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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES  
(HANSARD)**

**Tuesday 21 March 2023**

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# House of Commons

*Tuesday 21 March 2023*

*The House met at half-past Eleven o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### TREASURY

*The Chancellor of the Exchequer was asked—*

#### Taxation

1. **Philip Davies** (Shipley) (Con): If he will reduce the overall level of taxation. [904207]

**The Chancellor of the Exchequer (Jeremy Hunt):** Like all Conservatives, I believe in reducing the burden of taxation wherever possible, while always demonstrating a responsible approach to public finances.

**Philip Davies:** While I appreciate that this is largely as a result of the idiotic decision to lock down the country and the economy for the best part of two years, the Chancellor nevertheless finds himself presiding over a high-tax, high-spend, low-growth, quasi-socialist economy. When can those of us who remain Conservatives expect to see some tax cuts and a reduction in the burden of taxation?

**Jeremy Hunt:** I thank my hon. Friend for the inimitable way in which he asked his question. I hope that he was reassured to some extent by the £9 billion cut in the planned level of corporation tax in the Budget, and, if we make the arrangement for capital allowances permanent, as I should like to, that will give us the best investment incentives anywhere in the OECD.

**Peter Grant** (Glenrothes) (SNP): May I be the first to defend the Chancellor, and indeed the shadow Chancellor, against any accusation of socialism?

Can the Chancellor explain why the Cameronbridge distillery in my constituency, which is a major employer in an area of high unemployment, faces an increase of about £350 million in its excise tax bill this year? That is more than the additional amount that the Chancellor claims to be giving to the whole of Scotland. Will he explain why my constituents, and the companies that employ my constituents, are having to contribute additional taxes to pay for his economic failure?

**Jeremy Hunt:** Let me gently say to the hon. Member that the freeze in alcohol duty which we introduced in the autumn of 2021, and which will continue until August this year, has constituted a £2.7 billion tax cut over four years. We do everything we can to help the vital Scottish whisky industry.

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

**Harriett Baldwin** (West Worcestershire) (Con): There was a significant tax cut in the Budget that has been greatly welcomed by drivers in my constituency and elsewhere, namely the extension of the 5p cut in fuel duty and the freezing of the escalator, but does the Chancellor accept that by postponing that decision until an election year—next year—he is simply continuing the fuel duty fiction that our Committee has highlighted?

**Jeremy Hunt:** I am delighted that my hon. Friend welcomed the freezing of fuel duty, which means that over the period for which it has been frozen, the average motorist will have saved £200. There is a specific reason why I wanted to continue to freeze it this year: combined with the extension of the energy price guarantee, it will reduce CPI inflation by 0.7% in a year in which headline inflation is still over 10%.

**Andrew Gwynne** (Denton and Reddish) (Lab): How is it fair that the Government are picking the pockets of working people through frozen income tax thresholds while at the same time allowing the super-rich non-doms to effectively opt out of paying tax in this country, which is costing us £3.2 billion this year?

**Jeremy Hunt:** Let me remind the hon. Gentleman what we have done for people on low incomes. Because of the increase in the income tax and national insurance thresholds which was completed last year, those on the average wage of £28,000 pay £1,000 less in tax and national insurance than they would have paid at 2010 levels—that is a tax cut that his party opposed at each and every stage.

#### Ultra Low Emission Zones

2. **David Simmonds** (Ruislip, Northwood and Pinner) (Con): Whether his Department has made an assessment of the economic impact of ultra low emission zones. [904208]

**The Chief Secretary to the Treasury (John Glen):** Responsibility for transport and air quality within Greater London is devolved to the Mayor of London and Transport for London via the Greater London Authority Act 1999. It is for the Mayor to assess the economic impact of the proposed expansion of the ULEZ, and to consult properly to ensure that it is not just a tax on the poorest motorists.

**David Simmonds:** Small business owners and elderly and disabled residents affected by the ULEZ in my constituency are concerned about the fact that the Mayor's process has not been as independent or robust as it should be. Will my right hon. Friend consider commissioning the Treasury's own independent assessment of the impact of the ULEZ, so that my constituents and local business owners can really understand how it will affect them?

**John Glen:** As the Prime Minister said just last week, "the Mayor of London should listen to the voices of commuters, families"—

including many of my hon. Friend's constituents—

"and small businesses as he inflicts his...tax on them."—[*Official Report*, 15 March 2023; Vol. 729, c. 832.]

As the House has just heard, our Budget last week supported hard-pressed motorists by cancelling the planned increase of about 11p in fuel duty, saving drivers about £5 billion this year.

### Cost of Energy

3. **Robbie Moore** (Keighley) (Con): What fiscal steps he is taking to support businesses with the cost of energy. [904209]

6. **Julian Sturdy** (York Outer) (Con): What fiscal steps he is taking to support businesses with the cost of energy. [904213]

9. **Tom Randall** (Gedling) (Con): What fiscal steps he is taking to support households with the cost of energy. [904216]

**The Chancellor of the Exchequer (Jeremy Hunt):** The Government have provided unprecedented support to help households and businesses with energy costs, totalling £94 billion for households and £8 billion for businesses. That is more than £100 billion over 2022 and 2023.

**Robbie Moore:** One of my local foundry businesses based in Keighley, Leach & Thompson, has kindly contacted me to say that British Gas wants to charge it £41.50 a day as a standing charge and that its unit rate has doubled. That is having a dramatic impact on the business. The Government have helped with the unit charge, but will the Chancellor outline what steps he is taking to help support small and medium-sized businesses with the extortionate standing charges being quoted by energy companies?

**Jeremy Hunt:** I thank my hon. Friend for raising this issue, which I know is shared by many Members across the House. That is why on 9 January I wrote to Ofgem asking it to update me on its investigation into the business market, which is not a regulated market like the consumer market. It has replied saying that it has concerns. It is concerned about significant changes in standing charges, about an increasing number of suppliers asking for security deposits and raising the cost of those deposits, and about potential breaches of the rules of the energy bill relief scheme. It will get back to me with its solutions as soon as possible.

