardest hit, but the Bill provides only £100 of support for them. People living in rural areas are hit hardest by the cost of living crisis. Not only might they be off grid and living in an older, poorly insulated home, but they face higher fuel costs to move around and higher food costs at supermarkets, so £100 of support is not enough. As I have mentioned, their heating bills have risen by about £1,200, so new clause 12 would ensure that those off-grid homes received energy cost support equivalent to those who are on grid, and amendment 9 would ensure that such payments were made directly to their bank accounts, making it easier for them to access that support. These changes would support the rural areas hit hardest by the cost of living crisis and would stop people being penalised for the misfortune of being off grid.

8.30 pm

We have seen over the past week that failing properly to fund commitments has sent financial markets into a tailspin. As we have discussed, partially funding those commitments with an extended windfall tax would have reassured financial markets and enabled the support to go beyond the six months that was announced this morning. Lots of people are concerned about what happens after this winter, so I would like new clause 11

to be added to the Bill, so that the windfall tax can be expanded to the oil and gas giants that make eye-watering profits daily on the backs of British consumers. I support new clause 3 for the same reason.

I draw Members' attention to the lack of attention in the Bill to cheaper, sustainable forms of energy and the need to make our housing stock, which is some of the worst-performing in Europe on energy efficiency, more energy efficient. New clauses 13 and 15 would require the Secretary of State to pay attention to those serious shortcomings and help to lower people's bills by reducing reliance on gas, providing cheaper forms of energy and enabling them to use less. The other provisions that I have tabled would improve transparency and allow a focus on the impact of the cost of living emergency on the most vulnerable. Given the Chancellor's statement today, in which he explained that generalised support would be withdrawn and support would be targeted at the most vulnerable, measures to ensure that that support gets to the right homes are extremely important. I urge Members to support these new clauses and improve the Bill in the way it needs to be improved.

**Barry Gardiner:** The Minister began his speech by saying that the energy crisis is a global crisis. That is true. It grew out of the surge in global demand after the pandemic and it has certainly been compounded by the Russian invasion of Ukraine. However, it has been entrenched by the complicity of those countries in OPEC that have steadfastly refused to increase production and which the Government still count as close allies, including Saudi Arabia, on which much greater diplomatic pressure should be applied.

The hon. Members for North Shropshire (Helen Morgan) and for Hexham (Guy Opperman) alluded to the way in which the Bill looks predominantly at the supply side. It should also look at the demand side. The chief executive of E.ON, Michael Lewis, has pointed out that a sustained programme of energy efficiency could have reduced the amount of energy used in UK homes by 25%—the equivalent of six Hinkley C nuclear power stations. The cheapest energy is the energy that we do not use, and the fact that 59% of homes in England are rated D or below for energy performance is a major factor in the desperate need of many families for support with their bills. A simple uprating of a home from energy performance certification D to C would save a home £500 a year—and that is on the basis of energy prices in April this year, before the latest spike. There would be even higher savings now.

That is why this summer E.ON and EDF called for the Government to double the energy company obligation scheme and for an expansion of the eligibility criteria to include 150,000 more homes. I hope that, under clause 22—under the powers to intervene that the Secretary of State is giving himself—the Government will use those powers to expand the ECO scheme precisely as those two major suppliers have requested.

While failure to address the demand side shows that the Government should have been investing in a comprehensive retrofit scheme over the past 12 years, it also highlights their failure, until Russia's illegal war in Ukraine, to understand just how essential energy security is to our national security. Energy efficiency and renewable energy were regarded, in the words of our Prime Minister—that is, three Prime Ministers ago—as “green crap”.

The truth is that, if we had rolled out a comprehensive programme of renewables and energy efficiency measures over the past 12 years, that stuff would now be regarded as green gold and there would be scant need for the provisions of this Bill.

Our failure should teach us another lesson. The way to become more energy secure and less reliant on fossil fuels is not to double down on them and devise new subsidies for fracking and new fields in the North sea, but to ramp up investments that will transition our economy from the fossil-fuelled past to the clean energy future. The Government claim that we have to expand our oil and gas production and that that will make our bills cheaper. The truth is it will not, not just because the wholesale market is an international market, rather than a domestic one, but because the North Sea Transition Authority is clear that the average time to production of any new facility is five years. Anything we do now to expand exploration licences cannot begin to have even the marginal impact that the minute percentage increase in global supply would predicate until 2027.

Moreover, in its analysis of production projections the North Sea Transition Authority has set out that the North sea basin will see annual declines of 9% and 6% respectively for gas and oil production out to 2050. That means that the Government are seeking to ramp up our dependence on fossil fuels at precisely the time they are diminishing and becoming more expensive, and are set to leave us with stranded assets and liabilities. Investment should be going into reducing demand, providing onshore wind and solar and creating the new jobs that will accompany such investment.

I set out in my speech on Second Reading the basis on which the oil and gas producers are and should be contributing to the measures in clause 1. Last year, energy prices meant that an average family were paying £1,100. After the windfall tax and the unfunded borrowing, that will be limited to an average of £2,500. The cost of that over the two years would be £31 billion, but now that the Chancellor has introduced the welcome Treasury-led review after six months, that would be simply £7.5 billion for the period in question. That is just about half a year's worth of taxing the oil and gas producers at the global average level.

I welcome the Chancellor's statement announcing the Treasury-led review, and urge him to ditch the investment allowance subsidy and adopt a tax rate that the rest of the globe considers fair and equitable.

**David Linden** (Glasgow East) (SNP): I rise to speak to new clause 1, tabled in my name and those of my hon. Friends from the city of Glasgow. In doing so, I also express my support for all the amendments tabled by my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown), in particular manuscript new clause 18. I know that he will wish to press amendment 16 on the off-gas grid, which impacts constituents in the Gartloch area of my constituency.

For those of us who have the privilege of being Glaswegian, or at the very least adopted Glaswegians, arguably nothing symbolises home much more than the sandstone tenements which line our high streets and housing estates. Of course, they are not unique to Glasgow; tenements can be found in Liverpool as well as in Scotland's lesser city of Edinburgh. Indeed, my hon. Friend the Member for Lancaster and Fleetwood

(Cat Smith) even took me to see some tenements on Barrow Island last year. Let it never be said that she does not know how to organise a good date night, Mr Evans.

There is a serious point to all that and one that is particularly pertinent to Scotland in the context of both housing and energy policy. Nearly a fifth of all our housing stock is pre-1919—that is, 467,000 homes—and 68% of those have disrepair to critical elements. Furthermore, 36% have critical and urgent repair needs. The nature of these buildings is that they are incredibly expensive to heat. Without question they are genuinely beautiful, with their high ceilings and large bay windows, but they are constructed from sandstone with little to no cavity wall insulation.

It is welcome that the Government have introduced the Energy Prices Bill. Indeed, I always had faith that the Secretary of State for Business, Energy and Industrial Strategy would come round to our view that strong and regular state intervention was the way forward, but I am concerned that the Bill is only part of the solution to the energy crisis for tenement dwellers, as well as housing associations.

Back in 2019, a report was commissioned by the Glasgow and West of Scotland Forum of Housing Associations, which campaigns on behalf of community controlled housing groups. It warned of the “ticking time-bomb” of such properties. It has been estimated that the cost of restoring more than 46,000 tenement flats in Glasgow that were built pre-1919 and are deemed to be dangerous could hit £2.9 billion. I know that my local housing association, and those of my hon. Friends the Members for Glasgow Central (Alison Thewliss) and for Glasgow North (Patrick Grady), certainly do not have that in their reserves.

**Patrick Grady** (Glasgow North) (Ind): I thank my hon. Friend for tabling the new clause. He is absolutely right about the concerns of housing associations. The cost of energy going up may mean that many of their tenants in the tenements do not want to put on the heating this winter. That is bad not only for the residents, who are our primary concern, but for the housing stock, particularly older tenemental properties. It will simply increase the future costs if those buildings become more mouldy and damp and suffer all the other effects that inclement weather can have on such structures. It is all the more important that such amendments are taken forward so that housing associations in particular can invest in energy efficiency measures to support their struggling tenants.

**David Linden:** My hon. Friend is absolutely right to put that on the record, and ng homes in his constituency, for example, will be glad that he has.

For my constituents living in Tollcross Road, Westmuir Street or Shettleston Road, living in those historic and iconic buildings comes at a cost, especially in the winter when energy consumption is higher. We all surely agree that installing solar panels and electric car charging points in homes is a good way to combat the climate and nature emergency and to make energy consumption cheaper and more sustainable. For those in tenement properties, however, that is near-impossible, which is why my new clause 1 seeks some form of additional support for these unique properties. We all agree that

retrofitting properties can be helpful for energy efficiency, but in reality we will have to incentivise owners and housing associations to do that for tenements.

**Alison Thewliss** (Glasgow Central) (SNP): My hon. Friend is making a good case. He may be aware of the project in Niddrie Road, Govanhill, where a tenement block is being retrofitted to the Passivhaus standard with Southside Housing Association. Does he agree, however, that rolling that out across the tenement stock in the city of Glasgow alone would be hugely expensive and quite disruptive for tenants, so the cost needs to be borne in mind?

**David Linden:** Yes. For those of us with a strong interest in housing policy, Govanhill is a fascinating place to look because of the innovative stuff that has happened there as a result of the SNP Scottish Government. The Passivhaus standard is incredibly expensive; I know that Shettleston Housing Association in my constituency is still paying for the development at the top of Wellshot Road. It is important, but it comes at a cost, which is all the more reason for the Government to come forward with support.

One way to do that is to zero-rate VAT on refurbishment and retrofitting, which would cut 20% from the cost straightaway and act as a fiscal stimulus for a construction sector that will clearly be affected by any impending recession. The current energy crisis gives us the ability to provide short-term support by way of a price intervention, but longer-term support with the zero-rating of VAT for retrofitting tenements.

I know that the Minister and his party are big fans of cutting taxes—perhaps not today, but certainly normally more than I am—but I hope that we can agree that approving our new clause 1 would merely require the Government to conduct an impact assessment, which is surely not objectionable to those on the Treasury Bench. Those of us familiar with Glasgow politics know that the late Sir Teddy Taylor was the epitome of what was known as a “tenement Tory”. I can guarantee that top tenement Tory status will be conferred on the Minister if he works with us tonight and accepts the new clause without a Division. In the meantime, I am grateful to the Chairman of Ways and Means for selecting the new clause for consideration, and I look forward to the response of the Minister—indeed, the top tenement Tory—when he winds up the debate.

8.45 pm

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): I rise to speak to new clauses 6 and 7, which stand in my name.

Amid the chaos of the economic emergency unleashed by the Prime Minister’s discredited Budget, energy prices have once again increased for millions of households. While I welcome the fact that the measures in this Bill have temporarily limited the increase in energy bills, the reality is that the energy price guarantee fails to meet the scale of the crisis we face: £2,500 is still unaffordable. Indeed, the Welsh Government have estimated that energy bills of £1,971 could well push 45% of Welsh households into fuel poverty. The Chancellor has caused further uncertainty with his announcement that support in its current form will last for only six months. Many families will have budgeted on the understanding that



[*Liz Saville Roberts*]

the support would last for two years, and they will now be desperate for certainty about how they will pay for extortionate bills and rocketing mortgages.

Plaid Cymru has urged the UK Government to go further, and to slash average bills to the pre-April levels of £1,277. New clause 7 would require the UK Government to publish an assessment of the impact that such an action would have on the number of households living in fuel poverty, and the number of children living in both relative and absolute income poverty. I think it is a fair question to ask about how these measures affect the poorest families.

Fuel poverty increases the risks of developing respiratory and cardiovascular diseases, while poverty in childhood affects education and career prospects, and it can even cut short life expectancy. There are other costs, as we heard earlier, with tenement buildings in relation to the costs of energy, and people scrimping and saving as best they can. Energy companies should of course pay their fair share for this additional support through an expanded and backdated windfall tax on oil and gas companies, and scrapping the investment allowance.

If the Chancellor wants to reduce the cost of the energy support package, the answer is not to break promises made to millions of households, but—and on this surely we can all agree—to focus on reducing energy demand. The inefficiency of our housing stock means that households are wasting hundreds of pounds a year on energy that immediately escapes through draughty walls, windows and ceilings. New clause 6 would require the UK Government to work with the Welsh Government, the Scottish Government and the Northern Ireland Executive to assess the benefits of a housing decarbonisation scheme in terms of the impact it would have on energy bills, the number of households living in fuel poverty and climate targets.

Even before energy prices skyrocketed, the Welsh future generations commissioner estimated that £3.6 billion of investment from the UK Government could unlock a Welsh home insulation programme that would save Welsh households an average of £418 a year on their energy bills. This benefit extends beyond lower energy bills. National Energy Action has estimated that, due to the impact of cold homes on health, for every £1 spent on improving energy efficiency and retrofitting fuel-poor homes, the NHS saves 42p, and that the potential benefit across the UK of ensuring that nobody lives in a cold home amounts to more than £1.5 billion per year. This is using public money to real, direct effect in saving energy and in having a real effect on people and their lives.

We are about to enter a new phase of Conservative austerity, and those of us in this House who understand the deadly consequences of the last 12 years must push back against the pernicious narrative that this is the only way to ensure economic stability. Instead, we must make the case for the prudent investment that has economic and social benefits, and there is no better place to start than a street-by-street home insulation programme.

I am not seeking to divide the Committee, but I would very much appreciate a response from the Minister on our new clauses 6 and 7. I want to mention that, if I had time to do so, I would also speak in support of

amendment 16 and new clauses 12, 10 and 9, which also include many important measures that we should be taking into account at this time.

**Munira Wilson** (Twickenham) (LD): I rise to speak to new clause 4 and amendment 4, both in my name and that of my hon. Friend the Member for Richmond Park (Sarah Olney). These amendments seek to address the inequality of support offered to some 480,000 households across the UK that benefit from communal energy provision. This Government have repeatedly promised to provide equivalent support to those living in households on communal heat networks, yet this Bill plainly fails to realise that equivalence in legislation with other households that will be supported through the energy price guarantee.

Heat networks supply heat to buildings from a central source, avoiding the need for households and workplaces to have individual energy-intensive heating solutions, such as gas boilers. They are one of the most cost-effective ways of reducing carbon emissions from heating, and indeed they have been encouraged by the Government. Many who are on communal heat networks live in London, and there is a number of such blocks of flats in my constituency and the neighbouring constituency of Richmond Park. Residents in Wharf House in Teddington in my constituency are facing energy price rises of 560%, and it is not uncommon for those on communal heat networks to be facing price rises of over 500%. These people can be living in private housing, as is the case in my constituency, but particularly across London many affected by this issue live in social housing and in buildings that range from Victorian mansion flats through to very recent developments.

Many of my constituents and those of my hon. Friend the Member for Richmond Park (Sarah Olney) who have been in touch are very worried about their rising bills and what help they will receive. I presented a petition to Parliament, I have written letters to the Secretary of State for Business, Energy and Industrial Strategy, and I have tabled parliamentary questions. At each turn, and indeed in the Prime Minister's statement on the energy support package some weeks ago, reference has been made to support for those on communal heat networks, and we have repeatedly been told, including in the BEIS factsheet, that heat networks will receive support equivalent to both the energy price guarantee and the energy bills support scheme. Indeed, the Minister currently on the Front Bench replied to a written question from me last week promising that the Government want heat network consumers to receive support equivalent to that provided to mains gas and electricity consumers.

Yet in this Bill it transpires that thousands of households will receive support second hand through suppliers and only for six months. Until this morning we knew that other families on average would have their bills capped at about £2,500 for two years, whereas households connected to heat networks were going to face a cliff edge after six months. I appreciate that policy has changed today, but the lack of equivalence remains, which is why I was still keen to speak to these amendments.

As the Government seek to review their energy support scheme after six months, they need to address the lack of equivalent support for those living in buildings with communal heat networks. The Liberal Democrat amendments would ensure that every person who is part of a heat network received a cost reduction that is

equivalent to that of those benefiting from the energy price guarantee, and for the same period of time. That would achieve equivalence, which the Government have proposed.

Those who live in buildings with communal heat networks should not be penalised for doing the environmentally responsible thing that the Government have urged them to do. I therefore urge the Minister to honour the Government's promise and I hope that in his closing remarks he will address the issues that these amendments raise.

**Jim Shannon:** I want to begin by thanking the Government and the Minister for all that they have done thus far in the energy crisis. We all sometimes get a bit caught up with our lists of demands and the things we want done without appreciating the steps that the Government have taken; I want to put that on record before I start.

I am thankful that the people of Northern Ireland are to get the same support as those on the mainland. MPs from Northern Ireland had a Zoom meeting with the Secretary of State last Thursday, and we were very encouraged by what he said, by his delivery and by today's legislation; this is good news and we thank him for that. Some 68% of households in Northern Ireland use oil, and there is a scattering of households across rural areas—some in my area and some out to the west of the Province—that still use coal, and we all know by how much the price of coal has jumped. The Secretary of State has given encouragement on how support will work for those who use the payment card system.

I want to make a plea on behalf of pensioners. Not every pensioner will use the £100 for energy, so I want to make sure there is a system whereby pensioners are protected and that, if they do not use all the money, the remaining sum can be carried over. The pensioners who have spoken to me about this want that reassurance.

My main reason for speaking is to make a plea for the working poor, as I did earlier in an intervention on the Secretary of State. I know that this finds receptive ears in the Minister and in the Government, because they see those issues that I see every day. There are people in full-time employment who were managing before the crisis but now have to find, for example, an extra £250 for their mortgage and an extra £30 a week for fuel for travel to Belfast from the peninsula. Dog food is also up by 30%, and groceries are up by 20%, with milk up from 99p last year to £1.75 this year—a 75% increase. Those are just a couple of examples of the massive increases that we are experiencing back home.

I go to work on an egg every day—two eggs, to be precise—but eggs are up from 99p for a six-pack to £1.39. Biscuits to go with a cup of tea, which we have in Northern Ireland with regularity, are up some 30%. Those are issues for the working poor, and that is not even adding in the energy issues. I want the Government to ensure that the working poor are key in what they do as they move forward. To be fair, I believe that they have.

I am thankful for the help given so far, but I believe that working families need that extra bit of consideration. They need help to get to work and help to pay for their groceries. They need an uplift in child benefit to allow them to ask for a wage increase. It is not about being

able to take family holidays and eating out all the time; it is about surviving and being able to pay their mortgage and all else. What is being done to help those families? The Minister will give us some encouragement in summing up. It is good to have that on the record so that the people back home who ask me about these things will know what has been done. That is aside from energy costs, which are not even part of the equation at this stage.

There is the shop owner, for example, who cannot match the wage increases in the public sector, and her staff know that she cannot do any more than she is. How can we help them? It is great that public sector wages are going up, but how do small and medium-sized enterprises do the same? They cannot. The Government and the Minister must reach out and help. Those businesses are facing electricity bills at four times the previous rate. The hon. Member for Twickenham (Munira Wilson) referred to an increase of almost 550%. How can anybody absorb that? That is impossible.

The price of goods is up massively. Businesses are fighting to stay alive. The SMEs in my constituency—there is a large number of them—create employment across sectors. So never mind matching public sector pay; we must do more to secure jobs in SMEs by helping their owners.

I gave a commitment that I would not speak for too long, Mr Evans, so I will finish with this. I recognise that money does not grow on trees—if only it did, we could lift it off every day we wanted it—but we do need employment and businesses who hire people. For the working poor, will the Minister and the Government do that wee bit more to ensure that they will not suffer adversely through the crisis that we are all experiencing together?

**Graham Stuart:** I thank all speakers for their contributions, which have been typically thoughtful. It was a pleasure for the whole Committee and it seemed right to have the ever-genial hon. Member for Strangford (Jim Shannon) bringing the Back Bench contributions to a close. I have a lot to cover but will none the less try to keep myself to a limited time.

The hon. Member for Southampton, Test (Dr Whitehead), who spoke for His Majesty's Opposition, asked whether we will need to amend the Bill because of the changes announced this morning by the Chancellor. Counsel's advice is that we will not. The powers in the Bill fit perfectly well with that six-month period and any review and extension that comes thereafter. He also asked about the definition of electricity generators, including community groups, and the appropriateness of that. The affirmative procedure will be used for the first regulations precisely to allow us to define that, understand that and ensure that we are targeting the organisations we wish to target and excluding those we do not.