**Julian Sturdy:** When I was talking to businesses in York on Friday, they stressed to me that energy bills were still a major worry for many of them, especially in the hospitality sector, which is so important to our city. It is clear that the next six months will be critical for many of those businesses, so can the Chancellor provide any more targeted support, especially to the hospitality sector?

**Jeremy Hunt:** I ask my hon. Friend to keep me updated on what is happening with the hospitality sector in his constituency, but he will know that we have already introduced support for business rates, with a 75% reduction in business rates up to a cap of £110,000, and that the energy bills discount scheme is providing more than £8 billion of support over this year and last. We are doing everything we can.

**Tom Randall:** Does my right hon. Friend agree that a long-term energy strategy is critical to helping people with the cost of living? Will he outline what steps the Government are taking to enable this through the funding of nuclear energy?

**Jeremy Hunt:** My hon. Friend is absolutely right to raise this issue, as is my hon. Friend the Member for Ynys Môn (Virginia Crosbie), who does so on every single occasion she can. Nuclear is important because there will be times when the weather does not generate the energy we need from renewable sources. That is why we announced in the Budget that we are going ahead with Great British Nuclear and with the competition for small modular reactors, provided that an investigation this year finds that that is viable, and we will class nuclear power as environmentally sustainable, subject to consultation.

**Christine Jardine** (Edinburgh West) (LD): A number of small businesses in my constituency are struggling with their energy costs, and two have recently gone to the wall, but major companies in the whisky sector are also struggling. The Chancellor says that the Government are doing what they can to support them, but does he appreciate that that is not how it feels in Scotland? This major industry, with its high-intensity use of energy in distilling, is facing a 10% increase, which will mean that something like 75% of the price of a bottle of whisky goes to the Exchequer. The industry does not feel like it is being helped. Does he appreciate that it feels like it is being kicked at a very difficult time?

**Jeremy Hunt:** I recognise the challenges that the distilling industry and many other industries are facing. That is why we are giving more than £100 billion of support to businesses and consumers, but I would say to the hon. Lady that Scotch whisky has received nine cuts or freezes in the last 10 Budgets, so we are doing everything we can.

**Alison Thewliss** (Glasgow Central) (SNP): It is all fine and well for the Chancellor to say that he is in correspondence with Ofgem, but the business energy sector remains unregulated and many businesses in my constituency are stuck on very high tariffs because of the increase in prices, which have now to some degree gone down. What will he do about those people who are marooned on higher tariffs? It is costing their businesses dearly and those businesses may not even survive.

**Jeremy Hunt:** That is exactly why I wrote to Ofgem. Wholesale gas prices are now lower than they were before the Ukraine invasion. The hon. Lady is right to say it is not a regulated market and I want to find out from Ofgem what it thinks should happen to avoid precisely the problem she talks about.

**Margaret Ferrier** (Rutherglen and Hamilton West) (Ind): Many pubs and breweries are locked into energy bill contracts that are staggeringly high, and they are calling for an opportunity to renegotiate them. What further support will Ministers offer the sector with its energy bills, particularly recognising the financial impact that the increase in alcohol duty will have?

**Jeremy Hunt:** We are doing a great deal. As the hon. Lady will know, we set up a new scheme, the energy bills discount scheme, to help businesses in the coming year.

As I mentioned to my hon. Friend the Member for York Outer (Julian Sturdy), we are also giving them 75% relief on their business rates. We will continue to do everything we can for this very important sector.

### People on Lower Incomes

**4. Henry Smith (Crawley) (Con):** What fiscal steps he is taking to provide financial support to people on lower incomes. [904211]

**The Chancellor of the Exchequer (Jeremy Hunt):** In addition to extending the energy price guarantee, and to help people further, cost of living payments for vulnerable households will kick in next year. We are also uprating benefits and increasing the national living wage to £10.42 an hour.

**Henry Smith:** What assessment has my right hon. Friend made of the saving a typical family will achieve as a result of his fuel duty measures announced in last week's Budget?

**Jeremy Hunt:** I thank my hon. Friend for saying that. We think the average driver has saved about £200 in total since the 5p cut was introduced, but we are also introducing draught relief for beer drinkers in pubs and 30 hours of free childcare for young parents who are struggling with childcare costs. There are a lot of cost of living measures in the Budget.

**Jim Shannon (Strangford) (DUP):** I thank the Chancellor for all he does, and for his hard work. It is more than just beer drinkers, of course. Carers who also work part time are precluded from receiving carer's allowance if they earn just over the threshold. Will he consider uplifting the carer's allowance earnings threshold in line with inflation?

**Jeremy Hunt:** I thank the hon. Gentleman for mentioning carers, who do an amazing job. It is fair to say that our NHS and care systems would fall over without the incredible job carers do. We will always keep under review what we can do to help these very important people.

### Economic Outlook: Lincolnshire and Cleethorpes

**5. Martin Vickers (Cleethorpes) (Con):** What assessment he has made of the economic outlook for (a) Greater Lincolnshire and (b) Cleethorpes constituency. [904212]

**The Chief Secretary to the Treasury (John Glen):** The Government are committed to creating an environment in which economic growth benefits all. The latest data indicates that productivity in Greater Lincolnshire grew by 8.4% from 2010 to 2020, compared with UK productivity growth of 7.9% over the same period. Coastal communities such as Cleethorpes play a vital role in the economy. I am pleased that, following the announcements on the second levelling-up fund, more than £18 million has been granted for the Cleethorpes masterplan.

**Martin Vickers:** The county of Lincolnshire has great opportunities for economic development in both rural and urban areas. In particular, the Cleethorpes constituency is a major centre for the renewable energy sector and

contains a major port at Immingham. Freeport status has been granted for the Humber freeport, but I understand that we are awaiting final Treasury sign-off. Can the Minister give us an indication of when that will happen?

**John Glen:** I am pleased to confirm that the full business case for the Humber freeport has now been conditionally approved by the Treasury, with full approval subject to the customs site being designated and the freeport signing a memorandum of understanding with the Department for Levelling Up, Housing and Communities. The Humber freeport is already open for business, supporting the regeneration of the region by creating jobs and attracting new business investment. I am sorry that Treasury processes can sometimes appear tortuous.

### Tax-free Childcare

**7. Carla Lockhart (Upper Bann) (DUP):** If he will make an assessment with Cabinet colleagues of the potential impact of increasing the tax-free childcare allowance on the ability of parents to work. [904214]

**The Chief Secretary to the Treasury (John Glen):** Tax-free childcare provides financial support for working parents with their childcare costs. In addition to tax-free childcare, the Chancellor announced at the spring Budget that all eligible working parents in England will be able to access 30 hours of free childcare a week for 38 weeks of the year, from when their child is nine months old until they start school.

**Carla Lockhart:** I thank the Minister for his response. When will the Government start to reward the working families of this United Kingdom? We have a Chancellor who is giving tax breaks to the wealthy to top up their pension pots, yet he cannot support working families by increasing the personal allowance or by offering tax-free childcare that supports all families with childcare needs, particularly families with older children. The high-income child benefit charge remains untouched, leaving households that earn much less than others unaffected. Can the Chancellor update us on his plans to reform this deeply unfair practice?

**John Glen:** I do not accept the overall characterisation that the hon. Lady has given. Just in November last year, 428,000 families and 511,000 children benefited from tax-free childcare. The announcements last week will make a significant contribution, and of course that work will start immediately, with the Department for Education consultation. We have a commitment of £204 million for the coming financial year, and £288 million for the following year, to increase supply so that we can deliver this as quickly as possible.

**Dame Andrea Leadsom (South Northamptonshire) (Con):** I congratulate the Treasury team on the excellent new policy of providing much more childcare support to families. Will my right hon. Friend persuade the Chancellor to meet me and a small group of colleagues to talk about the policy in the round and about how we can give more support to all families, providing more flexibility where informal childcare is provided—for example, by grandparents—and ensuring that families who want to look after their children at home are not, in effect, left out and left in poverty as a result of the decisions they make for their family?



**John Glen:** I thank my right hon. Friend for her question, and I welcomed the chance to discuss this matter at length with her recently. The Chancellor has indicated that he would be happy to meet her, and I would also be happy to meet her again.

### Budget: Gender Equality

8. **Kate Osborne** (Jarrow) (Lab): If he will make an assessment with Cabinet colleagues of the potential impact of the spring Budget on gender equality. [904215]

**The Chief Secretary to the Treasury (John Glen):** The Government remain committed to full genuine gender equality and to supporting women. In particular, we are supporting women into work through our new childcare package, which I just mentioned, allowing people to return to work sooner; encouraging business investment through schemes such as the community investment tax relief; and creating new job opportunities with our labour market package. In developing proposals for the spring Budget, the Treasury takes care to consider the equality impacts on those sharing protected characteristics, including gender, in line with our legal obligations and the Government's strong commitment to promoting fairness.

**Kate Osborne:** I thank the Minister for his response. Let me help him out. If he had made an adequate assessment, he would have found that the spring Budget failed women. It failed young women, women in work and pensioners. Women are more likely to rely on and work in public services, and this Budget made their lives worse, not better. Most of the UK's poorest pensioners are single women, and the gender pensions gap needs to be addressed. Will he agree to urgently put forward a compensation package to deal with the injustice faced by 1950s women—the WASPI women?

**John Glen:** I do not accept that. I think the WASPI issue has been covered many times, by Ministers from the Department for Work and Pensions and elsewhere. We are putting in £4.1 billion by 2027-28 to expand free childcare. This Government have a record to be proud of: we have increased the number of women in full-time work; we introduced shared parental leave; we introduced the Domestic Abuse Act 2021; and we made a range of interventions last week that many women up and down the country will be very pleased with.

### Mortgage Rates

10. **Mike Amesbury** (Weaver Vale) (Lab): Whether he is taking steps with Cabinet colleagues to support homeowners with increases in mortgage rates. [904217]

16. **Andrew Western** (Stretford and Urmston) (Lab): Whether he is taking steps with Cabinet colleagues to support homeowners with increases in mortgage rates. [904223]

**The Economic Secretary to the Treasury (Andrew Griffith):** Mortgage lenders are required to offer a range of tailored support to borrowers in financial difficulty. The Chancellor and I have made clear our expectation that they live up to those responsibilities.

**Mike Amesbury:** A typical family are now paying up to £2,000 more for their mortgage, partially as a result of the former Prime Minister. First, will the Chancellor apologise to those people, who number about 20,000 in my constituency? Secondly, will he seriously do something about it?

**Andrew Griffith:** The Government are supporting households with a £94 billion package of support. We have kept the energy price guarantee for an additional three months and we are bearing down—I hope the hon. Gentleman joins us in doing this—on the biggest cost of living challenge faced by families, which is inflation.

**Andrew Western:** Thirteen years of failed Tory economic policies, alongside last year's disastrous mini-Budget, have, as my hon. Friend the Member for Weaver Vale (Mike Amesbury) says, left thousands and thousands of mortgage holders subject to high interest rates and sky-high inflation. So I repeat his call: will any member of the Treasury team have the decency to apologise to the very many hard-pressed families who are currently subject to the Tory mortgage penalty?

**Andrew Griffith:** Interest rates are not only falling but are still below the level at which they peaked under the last Labour Government, despite the fact that we have had a covid pandemic and war in Ukraine. I welcome the news last week from the Office for Budget Responsibility that the country is on track to avoid a recession, and we must never forget the words of the right hon. Member for Birmingham, Hodge Hill (Liam Byrne): there is no money left.