On Henry VIII powers, and why clauses 21 and 22 do not have sunset clauses, the Bill makes clear that the clauses must be used in response to the current energy situation, or in connection with the Act, regulations or schemes within it. The vast majority of the powers in the Bill are time-limited, including the powers to make regulations and schemes that might require such modifications and directions.

9 pm

Such a large number of points were made. One issue raised was on the checks and balances Parliament will have over future spending under the spending power. The Secretary of State will report quarterly on the use of the spending power to ensure proper checks and balances are in place. As the hon. Member for Kilmarnock and Loudoun (Alan Brown) noted, any spending over £100 million per project in response to the energy crisis will need authorisation from the House of Commons.

Many Members rightly focused on people in fuel poverty and the risks thereof. We see improving the energy efficiency of homes as the best way to tackle fuel poverty in the long term. We are doing that through a number of energy efficiency schemes addressing different housing types and tenure types. We announced further energy efficiency support through ECO+. Importantly, we are also supporting households with their energy bills through established schemes, including the warm home discount, the winter fuel payment and the cold weather payment. Homes that are EPC C or above have gone, I think, from 14% to 46% since 2010. If the hon. Member for Brent North (Barry Gardiner), who is watching his phone and not listening to me, had done more when he was Environment Minister in the last Labour Government to get people's homes brought up to EPC C, then we would have seen a heck of a dividend today, but sadly that is not what the Labour party did.

What are we doing, generally speaking, to support vulnerable consumers? The Government have set out decisive action to support people and businesses with their energy bills. That is what we are doing. Earlier this year—it is important to contextualise the support in the Bill with the other support the Government are providing—the Government announced a £37 billion package of support to help households with the cost of living, targeting the most vulnerable households first. That included an £11.7 billion energy bill support scheme worth, as we discussed, up to £400 each for about 28 million households. When we talk about £2,500, that is before the £400, which is a further reduction. And, of course, the 8 million households on means-tested benefits received an additional £650 payment. More than 8 million pensioner households who received the winter fuel payment will also receive a £300 cost of living payment. Some 6 million households who receive disability support will receive the £150 disability cost of living payment. All together, we have put in place significant steps to ensure that those who are the poorest are, albeit with price pressures on energy, in no worse position overall this year than they were last year. That has been our aim.

I will not say too much more on the energy efficiency front. My hon. Friend the Member for Hexham (Guy Opperman) talked about the importance of energy efficiency, and I think he is quite right. Communicating that in the right way is the issue. Finding the right interlocutors, the right people, to talk to the public is terribly important. My hon. Friends raised the Henry VIII powers and I think I have already dealt with that.

**David Linden:** Will the Minister give way?

**Graham Stuart:** I am going to press on, if I may.

Turning to amendments 2, 3, 10 and 11, and new clauses 7, 9 and 17, for amendments 10 and 11, designating a scheme is simply a matter of identifying the scheme

documents that the Secretary of State already has the powers to provide. Therefore, the affirmative procedure would be disproportionate. New clause 7 requires the undertaking of an impact assessment on setting the price reduction at pre-April Ofgem cap levels. The unprecedented level of support introduced via the scheme and others in the Bill means that I do not think this is necessary and I ask Members not to press it to a Division.

**David Linden:** Will the Minister give way?

**Graham Stuart:** I have so much to do and a duty to cover as much as I can, having agreed not to go on too long.

New clause 9 aims to remove regional variations from standing charges. Ofgem, which is responsible for the network charging regime, is considering that matter and we should not pre-empt the review's outcome in the Bill.

Amendments 2 and 3 aim to enable the backdating of the gas price reduction scheme in Great Britain to begin from 8 September. The Government have designed the scheme to work in combination with the 22 May cost of living package to which I referred. That ensures that the most vulnerable households will see little change in their energy between last winter and this. I therefore do not see any need to alter the operative date of the energy price guarantee schemes.

I move on to amendments 19, 17, 18 and 7, new clause 5 and amendment 5 on the energy bill relief scheme. On amendments 17 and 19, the Government fully intend to introduce regulations under clause 9 and we expect them to be laid in Parliament by the beginning of November. I have committed to publishing a review of the scheme in three months.

**Barry Gardiner:** Will the Minister give way?

**Graham Stuart:** If the hon. Gentleman will allow me, I will try to cover—

**Barry Gardiner:** The Minister did actually refer to me.

**Graham Stuart:** Indeed. On amendments 5 and 7, I am pleased to note that the hon. Members for North Shropshire (Helen Morgan) and for Richmond Park (Sarah Olney) agree with my decision to extend the eligibility date for customers on fixed-term contracts back to 1 December 2021. I hope that they also welcome our commitment to review the scheme, and I hope that that will please the hon. Member for Brent North.

**Barry Gardiner:** Will the Minister give way?

**David Linden:** Will the Minister give way?

**Graham Stuart:** The hon. Member is so persistent that I will give way to him.

**David Linden:** Hope springs eternal. In his summing up, the Minister has not yet touched on new clause 1. I suspect that that is nothing to do with the fact that he does not know what a tenement is, but can he touch on new clause 1, please?



**Graham Stuart:** I addressed new clause 1 in my remarks at the beginning of the Committee. I do not know whether the hon. Gentleman was here, but if he was, he should have paid attention, and if he was not, I suggest he should have been.

I turn to amendments 16, 6 and 9 and new clauses 12 and 10 regarding consumers who are off the gas grid. Amendment 16 seeks to establish a domestic fuel reduction scheme in Great Britain for off-gas grid homes. The Government are providing a set payment to such homes through the alternative fuel payment scheme. There has been a lot of attention on off-grid homes.

**Alan Brown:** Will the Minister give way?

**Barry Gardiner:** Will the Minister give way?

**Graham Stuart:** I will not. Amendments 6 and 9 and new clause 12 would require equivalent support for domestic and non-domestic consumers. We have committed to providing equivalent support for consumers on alternative fuels. The Secretary of State has said that he will put the workings in the Library, and I appeal to hon. Members on both sides of the Committee to recognise that the support is comparable. It is therefore important not to tell those who are off-grid that they are not getting comparable support when indeed they are.

**Barry Gardiner:** On a point of order, Mr Evans. Will you confirm that when a Minister, or indeed, any Member of Parliament, refers by name to another Member, it is courtesy and normal practice to allow them to respond to the point that was made? Indeed, in this case, the Minister talked about me doing more, as a Minister in the Labour Government, on ensuring that we had insulation. However, he seems to forget that in 2013, his Government cut that by 92%—

**The Second Deputy Chairman of Ways and Means (Mr Nigel Evans):** Order. The hon. Gentleman is doing an intervention now. Is the Minister giving way?

**Graham Stuart:** The hon. Gentleman has just shown why no one in the Chamber wished me to give way to him, other than himself.

The Government have committed to delivery of the payment this winter. Requiring that payment to be made directly to consumer bank accounts would significantly slow this down. Similarly, new clause 10 would require the Government to implement a heating oil voucher scheme for households in Northern Ireland. Again, that would significantly slow down delivery, so one of the challenges that we have had in engineering the various programmes is to make sure—

**Alan Brown** *rose*—

**Graham Stuart:** In the knowledge that the hon. Gentleman is succinct and will be welcomed by the Committee, I give way to him briefly.

**Alan Brown:** I am grateful. Our amendment 16 echoed the language that is in the clauses on the electricity and gas support mechanism by stating:

“The Secretary of State may establish a domestic fuel reduction scheme...for off gas grid”

properties. It does not compel the Government to do anything; it just gives them the power to do that. Why will the Minister not accept that simple amendment, which states that the Secretary of State “may establish” that scheme?

**Graham Stuart:** There are many statutes that include the word “may” from which we can take it that the Government will do what is set out. I am pleased to say that it is absolutely our intention to ensure that those off grid are treated comparably to those on grid.

**Peter Aldous:** The past 10 years have been remarkably successful, with the offshore wind industry and the Government working hand in hand. The industry has raised genuine concerns, which I briefly outlined in relation to clauses 16, 19 and 21, about the direction of that relationship and how it is being imperilled. Will the Minister agree to meet the industry and address those concerns as the Bill progresses?

**Graham Stuart:** As my hon. Friend would doubtless expect, I regularly meet energy companies. I have absolute confidence. One of my biggest concerns when we were looking at the package was to ensure that there are no disincentives to investment in renewables. It is noticeable that the EU has come up with a scheme. We are talking about prices linked to gas that are completely outwith any of the expectations of those who run long-standing nuclear and other low-carbon production. This is an intervention that deals with prices well beyond any prior expectation. It will therefore not disincentivise or undermine any existing business plans.

The contracts for difference that this Government brought in are now being mimicked around the world. In the last auction, 11 GW came in: so successful was it that we are now moving to annual auctions and CFDs. It is also worth saying, on the record, that renewables obligation certificates and other support mechanisms are being entirely honoured; this measure is merely about the spot price, which is excessive. We will come forward with further proposals in due course and will consult with the industry and others to ensure that we act in a way that does not disincentivise investment.

*Question put and agreed to.*

*Clause 1 accordingly ordered to stand part of the Bill.*

*Clauses 2 to 30 ordered to stand part of the Bill.*

### New Clause 3

#### REPORT ON ADDITIONAL EXPENDITURE TREATED AS INCURRED FOR PURPOSES OF SECTION 1 OF THE ENERGY (OIL AND GAS) PROFITS LEVY ACT 2022

“(1) The Secretary of State must, within six months of the date of Royal Assent to this Act, publish and lay before Parliament a report on the effect of reducing the amount of the allowance under section 2(3) of the Energy (Oil and Gas) Profits Levy Act from 80% to 5%.

(2) The Report must set out projections of the effect of the reduction set out in subsection (1) on domestic and non-domestic energy bills.”—(*Dr Whitehead.*)

*This new clause requires the Secretary of State to produce a report assessing the impact of reducing the investment allowance for oil and gas companies as set out in the Energy (Oil and Gas) Profits Levy Act from 80% to 5%, and in particular to assess such a reduction's impact on domestic and non-domestic bills.*

*Brought up, and read the First time.*

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

*The Committee divided: Ayes 227, Noes 302.*

**Division No. 57]**

**[9.12 pm**

**AYES**

Ali, Rushanara  
 Ali, Tahir  
 Anderson, Fleur  
 Barker, Paula  
 Beckett, rh Margaret  
 Begum, Apsana  
 Benn, rh Hilary  
 Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blake, Olivia  
 Blomfield, Paul  
 Bonnar, Steven  
 Bradshaw, rh Mr Ben  
 Brock, Deidre  
 Brown, Alan  
 Brown, Ms Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Burgon, Richard  
 Byrne, Ian  
 Cameron, Dr Lisa  
 Campbell, rh Sir Alan  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Chamberlain, Wendy  
 Champion, Sarah  
 Chapman, Douglas  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clark, Feryal  
 Cooper, Daisy  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crawley, Angela  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Daby, Janet  
 Davey, rh Ed  
 David, Wayne  
 Davies, Geraint  
 Davies-Jones, Alex  
 Day, Martyn  
 De Cordova, Marsha  
 Dhesi, Mr Tanmanjeet Singh  
 Docherty-Hughes, Martin  
 Dodds, Anneliese  
 Doogan, Dave  
 Dorans, Allan  
 Doughty, Stephen  
 Dowd, Peter  
 Duffield, Rosie  
 Eagle, Dame Angela  
 Eagle, Maria  
 Eastwood, Colum  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Elmore, Chris  
 Eshalomi, Florence  
 Esterson, Bill

Evans, Chris  
 Farron, Tim  
 Farry, Stephen  
 Fellows, Marion  
 Ferrier, Margaret  
 Fletcher, Colleen  
 Flynn, Stephen  
 Foord, Richard  
 Foxcroft, Vicky  
 Furniss, Gill  
 Gardiner, Barry  
 Gibson, Patricia  
 Gill, Preet Kaur  
 Glendon, Mary  
 Grady, Patrick  
 Grant, Peter  
 Green, Kate  
 Green, Sarah  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Dame Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Mrs Paulette  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hillier, Dame Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Rachel  
 Hosie, rh Stewart  
 Howarth, rh Sir George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, rh Dame Diana  
 Johnson, Kim  
 Jones, Gerald  
 Jones, rh Mr Kevan  
 Jones, Ruth  
 Jones, Sarah  
 Kane, Mike  
 Keeley, Barbara  
 Khan, Afzal  
 Kinnock, Stephen  
 Kyle, Peter  
 Lake, Ben  
 Lammy, rh Mr David  
 Lavery, Ian  
 Leadbeater, Kim  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lightwood, Simon  
 Linden, David  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 MacAskill, Kenny  
 MacNeil, Angus Brendan  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Malhotra, Seema

Maskell, Rachael  
 Mc Nally, John  
 McCabe, Steve  
 McCarthy, Kerry  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGovern, Alison  
 McKinnell, Catherine  
 McMorrin, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Mishra, Navendu  
 Monaghan, Carol  
 Moran, Layla  
 Morgan, Helen  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Murray, James  
 Nandy, Lisa  
 Newlands, Gavin  
 Nichols, Charlotte  
 Nicolson, John  
 Norris, Alex  
 O'Hara, Brendan  
 Olney, Sarah  
 Onwurah, Chi  
 Osborne, Kate  
 Oswald, Kirsten  
 Owatemi, Taiwo  
 Peacock, Stephanie  
 Pennycook, Matthew  
 Perkins, Mr Toby  
 Phillips, Jess  
 Pollard, Luke  
 Powell, Lucy  
 Qaisar, Ms Anum  
 Qureshi, Yasmin  
 Rayner, rh Angela  
 Reed, Steve  
 Reeves, Ellie  
 Reynolds, Jonathan  
 Ribeiro-Addy, Bell  
 Rimmer, Ms Marie  
 Rodda, Matt

Russell-Moyle, Lloyd  
 Saville Roberts, rh Liz  
 Sharma, Mr Virendra  
 Siddiq, Tulip  
 Slaughter, Andy  
 Smith, Alyn  
 Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smyth, Karin  
 Spellar, rh John  
 Stephens, Chris  
 Stevens, Jo  
 Stone, Jamie  
 Stringer, Graham  
 Sultana, Zarah  
 Tami, rh Mark  
 Tarry, Sam  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, rh Nick  
 Thompson, Owen  
 Thomson, Richard  
 Thornberry, rh Emily  
 Timms, rh Sir Stephen  
 Trickett, Jon  
 Twigg, Derek  
 Twist, Liz  
 Vaz, rh Valerie  
 Wakeford, Christian  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Whitley, Mick  
 Whittome, Nadia  
 Williams, Hywel  
 Wilson, Munira  
 Winter, Beth  
 Wishart, Pete  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Jessica Morden and**  
**Sarah Owen**

**NOES**

Afolami, Bim  
 Afriyie, Adam  
 Aiken, Nickie  
 Aldous, Peter  
 Allan, Lucy  
 Anderson, Lee  
 Anderson, Stuart  
 Andrew, rh Stuart  
 Ansell, Caroline  
 Argar, rh Edward  
 Atherton, Sarah  
 Atkins, Victoria  
 Bacon, Gareth  
 Bacon, Mr Richard  
 Badenoch, rh Kemi  
 Bailey, Shaun  
 Baillie, Siobhan (*Proxy vote cast by Craig Whittaker*)  
 Baker, Duncan  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Baynes, Simon

Bell, Aaron  
 Benton, Scott  
 Berry, rh Jake  
 Bhatti, Saqib  
 Blackman, Bob  
 Blunt, Crispin  
 Bone, Mr Peter  
 Bowie, Andrew  
 Bradley, rh Karen  
 Brady, Sir Graham  
 Brereton, Jack  
 Bridgen, Andrew  
 Brine, Steve  
 Bristow, Paul  
 Britcliffe, Sara  
 Browne, Anthony  
 Bruce, Fiona  
 Buchan, Felicity  
 Buckland, rh Sir Robert  
 Burghart, Alex  
 Butler, Rob  
 Cairns, rh Alun

Campbell, Mr Gregory  
 Carter, Andy  
 Cartlidge, James  
 Cash, Sir William  
 Cates, Miriam  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Choqe, Sir Christopher  
 Churchill, Jo  
 Clarke, rh Mr Simon  
 Clarke, Theo (*Proxy vote cast by Craig Whittaker*)  
 Clarke-Smith, Brendan  
 Clarkson, Chris  
 Cleverly, rh James  
 Clifton-Brown, Sir Geoffrey  
 Coffey, rh Dr Thérèse  
 Colburn, Elliot  
 Collins, Damian  
 Costa, Alberto  
 Courts, Robert  
 Coutinho, Claire  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Daly, James  
 Davies, David T. C.  
 Davies, Gareth  
 Davies, Dr James  
 Davies, Mims  
 Davis, rh Mr David  
 Davison, Dehenna  
 Dinéage, Dame Caroline  
 Dines, Miss Sarah  
 Docherty, Leo  
 Donelan, rh Michelle  
 Double, Steve  
 Dowden, rh Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, Sir James  
 Duguid, David  
 Duncan Smith, rh Sir Iain  
 Dunne, rh Philip  
 Eastwood, Mark  
 Edwards, Ruth  
 Ellis, rh Michael  
 Ellwood, rh Mr Tobias  
 Elphicke, Mrs Natalie  
 Eustice, rh George  
 Evans, Dr Luke  
 Evennett, rh Sir David  
 Everitt, Ben  
 Fabricant, Michael  
 Farris, Laura  
 Fell, Simon  
 Firth, Anna  
 Fletcher, Katherine  
 Fletcher, Mark  
 Fletcher, Nick  
 Ford, rh Vicky  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Frazer, rh Lucy  
 Freer, Mike  
 French, Mr Louie  
 Fuller, Richard  
 Gale, rh Sir Roger  
 Garnier, Mark  
 Gibb, rh Nick  
 Gibson, Peter

Gideon, Jo  
 Glen, John  
 Goodwill, rh Sir Robert  
 Gove, rh Michael  
 Graham, Richard  
 Gray, James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Griffith, Andrew  
 Grundy, James  
 Gullis, Jonathan  
 Hall, Luke  
 Hammond, Stephen  
 Harper, rh Mr Mark  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Sally-Ann  
 Hart, rh Simon  
 Heald, rh Sir Oliver  
 Heappey, rh James  
 Henderson, Gordon  
 Henry, Darren  
 Higginbotham, Antony  
 Hinds, rh Damian  
 Hoare, Simon  
 Holden, Mr Richard  
 Hollobone, Mr Philip  
 Holloway, Adam  
 Howell, John  
 Howell, Paul  
 Huddleston, Nigel  
 Hudson, Dr Neil  
 Hughes, Eddie  
 Hunt, Jane  
 Hunt, Tom  
 Javid, rh Sajid  
 Jayawardena, rh Mr Ranil  
 Jenkin, Sir Bernard  
 Jenkinson, Mark  
 Jenkyns, Andrea  
 Jenrick, rh Robert  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Johnston, David  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Fay  
 Jones, Mr Marcus  
 Jupp, Simon  
 Kawczynski, Daniel  
 Kearns, Alicia  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kniveton, Kate  
 Kruger, Danny  
 Lamont, John  
 Leadsom, rh Dame Andrea  
 Leigh, rh Sir Edward  
 Levy, Ian  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Loder, Chris  
 Longhi, Marco  
 Lopez, Julia  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackrory, Cherilyn  
 Maclean, Rachel  
 Mak, Alan

Malthouse, rh Kit  
 Mangnall, Anthony  
 Mann, Scott  
 Marson, Julie  
 Mayhew, Jerome  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 Merriman, Huw  
 Metcalfe, Stephen  
 Millar, Robin  
 Miller, rh Dame Maria  
 Milling, rh Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Mohindra, Mr Gagan  
 Moore, Damien  
 Moore, Robbie  
 Mordaunt, rh Penny  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morrissey, Joy  
 Mortimer, Jill  
 Morton, rh Wendy  
 Mullan, Dr Kieran  
 Mumby-Croft, Holly  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, rh Dr Andrew  
 Neill, Sir Robert  
 Nici, Lia  
 Norman, rh Jesse  
 O'Brien, Neil  
 Opperman, Guy  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Philp, rh Chris  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, rh Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Randall, Tom  
 Redwood, rh John  
 Rees-Mogg, rh Mr Jacob  
 Richards, Nicola  
 Richardson, Angela  
 Roberts, Rob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Ross, Douglas  
 Rowley, Lee  
 Russell, Dean  
 Rutley, David  
 Sambrook, Gary

Saxby, Selaine  
 Scully, Paul  
 Seely, Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shelbrooke, rh Alec  
 Simmonds, David  
 Skidmore, rh Chris  
 Smith, rh Chloe  
 Smith, Greg  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Spencer, Dr Ben  
 Spencer, rh Mark  
 Stafford, Alexander  
 Stephenson, rh Andrew  
 Stevenson, Jane  
 Stevenson, John  
 Stewart, rh Bob  
 Stewart, Iain  
 Streeter, Sir Gary  
 Stride, rh Mel  
 Stuart, rh Graham  
 Sturdy, Julian  
 Sunderland, James  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, rh Anne-Marie  
 Trott, Laura  
 Tugendhat, rh Tom  
 Vickers, Martin  
 Vickers, Matt  
 Villiers, rh Theresa  
 Walker, Mr Robin  
 Wallis, Dr Jamie  
 Warman, Matt  
 Watling, Giles  
 Webb, Suzanne  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Wiggin, Sir Bill  
 Wild, James  
 Williams, Craig  
 Wilson, rh Sammy  
 Wood, Mike  
 Wright, rh Sir Jeremy

**Tellers for the Noes:**  
 Amanda Solloway and  
 Jacob Young

*Question accordingly negated.*

## Manuscript New Clause 18

### ENERGY SUPPORT AFTER APRIL 2023

‘(1) The Government must lay a report before the House of Commons within 28 days of Royal Assent stating what energy price support it will provide from April 2023 onwards.