**Alun Cairns** (Vale of Glamorgan) (Con): A competitive and viable banking sector is essential to offer competitive mortgages to constituents right across the country. What assessment has my hon. Friend made of the treatment of additional tier 1 bonds in relation to the Credit Suisse takeover, which could well undermine the sector elsewhere, and what assessment has he made of the value of those bonds here in the UK?

**Andrew Griffith:** I thank my right hon. Friend for his comments. The Government join the Bank of England in welcoming the comprehensive set of actions taken yesterday by the Swiss authorities to ensure financial stability. It would not be for me to talk from the Dispatch Box about the treatment of creditors, but the UK's bank resolution framework has a clear statutory order in which shareholders and creditors would bear losses in a resolution or insolvency scenario.

**Mr Speaker:** I call the shadow Minister.

**Mr Pat McFadden** (Wolverhampton South East) (Lab): The Conservative party wants to pretend that last September's mini-Budget and its impact on mortgages was all a bad dream, but it is more than a bad dream for the 4 million households who will face a mortgage rise this year on either fixed or variable rates. The average two-year fixed rate deal is now around £2,000 a year more than it cost in August last year. That is real money and real costs. What is the Government's estimate of the total cost of September's mini-Budget to UK homeowners?

**Andrew Griffith:** The hon. Member—[*Interruption.*] Forgive me, the right hon. Member will be aware that interest rates have been increasing globally. Interest rates in the UK are now lower than the equivalent in the US and are lower than they were last autumn. The Government have a range of measures to help hard-pressed mortgage payers, but above all else, our strong stewardship of the economy is bringing down interest rates and means that we are on track to halve inflation this year.

**Mr Speaker:** I call Mr McFadden.

**Andrew Griffith:** The OBR has confirmed that the UK economy will avoid a technical recession and was the fastest growing economy in the G7 for the past two years.

**Mr Speaker:** Minister, when I am moving on, I want you to move with me.

**Mr McFadden:** The Minister either does not know or will not say what the total cost was. Is it not interesting that it is always someone else's fault? One of the first things that the Prime Minister did when he took office was to give in to his Back Benchers on house building targets. The Home Builders Federation now says that the supply of new housing is likely to fall to its lowest level since the second world war—less than half the Government's target. How will building fewer homes as a result of a back-stairs deal inside the Conservative party help young people in our constituencies who dream of owning their own home and getting on the property ladder?

**Andrew Griffith:** We share the aspiration of young people to own their own home, but the best way to help them do that is to have a vibrant, growing economy. We are on the side of doing that. We are taking actions that will restore the economy to growth. Every Labour Government who have ever taken office have left unemployment at a higher rate than when they came in.

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

**Stewart Hosie** (Dundee East) (SNP): Last August, there were 75,000 mortgage approvals. That number halved by December. We are all aware of the reports from late last year of the number of mortgage products that were removed and the troubling reports of mortgage offers being withdrawn. Before we even get to the issue of support for mortgage holders, what is the Treasury doing to ensure the availability of mortgages, a good range of mortgage products and an end to offers being withdrawn unless there is a very, very good reason to do so?

**Andrew Griffith:** We have recently renewed the mortgage guarantee scheme, which helps the availability of high loan to value ratio mortgages. We are looking very clearly at the mortgage market and at things that we can do to help first-time buyers. The right hon. Member should also know that mortgage arrears, which we monitor very closely, remain low. In fact, they are lower now than they were prior to the pandemic.

**Stewart Hosie:** Of course, 18 months ago a two-year fixed-rate mortgage with a 5% deposit was under 3%. It is now north of 6%. A two-year fixed-interest mortgage with a 25% deposit, which was 1.25%, is now also north of 6%. How can it possibly be fair that somebody buying an average-priced house in Scotland worth around £190,000, putting down a £50,000 deposit, could face an interest rate that has gone up by 500% in that time?

**Andrew Griffith:** Interest rates are now falling, something the right hon. Gentleman declined to mention. The best thing we can do to help with those interest rates is to deliver on the Prime Minister's objective of halving inflation, and I am encouraged that we are on track to do so.

### Net Zero

11. **Catherine West** (Hornsey and Wood Green) (Lab): What fiscal steps he is taking with Cabinet colleagues to support the economy in reaching net-zero carbon emissions.  
[904218]

17. **Alex Cunningham** (Stockton North) (Lab): What fiscal steps he is taking with Cabinet colleagues to support the economy in reaching net-zero carbon emissions.  
[904224]

20. **Jeff Smith** (Manchester, Withington) (Lab): What fiscal steps he is taking with Cabinet colleagues to support the economy in reaching net-zero carbon emissions.  
[904227]

22. **Stephen Morgan** (Portsmouth South) (Lab): What fiscal steps he is taking with Cabinet colleagues to support the economy in reaching net-zero carbon emissions.  
[904229]

**The Exchequer Secretary to the Treasury (James Cartlidge):** At the spending review 2021, we confirmed that since March 2021 the Government will have committed a total £30 billion of public investment for the green industrial revolution. Since then, the Government have made new announcements to provide long-term certainty on our investment plans, including £6 billion for energy efficiency from 2025 and up to £20 billion for carbon capture, usage and storage. The Government will set out further action shortly to support green industries in the UK and meet our net zero 2050 commitment.

**Catherine West:** Yesterday, the Intergovernmental Panel on Climate Change published its report on the latest data, warning that the world is fast approaching irreversible levels of global heating. Why is the Treasury still giving energy companies an easy ride through lucrative loopholes in the energy windfall tax? The Treasury should be prioritising investments in renewables so that over time, our bills can come down.

**James Cartlidge:** This country should be proud of our record, which has seen emissions fall faster in this country than in any country in the G7—down 44% since 1990—but we have to balance that against energy security. Surely, if there is one thing we have learned from what has happened with Ukraine's invasion by Russia, it is that we need to maximise domestic energy production. The investment allowance in our windfall tax is not a loophole; it is there precisely to incentivise investment so that we maximise domestic energy production.

**Alex Cunningham:** While the sector would have liked more, I welcome the £20 billion over 20 years for carbon capture, use and storage in the Budget. Will the Minister now confirm that the Teesside-Humber project will go ahead and how additional clusters will be selected through the track-2 process?

**James Cartlidge:** I pay tribute to the hon. Gentleman for his consistency—he raised this with me on Thursday in my winding-up speech on the Budget debate. As I said then, we will announce further details soon, but I can confirm that I will be meeting the Carbon Capture and Storage Association tomorrow. I look forward to the meeting. This is an incredibly important step forward, because we must remember that carbon capture does not just give us clean energy, but enables heavy industry to decarbonise.

**Jeff Smith:** Why does the Chancellor not rewire local economies by taking inspiration from President Biden and backing Labour's policy for a national wealth fund to support half a million new jobs this decade?

**James Cartlidge:** I am grateful to the hon. Gentleman for raising the Inflation Reduction Act; I hope we all welcome what the United States is doing, because the climate is a global phenomenon and, if we are to make progress, we need the United States and other countries to do their bit. Let me be clear: we should be proud of our record to date and confident in our future, because we have huge competitive advantages on green industry. We have a brilliant record to date, we have the shallow North sea, where we have developed the biggest coastal array of offshore wind in the whole of Europe, we have a brilliant scientific base and, with the City of London and our financial institutions, we should be confident about our green future.

**Stephen Morgan:** The Institute of Directors has warned that

“the UK will find itself left behind in the accelerating race to lead the green economy.”

After a lacklustre Budget, does the Minister agree?

**James Cartlidge:** To give just one example of why we should be confident, last year 40% of our electricity came from renewables. The figure in the United States was 20%. We have a very strong record, but we are going to keep building on it. That is why we announced the £20 billion for carbon capture and storage and why we announced Great British Nuclear, because we need that baseload power to go alongside renewables and give us energy security.

**Richard Fuller** (North East Bedfordshire) (Con): The truth is that it is under this Conservative Government that the greatest strides have been accomplished in harnessing the British economy to achieve net zero, with the leadership of COP26, the establishment of the Glasgow Financial Alliance for Net Zero, and the introduction of corporate reporting on carbon emissions for our major corporations. Will my hon. Friend work with British business to continue that progress and ensure that we can all move forward successfully to achieve net zero?

**James Cartlidge:** My hon. Friend speaks with passion, experience and expertise, and he is absolutely right. Of course we work closely with investors and business—one key example is the contracts for difference regime. Last July, we had the largest ever allocation of contracts through the contracts for difference process, contracting about 11 GW of clean power, which is enough clean energy for 12 million homes. That is a huge step forward, and it shows that we are delivering on net zero. As a party, we will balance that with energy security so that we learn the lessons of the last 12 months.

**Virginia Crosbie** (Ynys Môn) (Con): Ynys Môn is known as energy island. It has wind, wave, tidal and solar, and will have, I hope, new nuclear at Wylfa. For more than three years, I have campaigned for Anglesey to be a freeport, which would turbocharge the island's economy and help the Government to deliver net zero. We are due to hear from the Welsh Government and the UK Government by early spring on whether our island's bid has been successful. It feels like early spring in my Holyhead garden. Does it feel like early spring in the Chancellor's garden?

**James Cartlidge:** My hon. Friend's constituency is an island, and she is its rock—there is no doubt about that; she champions these issues consistently. I am assured that the Chief Secretary to the Treasury is giving careful consideration to her proposition, and that just underlines that she has been a champion for her constituency. By delivering on our green plans, we can generate green jobs and green investment in every part of the United Kingdom, including Wales.

**Mr Speaker:** I call the shadow Minister.

**Abena Oppong-Asare** (Erith and Thamesmead) (Lab): As my hon. Friend the Member for Portsmouth South (Stephen Morgan) just said, the Institute of Directors has warned that

“the UK will find itself left behind in the accelerating race to lead the green economy.”

The Confederation of British Industry says that we are investing five times less in green industries than Germany—five times less. Meanwhile, the United Nations issues warnings of a climate disaster. Where is the urgency and action from the Conservatives to decarbonise our economy and win the global race for green jobs?

**James Cartlidge:** What the IOD actually said about the Budget was that it was “hugely encouraging”, and I strongly agree. We have an extraordinary track record—the fastest-falling emissions in the whole of the G7 and extraordinary success in offshore wind—but we want to go further. That is why we have announced £20 billion for carbon capture and storage, and we will soon announce many more positive measures.

### Regeneration of Brownfield Sites

12. **Yasmin Qureshi** (Bolton South East) (Lab): If he will make an assessment with Cabinet colleagues of the potential economic impact of creating a regeneration fund to support the conversion of brownfield former industrial sites into mixed-use properties. [904219]



**The Chief Secretary to the Treasury (John Glen):** The Government strongly encourage the effective utilisation of brownfield land, whether it was industrial, commercial or residential in its former use. We invest heavily in brownfield remediation programmes, including £1.8 billion at spending review 2021, as well as the levelling-up fund. National planning policy also sets out what planning policies and decisions should give substantial weight to the value of using suitable brownfield land.

**Yasmin Qureshi:** Bolton town centre is in a parlous state. We lost out in the latest round of levelling-up funding, and the Tory council failed even to send the earlier application for funding. As an ex-industrial town, we have large brownfield mill sites standing derelict and unused, and they are eyesores. We could retrofit them to create affordable social housing to alleviate our housing crisis, develop retail units for new businesses, and support local charities and community groups with such units. With that in mind, what discussion has the Treasury had with Bolton Council and the Department for Levelling Up, Housing and Communities about the merits of such a scheme for the borough?

**John Glen:** I agree with the hon. Lady that Bolton has great opportunities. Its brownfield register shows that it has more than 100 brownfield sites. Of course, the Government have given the Greater Manchester Combined Authority £150 million—£27 million just last year—to deliver local brownfield remediation. The breadth of the existing funds means that specific land remediation funding is not required, but there is provision in the Greater Manchester area, and I think that she should speak to the metro Mayor about it.