(2) The report must also contain—

(a) an estimate of what average domestic energy bills are expected to be in April 2023 if no further support provided;



- (b) an estimate of how many households will be classed as being in (a) fuel poverty and (b) extreme fuel poverty if no further support is provided;
- (c) what the extension of the universal support scheme for a further—
- (i) 6 months;
  - (ii) 12 months and
  - (iii) 18 months is estimated to cost; and
- (d) what alternative support schemes the Government will introduce to prevent any further increases in fuel poverty and protect the most vulnerable including—
- (i) pensioner households,
  - (ii) those with disabilities and
  - (iii) those in receipt of benefits.’—(Alan Brown.)

*This new clause would require the Government to make a report to the House setting out the energy support it will provide from April 2023 onwards.*

*Brought up, and read the First time.*

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

*The House divided: Ayes 61, Noes 304.*

## Division No. 58]

[9.26 pm

### AYES

Black, Mhairi  
Blackford, rh Ian  
Blackman, Kirsty  
Bonnar, Steven  
Brock, Deidre  
Brown, Alan  
Cameron, Dr Lisa  
Carmichael, rh Mr Alistair  
Chamberlain, Wendy  
Chapman, Douglas  
Cherry, Joanna  
Cooper, Daisy  
Cowan, Ronnie  
Crawley, Angela  
Davey, rh Ed  
Day, Martyn  
Docherty-Hughes, Martin  
Doogan, Dave  
Dorans, Allan  
Edwards, Jonathan  
Farron, Tim  
Farry, Stephen  
Ferrier, Margaret  
Flynn, Stephen  
Foord, Richard  
Gibson, Patricia  
Grady, Patrick  
Grant, Peter  
Green, Sarah  
Hanna, Claire  
Hosie, rh Stewart  
Jardine, Christine

Lake, Ben  
Linden, David  
Lucas, Caroline  
MacAskill, Kenny  
MacNeil, Angus Brendan  
Mc Nally, John  
McDonald, Stewart Malcolm  
McDonald, Stuart C.  
Monaghan, Carol  
Moran, Layla  
Morgan, Helen  
Newlands, Gavin  
Nicolson, John  
O'Hara, Brendan  
Olney, Sarah  
Oswald, Kirsten  
Qaisar, Ms Anum  
Saville Roberts, rh Liz  
Smith, Alyn  
Stephens, Chris  
Stone, Jamie  
Thewliss, Alison  
Thompson, Owen  
Whitford, Dr Philippa  
Williams, Hywel  
Wilson, Munira  
Wishart, Pete

### Tellers for the Ayes:

Richard Thomson and  
Marion Fellows

### NOES

Afolami, Bim  
Afriyie, Adam  
Aiken, Nickie  
Aldous, Peter  
Allan, Lucy  
Anderson, Lee  
Anderson, Stuart  
Ansell, Caroline  
Argar, rh Edward  
Atherton, Sarah  
Atkins, Victoria  
Bacon, Gareth  
Bacon, Mr Richard  
Badenoch, rh Kemi  
Bailey, Shaun  
Baillie, Siobhan (*Proxy vote cast by Craig Whittaker*)  
Baker, Duncan  
Baker, Mr Steve  
Baldwin, Harriett  
Baynes, Simon  
Bell, Aaron  
Benton, Scott  
Berry, rh Jake

Bhatti, Saqib  
Blackman, Bob  
Blunt, Crispin  
Bone, Mr Peter  
Bowie, Andrew  
Bradley, rh Karen  
Brady, Sir Graham  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Bristow, Paul  
Britcliffe, Sara  
Browne, Anthony  
Bruce, Fiona  
Buchan, Felicity  
Burghart, Alex  
Butler, Rob  
Cairns, rh Alun  
Campbell, Mr Gregory  
Carter, Andy  
Cartlidge, James  
Cash, Sir William  
Cates, Miriam  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Sir Christopher  
Churchill, Jo  
Clarke, rh Mr Simon  
Clarke, Theo (*Proxy vote cast by Craig Whittaker*)  
Clarke-Smith, Brendan  
Clarkson, Chris  
Cleverly, rh James  
Clifton-Brown, Sir Geoffrey  
Coffey, rh Dr Thérèse  
Colburn, Elliot  
Collins, Damian  
Costa, Alberto  
Crabb, rh Stephen  
Crouch, Tracey  
Daly, James  
Davies, David T. C.  
Davies, Gareth  
Davies, Dr James  
Davies, Mims  
Davis, rh Mr David  
Davison, Dehenna  
Dinenage, Dame Caroline  
Dines, Miss Sarah  
Docherty, Leo  
Donelan, rh Michelle  
Double, Steve  
Dowden, rh Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Drummond, Mrs Flick  
Duddridge, James  
Duguid, David  
Duncan Smith, rh Sir Iain  
Dunne, rh Philip  
Eastwood, Mark  
Edwards, Ruth  
Ellis, rh Michael  
Ellwood, rh Mr Tobias  
Elphicke, Mrs Natalie  
Eustice, rh George  
Evans, Dr Luke  
Evennett, rh Sir David  
Everitt, Ben  
Fabricant, Michael  
Farris, Laura  
Fell, Simon  
Firth, Anna  
Fletcher, Katherine  
Fletcher, Mark  
Fletcher, Nick  
Ford, rh Vicky  
Foster, Kevin  
Fox, rh Dr Liam  
Frazer, rh Lucy  
Freer, Mike  
French, Mr Louie  
Fuller, Richard  
Gale, rh Sir Roger  
Garnier, Mark  
Gibb, rh Nick  
Gibson, Peter  
Gideon, Jo  
Glen, John  
Goodwill, rh Sir Robert  
Gove, rh Michael  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Griffith, Andrew  
Grundy, James  
Gullis, Jonathan  
Hall, Luke  
Hammond, Stephen  
Harper, rh Mr Mark  
Harris, Rebecca  
Harrison, Trudy  
Hart, Sally-Ann  
Heald, rh Sir Oliver  
Heappey, rh James  
Henderson, Gordon  
Henry, Darren  
Higginbotham, Antony  
Hinds, rh Damian  
Hoare, Simon  
Holden, Mr Richard  
Hollobone, Mr Philip  
Holloway, Adam  
Howell, John  
Howell, Paul  
Huddleston, Nigel  
Hudson, Dr Neil  
Hughes, Eddie  
Hunt, Jane  
Hunt, Tom  
Javid, rh Sajid  
Jayawardena, rh Mr Ranil  
Jenkin, Sir Bernard  
Jenkinson, Mark  
Jenkyins, Andrea  
Jenrick, rh Robert  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnston, David  
Jones, Andrew  
Jones, rh Mr David  
Jones, Fay  
Jones, Mr Marcus  
Jupp, Simon  
Kawczynski, Daniel  
Kearns, Alicia  
Knight, rh Sir Greg  
Knight, Julian  
Kniveton, Kate  
Kruger, Danny  
Lamont, John  
Largan, Robert

Leadsom, rh Dame Andrea  
 Leigh, rh Sir Edward  
 Levy, Ian  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Loder, Chris  
 Longhi, Marco  
 Lopez, Julia  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackrory, Cherilyn  
 Maclean, Rachel  
 Mak, Alan  
 Malthouse, rh Kit  
 Mangnall, Anthony  
 Mann, Scott  
 Marson, Julie  
 May, rh Mrs Theresa  
 Mayhew, Jerome  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 Merriman, Huw  
 Metcalfe, Stephen  
 Millar, Robin  
 Miller, rh Dame Maria  
 Milling, rh Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Mohindra, Mr Gagan  
 Moore, Damien  
 Moore, Robbie  
 Mordaunt, rh Penny  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morrissey, Joy  
 Mortimer, Jill  
 Morton, rh Wendy  
 Mullan, Dr Kieran  
 Mumby-Croft, Holly  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, rh Dr Andrew  
 Neill, Sir Robert  
 Nici, Lia  
 Norman, rh Jesse  
 O'Brien, Neil  
 Opperman, Guy  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Philp, rh Chris  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, rh Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Randall, Tom  
 Redwood, rh John  
 Rees-Mogg, rh Mr Jacob  
 Richards, Nicola  
 Richardson, Angela  
 Roberts, Rob

Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Ross, Douglas  
 Rowley, Lee  
 Russell, Dean  
 Rutley, David  
 Sambrook, Gary  
 Saxby, Selaine  
 Scully, Paul  
 Seely, Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shelbrooke, rh Alec  
 Simmonds, David  
 Skidmore, rh Chris  
 Smith, rh Chloe  
 Smith, Greg  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Spencer, Dr Ben  
 Spencer, rh Mark  
 Stafford, Alexander  
 Stephenson, rh Andrew  
 Stevenson, Jane  
 Stevenson, John  
 Stewart, rh Bob  
 Stewart, Iain  
 Streeter, Sir Gary  
 Stride, rh Mel  
 Stuart, rh Graham  
 Sturdy, Julian  
 Sunderland, James  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, rh Anne-Marie  
 Trott, Laura  
 Tugendhat, rh Tom  
 Vickers, Martin  
 Vickers, Matt  
 Villiers, rh Theresa  
 Walker, Mr Robin  
 Wallis, Dr Jamie  
 Warman, Matt  
 Watling, Giles  
 Webb, Suzanne  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Wiggin, Sir Bill  
 Wild, James  
 Williams, Craig  
 Wilson, rh Sammy  
 Wood, Mike  
 Wright, rh Sir Jeremy

**Tellers for the Noes:**  
**Amanda Solloway and**  
**Jacob Young**

*Question accordingly negated.*

*Schedules 1 to 5 agreed to.*

## Schedule 6

### TIME LIMITS ON THE EXERCISE OF CERTAIN POWERS UNDER THIS ACT

*Amendment proposed:* 2, page 36, line 17, after "may"  
 insert

"provide for the reduction of the amount charged for domestic electricity supply from 8 September 2022 but"— (*Dr Whitehead.*)

*This amendment allows the domestic electricity price reduction scheme to begin from 8 September 2022.*

*Question put, That the amendment be made.*

*The House divided: Ayes 229, Noes 303.*

### Division No. 59]

**[9.40 pm**

### AYES

Ali, Rushanara  
 Ali, Tahir  
 Anderson, Fleur  
 Barker, Paula  
 Beckett, rh Margaret  
 Begum, Apsana  
 Benn, rh Hilary  
 Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blake, Olivia  
 Blomfield, Paul  
 Bonnar, Steven  
 Bradshaw, rh Mr Ben  
 Brock, Deidre  
 Brown, Alan  
 Brown, Ms Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Burgon, Richard  
 Byrne, Ian  
 Cameron, Dr Lisa  
 Campbell, rh Sir Alan  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Chamberlain, Wendy  
 Champion, Sarah  
 Chapman, Douglas  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clark, Feryal  
 Cooper, Daisy  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crawley, Angela  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Daby, Janet  
 Davey, rh Ed  
 David, Wayne  
 Davies, Geraint  
 Davies-Jones, Alex  
 Day, Martyn  
 De Cordova, Marsha  
 Dhesi, Mr Tanmanjeet Singh  
 Docherty-Hughes, Martin  
 Dodds, Anneliese  
 Doogan, Dave  
 Dorans, Allan

Doughty, Stephen  
 Dowd, Peter  
 Duffield, Rosie  
 Eagle, Dame Angela  
 Eagle, Maria  
 Eastwood, Colum  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Elmore, Chris  
 Eshalomi, Florence  
 Esterson, Bill  
 Evans, Chris  
 Farron, Tim  
 Farry, Stephen  
 Fellows, Marion  
 Ferrier, Margaret  
 Fletcher, Colleen  
 Flynn, Stephen  
 Foord, Richard  
 Foxcroft, Vicky  
 Furniss, Gill  
 Gardiner, Barry  
 Gibson, Patricia  
 Gill, Preet Kaur  
 Glindon, Mary  
 Grady, Patrick  
 Grant, Peter  
 Green, Kate  
 Green, Sarah  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Dame Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hamilton, Mrs Paulette  
 Hanna, Claire  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hillier, Dame Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Rachel  
 Hosie, rh Stewart  
 Howarth, rh Sir George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, rh Dame Diana

Johnson, Kim  
 Jones, Gerald  
 Jones, rh Mr Kevan  
 Jones, Ruth  
 Jones, Sarah  
 Kane, Mike  
 Keeley, Barbara  
 Khan, Afzal  
 Kinnock, Stephen  
 Kyle, Peter  
 Lake, Ben  
 Lammy, rh Mr David  
 Lavery, Ian  
 Leadbeater, Kim  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lightwood, Simon  
 Linden, David  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 MacAskill, Kenny  
 MacNeil, Angus Brendan  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Malhotra, Seema  
 Maskell, Rachael  
 Mc Nally, John  
 McCabe, Steve  
 McCarthy, Kerry  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGovern, Alison  
 McKinnell, Catherine  
 McMorris, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Mishra, Navendu  
 Monaghan, Carol  
 Moran, Layla  
 Morgan, Helen  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Murray, James  
 Nandy, Lisa  
 Newlands, Gavin  
 Nichols, Charlotte  
 Nicolson, John  
 Norris, Alex  
 O'Hara, Brendan  
 Olney, Sarah  
 Onwurah, Chi  
 Osborne, Kate  
 Oswald, Kirsten  
 Owatemi, Taiwo  
 Peacock, Stephanie

Pennycook, Matthew  
 Perkins, Mr Toby  
 Phillips, Jess  
 Pollard, Luke  
 Powell, Lucy  
 Qaisar, Ms Anum  
 Qureshi, Yasmin  
 Rayner, rh Angela  
 Reed, Steve  
 Reeves, Ellie  
 Reynolds, Jonathan  
 Ribeiro-Addy, Bell  
 Rimmer, Ms Marie  
 Rodda, Matt  
 Russell-Moyle, Lloyd  
 Saville Roberts, rh Liz  
 Sharma, Mr Virendra  
 Sheppard, Tommy  
 Siddiq, Tulip  
 Slaughter, Andy  
 Smith, Alyn  
 Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smyth, Karin  
 Stephens, Chris  
 Stevens, Jo  
 Stone, Jamie  
 Stringer, Graham  
 Sultana, Sarah  
 Tami, rh Mark  
 Tarry, Sam  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, rh Nick  
 Thompson, Owen  
 Thomson, Richard  
 Thornberry, rh Emily  
 Trickett, Jon  
 Twigg, Derek  
 Twist, Liz  
 Vaz, rh Valerie  
 Wakeford, Christian  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Whitley, Mick  
 Whittome, Nadia  
 Williams, Hywel  
 Wilson, Munira  
 Winter, Beth  
 Wishart, Pete  
 Yasin, Mohammad  
 Zeichner, Daniel

#### **Tellers for the Ayes:**

**Jessica Morden and  
 Sarah Owen**

#### **NOES**

Afolami, Bim  
 Afriyie, Adam  
 Aiken, Nickie  
 Aldous, Peter  
 Allan, Lucy  
 Anderson, Lee  
 Anderson, Stuart  
 Andrew, rh Stuart  
 Ansell, Caroline  
 Argar, rh Edward

Atherton, Sarah  
 Atkins, Victoria  
 Bacon, Gareth  
 Bacon, Mr Richard  
 Badenoch, rh Kemi  
 Bailey, Shaun  
 Baillie, Siobhan (*Proxy vote  
 cast by Craig Whittaker*)  
 Baker, Duncan  
 Baker, Mr Steve

Baldwin, Harriett  
 Baynes, Simon  
 Bell, Aaron  
 Benton, Scott  
 Berry, rh Jake  
 Bhatti, Saqib  
 Blackman, Bob  
 Blunt, Crispin  
 Bone, Mr Peter  
 Bowie, Andrew  
 Bradley, rh Karen  
 Brady, Sir Graham  
 Brereton, Jack  
 Bridgen, Andrew  
 Brine, Steve  
 Bristow, Paul  
 Britcliffe, Sara  
 Browne, Anthony  
 Bruce, Fiona  
 Buchan, Felicity  
 Buckland, rh Sir Robert  
 Burghart, Alex  
 Butler, Rob  
 Cairns, rh Alun  
 Campbell, Mr Gregory  
 Carter, Andy  
 Cartlidge, James  
 Cash, Sir William  
 Cates, Miriam  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Sir Christopher  
 Churchill, Jo  
 Clarke, rh Mr Simon  
 Clarke, Theo (*Proxy vote cast  
 by Craig Whittaker*)  
 Clarke-Smith, Brendan  
 Clarkson, Chris  
 Cleverly, rh James  
 Clifton-Brown, Sir Geoffrey  
 Coffey, rh Dr Thérèse  
 Colburn, Elliot  
 Collins, Damian  
 Costa, Alberto  
 Courts, Robert  
 Coutinho, Claire  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Daly, James  
 Davies, David T. C.  
 Davies, Gareth  
 Davies, Dr James  
 Davies, Mims  
 Davis, rh Mr David  
 Davison, Dehenna  
 Dinenage, Dame Caroline  
 Dines, Miss Sarah  
 Docherty, Leo  
 Donelan, rh Michelle  
 Double, Steve  
 Dowden, rh Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, Sir James  
 Duguid, David  
 Duncan Smith, rh Sir Iain  
 Dunne, rh Philip  
 Eastwood, Mark  
 Edwards, Ruth

Ellis, rh Michael  
 Ellwood, rh Mr Tobias  
 Elphicke, Mrs Natalie  
 Eustice, rh George  
 Evans, Dr Luke  
 Evennett, rh Sir David  
 Everitt, Ben  
 Fabricant, Michael  
 Farris, Laura  
 Fell, Simon  
 Firth, Anna  
 Fletcher, Katherine  
 Fletcher, Mark  
 Fletcher, Nick  
 Ford, rh Vicky  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Frazer, rh Lucy  
 Freer, Mike  
 French, Mr Louie  
 Fuller, Richard  
 Gale, rh Sir Roger  
 Garnier, Mark  
 Gibb, rh Nick  
 Gibson, Peter  
 Gideon, Jo  
 Glen, John  
 Goodwill, rh Sir Robert  
 Gove, rh Michael  
 Graham, Richard  
 Gray, James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Griffith, Andrew  
 Grundy, James  
 Gullis, Jonathan  
 Hall, Luke  
 Hammond, Stephen  
 Harper, rh Mr Mark  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Sally-Ann  
 Hart, rh Simon  
 Heald, rh Sir Oliver  
 Heappey, rh James  
 Henderson, Gordon  
 Henry, Darren  
 Higginbotham, Antony  
 Hinds, rh Damian  
 Hoare, Simon  
 Holden, Mr Richard  
 Hollobone, Mr Philip  
 Holloway, Adam  
 Howell, John  
 Howell, Paul  
 Huddleston, Nigel  
 Hughes, Eddie  
 Hunt, Jane  
 Hunt, Tom  
 Javid, rh Sajid  
 Jayawardena, rh Mr Ranil  
 Jenkin, Sir Bernard  
 Jenkinson, Mark  
 Jenkyns, Andrea  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Johnston, David  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Fay  
 Jones, Mr Marcus