**Wendy Morton (Aldridge-Brownhills) (Con):** The west midlands trailblazer devolution deal, launched yesterday, brings further support for regeneration and infrastructure along with £100 million of brownfield funding, which is good news for areas such as mine. Does my right hon. Friend agree that this issue is key to delivering homes and jobs while protecting our precious greenbelt and will he consider that in any impact assessment study that he undertakes?

**John Glen:** My right hon. Friend makes a very sensible point. This is about finding appropriate development in different communities, and a range of factors will obviously be involved. We have worked closely with local authorities to ensure that we get the right package of measures and legislative changes to enable the development she and her constituents aspire to.

### Withdrawal from the EU: Economic Impact

13. **Tommy Sheppard (Edinburgh East) (SNP):** What recent assessment his Department has made of the impact of withdrawal from the EU on the economy. [904220]

**The Financial Secretary to the Treasury (Victoria Atkins):** It remains challenging to separate the effects on the UK economy of Brexit and of wider global trends, such as the invasion of Ukraine by Russia, that add pressures on trade, prices and the wider economy. The Government have been working to take advantage of leaving the EU, including through the

Edinburgh reforms, new freeports and the opportunity to shape new trading relationships with the rest of the world.

**Tommy Sheppard:** It is not that difficult, is it? Last week, the Office for Budget Responsibility published its report and, at the bottom of page 46, it says quite clearly that the OBR predicts that Brexit means that the UK economy will shrink by 4% and trade will go down by 15%. Is it not time to get over this denial phase and actually admit that Brexit has caused irreparable harm to the UK economy? Or is the OBR wrong?

**Victoria Atkins:** If I may, I will gently point out to the hon. Gentleman that the OBR has previously stated that it is too early to reach definitive conclusions. The Government are focused on seizing the opportunities provided by Brexit, including the world's biggest zero-tariff, zero-quota trade deal. Indeed, Scotland itself will benefit from 71 new trade deals secured with non-EU countries and control of our fishing waters. I hope that the hon. Gentleman also welcomes the £8.6 million invested in Scotland's festival economy at the Budget last week.

**Tulip Siddiq (Hampstead and Kilburn) (Lab):** Now that the Windsor agreement has been reached, I am sure that the Minister will agree that there is ample opportunity to have a constructive working relationship with the European Union. In light of that, and for the sake of struggling British businesses, may I ask the Minister whether she will finally get behind Labour's proposals for a bespoke veterinary agreement on the mutual recognition of professional qualifications and for a memorandum of understanding on regulatory co-operation for our financial services?

**Victoria Atkins:** I am very grateful to the hon. Lady for her question and I urge her to get behind our trade and co-operation agreement. As I say, it is the world's largest zero-tariff, zero-quota deal. I am delighted to say that the Chief Secretary has just confirmed that we have signed the memorandum.

### Social and Affordable Housing

14. **Rachael Maskell (York Central) (Lab/Co-op):** If he will take fiscal steps to increase funding for social and affordable housing. [904221]

**The Chief Secretary to the Treasury (John Glen):** The Government are committed to delivering social and affordable housing and are investing £115 billion in the affordable homes programme from 2021 to 2026. That is the largest investment in affordable housing in a decade and includes investment in supported housing, social and affordable rent and shared ownership.

**Rachael Maskell:** The affordable homes programme will deliver just 32,000 homes over five years while 1.2 million households are waiting for social houses, yet there was no mention of new money in the Budget last week, which was a massive disappointment in the light of the scale of the housing crisis. In York, we are seeing a net loss of social housing. Will the Chief Secretary ensure that social housing is prioritised, that money comes forward and that we see a real boost to the affordable homes programme so that York, and places like it, can have the housing they need?

**John Glen:** That is a top priority of this Government and I continue to work with colleagues across the Department for Levelling Up, Housing and Communities and other Departments to deliver it.

### Economic Inactivity

15. **Chloe Smith** (Norwich North) (Con): What fiscal steps he is taking to help reduce economic inactivity. [904222]

**The Chancellor of the Exchequer (Jeremy Hunt):** If we had the same economic inactivity rate as Holland, there would be 2.7 million more people in work, filling every vacancy in the economy nearly three times over. That is why we focused on the issue in the Budget.

**Chloe Smith:** I thank my right hon. Friend for that answer, and for the measures he set out in the Budget. I support the fiscal measures he has taken regarding the pensions lifetime allowance, which doctors in Norwich tell me will enable them to deliver more appointments and more operations. Can I go on to ask him, though, what he expects to see in the forthcoming state pension age review?

**Jeremy Hunt:** I thank my right hon. Friend for asking that question, and for all the work she has done in the Department for Work and Pensions on economic inactivity. As she knows, there is an ongoing statutory Government review of the state pension age, and that review will need to carefully balance important factors, including fiscal sustainability, the economic context, the latest life expectancy data, and fairness to both pensioners and taxpayers.

**Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): One of the key ways to promote economic activity is to make sure that people have a stable, affordable roof over their head. Only last week a constituent visited me who cannot earn enough to be able to afford to rent privately in London, so he is restricted in how much he can work. Surely, if the Chancellor believes in growth, he must see the common sense in investing in social housing?

**Jeremy Hunt:** I do, but I also point out to the hon. Lady that we took a range of other measures in the Budget that will help such people, including increasing the help that we give them to find appropriate work, and helping those who have a long-term sickness or disability to get the support they need to get back into work. Doing all those things will make a big difference.

### Topical Questions

T1. [904232] **Alan Brown** (Kilmarnock and Loudoun) (SNP): If he will make a statement on his departmental responsibilities.

**The Chancellor of the Exchequer (Jeremy Hunt):** This Conservative Government believe in the virtue of work, and that is why last week's Budget set out to remove barriers for long-term sick and disabled, for jobseekers, for older people with our pension tax reforms, and for parents with the biggest expansion of childcare in memory.

**Alan Brown:** With Orbital O2 in Orkney and MeyGen—the largest tidal stream site in the world—Scotland leads the way in tidal stream generation. That industry is at a stage where it needs to expand and scale up, but to do so, it needs a bigger ringfenced budget. In the renewables auction announced last week, the Government propose to halve the budget for tidal stream instead of increasing it. Will the Chancellor meet me to discuss the impact and the opportunities for business?

**Jeremy Hunt:** We are interested in giving support to all forms of renewable energy, and the Exchequer Secretary to the Treasury is very happy to meet the hon. Gentleman to discuss those issues further.

T5. [904236] **Gareth Johnson** (Dartford) (Con): Delaying the lower Thames crossing will have a detrimental impact on Dartford's economy and on its traffic problems, so does the Chancellor of the Exchequer agree that the completion of the lower Thames crossing is vital if we are to promote economic growth, not just in Dartford but throughout the south-east of the country?

**The Chief Secretary to the Treasury (John Glen):** I am grateful to my hon. Friend, who has met me on a number of occasions to make the case for the Dartford crossing. Obviously, in the current difficult circumstances with inflationary pressures, we have had to make some tough choices, but I want to be very clear with my hon. Friend: we remain committed to delivering it. This is a two-year delay on construction, not a cancellation, and I will continue to update him in due course.

**Mr Speaker:** I call the shadow Chancellor.

**Rachel Reeves** (Leeds West) (Lab): Confidence has been shaken by the recent bank failures and stock market falls across the world. Is the Chancellor confident that our ringfencing regime is adequate to protect taxpayers and depositors, when we have seen how fast these problems can spread? Can the Chancellor reassure the House that there are no other UK banks or subsidiaries that are vulnerable, and in light of recent developments, is he confident about the Financial Stability Board, or does it need to widen the number of banks regarded as systemically important?

**Jeremy Hunt:** I thank the shadow Chancellor for her question. The Government recognise that there is some volatility in the market, but we believe the UK financial system is fundamentally strong and UK banks are well capitalised. They now have core capital ratios that are three times higher than before the 2008 global financial crisis, but we continue to monitor the situation carefully.

**Rachel Reeves:** I thank the Chancellor for that response, and am pleased that he continues to monitor the situation carefully, but the collapse of Silicon Valley Bank UK shows how our vibrant start-up sector—particularly in life sciences and tech—had become reliant on a single financial institution. The impact of these bank failures may be that other banks become more risk averse, restricting lending and raising interest rates, resulting in a credit squeeze, possibly even beyond the start-up sector. That would damage an already weak economy, so how will the Chancellor monitor the situation there and ensure that businesses have access to the long-term capital that they need to grow and to thrive?

**Jeremy Hunt:** The right hon. Lady is absolutely right to raise that issue. I said in the Budget that I would return with a full solution to those issues in the autumn statement, but ahead of that we will be making announcements on: pension industry reform, because we want to unlock the £5 trillion of assets in the pension industry; reforms to help companies scale up, so that they do not feel they have to move to other countries when they want to list; and, reforms to green finance so that people can access the capital they need. All those things will be a part of a comprehensive solution that we will be announcing shortly.

T7. [904238] **Gary Sambrook** (Birmingham, Northfield) (Con): For quite some time, GPs and consultants in Birmingham tab="yes" have expressed their frustration and concern with the pension lifetime allowance cap. I welcome the measures in the Budget last week to abolish it altogether, which will mean that we will see more GPs and consultants practising. Does my hon. Friend agree that it will also mean we will see more teachers and headteachers in the classroom and more police officers on the beat?

**The Economic Secretary to the Treasury (Andrew Griffith):** My hon. Friend is absolutely right. The measure will help public servants, hospital consultants, prison governors, headteachers and senior police leaders, which is why I agree with the hon. Member for Ilford North (Wes Streeting) when he said that removing the cap would save lives and that he himself would scrap the "crazy" cap.

T2. [904233] **Steven Bonnar** (Coatbridge, Chryston and Bellshill) (SNP): The Resolution Foundation recently found that if wage growth had continued on the same trajectory as pre-2008, the average UK worker would be £11,000 a year better off. Does the Minister accept that hard-working households can no longer afford to lose £11,000 a year as a result of this Government's perpetual mismanagement of the economy?

**Andrew Griffith:** I welcome the universal credit reforms we have made, and also the fact that under this Government, by raising the basic income tax threshold, we have taken up to 3 million workers out of income tax altogether.

T8. [904239] **Mr Robin Walker** (Worcester) (Con): I warmly welcome the Chancellor's big decision to invest in childcare and the early years in this Budget. One witness to the Education Committee—a long-standing campaigner on these issues—said they were elated to see the commitment the Chancellor made. Going forward, may I encourage him to continue to listen to the concerns of the independent and voluntary sector, which is crucial to the success of reforms in this space? I know he is a fan of workforce plans, so may I encourage him to consider the case for an early years workforce plan?

**Jeremy Hunt:** I thank my hon. Friend for his campaigning on this issue. He has long been a voice for reforms to childcare. He is absolutely right that this is one of the biggest sets of childcare reforms we have ever seen. That is why we are taking two and a half years to scale it up. We want to make sure that parents who want to take advantage of the new free hours offer can get the supply of childcare they need, and we will listen very carefully to what the Select Committee says.

T3. [904234] **Tonia Antoniazzi** (Gower) (Lab): When the Chancellor chaired the Health and Social Care Committee, the British Medical Association told him that pension reforms just for doctors would be a fraction of the cost of what he announced in the Budget. Can he tell us precisely how many doctors the Treasury estimates will stay in work due to this untargated tax giveaway for the top 1%?

**Jeremy Hunt:** It is not just about doctors leaving the profession, but doctors reducing their hours. The Royal College of Surgeons says that 69% of its members have reduced their hours as a result of the way that pension taxes used to work. Doctors themselves have welcomed the Budget warmly and as potentially transformative for the NHS.