Jupp, Simon  
 Kawczynski, Daniel  
 Kearns, Alicia  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kniveton, Kate  
 Kruger, Danny  
 Lamont, John  
 Langan, Robert  
 Leadsom, rh Dame  
 Andrea  
 Leigh, rh Sir Edward  
 Levy, Ian  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Loder, Chris  
 Longhi, Marco  
 Lopez, Julia  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackrory, Cheryl  
 Maclean, Rachel  
 Mak, Alan  
 Malthouse, rh Kit  
 Mangnall, Anthony  
 Mann, Scott  
 Marson, Julie  
 May, rh Mrs Theresa  
 Mayhew, Jerome  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 Merriman, Huw  
 Metcalfe, Stephen  
 Millar, Robin  
 Miller, rh Dame Maria  
 Milling, rh Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Mohindra, Mr Gagan  
 Moore, Damien  
 Moore, Robbie  
 Mordaunt, rh Penny  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morrissey, Joy  
 Mortimer, Jill  
 Morton, rh Wendy  
 Mullan, Dr Kieran  
 Mumby-Croft, Holly  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, rh Dr Andrew  
 Neill, Sir Robert  
 Nici, Lia  
 Norman, rh Jesse  
 O'Brien, Neil  
 Opperman, Guy  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Philp, rh Chris  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, rh Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will

Randall, Tom  
 Redwood, rh John  
 Rees-Mogg, rh Mr Jacob  
 Richards, Nicola  
 Richardson, Angela  
 Roberts, Rob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Ross, Douglas  
 Rowley, Lee  
 Russell, Dean  
 Rutley, David  
 Sambrook, Gary  
 Saxby, Selaine  
 Scully, Paul  
 Seely, Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shelbrooke, rh Alec  
 Simmonds, David  
 Skidmore, rh Chris  
 Smith, rh Chloe  
 Smith, Greg  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Spencer, Dr Ben  
 Spencer, rh Mark  
 Stafford, Alexander  
 Stephenson, rh Andrew  
 Stevenson, Jane  
 Stevenson, John  
 Stewart, rh Bob  
 Stewart, Iain  
 Streeter, Sir Gary  
 Stride, rh Mel  
 Stuart, rh Graham  
 Sturdy, Julian  
 Sunderland, James  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, rh Anne-Marie  
 Trott, Laura  
 Vickers, Martin  
 Vickers, Matt  
 Villiers, rh Theresa  
 Walker, Mr Robin  
 Wallis, Dr Jamie  
 Warman, Matt  
 Watling, Giles  
 Webb, Suzanne  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Wiggin, Sir Bill  
 Wild, James  
 Williams, Craig  
 Wilson, rh Sammy  
 Wood, Mike  
 Wright, rh Sir Jeremy

**Tellers for the Noes:**  
 Amanda Solloway and  
 Jacob Young

*Question accordingly negated.*

*Schedules 6 and 7 agreed to.*

*The Deputy Speaker resumed the Chair.*

*Bill reported, without amendment.*

*Third Reading*

*King's consent signified.*

9.54 pm

**The Secretary of State for Business, Energy and Industrial Strategy (Mr Jacob Rees-Mogg):** I beg to move, That the Bill be now read the Third time.

I merely thank everyone in all parts of the House for their participation: the official Opposition, the SNP, the Liberal Democrats and, of course, Conservative Members. The support from Northern Ireland is particularly welcome, as the Bill was essentially required for Northern Ireland. I thank the House for its kindness and expedition in completing all stages of the Bill so swiftly.

9.54 pm

**Edward Miliband** (Doncaster North) (Lab): I acknowledge the words of the Secretary of State. This is important legislation to get onto the statute book. I will make one point: there are many issues still to be resolved in secondary legislation, and I hope and expect—I know from our conversations that he will take this seriously—that there will be co-operation on those issues.

9.55 pm

**Alan Brown:** Obviously, we did not vote against the Bill and we will not do so on Third Reading either. We recognise that people need support, but the Government need to recognise that people need even more support after today as the Chancellor has pulled what was meant to be a two-year support package. We should bear in mind that the Prime Minister said that the £2,500 average bill support package was supposed to stop energy bills for households rising to £6,000 a year. By default, today's decision by the Chancellor means that if there is no further support the average household bill will, according to the Prime Minister, rise to £6,000. That is unsustainable and that is why we tabled new clause 18. It is imperative that the Government come back with a support package and clear analysis that shows that they understand the gravity of the situation.

I would be happy to work with the Government, but although the Secretary of State was kind enough to thank everybody for their contributions I did not hear many takeaways for improvements to the Bill, to be honest, but I hope that that will change as we go forward.

*Question put and agreed to.*

*Bill accordingly read the Third time and passed.*

## Business without Debate

### PUBLIC ACCOUNTS COMMITTEE

*Ordered,*

That Helen Whately be discharged from the Public Accounts Committee and Felicity Buchan be added.—(*Sir Bill Wiggin, on behalf of the Committee of Selection.*)

## PETITIONS

### Access to pensions for women born in the 1950s

9.56 pm

**Patrick Grady** (Glasgow North) (Ind): Just because more women born in the 1950s are starting to qualify for their pensions, that does not undo the injustice of the loss and delays they have faced, and the campaigners and their supporters in Glasgow North and elsewhere will ensure that even among the chaos that this place is enduring the question of access to pensions for women born in the 1950s will not be forgotten.

The petition states:

“The petitioners therefore request that the House of Commons urge the Government to make fair transitional arrangements for all women who have unfairly borne the burden of the increase to the State Pension Age.”

*Following is the full text of the petition:*

*[The petition of residents of the United Kingdom,*

*Declares that as a result of the way in which the 1995 Pension Act and the 2011 Pension Act were implemented, women born in the 1950s, on or after 6 April 1951, have unfairly borne the burden of the increase to the State Pension Age; notes that the Parliamentary and Health Service Ombudsman reported in 2021 that the Department of Work and Pensions had let down women born in the 1950s; and further notes that the PHSO is clear that DWP's failure to let women know about the changes to the State Pension were maladministration; and that it has encouraged the DWP to be 'proactive' in considering compensation now.*

*The petitioners therefore request that the House of Commons urge the Government to make fair transitional arrangements for all women who have unfairly borne the burden of the increase to the State Pension Age.*

*And the petitioners remain, etc.]*

[P002774]

### Method of uprating social security payments

**David Linden** (Glasgow East) (SNP): In my recent canvassing sessions out in the Easterhouse part of my constituency I have been approached by a number of people who are concerned about the Government's proposal to depart from the tradition of uprating social security in line with inflation. Indeed, in my own constituency 16,942 people are on means-tested benefits, so I echo the campaign of the Joseph Rowntree Foundation, the Child Poverty Action Group, the Trussell Trust and the Poverty Alliance for the Government not to break that promise.

The petition states:

“The petitioners therefore request that the House of Commons urge the Government to maintain the practice of uprating social security payments in line with inflation”.

*Following is the full text of the petition:*

*[The petition of residents of the constituency of Glasgow East,*

*Declares that any efforts to depart from the practice of uprating social security payments based on inflation rather than earnings would be a gross betrayal of the promises previously made by Ministers*

*The petitioners therefore request that the House of Commons urge the Government to maintain the practice of uprating social security payments in line with inflation*

*And the petitioners remain, etc.]*

[P002775]

## Lawfare and Investigative Journalism

*Motion made, and Question proposed, That this House do now adjourn.—(Darren Henry.)*

10 pm

**Mr Deputy Speaker (Mr Nigel Evans):** Before I call the right hon. Member for Haltemprice and Howden (Mr Davis), I thank him for informing the Table Office in advance of the case he intends to raise in his debate, which, I understand, is not sub judice. However, I remind all Members to be mindful of the sub judice resolution and to be careful to avoid raising any issues that could prejudice any future legal proceedings or those currently before the courts.

**Mr David Davis** (Haltemprice and Howden) (Con): On 20 January, a number of us MPs initiated a debate on the use of lawfare by oligarchs and undemocratic states that seek to suppress free speech and scrutiny of their activity. The Ministry of Justice took up the question and has promised new legislation, and I am glad to see the new Minister about to lose his departmental virginity in this debate—it will not hurt; I will be gentle.

Today, I will speak about another outrageous case of lawfare that centres around the former Kazakh President Nursultan Nazarbayev. He was the autocratic ruler of Kazakhstan for three decades. His time in office was characterised by repression, torture and other human rights abuses. He was ousted from power in 2019, but remains a significant influence in the country. He was more or less able to anoint his successor as president, and met Vladimir Putin even after leaving office.

During his 29-year rule, Nazarbayev won elections with claimed results of more than 90% of votes cast, and the capital city was even renamed after him in 2019. The term “rigged dictatorship” comes to mind. As long ago as 1999, the western press aired concerns about assets held by Nazarbayev and his associates. In that year, *The New Yorker* reported that Swiss officials had found a bank account worth \$85 million that was intended for the Kazakh Treasury, but was in fact held by Nazarbayev—\$85 million, which turns out to be small change. Three years later, Nazarbayev’s critics in Kazakhstan accused him of hiding \$1 billion in oil revenue in offshore accounts.

Now, the Nazarbayev Fund Private Fund, an ostensibly charitable organisation, and a related firm, Jusan Technologies Ltd, have between them started a lawfare campaign against four news bodies, including three based in Britain, which are the Bureau of Investigative Journalism, *The Daily Telegraph* and openDemocracy. The supposed provocation for that action was the news bodies’ reports on Nazarbayev and his associates, which revealed several ambiguities and a lack of transparency around his charitable foundations.

First, the Organised Crime and Corruption Reporting Project, a non-profit investigative news platform, published an investigation into charitable foundations set up during Nazarbayev’s rule. It revealed that companies connected to those charitable foundations and to his relatives had received bail-out and loan funding from his Government.

One such case involves the St Regis Astana, which is a hotel in the Kazakh capital that opened in 2017. The company that owns the hotel, the Turion Investment Group, has included among its shareholders Nazarbayev’s

daughter and son in law. The hotel project was built with the help of a loan of \$85 million from a state-owned development bank, which even the current President Tokayev conceded has become

“the personal bank of a select group of people representing financial, industrial, and construction groups.”

Let us remember that that is supposed to be a state bank.

In the early 2000s, Nazarbayev’s Presidential Affairs Department joined two Kazakh firms in developing a resort on the Turkish coast where Nazarbayev reportedly spends his own holidays. One of the private firms involved was owned by three businessmen who had previously handed cash to Nazarbayev’s university fund. In another instance, two of Nazarbayev’s foundations owned a landscaping business that received \$6.5 million in Government contracts between 2012 and 2018.

After those revelations, openDemocracy covered the story and asked the simple question of whether an autocrat’s riches were being allowed into this country without due scrutiny. It was talking about Jusan Technologies, a firm that is incorporated in the United Kingdom and has nearly \$8 billion in gross assets, yet had only one member of staff in the UK in 2020.

The Bureau of Investigative Journalism and *The Daily Telegraph* then collaborated to investigate Jusan Technologies. It appears that its registered office at the time was a brass-plate address shared with hundreds of other firms. Its assets have been held in several sectors, including banking, telecoms and retail, and in several countries, from Luxembourg and the UK to Kazakhstan itself. Until recently, it was controlled by three organisations, including the Nazarbayev fund via an intermediary organisation.

The Nazarbayev fund is allegedly run for the benefit of educational institutions in Kazakhstan and stipulates in its charter that Nazarbayev cannot benefit personally from the fund. Yet he remains the chairman of its executive body and has the power to change its rules. It is not clear why a fund ostensibly for education and the benefit of the Kazakh population needs assets in banking or retail.

The fund is also connected to senior Kazakh politicians. Nazarbayev’s former Deputy Prime Minister, Yerbol Orynbayev, was a director of Jusan Tech and owned 4.6% of the company. Moreover, the investigation shows that the First Heartland Jusan Bank, the largest asset owned by Jusan Technologies, has received more than \$2 billion in bail-outs from the Kazakh Government. This is a company that has paid out \$430 million in shareholder dividends in recent years. An oligarch married to one of Nazarbayev’s relatives owns 20% of the bank. It appears to be steeped in Nazarbayev’s influence.

While Jusan Technologies itself has now changed its ownership structure—it did so shortly before the reports were first published—the new structure is, if anything, even more opaque. The new owner is a non-profit organisation based in Nevada, a jurisdiction the secrecy laws of which have been criticised in the past, including in respect of the Pandora papers. That non-profit is owned by another non-profit, whose president is the chief executive of the Nazarbayev fund as well as Nazarbayev’s former Education Minister.

Frankly, Mr Deputy Speaker, if you are confused by this extraordinary cat’s cradle of different and interlocking organisations, you would not be alone. It is designed to



[Mr David Davis]

be confusing and designed to be difficult to understand and opaque. Creating organisations of this level of opacity and complexity is not easy, but it is always done for a reason. In this case, the most likely reason is to conceal the extent of Nazarbayev's control of this web of assets and wealth.

To come back to the point about lawfare, all the news outlets did was ask legitimate questions and try to shine a light on some apparent irregularities and the opaque nature of Nazarbayev's foundations. They did not even make any allegations of impropriety or money laundering in the articles for which they are being attacked, yet they are now facing potential legal censure. The Bureau of Investigative Journalism and *The Daily Telegraph* alone have received three threatening legal letters in four months telling them to retract their claims and apologise, and a case has now been filed in the High Court.

**Christian Matheson** (City of Chester) (Lab): I noticed that these cases had been filed, though not yet served, and I tabled a written question in this place about their effects on media freedom. I have to tell the House and the right hon. Gentleman that I was then contacted by lawyers for the company asking me to withdraw that question. What is his response to their asking me to withdraw a perfectly innocent parliamentary question?

**Mr Davis:** First, the lawyers clearly do not understand parliamentary privilege. Secondly, what they are doing—I will come back to this in a second—is trying to repress free speech and transparency in this country. This is a clear case of an ultra-wealthy individual using the British legal system to try to scare his critics into silence, and what the hon. Gentleman refers to is their trying to extend that to his actions—proper actions—in this House. The work of those who have been targeted is all the more important considering that Nazarbayev has himself had a law passed in Kazakhstan preventing him from being prosecuted there. What he is doing with this lawfare is trying to extend that protection to this country, which, frankly, is an outrage.

**Jim Shannon** (Strangford) (DUP): I congratulate the right hon. Gentleman on bringing this debate forward. Does he not agree that we can never be in a position where the fear of the personal costs of litigation prevents truth from being revealed by journalists, who are putting their homes and their livelihoods on the line to highlight individuals who will in retaliation sue them until they have not a penny to spare, and that rather than simply saying that this is awful, as we all are, what we really need is the Government to present and bring to this House legislation to prevent it?

**Mr Davis:** I will come back to that very point in a moment, but as the hon. Gentleman implies, defending oneself against a libel claim, especially by an oligarch or other wealthy person, is often cripplingly expensive. In fact, it is typically cripplingly expensive. The risk is not losing the case, which is improbable in most of these cases. The penalty for exponents of free speech is the sheer cost of a vexatious process, which is what Nazarbayev wants.

**Dame Margaret Hodge** (Barking) (Lab): I am grateful to the right hon. Gentleman for giving way and congratulate him on securing this debate and on making a fantastic speech. He has been a passionate and effective campaigner

on the growing problem of egregious strategic lawsuits against public participation—SLAPPs—and has argued, along with the hon. Member for Isle of Wight (Bob Seely), for urgent action to stop these abuses.

I want to raise the case of Dmitry Leus, a UK resident of Russian-Turkmen origin, who is threatening libel action against Chatham House because of his inclusion in its excellent report, “The UK’s Kleptocracy Problem.” Leus was a Russian banker, convicted of money laundering in Russia in 2004, who arrived in the UK on a Cypriot passport. He has donated to the Conservative party and chaired his local Conservative association. He tried to donate £500,000 to the foundation of the then Prince Charles, but the donation was spurned when the charity learnt of his conviction. In July my right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne) said in this House that Leus is “absolutely dependent” on the Russian security services.

**Mr Deputy Speaker (Mr Nigel Evans):** Order. This is an intervention so it will have to brief.

**Dame Margaret Hodge:** Yes, I will be very brief.

Since coming to Britain, Leus has tried to make us believe that his conviction was overturned, but this is untrue: it was struck off his records so that he could engage in business. After seven months of increasing demands, and due to the costs of defending the case—estimated at some £500,000 before trial—Chatham House has been forced to agree to his meritless claim and excise the report of all mentions of Mr Leus.

Does the right hon. Member for Haltemprice and Howden (Mr Davis) agree that this case appears to be yet another example of a powerful, wealthy Russian abusing the British legal system through lawfare to muzzle important research in the public interest?

**Mr Deputy Speaker:** I was extraordinarily generous.

**Mr Davis:** I thank the right hon. Lady for drawing the attention of the House to that case. I do not know the substance of it, but the fact is that these cases are best resolved transparently and in public, with fearless reporting, not with repression of free speech. Oligarchs will often bring these claims as they know their opponents will, as in this case, have to back down either through the threat of bankruptcy or because they become bankrupt as a result of the operation, and it is a good example of this problem.

That is why the Government earlier this year found that some journalists

“no longer publish information on certain individuals or topics—such as exposing serious wrong-doing or corruption—because of potential legal costs.”

That also applies to some newspapers and some organisations whose job it is to expose this sort of information.

With every letter and every stage of legal action, organisations like the Bureau of Investigative Journalism must divert resources and attention away from public interest reporting and towards defending themselves against bogus or trivial claims. The Bureau of Investigative Journalism has a small team, with just a few dozen staff. To defend itself, it has been forced to divert much of its

reporting team and senior management, as well as significant financial resources, to dealing with these legal threats.

This kind of lawfare is a potentially existential threat to investigative journalism, and that is precisely what the claimants in these cases intend. These proceedings are not initiated to prove the organisations wrong—the oligarchs know that the organisations are right—but rather to financially and psychologically exhaust them into retraction. What Nazarbayev wants is to import into the UK the contempt for free speech shown in Kazakhstan during his three-decade rule. As the hon. Member for City of Chester (Christian Matheson) pointed out in his intervention, Nazarbayev is bringing to Britain what he imposed on Kazakhstan and we cannot allow that. This should offend the sensibilities of anyone who values a fair and equal justice system, as well as those who rightly appreciate the value of public interest reporting.

It is of some reassurance that the Government intend to reform the law around SLAPPs, but we must move more quickly. I say that directly to the Minister, who is an old friend of mine over the years; I am very pleased he is in his place and in the Department as he will do a fantastic job, but I say to him that we must move more quickly. There is no time to waste when even now we have oligarchs using SLAPPs to curb free speech and evade justice in our country. One of our ex-colleagues, Charlotte Leslie, is facing such a case at the moment. We as Members of Parliament have parliamentary privilege and so can speak without the threat of libel action, but that privilege brings with it a duty to speak up for those who cannot speak for fear of punishment by the likes of Nazarbayev.

In the wake of the war in Ukraine, the Government swiftly introduced sanctions on those with links to the Russian regime, making it harder for them to use our country as a money-laundering venue. It is high time that we applied that same urgency and purpose to addressing the damage that oligarchs are doing to our justice system and our free-speech values. For too long, we have facilitated oligarchs' dirty money and corruption in the UK.

**Bob Seely** (Isle of Wight) (Con): My right hon. Friend is making a great speech and incredibly good points about lawfare. We have the Economic Crime and Corporate Transparency Bill before the House, and it would be wonderful if the Minister, when he is on his feet in a few minutes, confirmed that lawfare will be part of that. We have a lawfare Bill written and ready to go, and the Government could adopt it. There are three elements to it: the abuse of privacy laws; various other factors; and the aggressive abuse of libel law. The problem is, whether we like it or not, we may make grandiose speeches about how free speech must be defended, but it is being attacked all the time. In the last few years, it has been relentlessly attacked by criminals, by oligarchs and by Russian proxies and other corrupt proxies in this country. We need laws brought in now, not at some time in the future.

**Mr Davis:** My hon. Friend is exactly right. Our friends and neighbours in the US and Europe are taking action, and we must not be left behind. If we do not act, we will let dangerous people off the hook while allowing journalists and researchers to be punished for

doing their jobs. What we need now is a commitment from Ministers to bring forward either a free-standing SLAPPs Bill or measures that form a component of another Bill. I do not care which it is, but it must happen soon.

**Andy Slaughter** (Hammersmith) (Lab): Will the right hon. Member give way?

**Mr Davis:** Briefly, because I have only seconds left.

**Andy Slaughter:** The right hon. Member is making an excellent speech and an excellent case for having anti-SLAPP legislation either as part of the economic crime Bill or as a stand-alone Bill. That needs to happen. There seems to be a general issue with costs, which are being used as a weapon in economic crime, in SLAPPs and in many other areas of law. It was an issue in Leveson as well. Do we not need to look at that and ensure that the courts can do their job unfettered by those outside influences that are causing the best legal system in the world to come into disrepute?

**Mr Davis:** The hon. Member is exactly right. There are a variety of other mechanisms that we could use. We could give judges the right to strike down egregious cases early. We could even look at the prospect of providing legal aid for journalists pursuing bona fide public interest issues. There are a variety of issues, and we should address all of them. This country is the global home of justice. Our justice system is admired around the world, but, if we are not careful, it will be corrupted, undermined, manipulated and abused by SLAPPs and people using SLAPPs.

I ask the Department and the Minister to take action, or to tell us that they will take action. Brits are rightly proud of how our legal system is a model for the world. If we are to ensure that that remains the case, we must act, and act soon.

**Mr Deputy Speaker (Mr Nigel Evans):** I welcome the Minister to his new position.

10.18 pm

**The Parliamentary Under-Secretary of State for Justice (Gareth Johnson):** Thank you, Mr Deputy Speaker. I congratulate my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) on securing the debate. It is true that I was his Parliamentary Private Secretary back in 2017 when we were going through the turbulent times of Brexit. I think that he and I are pleased that things are so much calmer now.

I also pay tribute to all Members who have contributed: the right hon. Member for Barking (Dame Margaret Hodge), the hon. Members for City of Chester (Christian Matheson), for Strangford (Jim Shannon) and for Hammersmith (Andy Slaughter) and my hon. Friend the Member for Isle of Wight (Bob Seely), who is another doughty fighter on this issue. The House is lucky to have such Members who have seen this as an issue that they want to take forward and who want to ensure that my Department carries out the correct actions. It also gives me the opportunity to restate the Government's commitment to freedom of speech and the protection of journalists. SLAPPs are wrong. They are a form of bullying. They need to be stopped, and stopped

[Gareth Johnson]

through legislation. First, let me emphasise that investigative journalism is of central importance to a functioning democracy. The UK launched a national action plan in 2021 to ensure that we continue to foster an environment in which journalists feel safe from physical harm and intimidation, and where those who threaten them are properly held to account.

**Bob Seely:** The Leus case, as eloquently highlighted by the right hon. Member for Barking, is just the latest example of the threatening abuse of lawfare, this time against Chatham House. It is remarkable that robust, incredibly famous international organisations are filleting reports because of the intimidation paid for by multi-millionaires. On the abuse of data protection, the abuse of privacy and the abuse of libel, is that going to be dealt with in a law which my right hon. Friend the Member for Esher and Walton (Dominic Raab) was planning, or is it going to be part of the Economic Crime and Corporate Transparency Bill, which is happening very soon and could be amended?

**Gareth Johnson:** I am grateful to my hon. Friend for his intervention. This matter will be dealt with by legislation. I cannot promise him that it will be dealt with in the Economic Crime and Corporate Transparency Bill, but it will be dealt with through legislation. I hope the House will forgive me if I do not refer to the substance of the cases that have been raised in this debate, but I want to set out exactly what the Government intend to do. Our aim is to ensure that journalists operating in the UK are as safe as possible, reducing the number of attacks on, and threats issued to journalists, and ensuring that those responsible are brought to justice.

**Dame Margaret Hodge:** We all agree that legislation is necessary, but the problem is that if the Minister does not take advantage of the legislation that is before us, the Economic Crime and Corporate Transparency Bill, he will be arguing behind the scenes on getting time for legislation for years and years. The opportunity is there. The need is there. Please grasp the opportunity and table amendments to the existing Bill that is before the House.

**Gareth Johnson:** I hear what the right hon. Lady is saying. I cannot give her the commitment that we will place that within the Economic Crime and Corporate Transparency Bill. There are two schools of thought on whether it can be placed in another piece of legislation, and thereby limited by the long title of that Bill, or whether it is better off dealt with in isolation, so it has more of a free rein. I can inform her and the House that the legislation is still, at this stage, being drafted. As a consequence, it is not oven-ready to go straight into another piece of legislation that is before the House now.

**Mr Davis:** Will the Minister give way?

**Bob Seely:** Will the Minister give way?

**Dr Julian Lewis** (New Forest East) (Con): Will the Minister give way?

**Gareth Johnson:** I will, but I want to get through all of this, so very briefly.

**Dr Lewis:** I just want to save the Government from a possible pitfall. Does the Minister not realise that the likelihood is that the people present in this Chamber tonight will table amendments to the Bill and then the Government would be in the invidious position of having to vote against them even if they agreed with them? Let us avoid that by getting it into the Bill in the first place.

**Gareth Johnson:** I hope, and I hope it is not a naïve hope, that hon. Members on both sides of the House will work with the Ministry of Justice on this, because we do intend to legislate on the issue.

**Mr David Davis:** Of course we do not want to get in the way of the Ministry of Justice, but the key issue is speed. If the Minister can, not necessarily today—I know Cabinet committees need to deal with this; we are all familiar with that—but at some point in the near future, say to us, “Yes, we are going to do it in this Session. Yes, we are going to do it soon,” he will find that the Economic Crime and Corporate Transparency Bill makes much easier progress than otherwise.

**Gareth Johnson:** I can give my right hon. Friend an assurance that we will do this as soon as the legislation is ready and as soon as parliamentary time allows it to happen.

**Bob Seely:** Will the Minister give way on that specific point?

**Gareth Johnson:** I will give way one last time, because I hope hon. Members want to hear what I have to say.

**Bob Seely:** I absolutely want to hear what the Minister has to say. Just on the oven-ready point, and I know it is a slightly over-used term in this House, we had a Bill written. There is a SLAPPs Bill that is oven-ready.

**Gareth Johnson:** I am sure that the parliamentary draftsmen will be interested in having a careful look at that. We need to get legislation right. If we do not get this legislation right—I know this is not the intention of my right hon. Friend the Member for Haltemprice and Howden—we run the danger of blocking perfectly legitimate action that is being taken against wrongdoers. We therefore need to get it right. In other jurisdictions where legislation has been brought in at haste and got wrong, it has needed to be withdrawn and amended. We do not want to repeat that in the UK.

The UK may not face the same challenges as other states, but it is clear that journalists operating here still face threats to their personal safety, largely through online abuse. We rely on journalists to hold powerful people and organisations to account for our collective good. Lawfare that targets our public watchdogs through aggressive, intimidatory tactics must be stamped out.

Russia’s shocking invasion of Ukraine brought home the urgency of Government action on strategic lawsuits against public participation—SLAPPs, as lawfare is commonly called—amid reports that hostile states could finance litigation in the UK to obstruct worthwhile investigations into corruption and other wrongdoing. We know that the Government’s decisive action on sanctions has already urged firms to review their Russian client list, mitigating threats to national security. Insurers



are increasingly cautious in granting professional indemnity insurance, reflecting greater scrutiny of Russian-linked litigation.

As the House will recall, the Government published a call for evidence on SLAPPs on 17 March and their accompanying response to the call for evidence on SLAPPs on 20 July. I thank the 120 respondents to our call for evidence, who submitted evidence of the highest quality. We individually analysed each response to inform our proposals and were particularly troubled to hear the shocking impact that these cases can have on individuals' wellbeing and livelihood. We must all be grateful to investigative journalists who report under immense financial and psychological pressure so that we, as a collective, are well informed.

The call for evidence findings have persuaded us of the need to act, although recent court cases show that the issue requires caution as SLAPPs are difficult to identify. SLAPPs present a novel challenge to free speech, so we want to be sure, before introducing legislation, that we get this right so that we deliver the outcome we all want. I want to see legislation to tackle SLAPPs, as do the Lord Chancellor and the Government. That is why we intend to bring in legislation, but we have to get it right.

There is a notable difference in legal and judicial opinion on what constitutes a SLAPP, both domestically and overseas. To rectify that, we have committed to primary legislation to enable clearer identification of SLAPPs according to common characteristics rather than a fixed definition. Those characteristics may include aggressive pre-action communications and targeting individuals where their publishers would be more appropriate.

Today, we know that defendants are intimidated by the prospect of years of litigation that require expensive legal defence. We will introduce an early dismissal process

in statute that will effectively stop claimants financially and psychologically exhausting their opponents through abusive means, cutting short cases that have no merit, potentially, through a three-part test.

The crippling costs currently borne by SLAPPs defendants will be addressed through a new costs protection scheme, which will ensure that journalists and free speech advocates can litigate without fear of bankruptcy. That scheme will be introduced in secondary legislation, once the essential identifying features are set out in statute.

We intend to legislate when legislation is ready and when parliamentary time allows, given the pressing issues standing before our new Cabinet. It is appropriate that, with a new Cabinet in place, the Government take care to reassess their immediate priorities. I assure the House that the Secretary of State for Justice is exploring every legislative option, because free speech is a fundamental cornerstone of our democracy.

I note that overseas jurisdictions that have hastily introduced SLAPP legislation have later had to rectify and unpick it. I assure the House, though, that legislation is important. We continue to monitor alleged SLAPPs as they arise to inform our response and to ensure that the measures we introduce reflect the problem accurately. Stakeholder engagement is a vital part of our monitoring effort.

I will skip to the end of my speech, because I took so many interventions, but I make it clear to the House that we intend to legislate on this issue once the legislation is correct and once parliamentary time allows. As this is an Adjournment debate, it is unfortunately too short to properly discuss all the issues involved, but I hope that I have reassured the House.

*Question put and agreed to.*

10.30 pm

*House adjourned.*



# Westminster Hall

Monday 17 October 2022

[DAVID MUNDELL *in the Chair*]

## Early General Election

4.30 pm

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): I beg to move,

That this House has considered e-petition 619781, relating to an early general election.

The petition calls for an immediate general election to end the chaos of the current Government. It is an honour to serve under your chairmanship, Mr Mundell.

As we gather in Westminster Hall this afternoon, the drama of the current Government is once again playing out in the Chamber and on the news channels. Many Members are keen to question the Prime Minister, who has failed to come to Parliament to account for events, and a Chancellor who was appointed by the Prime Minister just last week to try to sort out the utter chaos. I am sure many more Members would be here to speak if there were not such an important clash with business in the House.

I am particularly disappointed that there are no Government Members here to speak for the petitioners, who would like to hear not only Opposition views on the petition but Government Members' views. It is no wonder that the petition, which is still open, has been signed by more than 632,000 petitioners—the number is going up as we speak, by about 1,000 signatures an hour. The numbers make this one of the most popular petitions considered by the Petitions Committee to date. As its Chair, I am pleased to have the opportunity to speak on behalf of the petitioners and pretty much anyone I have spoken to in the last few days, weeks and months about the state of the country.

The petition is clear in its demand. It states:

“Call an immediate general election to end the chaos of the current government...so that the people can decide who should lead us through the unprecedented crises threatening the UK.”

It goes on to explain:

“The chaos engulfing the UK government is unprecedented. Over 40 ministers resigned leaving departments without leadership during cost of living, energy and climate crises. War rages in Ukraine; the Northern Ireland Protocol has further damaged our relationship with Europe; recession looms; the UK itself may cease to exist as Scotland seeks independence. This is the greatest set of challenges we have seen in our lifetimes. Let the people decide who leads us through this turmoil.”

I pay tribute to Darrin Charlesworth, who set up the petition. Little did he know, I suspect, that the chaos that led him to start the petition would develop further into the mini-Budget U-turns, the market turmoil, the sacking of the now ex-Chancellor and the extraordinary scenes we saw this morning of the new Chancellor reversing the entire platform that the Prime Minister stood on. Perhaps he had the foresight to see how much worse it could get. There were plenty of warnings and, sadly, it is not over.

The scenario facing us when the petition was started was the horror of Russia's illegal invasion of Ukraine, inflation reaching a 40-year high, unaffordable fuel bills, record backlogs in our NHS and a looming winter of struggle ahead. Unfortunately, weeks on, with a new Prime Minister and now a second Chancellor, things have only got worse.

Those who signed the petition were expressing their frustration at a governing party spending a summer focused inwards, choosing themselves a new leader, rather than dealing with these multiple crises. Rather than speaking to and engaging with the country and setting out a vision of what they should expect from a new Prime Minister, those of us outside the Conservative party—99.7% of us—were left looking on, with no input into the process and precious little scrutiny, as planned televised interviews on the BBC and Channel 4 were cancelled. It was far removed from the scrutiny of an agenda for government that would happen in a general election campaign. After recent events, particularly this morning, we can see why such scrutiny matters.

We live in a parliamentary democracy. It is not the first time that a Prime Minister has changed during an election cycle, but we are now on to the fourth Conservative Prime Minister in little over six years. The last three were replaced not by the electorate, but by Conservative MPs and members. That is frustrating for the public, who have no say in who their Prime Minister is or in their programme for government.

The real boost to the number of signatories to the petition came once the new Prime Minister had been chosen. Concern was heightened by the fact that she received the backing of only 31% of her own MPs in the final ballot. By comparison, in 2019, the right hon. Member for Uxbridge and South Ruislip (Boris Johnson) received 51% of votes in the final ballot, and in 2016, the right hon. Member for Maidenhead (Mrs May) received 60%. It did not end well for them, so is a Prime Minister with less support among her parliamentary party destined to fare any better? In the light of recent events, clearly not.

Most of the policy proposals that were set out in the Prime Minister's leadership campaign and hastily enacted in the disastrous mini-Budget had no mandate whatsoever. The 632,000-plus people who signed the petition represent nearly eight times the number who voted for our current Prime Minister. Some may ask, “Why does that matter? The Prime Minister won under rules set by the Conservative party, which is currently the largest party in Parliament.”

This is not without precedent: in 1976, when Harold Wilson announced his resignation at Prime Minister's questions, the then Leader of the Opposition asked if there would be an election. She said:

“In spite of the political battles, we wish the Prime Minister well, personally, in his retirement. His decision has come at a time of great financial difficulty and of unprecedented parliamentary events. Is he aware that the best way to resolve the uncertainty and to give the new Prime Minister the authority re-required would be to put the matter to the people for their vote?”—[*Official Report*, 16 March 1976; Vol. 907, c. 1123.]

I do not often find myself agreeing with the late Margaret Thatcher, but on that point I—and the petitioners—do. Lady Thatcher was not wrong about lack of authority; we are seeing its consequences unfolding before our eyes. Weeks into office, any semblance of authority that our Prime Minister may have had has been shattered,



[Catherine McKinnell]

along with confidence in her and in this Government's ability to govern. Over the weekend, one of the Government's own MPs described her as being like "the chairman" while her new Chancellor would act as "the chief executive"—they were not even trying to hide the fact that she is in office but not in power.

Then, there is the mini-Budget. The then Chancellor, the right hon. Member for Spelthorne (Kwasi Kwarteng), proclaimed that he wanted to "bet big" on the British economy. We have seen just how reckless that was. The question remains: who gave the then Chancellor and the Prime Minister permission to gamble in such a way with our public finances, bypassing the checks and balances that go with such a fiscal event, including the growth forecasts and spending commitments calculated by the independent Office for Budget Responsibility? How on earth was that allowed to happen? Not even the 81,326 Conservative party members who voted for the Prime Minister gave their permission for it.

The Institute for Fiscal Studies warned that the mini-Budget contained

"the biggest package of tax cuts in 50 years without even a semblance of an effort to make the public finance numbers add up."

The National Institute of Economic and Social Research said that the uncertainty caused by the fiscal event was directly pushing up longer-term borrowing costs. The Government lacked the mandate to make those disastrous changes, and they still lack the mandate to try to clean them up. Although the package has now been scrapped, the damage to the UK will be long lasting: higher borrowing costs, higher mortgage rates and damage to our reputation for years to come. This will never be forgotten.

Many are rightly asking, "What is the point of this Government now that their showpiece policies—all rainbows and unicorns—which they spent the summer waxing lyrical about, landed calamitously and were swiftly withdrawn the moment they met reality?". When Downing Street cannot govern, it is incapable of stepping up to the significant and pressing challenges our country faces. We desperately need a Government who can.

What is left of the Government's programme? Although the Budget has been reversed, we still have fracking. Despite the Conservatives' own 2019 manifesto pledge that they

"will not support fracking unless the science shows categorically that it can be done safely"

and the fact it is a policy that few can support, the Government are seemingly still intent on lifting the ban on fracking licences without any consultation, assurances on safety or local planning considerations.

Then there is the current debate around benefits uprating. The right hon. Member for Richmond (Yorks) (Rishi Sunak)—three Chancellors ago, remarkably—promised that benefits would be uprated in line with inflation, but the current Prime Minister has not confirmed whether that will be the case. Concerns have been heightened by commitments made on pensions but not on the uprating of benefits. Working parents, disabled people and the poorest pensioners are already being hit by the skyrocketing cost of living. The Government

have no mandate for inflicting unconscionable misery on the poorest in our society. I know that many Government Members feel the same.

Without a mandate, Government MPs will find it even harder to justify the lifting of the cap on bankers' bonuses at the same time as the poorest are set to be punished. Indeed, the lifting of that cap is one of the only other measures in the mini-Budget that is left.

Today marks the United Nations International Day for the Eradication of Poverty and the start of Challenge Poverty Week. Some 41% of babies, children and young people are growing up in households in receipt of universal credit or legacy benefits; that figure is 52% in my region of the north-east. The failure to uprate benefits with inflation will have a devastating impact on those households, compounding the already shocking levels of child poverty in the UK.

Where is the mandate from the public for this Government to preside over the poorest in our country being made poorer and increasing numbers of children growing up in poverty? Where is the democratic accountability for a Government that have no mandate for the policies they seek to pursue? Why should anyone trust this Government to clean up the mess they have made in the past few weeks? Would we ask a person who started a fire in our house to be responsible for putting it out? Of course not.

Far from a fresh Administration buzzing with new ideas, we have a tired, worn-out and weak Administration, going round in circles and damaging our reputation at home and abroad. The spectacle of our great country being led by Government MPs desperately clinging to power and trying to distance themselves from the past 12 years is embarrassing to watch.

The petitioners have very clear asks: for there to be an end to the chaos engulfing the Government and our country, and for the people to have the chance to decide who should lead us going forward. Will the Minister say how the public can have confidence in the competence of a Government that just days into office took such a reckless, irresponsible gamble with the public finances? After being forced to abandon her entire policy platform just weeks into office and sack her Chancellor, what authority does the Prime Minister now have? When will people on the lowest incomes have confirmation that benefits will be uprated with inflation, as promised by the Government only weeks ago? How can the country have faith in anything the Government say when, over the past few weeks, they have backtracked on most of their promises and appear set to do so again, after warning of "difficult choices" to be made? Most importantly, when will the public have their say on how they want this country to be governed?

It is in the Government's gift to call an election. Failing that, Government Members can join with Opposition Members to put things right. Whatever Government are elected, they will at least have the support of the British people.

It is not just the 632,000 petitioners who believe that the public deserve a say. In January, the current Business Secretary, the right hon. Member for North East Somerset (Mr Rees-Mogg), stated that

"the mandate is personal rather than entirely party and...any prime minister would be very well advised to seek a fresh mandate."

Earlier this month, the former Culture Secretary, the right hon. Member for Mid Bedfordshire (Ms Dorries), tweeted that

“No one asked for this”,  
and that if the Prime Minister

“wants a whole new mandate, she must take to the country.”

The hon. Member for Wyre Forest (Mark Garnier) has stated that there should be an election soon because

“we can’t expect people to put up with the psychodrama of the Conservative party indefinitely.”

I could not agree more, but those Members need to put their money where their mouths are on this matter.

Darrin Charlesworth, the petition’s creator, said that the Prime Minister has “torn up” the manifesto that saw the Government elected, and the

“major change in direction and policy requires a general election, regardless of which party happens to be in power.”

He feels that the current situation is a

“dangerous distraction from the business of running the country”  
and believes

“it needs to come to a decisive end with a general election immediately.”

Aside from the over 632,000 petitioners who agree with Darrin, a poll out today from “Good Morning Britain” found that an astonishing 93% of respondents want a general election. Similarly, Channel 4 found that only 8% believe that the Prime Minister should remain. The situation is completely unacceptable and unsustainable.

Since 2010, our country has faced monumental changes: a coalition Government, a referendum in Scotland, Brexit, parliamentary gridlock, the illegal proroguing of Parliament and a pandemic. The previous Prime Minister oversaw the complete erosion of standards in public life, before being forced from office as scandal caught up with him. Those seismic changes and the ensuing chaos have tested our constitution—and our patience with the Government—to the limit. After their 12 years in office, the country deserves a chance to have its say on this Government and their programme. Today, as with most days, we all woke up to another chaotic day in politics. It is damaging and exhausting, but it does not have to be this way.

This is not about party politics. Many who signed the petition will have voted Conservative at the last election and may do so again. What nobody voted for was this chaos, which is caused by the lack of the clear mandate that any Government would need to have the authority to face up to the challenges ahead. MPs have a duty to the public to govern in the national interest. The petition calls on the Government to do the right thing and put an end to the uncertainty and lack of authority by giving the people their say. If the Government have any hope of rebuilding trust with the electorate, they should do exactly that—today.

4.46 pm

**Alex Davies-Jones** (Pontypridd) (Lab): It is an honour to speak with you in the Chair, Mr Mundell. I believe that I was the first Member to call for a general election this side of the summer, in the Chamber during Prime Minister’s questions on 7 September. It is therefore a great privilege to build on that premonition by contributing to today’s debate and fully outlining the reasons why a general election is now the only possible way forward.

Almost 1,000 of my constituents have signed this petition calling for change. Although it was originally set up before the new Prime Minister was even in post, the astonishing scenes this afternoon, with the Chancellor’s stunning reversal of virtually all the Prime Minister’s economic policies, make the wording of the petition more relevant than ever. It rightly notes:

“The chaos engulfing the UK government is unprecedented.”

I don’t know about you, Mr Mundell, but I am sick of living in unprecedented times.

The petition was written before the disastrous events of the Prime Minister’s mini-Budget had even taken place. Make no mistake: the Government are now in even deeper chaos. We are not yet six weeks into the new leadership and a new Cabinet, and collective responsibility has all but disintegrated. Cabinet members are openly briefing against their own leader’s policies in newspaper op-eds, and today, in perhaps the final nail in the coffin, her new Chancellor has completely demolished the ideology of her economic project. Her flagship cut to the basic rate of income tax—gone. Cuts to the dividend tax—abandoned. VAT-free shopping—scrapped. Shamefully, the Government have also chosen to water down their hugely important scheme to cap skyrocketing energy costs for families, which may have actually done some good for constituents, including mine in Pontypridd.

The Government are divided and fractured, and talk of changing to a third Tory Prime Minister in a single year would make a laughing stock of our democracy. The damage is already done. All of us in this place know the truth. The British people know the truth. It is only the Government who are turning a blind eye while the economy continues to spiral out of control. Overnight, people’s pension funds vanished, mortgages skyrocketed and our country was pushed even further into an economic and political crisis of the Government’s own making. This is unprecedented Government incompetence.

Countless residents in Pontypridd and Taff Ely have contacted me to say that they are genuinely worried about surviving the winter because they simply cannot afford to turn on the heating. That is the reality of this crisis: lives are at risk this winter. Is that not a disgraceful indictment of the Government’s failings? It is because of the astonishing fiscal incompetence that I called for a general election during PMQs in September. We need a general election because changing the figurehead at the top of the party is just not enough. As I said in September, I know that residents in my area will never forget that the Prime Minister played a key role in a Government that failed millions.

The governing party in this country is at absolute war with itself and has lost the respect of the British public. For the new Tory Chancellor—the fourth in as many months—to feel compelled to urgently address this House to fully overhaul the Prime Minister’s disastrous mini-Budget shows just how panicked the Tory party is. The Tories have completely destroyed their own credibility, and they know it.

However, it is about not just the incompetence we have seen during the energy crisis, but 12 years of failed Tory rule. The historic failure of this Government to invest sufficiently in renewables and nuclear has exacerbated the energy crisis; the historic failure of this Government to wean our financial systems off of Russian oligarch money has left us internationally exposed to Putin’s

[Alex Davies-Jones]

posturing as he tries to weaken the west's resolve; the historic failure of this Government to stimulate any kind of real economic growth in the past 12 years has left our economy weaker and more vulnerable than ever before. Make no mistake: the Tory party is currently the biggest threat to the financial security of thousands of families in my constituency and across the whole United Kingdom.

As the approval ratings of this doomed Prime Minister reach new depths every single day—or hour—I do not think that we have ever had a Government who have failed so spectacularly to command the confidence of their own party, let alone the country. Even worse, the UK Government seem to have forgotten that the decisions made in Westminster have a real impact on local communities across the country. I have genuine concerns that local authorities across the UK, which provide vital services to residents, are feeling the impact of every single U-turn by this Government.

In my constituency, Rhondda Cynon Taf County Borough Council is doing as much as it can with extremely limited resources, but more devastating tax cuts and shamefully low levels of investment are putting councils like mine under more pressure than ever before. Shamefully, it is our communities' most vulnerable residents who depend on those services and will suffer the most when the Tories refuse to act. It is not just about their fiscal incompetence; across the board, sectors that have been crying out for Government action for years have been completely disregarded by a Government who have clearly lost interest in governing. Where is the desperately needed gambling review, which we were promised all the way back in December 2020? Where is the long-awaited and long-overdue Online Safety Bill, which this House needs to change lives for the better? Finally, do not get me started on the Government's complete disregard for the safety of all people in the UK.

It is clear to me—and increasingly to the Government's own MPs—that the only way out of this mess is through a general election. Bring it on. Let us have this general election and turn the page on Tory incompetence for good; let the people decide.

4.52 pm

**Ruth Jones** (Newport West) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Mundell. I am grateful for the opportunity to speak in today's important debate on e-petition 619781. I pay tribute to my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) for speaking so well and giving voice to so many concerns felt by me and an increasing number of my Newport West constituents.

The state of our nation is far from strong, and it is important that we recognise that the challenges and obstacles faced by the people of our United Kingdom have been caused by the Conservative party and our Prime Minister. This is a Tory crisis, made in Downing Street, and being paid for by working people in Newport West and across the country. This 12-year-old Conservative Government have crashed the economy through enormous unfunded tax cuts; they have left people worried as they face higher mortgages and soaring costs, and have done nothing to show they understand how serious the situation is.

On Friday, the right hon. Member for Spelthorne (Kwasi Kwarteng) was fired by the Prime Minister, who is his ideological bedfellow. They were in lockstep over every key element of Government policy announced since 6 September 2022. We do not simply need a change of Chancellor; we need a change of Government and a general election.

Of course, Government Members, if they were here, would say that His Majesty's Opposition have to call for an election—it is what we do; that is our job—but we are beyond simply saying it for the sake of it. Indeed, *The Sunday Times* editorial yesterday called for a change of Prime Minister and a general election, and I quite agree. I feel sure that the Leader of the Opposition, my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer), stands ready to lead.

Our nation is in peril. Our people, from Scotland to Wales and from England to Northern Ireland, are having to decide between heating and eating. Now, with rising mortgages, people across the nation face losing their homes. We are in a disgraceful situation, and not one word from any Minister in this Government reassures me that they understand the challenge before them. They also do not understand the scale of the change required, or the fact that if we do not stabilise the markets through sensible policy decisions we will push our people not just to the edge, but over the cliff.

I was not elected to this place by the people of Newport West to stand by and let this reckless, out of touch and inward looking Tory Government get away with destroying the lives of tens of millions of people. That is the situation we are in, and, as my hon. Friend the Member for Newcastle upon Tyne North made clear, that is why we need a general election. The petition we are considering today has more than half a million signatures; indeed, as my hon. Friend said, there are 630,000 signatures and the number is still increasing. As parliamentarians, we have a responsibility to give voice to people's fears, worries, concerns and demands.

I asked one of my constituents, Amanda Bayliss, who lives in Caerleon, for a quote for this debate and she said:

“Dear Ruth, I am appalled and devastated by the actions of this current government. I'm genuinely worried and afraid for my future and that of my children and grandchildren.”

She went on to say that this

“government must be stopped at all costs before there is nothing left of this country, and we reach a point of no return.”

It is not just Amanda in Caerleon; across Newport West, I am accosted by people in the supermarket or on the street, and yesterday even in church, who say, “For goodness' sake, Ruth, get rid of this Government”. I have to tell them that I do not have the power to do so.

This petition shows the strength of feeling across the United Kingdom. Our United Kingdom is living through a moment of profound change. It needs a Government who can deliver an economy that works for everyone, delivering the jobs and growth of the future. In recent days, we have been reminded of how working people have been left counting the cost of 12 years of Tory Government. The Conservative party's failure to grow the economy has resulted in stagnant wages and broken public services.

The Labour party has a serious plan for growth and wants to see all our nations and regions benefit from and contribute to the growth and jobs of the future as



we deliver net zero. The Chancellor of the Exchequer, the right hon. Member for South West Surrey (Jeremy Hunt), is now the de facto Prime Minister, without a single vote being cast by a single person.

We know now that the Prime Minister believes in the failed trickle-down ideology of the past, which has locked Britain out of growth and which will never deliver for working people. My party will deliver for working people, as it is already doing in Wales; Labour, under First Minister Mark Drakeford, is delivering for the people of Newport West and for people across Wales.

Here and in Wales, the Tories are the party of vested interest and their time to go has come. That is why we need a general election, and when it comes Labour will deliver the fairer, greener future that this country deserves.

4.57 pm

**Catherine West** (Hornsey and Wood Green) (Lab): Thank you for calling me to speak, Mr Mundell. It is a pleasure to contribute to this debate under your chairmanship.

This is a Tory crisis, made in Downing Street but paid for by working people, as my hon. Friend the Member for Newport West (Ruth Jones) has said. Changing the Chancellor over the weekend or making a partial U-turn does not undo the damage that has been done by the Prime Minister and the Conservative party, who selfishly used the whole summer for their infighting, rather than focusing on the needs of working families, such as their energy bills. Now look where they have landed us; they have undermined our institutions and trashed our standing on the world stage, damaging the country's credibility as a place to invest. They need to get on with reversing this Budget in order to reassure the markets. However, the statement that is being delivered in the main Chamber as we speak here in Westminster Hall does not give me much cause for pleasure, because I believe that it will lead to more hardship for working people. Basically, it is balancing the books on the backs of working people, who have played no role in crashing the economy.

The problem is the philosophy of trickle-down economics, which the Prime Minister seemed to promote when she was first elected to the post by Tory party members. However, the confusing thing—for members of the public, the markets and for us as MPs—is that the new Chancellor appears to have turned all that on its head.

The Conservatives crashed the economy for unfunded tax cuts for the wealthiest, causing mortgages to skyrocket and making people worried sick about their pensions. When the Prime Minister was asked to come to Parliament to explain, somehow she sent someone else and was not even able to turn up to apologise for what she had done to wreck our standing in the world and to wreck the economy.

I would be very happy with a general election. I hope that some fresh faces might improve the situation somewhat. The important thing is that, as a representative from Tesco said yesterday on the BBC, the Labour party has a plan. It has the confidence of large groups such as Tesco and others. When Tesco, or another large company like it, agrees with the trade unions that the Government have wrecked the economy, we know it is time for some fresh faces.

We are ready. We have been watching for 12 years. We have been watching as child poverty has skyrocketed. We have been watching as the promise of levelling up—which was a good Tory pledge and a good idea—has utterly failed. We will see that as the Chancellor now announces the cutting back of capital and revenue spend in the poorest corners of the UK.

With the Office for Budget Responsibility not having laid out its view, it is difficult for us to say exactly, in pounds and pennies, what Labour would do. However, we have enough of an outline; we have something that is much more convincing than what the Government will take to the general election. It may not come today and it may not come tomorrow, but we all know that the general election is not far off.

Let us talk briefly about the mortgage situation. We will need a plan for people's mortgages. The eye-watering mortgage increases will cause homeowners across the country sleepless nights. In the area I represent, where there are very expensive mortgages because the cost of housing is so high in London, those who can buy their own homes are very stretched indeed. One mum told me that she had sleepless nights, saying, "How am I going to come up with £800 as of next spring? I don't know where that's going to come from." Her job is quite well paid, but it does not pay another £800 a month. Those are the sorts of conversations that families are having up and down the country. Mortgage increases will lead to more families breaking up, too. It is a fact that the more financial worries people have, the more that families tend to break up under their weight.

Another thing that is very much on our minds as Labour MPs is the question of benefits, and what will happen to the poorest in our society. The events that we are most often invited to attend in our constituencies are food bank openings. I have been involved in both local and national politics since 2001, and I have never gone to so many food banks. Bounds Green food bank tells me that it used to open at 10 in the morning and close at 1 pm, but it now closes at 11 am, because in one hour all the food is gone, and there are fewer and fewer people who are able to donate. This crisis is doubly unfair on those who need to use food banks.

Working parents, disabled people and the poorest pensioners must have the knowledge that, when we get in, our Government will ensure that they can pay for the cost of living. In fact, once we get in, and there are fresh faces and fresh energy, I believe that the economy will improve a bit—just on the basis that we have more energy and some ideas. In a democracy, any Government tend to run out of ideas. After 12 years, this is a genuine fact: the Government have run out of ideas. We saw that in the summer, when Tory candidates said some nonsensical things and were completely out of touch with what the average person is deeply worried about.

I have another couple of points to make. I am very worried about the treatment of the civil service during the last month. It was not just the fact that the Office for Budget Responsibility was not permitted to give an outline to MPs, journalists, markets and citizens; pushing out the head of the civil service and the Treasury on day one sent a very bad message to all those parties. Over the years, civil servants in our system have held up a non-partisan approach to what the right thing is for the country. That is not to say that there cannot be conflicts

[Catherine West]

or debates between a politician and a civil servant, but sacking the most senior civil servant in the Treasury was one of the most troubling things I have seen since being in this House.

The OBR was not allowed to make its statement, institutions such as think-tanks and the Institute for Fiscal Studies were publicly trashed over the summer, and very negative language was used about the Governor of the Bank of England, when his job is to provide financial stability for the country. Time and again during the leadership election there were subliminal and quite outspoken criticisms of the Governor. The scene was being set for trashing the institutions that basically, through a gentleman's agreement, hold together our standing domestically and internationally. That was completely detonated when the current incumbent in Downing Street—I assume she is still there—got into power. The judgment of that individual has come into our sight.

Something else has been really bothering me in the last couple of weeks. As we have a couple of minutes up our sleeve, may I be indulged, Mr Mundell, in mentioning that I read in *The Guardian* that when the Prime Minister moved into Downing Street she moved out of the former Prime Minister's office—Mr Johnson's office—and allowed her assistant, Mr Mark Fullbrook, to move into it? Mr Fullbrook is based in Mr Johnson's office, and apparently the current Prime Minister uses the Cabinet room for her discussions. Fair enough, but it worries me deeply that this individual has a very questionable record on two counts. First, there is a question over who he has advised in a Libyan set-up, and whether he has advised correct people there. Secondly, there is the question of his advice in a gubernatorial race in the USA. Money came into his company so that he could work on somebody else's campaign, and the FBI has been looking at whether the funding has been correctly transferred from one party to another.

To have somebody who is being investigated by the FBI sitting in Mr Johnson's former office chills me to the bone, but that is the sort of Government who have finally got into power in this country. Regardless of how many days this Government have left, we urgently need an independent ethics adviser to be appointed. Other Members may be able to clarify this, but my understanding is that the Prime Minister said that that was not urgent, and not particularly necessary. I think it is urgent, but only a new Government can clean up the mess that this Government have got themselves into.

I will talk briefly about constituents who have written to me about the cost of living crisis. They are not necessarily going to food banks currently, but they are finding life very difficult indeed. They have told me how much food in the supermarket has gone up by—real basics, such as milk, butter and chicken. People should be able to put those basics on the table to feed their families. Energy costs and the cost of petrol to go into someone's car have been soaring; yet what we have been discussing in the House of Commons often does not reflect the pain that many people are going through. We want to see workers getting decent pay, being respected, and having their rights at work respected—not a Government who seek to roll back further the rights of

trade unions, or of people who want to protest against what the Government are doing. We are seeing increasing authoritarianism, which seems to go hand in hand with the financial mistakes that the Government have made.

We want the question of the national grid and energy shortages to be addressed with some sincerity and honesty. Last week and the week before, when National Grid warned that there would be blackouts, no one really believed the Government when they said, "We'll be fine". We have been told that before and then we have had a crisis. It is deeply distressing to see the lack of honesty. We need the Government to be honest and say, "There could well be blackouts, and if there are, this is what you do: one, two, three." They should not let people live in fear that that will happen without the correct advice on what to do if it does.

On clean power, which links to the national grid question, the next Labour Government will launch an urgent mission for a fossil fuel-free electricity system by 2030, making the UK a clean energy superpower that will export clean power to the rest of the world. Gas futures price projections show that that would save UK households £93 billion over the rest of this decade, or an average saving of £475 per household every year until 2030. This world-leading commitment would support the creation of more than 200,000 direct jobs and 260,000 to 300,000 indirect jobs.

That kind of vision, plan and investment in skills and the future, with a proper plan for our regions, is giving the likes of the Tesco boss who said that Labour had a plan confidence that we do. The UK would be the first major economy to make that world-leading commitment, alongside smaller European countries such as Austria, Portugal, Denmark and the Netherlands. It complements Labour's plans to increase energy efficiency, including through our warm homes plan to insulate 19 million cold, draughty homes over a decade.

A number of Members have been on local councils. When I was a borough leader in 2010 we had a very good programme for giving away boilers to the private rented sector, and a plan to retrofit draughty Victorian properties. After 2010, it was disappointing to see Mr Osborne decide to trash all spending to councils, including for all the important green programmes to insulate homes. We would have had 30% more warm homes in my constituency if that small amount of funding had been allowed to continue. I am sure that if that had been replicated across the UK, we would spend so much less as a nation on fuel and energy.

Martin Lewis has made his most recent projection of what our fuel bills will look like next year. I am pleased that we will not be opposing the energy price guarantee legislation this evening, but for goodness' sake, get the money off the companies. Do not put it on to debt, because that will make the markets go crazy again. The Government must listen to the Opposition and accept that we have sometimes come up with some good ideas.

Thank you for your patience, Mr Mundell, as I have been on a circuitous route around the question of a general election. I have laid out some of our good ideas. We will have an energy policy for the future. We will have a plan for working people. We will have a vision for no more food banks, for the building of more affordable homes for our residents, and for enhancing our role in the world. I hope we will look at eliminating our huge

trade deficit, which is another area that worries many of us on the Labour Benches. I hope that with some fresh faces and energy through the upcoming general election, which I am sure will come, we will end up with a wonderful team of committed Labour Cabinet members and a Labour team that will restore us as the best country in the world.

5.14 pm

**Owen Thompson** (Midlothian) (SNP): It is a pleasure to serve under you in the Chair, Mr Mundell. It is a bit of a challenge to prepare for a debate like this, because we are living through the most unprecedented series of political earthquakes, with the ground constantly shifting beneath our feet. It is almost as though we are living in a time when the longevity of a Prime Minister or Chancellor of the Exchequer is measured in hours rather than months or years, so please forgive me if I keep an eye on my phone to ensure that Ministers and policies remain the same as they were when I rose to speak. It is good to see this Minister in his place. He is certainly not hiding under any desks, as it may have been suggested that others were.

This short-lived Government have pivoted so many times already—there have been so many U-turns—that we have absolutely no idea what direction we are travelling in, but we are lurching speedily towards a cliff edge. In effect, all the promises and pledges so firmly given by the Prime Minister during the long and tedious leadership campaign and reinforced several times over the last couple of weeks have been abandoned. We have been left wondering whether the notorious mini-Budget was a mere mirage to our collective consciences. The tax cut for the wealthiest, the basic rate cut, the dividend tax cut and the corporation tax cut are all gone—along with the former Chancellor himself. The only positive bit, I guess, was the two-year energy cap, which provided some much-needed certainty to struggling households, but it is also gone; even it is not there now. So what next? Who knows? The Prime Minister might even have gone by the time I finish speaking and sit down, although who would take the poisoned chalice is another matter.

Even for an Opposition Member, it is at times almost too painful to watch this embarrassing farce of a Government limping on. It feels like a particularly shambolic episode of “The Apprentice”, and at this stage I do not think I would be surprised if Lord Sugar suddenly appeared and fired the lot of them. It is certainly beyond any parody that could be imagined in “The Thick of It”. I am sure that a few of us could imagine, or begin to imagine, what might be coming out of the mouth of Malcolm Tucker if he were having to deal with such a situation.

We know that it has gone too far when we can no longer tell the satire from the ridiculous reality, but the gross economic incompetence of it all has deadly serious consequences for millions of people across the UK. There are people who are working 40 hours or more a week and are still unable to make ends meet. Established businesses are at risk of going under because they cannot afford to pay soaring energy bills. Families are going hungry or are afraid of losing their homes.

I held a cost of living event in Gorebridge in my constituency just on Friday past. I had invited the Prime Minister to attend so that she might be able to

answer constituents’ concerns directly. However, despite watching out for her, I regret to inform the House that she did not attend—a bit like earlier today. I was hearing harrowing stories from many people struggling simply to make ends meet. They did not know where to turn. We have a fantastic sense of community in Midlothian and we had a great range of partners in attendance, so we were able to point people to some of the right places. But what can people do when the Government fail so spectacularly the people they are meant to serve?

I therefore completely understand where the petition has come from and why it has gathered such a high number of signatures. It is now 633,000 and continuing to rise—I am watching the petition clock up signatures as I stand here. That number includes more than 1,000 people in my own constituency of Midlothian. People are absolutely scunnered by what they have witnessed. At a time of crisis, they want a competent Government of their own choosing, not a Prime Minister chosen by a few.

In response to the petition, the Government argued that the UK’s is not a presidential system. I am glad that they finally acknowledge that, because the Prime Minister and her predecessor—whose paw prints are all over the mess that we are in—do not seem to have much truck with collective decision making. They blatantly disregard evidence and seem reluctant to inform Cabinet colleagues of their latest back-of-a-fag-packet policy. For some time, there has been an unhealthy trend in the UK towards more personality-based politics—something that perhaps needs to be reflected on in calmer times.

Of course, having a Government we did not vote for is not something new for those of us in Scotland; it is the normal state over the last number of years. I am very grateful that we at least have a clear exit route in front of us to escape from this bourach: we have a modern, proportional parliamentary system working well at Holyrood already and a Scottish Government ready with an alternative plan for our future should the people choose it. Independence for Scotland is not a threat to the rest of the UK or the social bonds that we cherish. It is an opportunity for a more equal partnership, whereby Scotland could demonstrate to the rest of these isles the genuine alternative to the status quo.

We could protect the fabric of our communities, look after vulnerable citizens and protect our landscapes and nature. We could build a new, greener industrial base, becoming the renewable powerhouse of Europe and rejoining our European partners in free trade and travel across the continent. We could value everyone, no matter where they come from, and create a fairer, wealthier and more equal society. That will create sustainable, shared prosperity far better than any trickle-down economics—relying on scraps from a rich man’s table—ever could.

In Scotland, we have a cast-iron mandate for a referendum on our future, yet this discredited Government and—disappointingly, I have to say—the official Opposition still seem to block all democratic paths to achieve it. Choice is the key issue here, and that is something that seems to have been forgotten in the corridors of power in this place. The right to self-determination is a fundamental and inalienable right of all people. It is enshrined in international law, the UN charter and the international covenant on civil and political rights. The UK Government support that principle for other countries, but not, it seems, for Scotland. For this chaotic and



[Owen Thompson]

unpopular Government to continue to say no to a referendum is more like the actions of a dictatorship than those of a democracy, and I hope the next Prime Minister will reconsider that position, whoever they are and whenever they come along.

While I agree with the growing call for a general election, it is not a long-term solution for our broken system. I urge all democrats, whether or not they support independence, to get behind Scotland's right to choose. Democracy is not a one-time event—the Prime Minister has been able to change her mind on her policies in the space of a matter of days, so why should the people of Scotland not be able to change their mind after eight years of broken promises? The ground has shifted many times. All the big claims from Better Together have been spectacularly wrong: staying in the UK did not keep us in the European Union, it did not protect energy prices, and it most certainly did not keep the economy on a steady course. The future of Scots' mortgages and pensions has never been more uncertain than it is today. When circumstances change, the people have a right to change their mind, as the current Prime Minister demonstrates again and again with U-turn after U-turn.

Whatever the party of government chooses to do next, we have to remember that the crisis we face did not begin with the current Prime Minister—the one who was Prime Minister at the time of writing, at least—and it will not end when she goes, if indeed she is still in post. We have had 12 years of Conservative mismanagement. We have energy policies that are unfit for purpose, and austerity policies bringing public services to their knees. We have no solution to the continued chaos from Brexit, which has been a disaster for our businesses, public sector, education and research, holidaymakers, travel and cultural life. Sadly, Labour has no answer to that point. Another general election might put a plaster on some of those wounds, but it will not heal the UK's chronic problems. Independence for Scotland is an idea whose time has come, and it cannot come soon enough.

5.22 pm

**Fleur Anderson** (Putney) (Lab): It is a pleasure to serve under your chairship in this momentous debate, Mr Mundell. I thank the Chair of the Petitions Committee, my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell), for fast-tracking this debate and putting the case for a general election so well. She speaks for so many people across this country.

I also offer a huge thank you and congratulations to the more than 633,000 members of the public who have supported the e-petition that secured today's debate. Over 500,000 people have signed it in the past two weeks alone, and at the moment, over 1,000 are signing it every hour. I believe that today's debate is being watched by an unusual number of people for a Westminster Hall debate. A staggering number of people have signed the petition since 28 July, and I have had confirmation that it is the first e-petition calling for a general election to be debated in this House. I was proud to see that over 1,100 of my constituents in Putney have signed it; I think all of us here today, and many other Members, can say that an unusual number of their constituents have signed this petition. It really is very significant.

I congratulate Darrin Charlesworth on launching the petition back in July. Back then, he said that

“The chaos engulfing the UK government is unprecedented. Over 40 ministers resigned leaving departments without leadership during cost of living, energy and climate crises. War rages in Ukraine; the Northern Ireland Protocol has further damaged our relationship with Europe; recession looms; the UK itself may cease to exist as Scotland seeks independence. This is the greatest set of challenges we have seen in our lifetimes. Let the people decide who leads us through this turmoil.”

That is how the petitioner, and the thousands of people who signed the petition, felt back in July. But look at what has happened since. We have had a Prime Minister voted in by the very few. She has launched a new economic strategy with no mandate, prioritising VAT-free shopping for tourists, of all things, and tax cuts for the super-rich. She has tanked the pound, causing the Bank of England to have to step in. She jeopardised pensions and sent mortgage costs soaring, before U-turning on the 45p rate of tax and then on corporation tax. She ditched her Chancellor after 38 days. This morning she ditched the two-year energy price cap, the income tax cut, the freeze on alcohol duties, VAT-free shopping for tourists—fair enough—and the dividend and freelance reforms. Who knows what else is changing as we speak, because the Chancellor of the Exchequer is giving a statement in the main Chamber. I am sure that, as my hon. Friend the Member for Newcastle upon Tyne North said, many more Members would be present if that were not happening right now.

My hon. Friend the Member for Newcastle upon Tyne North reiterated that there is no mandate and that people have lost patience with the Government. No one wants to sign the petition and ask for a general election unless it is absolutely essential, and we seem to have no other option. She also said that the polls show that the number of people who want a general election is even higher than the number of people who have signed the petition. The damage being done by not raising benefits, and the damage being done to child poverty levels, surely should be uppermost in our minds.

My hon. Friend the Member for Pontypridd (Alex Davies-Jones) outlined the incompetence that we have seen in the last few months and put it into the context of 12 years of Tory rule, local government underfunding and the failure to stimulate growth, which is the biggest threat to families' financial security.

My hon. Friend the Member for Newport West (Ruth Jones) said that she is stopped in the street by people who are worried and afraid. She is not alone; I, too, am often stopped in the street. Just this morning, I went to visit a food bank in my constituency, and so many people told me about their fear. That is why they are talking about calling a general election. We are in unprecedented times.

My hon. Friend the Member for Hornsey and Wood Green (Catherine West) gave a whole list of reasons why we need a general election, and she started by calling out the failed philosophy of trickle-down economics, which has been laid bare over the last few weeks. The loss of trust of businesses and unions alike, and the issues of benefits, mortgages, food banks and energy provision—the list goes on. There are many reasons why people have signed the petition and are calling for a general election.

I often say that debates in the House are timely, but this is certainly a timely debate—more than most. The petition is highly significant, and I hope that the Minister's response will reflect that significance, rather than brushing the issue aside and saying that it would be too disruptive to have a general election at this time. People who have signed the petition feel that the disruptive thing to do is to stick with what we have now. We in this House are entrusted with making decisions on behalf of everyone in the country only on the basis of a democratic mandate from those who have elected us to be here.

A pact has arisen with the British people from hundreds of years of history: parties share in their manifestos what they will do, and they are elected on the basis of their manifestos. From the party with the biggest number of elected Members, the Prime Minister is chosen to deliver the manifesto mandate. We are very close to losing the trust of the nation, because that mandate is being broken with every statement and every press conference. It is not just a matter of communication, and it is not just because the new leader was chosen without a clear majority of even her own MPs supporting her. This is a loss of faith with the policies of the Conservative Government, because they are not the ones that were in the manifesto. There is a loss of faith that these policies are in the best interest of people across the country, rather than in the best interest of only the Conservative party.

The markets lost faith in Conservative policies—the pound tanked and mortgage prices soared—but the petition shows that the people have lost faith as well. No one voted for the biggest raft of tax cuts since 1972. No one voted for £45 billion of tax cuts with no fiscal strategy. No one voted for bankers' bonuses. No one voted for trickle-down economics, with no evidence that it will actually trickle down. No one voted for U-turns on banning no-fault evictions. No one voted for the economy to be plunged into chaos. No one voted to ditch the green homes grant after just a few weeks. No one voting for lifting the moratorium on fracking. No one voted to scrap crucial environmental protection laws, to attack nature or even to turn on the Royal Society for the Protection of Birds, the National Trust, the Wildlife Trusts and the Ramblers.

No one voted to reduce workers' rights. No one voted to pull out of the European convention on human rights. No one voted for Brexit chaos to continue. No one voted to jeopardise the trade deal with India or to shelve a trade deal with the US. No one voted to trash our institutions or to bury reports from the Office for Budget Responsibility. No one voted for soaring mortgages and the follow-on that will inevitably result in rent costs increasing at the same time as a cost of living crisis.

No one voted to damage further our international reputation, and no one voted to damage our Union. The fact that the Prime Minister has not even called the First Ministers of Scotland or Wales yet is a scandal. Our Union is precious. It is shocking that the Prime Minister has not even telephoned the two First Ministers. Perhaps the Minister will confirm when those phone calls will take place.

What next? A general election may be a short-term disruption, but the damage to our economy, people's lives and the Union could be far longer reaching. This Prime Minister is no different from her predecessor, and so it is no wonder that people's patience has run out.

She seems to now be interested only in saving her skin at all costs. The public will not forgive and they will not forget. This is a Tory crisis, made in Downing Street but paid for by working people up and down my constituency and those of every Member present and all other Members.

It is important to put this petition in the context of the last three years. These problems did not start in July, when the petition started, or in September. There have been three years of scandal, sleaze and sloppy governance. Will the Minister confirm when the new ethics adviser will be appointed? We need to win back the trust of the British people. How can we do that if there is no ethics adviser even in place?

Since the last election—not even three years ago—we have had two Prime Ministers, five Chancellors, a slew of scandals, endless errors, and a pile of broken promises. The Conservatives have lost the right to govern. As the petition says loud and clear, the public have lost patience. A change of Chancellor is not enough. The Tories have tried a change in Prime Minister, and it is worse than ever. We do not need, as has been rumoured, a trumped up coronation of a new Tory leader either. We need a change in Government. As the chairman of Tesco said yesterday, there is just one team on the pitch now: Labour has a plan for growth, while the Conservatives do not.

Labour's approach will be based on working together, with businesses, workers and public bodies all pulling together in a national endeavour to rebuild Britain and seize the opportunities of the future. Labour's plan to buy, make and sell more in Britain is all about using all the tools at the Government's disposal to support businesses in this country, bringing jobs back to Britain, sorting out the Government's supply chain chaos, and last but not least, cleaning up the Tories' Brexit mess, taking action on the climate and nature emergencies, and getting our economy firing on all cylinders.

If there is a general election and the people choose Labour's plan for growth over the Conservative anti-growth coalition, we will invest in people, skills and our public services. We will rebalance the books based on fairness and tackling the climate emergency, not on the backs of working people and not by rewarding bankers. No wonder the people who signed this petition want that vision of stability over the current chaos, even if that means calling for a general election. For the good of the nation, we need a general election. Labour is election ready. We are ready for Government. Only Labour offers the leadership and ideas that Britain needs to secure the economy and get us out of this Tory-created mess.

5.34 pm

**The Parliamentary Secretary, Cabinet Office (Brendan Clarke-Smith):** As always, it is an absolute pleasure to serve under your chairmanship, Mr Mundell. I thank the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) for bringing this debate before us.

The nation and the world face the challenges not just of Vladimir Putin's war in Ukraine, but of recovering from the covid-19 pandemic. Putin's war has caused a global economic crisis, with interest rates rising around the world. I am sure that nobody in this country would like a general election more than Vladimir Putin.

[Brendan Clarke-Smith]

Families and businesses are feeling the impact across the country, from the cost of their supermarket shop to their energy bills, as hon. Members have mentioned. In these tough times, therefore, the Government are taking decisive action to get Britain moving.

**Owen Thompson:** I am sorry to intervene so early, but will the Minister tell us how Vladimir Putin caused mortgage rates to shoot up to such an extent?

**Brendan Clarke-Smith:** We need to look at interest rates around the world, the strength of the US dollar and inflation rates around Europe. Curbing inflation is important to us, and I will come on to that and what the Chancellor is talking about today.

Families were facing bills of up to £6,000 this winter. Tesco, which has been mentioned a lot today, says, "Every little helps", but we think we can do better than that, because a little is not enough for many families around the country. That is why we took such decisive action with our comprehensive package, so that families would not face that. It has substantially reduced the expected peak inflation that we might have been looking at. We have supported the families who needed it the most, have been dealing with the tax burden and have cut the national insurance contributions of 28 million people as a result.

Global economic conditions are worsening, so we have had to adjust our programme. That is the sign of a pragmatic Government. We are still going for growth, but need to change how we approach it. The Government are committed to investment zones, speeding up road projects, standing up to Russia and increasing our energy supplies so that we are never in this situation again. We are making it easier for businesses to take advantage of Brexit freedoms, so that they may do things more easily, leading to lower costs, lower prices and of course higher wages. The Government are on the side of hard-working people who do the right thing, and it is for them that we are delivering.

We are putting our great country on to the path of long-term success. We are taking on the anti-growth coalition, from Labour and the Lib Dems to the protestors stopping people going to work by grinding roads and rail to a halt, as we have seen outside today. The Government's focus is on bringing economic and political stability to the country. That will lower interest rates and restore confidence in sterling. We cannot afford any drift to delay that mission. Therefore, the last thing that we need now is a general election.

The Government have several priorities for the remainder of this Parliament. We will use the power of free enterprise and free markets to level up the country and spread opportunity. We will drive reform and rebuild our economy to unleash our country's full potential. We will cut onerous EU regulations that smother business and investment.

A mandate is one of the reasons we are in Westminster Hall today. The Conservative party was elected with a majority in 2019. Recently, we have been through a process of electing a leader of our party who is committed to delivering that Conservative programme in government. We face significant global events that have changed our economic circumstances. We cannot ignore the impact

of covid or Putin's deplorable war in Ukraine, which has created much of the economic hardship that has pushed up the price of energy, not just for us but for the world. The Government acted immediately to provide energy support for families who needed it the most by laying out a plan for economic growth.

The UK, as mentioned by the hon. Member for Midlothian (Owen Thompson), is a parliamentary democracy and does not have a presidential system. Prime Ministers hold their position by virtue of their ability to command the confidence of the House of Commons. Consequently, a change in the leader of the governing party does not trigger a general election.

The fact that a change in the leader of the governing party does not necessitate an election is well established. There is precedent among both Labour and Conservative Prime Ministers in the past. Indeed, five of the last seven Prime Ministers, including my right hon. Friends the Members for Uxbridge and South Ruislip (Boris Johnson) and for Maidenhead (Mrs May), Gordon Brown and John Major, began their tenure in office without the need for a general election.

In many cases the next election followed several years after a Prime Minister had been in office. In the post-war era, that has become very common. Gordon Brown was in office for three years before the 2010 election, and John Major for two between 1990 and 1992. Jim Callaghan held office in the 1970s without holding an election, just as Douglas-Home held office for a year without one in the 1960s. Prior to that, Harold Macmillan was Prime Minister for two years before calling an election in 1959. Famously, Winston Churchill's wartime Administration were in office for five years, in exceptional circumstances, without an election taking place. I could go on. Chamberlain, Lloyd George, Asquith and Balfour are all relevant examples. My point is that Prime Ministers hold their position by virtue of their ability to command the confidence of the House of Commons. There is no requirement for an incoming Prime Minister to call an election immediately on assuming office.

**Catherine West:** The Minister is very generous in giving way. He is making an important point that general elections are not always necessary. Does he agree, however, that one of the problems besetting the majority party is that before the 2019 general election, Mr Farage's party tipped into the Tory party, and that that has resulted in it splitting in two?

**Brendan Clarke-Smith:** The hon. Member makes a good point. Of course, all political parties will at times have disagreements. One of the things that makes me such a proud Conservative is the broad church of our operation, and I believe that it is that broad church that allows many of my colleagues with differing views to come together with shared values. That is why Conservatives, who have been elected and given a mandate, can change leadership but still have a Conservative Government delivering Conservative policies.

Earlier this year, delivering on a Conservative manifesto promise, Parliament passed legislation repealing the Fixed-term Parliaments Act 2011. It was a flawed piece of legislation, which ran counter to the core constitutional principles of our country, and I believe that it had a damaging effect on the functioning of parliamentary



democracy. The Dissolution and Calling of Parliament Act 2022 returned us to tried and tested constitutional arrangements for dissolving Parliament and calling elections. It received broad agreement across the House, and I do not believe that a single Labour MP voted against its Second or Third Reading. By repealing the 2011 Act and its opaque provisions, it reaffirmed the convention that the Government hold office by virtue of their ability to command confidence in the House of Commons.

Members are in a privileged position to put views to the Prime Minister and senior colleagues, and I encourage them to do so. We have debates, such as this one, and other appropriate forums. The Government are entitled to assume that they have the confidence of the House unless and until it is shown to be otherwise. That can be demonstrated unambiguously only by means of a formal confidence vote. Thus, the Government, under the new Prime Minister, continue to command the confidence of the Commons.

The Prime Minister can call a general election at any time of her choosing by requesting the Dissolution of Parliament from the sovereign, which, if accepted, leads to a general election. As a result, the decision of when the next election will take place rests with the Prime Minister.

On the appointment of the Chancellor, who is currently giving his statement on the Floor of the House, the Prime Minister asked my right hon. Friend the Member for South West Surrey (Jeremy Hunt) to assume the role. As the Prime Minister has said, he is one of the most experienced and widely respected Government Ministers and parliamentarians. The Prime Minister has asked the Chancellor to deliver the medium-term fiscal plan, and he is giving a statement to the House as I speak. That will explain the support that the Government are giving.

The hon. Members for Pontypridd (Alex Davies-Jones) and for Newport West (Ruth Jones) mentioned the cost of living. That is very important to us; we want to get this right. We want to bring in the energy price guarantee. We have already given £400 to every household, with £1,200 going to the most vulnerable, and £150 back on council tax, along with other support. We want to help the most vulnerable in society and we want the right targeted packages. Of course, to do that, we need to have sustainable public finances and to show fiscal responsibility. The Chancellor of the Exchequer will talk about that today. We want to bring our debts down; we want to ensure that inflation is low; we want to ensure that interest rates are sensible. We do not set interest rates—the Bank of England does—but we want people to be able to afford their mortgages.

After I had bought my first house, the financial crisis happened—that was a difficult period for homeowners. We want to help people to get through this; we are a nation of homeowners. We want to protect people, including the most vulnerable, and, of course, we want people to be able to pay their energy bills and for their food shopping.

**Fleur Anderson:** I thank the Minister for the history lesson. I think the people who signed the petition thought that we needed a new Government not because of the change of leader, but because of the policies of the new leader—that is why so many people are signing it. Mortgages are going up by an average of £500 across the

country, but that figure will be a lot higher in my constituency. Those homeowners are the ones signing the petition. They are saying, “We’ve had enough of these policies. There hasn’t been any fiscal restraint; it has been really damaging. We need a change of policies.”

The current Prime Minister lost her credibility because her Budget has been thrown out—a new one is coming—so she may need to be replaced. How many changes of Conservative party leader does the Minister think there needs to be before a general election is called?

**Brendan Clarke-Smith:** People want stability and certainty, and that is also what the markets wanted, which is why we have acted decisively. The Prime Minister has been clear and has acted pragmatically. She has appreciated when things have not worked and has changed tack as a result. That is a sign of a strong Government, and I fully support the Prime Minister in those efforts.

The hon. Member for Midlothian said that he also wanted another independence referendum for Scotland. I would argue that Scotland has already had a referendum and that people made a choice. They want the same stability; they want to know what the future holds for them. They made their choice and they see it as being part of that stability. They worry about their interest rates and their houses, and about inflation. We want to govern for the whole Union.

**Owen Thompson:** I find this slightly perplexing. A lot of the Minister’s argument has been about the strong decisions of the Government in changing their mind, and about the ability of the Prime Minister to change her mind and take a different direction. He then makes exactly the opposite argument when it comes to Scotland and deciding the constitutional future of our nation. How can the Prime Minister and the UK Government change their mind in a matter of weeks, but the people of Scotland—despite every promise that was made eight years ago during the 2014 referendum campaign—are not allowed to make a different decision?

**Brendan Clarke-Smith:** I bring the hon. Gentleman back to the point that we are in an ever-changing world: nobody expected the covid-19 pandemic or what Vladimir Putin has done in Ukraine. I take the point that circumstances change, but people want stability—they want to be able to support their families and pay their bills—and we believe that supporting the devolved Governments, working together and protecting our Union is the best way to ensure that.

**Alex Davies-Jones:** The Minister is, of course, a Minister for the Union. As the shadow Minister, my hon. Friend the Member for Putney (Fleur Anderson), quite rightly said, neither of the First Ministers of Scotland and Wales have received a phone call or any contact from the Prime Minister since she has been in post. If the Prime Minister and the Government are so committed to the Union, when exactly will she be in touch with the First Ministers, and why has it taken so long?

**Brendan Clarke-Smith:** Over the summer, Members will have heard the Prime Minister speaking with great passion about protecting the Union. The £18 billion of annual funding for the Welsh Government is the largest annual amount in real terms since devolution began,

[Brendan Clarke-Smith]

so those were not just words but actions. I can also point to the £121 million in levelling-up funding for 10 projects, the £790 million of investment across four Welsh cities, the £115 million for the Swansea Bay city deal, and the £500 million for the Cardiff city deal. I am sure that the Prime Minister will, in due course, contact those elected leaders to see how we can work closely together.

The hon. Member for Putney (Fleur Anderson) mentioned the ethics adviser. I understand that the Prime Minister is considering that matter and will provide an update in due course.

We are in extraordinarily tough times—there is a global economic crisis—and we must remember where this country was heading only a month ago. Families and businesses were fearing unaffordable energy bills higher than £6,000. Inaction would have been unthinkable and the human cost unforgivable. Businesses would have gone bust and jobs would have been lost, and that is why we took the decision to protect people and businesses from the worst energy crisis this winter.

We were elected in 2019 on a pro-growth, pro-aspiration and pro-enterprise agenda, to be on the side of hard-working people and all those who make our country great, and that is what we will continue to do. Today we have moved to cut national insurance, putting £330 in taxpayers' pockets, and we are delivering a clear plan to get Britain growing through bold supply-side reform. Growth requires stability, and that is what we are offering. We need to move forward and deliver for the British people. A general election risks sending us back to square one by letting the anti-growth coalition into power. We will do whatever it takes to get through the storm and emerge a stronger and better nation.

**David Mundell (in the Chair):** I call Catherine McKinnell to wind up the debate. You have approximately one hour and forty minutes.

5.51 pm

**Catherine McKinnell:** Thank you, Mr Mundell, and thanks to the hon. Members who have contributed to the debate. As we know, the debate took place at the same time as some important business in the Chamber—an urgent question from the Leader of the Opposition and a statement from the Chancellor—so I am grateful to hon. Members for being here, and for their contributions. I thank my hon. Friends the Member for Pontypridd (Alex Davies-Jones), for Newport West (Ruth Jones), for Hornsey and Wood Green (Catherine West) and for Putney (Fleur Anderson), who spoke from the Front Bench, as well as the hon. Member for Midlothian (Owen Thompson), who spoke for the SNP. They clearly put how untenable this situation is for our country.

I thank the Minister for his reply. He is clearly on a difficult ticket today. I was struck by how powerfully his response made the case for a general election. Indeed, we are in unprecedented times, and he gave us an interesting lesson in history, but all that history will tell him and us that a general election is the only way to get out of this crisis. Nothing he said today will have persuaded anybody watching this debate otherwise. It is

disappointing that, despite the Minister being present, not a single member of the governing party came to speak either for or against a general election. Nobody was here to represent the petitioners from those constituencies who wanted this matter discussed. I will leave it to the 632,000 people, and that number is growing, from every part of the UK who signed the petition to speculate why that might be.

We are hearing reports that the events we are missing in the Chamber very much underline the current shambles at the heart of Government. The fact that the Leader of the House had to reassure the Chamber that the Prime Minister was not hiding under a desk shows how low the bar now is, and I guess we should be grateful that she is not hiding in a fridge. The fact that the Prime Minister turned up just in time to not answer any questions, and left before questions started again to the Chancellor, shows how weak and undermined her position is. As the shadow Chancellor clearly said, she is in office but not in power, and that is unforgivable for the people of this country, who need strong leadership and Government—whoever provides it—at this time.

The petition calls for an end to the chaos, because the situation is not sustainable. The Parliamentary Secretary, Cabinet Office, was unable to say how a Government without a mandate, and without authority, will be able to get any of their agenda through Parliament. The Minister made great play of the importance of the Government having the confidence of MPs in Parliament. Whether they have that confidence has not been properly tested, but from what we can see, confidence in the governing party is lacking. That is degrading for our democracy, and unacceptable for the people we are here to serve. Our country faces serious crises. We are living through a cost of living crisis, an energy crisis, a climate crisis and, now, an economic crisis that is entirely of the Government's making—no matter what they say. Households are already paying the price for that.

The situation is untenable. The Prime Minister's authority has disappeared. This country cannot function to its greatest potential without a functioning Government. Whatever the governing agenda might be, none of it reflects what was promised in the summer. We will have to wait and see whether it can be delivered through Parliament. The fact that we are even wondering shows how unsustainable the situation has become. A lack of confidence will already be impacting people's investment decisions and our ability to grow. The only anti-growth coalition at the moment is a Government who are unwilling to ask the public for a mandate to deliver a programme that they believe in.

The time has come. Government Members need to recognise that we are here to serve the public. The public can decide; they can vote to put this Government back in power, or they can choose something different, but that should be a choice for the people in this country, and not for us in this room.

*Question put and agreed to.*

*Resolved,*

That this House has considered e-petition 619781, relating to an early general election.

5.57 pm

*Sitting adjourned.*

# Written Statements

*Monday 17 October 2022*

## TREASURY

### Energy Markets Finance Scheme: Contingent Liability

**The Chancellor of the Exchequer (Jeremy Hunt):** It is normal practice when a Government Department proposes to undertake a contingent liability in excess of £300,000, and for which there is no statutory authority, for the Minister concerned:

To present a departmental minute to Parliament, giving particulars of the liability created and explaining the circumstances; and

To refrain from incurring the liability until 14 parliamentary sitting days after the issue of the minute, except in cases of special urgency.

I am writing to notify Parliament of a contingent liability that HM Treasury intends to create related to the energy markets finance scheme (EMFS) which is being delivered with the Bank of England and opens for applications today. This is a case of special urgency in which this liability will be incurred within 14 days of this minute being issued due to the extraordinary volatility of the energy market and need to deliver this scheme. The Treasury notified the Treasury Select Committee and Public Accounts Committee of this contingent liability when the then Chancellor confirmed this scheme as part of the growth plan on 23 September 2022. In parallel to laying a departmental minute, the Treasury has also written to these Committees to provide them with further details of the contingent liability.

As set out to Parliament in the plan for growth on 23 September 2022, the EMFS provides a 100% guarantee to commercial banks to provide additional lending to energy firms. This guarantee is provided by the Bank of England, which is in turn indemnified by HM Treasury. The scheme provides a backstop for energy firms facing large and unexpected margin calls due to price volatility in energy markets, ensuring they can continue to operate and manage risk in a cost-effective way and eventually reduce costs for businesses and consumers.

Margin calls can be large, with reports of them reaching multiple billions of pounds in some extreme cases. The facility will only support additional lending beyond what is commercially available to meet large margin calls. There is no cap on the facilities provided to firms due to the varying requirements of each firm, but a total size of the guarantee will be set for each firm as a part of the application process. Therefore, the total liability will depend on the take-up of the scheme and the specific circumstances of each applicant. However, any support provided will be on terms designed to protect the taxpayer.

The guarantees may only be provided to firms playing a material role in UK energy markets and they will need to evidence their exposure to margin calls. Firms will also have to comply with other eligibility criteria, including being UK based/having a UK presence, facing short-term liquidity requirements and being otherwise of sound

financial health. When using the scheme, firms will also have to comply with a set of policy conditions, such as restrictions on the use of funds, executive pay, and capital distributions.

It is our intention that the EMFS is a scheme of last resort, to be used after existing commercial financing options are exhausted. This is reflected in the penal interest rate of the facilities, which will be significantly above market rate. As is standard practice for commercial lenders, an arrangement fee and commitment fee will be charged to firms, as well as an interest rate on drawn funds. Commercial banks delivering the scheme will not generate a commercial return which corresponds to remuneration for risk, given the Bank of England will wholly guarantee loans—but they will be allowed a commercial margin for admin costs incurred. The remainder of the proceeds of fees and interest on loans will flow back to the Exchequer.

The Government will only face losses from the scheme if the lending is not repaid. To reduce the risk of this happening, a rigorous application process has been set up. Firms will have to meet a minimum credit rating threshold of BB—and applications will be assessed initially by the Bank of England and then by an advisory committee (AC), which will make a recommendation for the Chancellor to decide whether to approve or reject an application. The scheme will therefore have a robust assessment of default risk and solvency, with due diligence provided by external and expert advisers.

The tenor of each facility agreement will last up to 12 months.

HM Treasury, supported by UK Government Investments, will be responsible for the management and monitoring of the scheme once launched. The Bank will report regularly on the progress of the scheme, as set out in its market notice. If the liability is called, provision for any payment will be sought through the normal supply procedure.

A departmental minute has been laid before the House of Commons.

[HCWS325]

## EDUCATION

### T-level Overlap List

**The Parliamentary Under-Secretary of State for Education (Andrea Jenkyns):** Today I am notifying Parliament of the next stage of the Government's reforms to post-16 qualifications at level 3 in England—the publication of the final list of qualifications that overlap with the T-levels in Education and Childcare, Digital, and Construction and the Built Environment.

In our response to the second stage consultation of the review of post-16 qualifications at level 3 and below, we set out our aims to streamline the qualifications landscape at level 3. The review aims to ensure that only qualifications that are necessary and lead to good outcomes are approved for public funding, delivering greater value for money for the taxpayer. It is important to ensure that all qualifications serve a clear and distinct purpose and lead to good progression and good outcomes for students. Supporting students to make a choice at 16 between an excellent academic or an excellent technical route will prepare students better for the next phase of their lives.



We have already removed funding approval from over 5,000 qualifications at level 3 and below that had no or low enrolments.

On 11 May Parliament was notified of the commencement of the next stage of our review—to remove funding approval for qualifications that overlap with T-levels. The rigour of T-levels, combined with the meaningful industry placement of at least 45 days, will equip more young people with the skills, knowledge and experience necessary to access skilled employment or further technical study. The results for the first three T-levels awarded in summer 2022 were fantastic, with a 92% pass rate—and feedback from this first group of students indicates that they have progressed to a variety of destinations, including higher education, apprenticeships or skilled employment. The removal of overlapping qualifications will give T-levels the space needed to flourish and maximise the number of learners on these important qualifications.

We published the provisional list of qualifications that overlap with waves 1 and 2 T-levels in May, and awarding organisations had eight weeks to appeal their qualifications' inclusion on the list.

I can now confirm the final list of qualifications that will have funding approval removed at 16-19 because they overlap with the T-levels in Education and Childcare, Digital, and Construction and the Built Environment. These qualifications will have funding approval removed in August 2024.

As the outline content of the T-levels in the Health and Science route is currently being reviewed by the Institute for Apprenticeships and Technical Education,

this list does not include qualifications that overlap with these T-levels. Once the review has concluded, expected later this calendar year, we will confirm the final list of qualifications that overlap with these T-levels. Qualifications overlapping with these T-levels will have funding approval removed in 2024, at the same time as those overlapping with the other waves 1 and 2 T-levels.

This review has been led by evidence. We commissioned independent assessors to conduct in-depth reviews of the qualifications. All qualifications placed on the final overlap list were rigorously assessed and considered against three tests:

That they are technical qualifications;

That they have demonstrable overlap of content and outcomes with waves 1 and 2 T-levels already on offer; and

That they are aimed at supporting entry to the same occupation(s) as those T-levels.

We will run another process to identify qualifications that overlap with T-levels in the remaining T-level routes in 2023, and qualifications that overlap with these T-levels will have funding approval removed in 2025.

The next phase of the qualifications review will approve the qualifications that will sit alongside A-levels and T-levels in the new landscape. We are clear that other qualifications, including BTECs and similar qualifications, will continue to play an important role and we will fund these qualifications where they are high quality and where there is a clear need for them. We expect to publish details shortly of the process by which academic and technical qualifications at level 3 will be approved, and I will update Parliament on this.

[HCWS324]

# Petition

Monday 17 October 2022

## OBSERVATIONS

### EDUCATION

#### Waverley Junior Academy

*The petition of residents of the constituency of Rother Valley,*

Declares that provision of school places at Waverley Junior Academy must be extended for applicants this September via temporary classrooms; further that it is unacceptable that 39 children from the village, some living less than 200 metres from the school, have failed to get a place because Rotherham Council failed to adequately predict the level of need for places; and further that developers must follow through on their commitment to adequately build the infrastructure needed to support communities.

The petitioners therefore request that the House of Commons urge the Government to implore Rotherham Metropolitan Borough Council to implement a temporary solution to this problem, in the form of temporary classrooms, to enable local children to attend their local school.

And the petitioners remain, etc.—[Presented by Alexander Stafford, *Official Report*, 19 May 2022; Vol. 714, c. 946.]

[P002731]

*Observations from the Under-Secretary of State for Education (Baroness Barran):*

Future expansion of Waverley Junior Academy will be considered, and further funding released, only in relation to the development of the second phase of housing development, which still requires planning permission. The decision to expand the school will also be subject to approval by the Yorkshire and the Humber regional director, and a key consideration will be whether or not there is a need for places in the local planning area.

It is not a viable option for a local authority to expand a school when there are already sufficient places within the local community. Three of the neighbouring schools have already seen significantly reduced pupil numbers since the opening of Waverley Junior Academy, and further expansion could destabilise the wider school system in the area, affecting the viability of these schools. In the worst-case scenario this could lead to school closure.

There are four alternative schools within the planning area at which the LA has advised us that pupils who did not secure a place at Waverley Junior Academy this year have been offered places. Treeton Church of England Primary School, Brinsworth Howarth Primary School, Catcliffe Primary School and Brinsworth Whitehill Primary School are all between one and two miles of Waverley Junior Academy.





# ORAL ANSWERS

Monday 17 October 2022

	<i>Col. No.</i>		<i>Col. No.</i>
<b>LEVELLING UP, HOUSING AND COMMUNITIES</b> .....	353	<b>LEVELLING UP, HOUSING AND COMMUNITIES—</b>	
Energy Efficiency: Guidance to Homeowners .....	368	<i>continued</i>	
Freeports: Wales .....	362	Levelling-up Fund.....	356
Home Ownership: Government Support.....	368	Mayoral Devolution Deal: East Midlands .....	362
Investment Zones.....	364	People Registered as Homeless.....	355
Investment Zones: Impact on the Environment.....	367	Private Renter Security .....	353
Levelling-up Agenda: Affordable Housing.....	360	Topical Questions .....	370
Levelling-up Agenda: Impact of Cost of Living		£150 Council Tax Energy Rebate .....	361
Crisis.....	363	Ukrainian Refugees: Departmental Support.....	370

# WRITTEN STATEMENTS

Monday 17 October 2022

	<i>Col. No.</i>		<i>Col. No.</i>
<b>EDUCATION</b> .....	18WS		
T-level Overlap List.....	18WS		
<b>TREASURY</b> .....	17WS		
Energy Markets Finance Scheme: Contingent			
Liability .....	17WS		

# PETITION

Monday 17 October 2022

	<i>Col. No.</i>
<b>EDUCATION</b> .....	3P
Waverley Junior Academy .....	3P

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**not later than  
Monday 24 October 2022**

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## CONTENTS

**Monday 17 October 2022**

**Members Sworn or Affirmed [Col. 353]**

**Speaker's Statement [Col. 353]**

**Oral Answers to Questions [Col. 353] [see index inside back page]**  
*Secretary of State for Levelling Up, Housing and Communities*

**Replacement of the Chancellor of the Exchequer [Col. 377]**  
*Answer to urgent question—( Penny Mordaunt )*

**Economic Update [Col. 395]**  
*Statement—( Jeremy Hunt )*

**Benefit Cap (Report on Abolition) [Col. 430]**  
*Bill presented, and read the First time*

**Financial Investment and Deforestation [Col. 431]**  
*Motion for leave to bring in Bill—( Chris Grayling )—agreed to*  
*Bill presented, and read the First time*

**Energy Prices Bill (Allocation of Time) [Col. 433]**  
*Amendment—( Joy Morrissey )—agreed to*  
*Motion, as amended, agreed to*

**Energy Prices Bill [Col. 437]**  
*Motion for Second Reading—( Jacob Rees-Mogg )—agreed to*  
*Considered in Committee; not amended, considered; read the Third time and passed*

**Petitions [Col. 495]**

**Lawfare and Investigative Journalism [Col. 497]**  
*Debate on motion for Adjournment*

**Westminster Hall**  
**Early General Election [Col. 191WH]**  
*E-petition Debate*

**Written Statements [Col. 17WS]**

**Petition [Col. 3P]**  
*Observations*

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

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