T10. [904241] **Alexander Stafford** (Rother Valley) (Con): On behalf of all the residents of Rother Valley and especially Dinnington, I thank the Chancellor for the £12 million that we got in the Budget out of the new fund for capital regeneration projects to revitalise our high street, taking out the burnt-out building and rejuvenating the whole high street. Of course, there are other high streets across Rother Valley, such as in Maltby, Thurgroft and Swallownest, that also need help. Can the Chancellor therefore look favourably on future applications for those high streets so that they, too, can get the money that Dinnington has so necessarily got?

**John Glen:** I hesitate, because my hon. Friend is so effective in campaigning for his constituency. I am glad that we were able to confirm that extra £20 million in the Budget. We will continue to look with a constructive mindset at all the many bids that he brings forward to the Treasury.

T4. [904235] **Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): At the same time as the Chancellor has been dishing out tax cuts for the pensions of the richest earners, the Tories are considering making millions of people work even longer than they had planned before they can get their state pension. Will the Chancellor today rule out changing the state pension timetable?

**Jeremy Hunt:** What the hon. Member forgets is that it is not just doctors or, indeed, millionaires who want to save for a decent pension pot; it is ordinary people, and that is who we are on the side of in this Government. When it comes to reforms to the state pension age, we follow a process that balances the interests of taxpayers and the interests of pensioners, and also looks at life expectancy.

**James Wild** (North West Norfolk) (Con): Given that the Chancellor has protected the new hospitals budget, may I express the huge frustration of my constituents at delays in the announcement that the RAAC-ravaged—reinforced autoclaved aerated concrete-ravaged—Queen Elizabeth Hospital in King's Lynn will be part of the programme and urge that decisions are announced as soon as possible?

**John Glen:** Given that I answered this question five weeks ago, I admire my hon. Friend's consistency. I very much regret that we have not been able to make that decision yet. As I think I said last time, it is a matter for



the Secretary of State for Health and Social Care, and conversations have developed. We have made a commitment on the quantum of money, and I will leave it for my colleague to make that announcement imminently.

T6. [904237] **Jeff Smith** (Manchester, Withington) (Lab): The head of the Institute for Fiscal Studies has said of the Chancellor:

“Continuing to muddle through, massage the figures, and implement poorly designed policies will only make the problems worse.”

That is a pretty damning verdict on his Budget, is it not?

**Jeremy Hunt:** It would be if his comment had not been quoted out of context, as the hon. Gentleman just did, because he also said that he could see in the Budget a growth plan and he strongly welcomed measures such as the childcare reform.

**Priti Patel** (Witham) (Con): In the light of the current pressures on the international banking system, can the Chancellor give an assurance about and an update on the actions he will be taking to ensure that credit flows to small and medium-sized enterprises, our rural businesses and, indeed, start-ups, because at the end of the day they should never be penalised for the misdemeanours of large banks?

**Andrew Griffith:** Yes, I can give my right hon. Friend that assurance. This Government are very keen to make sure that there is a strong flow of credit to the very smallest businesses in society.

T9. [904240] **Debbie Abrahams** (Oldham East and Saddleworth) (Lab): OBR analysis of last week’s Budget has shown that there will be no real-terms growth in public services in 2023-24 and just 1% in 2024-25. Given the recent Patriotic Millionaires UK survey showing that more than seven in 10 millionaires want to have a fair tax on their wealth—by wealth, we are talking about £10 million of investable assets—will the Chancellor look at this?

**Jeremy Hunt:** What I say to the hon. Lady, whom I greatly respect, is that we did a lot for public services in the autumn statement, including a £3 billion increase in the annual schools budget and an £8 billion increase in the annual health and care budget. We are always focusing on public services, and we do support a progressive tax system.

**Sir Desmond Swayne** (New Forest West) (Con): Will the Chancellor tweak the childcare initiative to enable families in which one parent wants to care for children full-time to have a realistic prospect of being able to afford to do so?

**Jeremy Hunt:** We think these reforms will make a big difference to all parents. Our priority is parents who want to work and who are prevented from working by the expense of the current system. I would remind my right hon. Friend that we still have a 15-hour free childcare offer for all parents, irrespective of whether they work, for three and four-year-olds.

**Deidre Brock** (Edinburgh North and Leith) (SNP): Researchers at Warwick University and the London School of Economics estimate that the non-dom regime denies the Exchequer about £3.2 billion per year. Why

did the Chancellor not take steps to abolish that in last week’s Budget, instead of creating more hoops for universal credit claimants to jump through?

**The Financial Secretary to the Treasury (Victoria Atkins):** We have looked very carefully at this, because we know that many in the House have been citing this figure. What concerns us about that analysis is that the study does not appear to take into account the behavioural ramifications of changing the current regime or of making it less competitive than that of our international partners. We do have to remind ourselves that non-domiciled taxpayers pay UK tax on their UK earnings to the tune of £7.9 billion.

**Anthony Browne** (South Cambridgeshire) (Con): The Leader of the Opposition led his charge against the Budget by saying that the UK was the sick man of Europe, yet the IMF shows that the UK had the fastest-growing economy in the G7 not just last year but the year before, and that since the Conservatives came to power in 2010 the UK has had the fastest-growing economy of the major economies in Europe. Does my right hon. Friend the Chancellor agree that, although there are clearly major economic challenges, there are many reasons—not least the tech sector in South Cambridgeshire—to be confident about the future of the UK economy?

**Jeremy Hunt:** I completely agree and, thanks to the brilliant efforts of the tech sector in South Cambridgeshire, we have now become the third largest tech sector in the world, after the United States and China, thanks to the Conservative Government.

**Dave Doogan** (Angus) (SNP): My constituent Fiona Cooper was seeking to close the national insurance contribution gaps in her pension just before retirement and was frustrated that the advice she got about her missing years from HMRC needed validating by the Department for Work and Pensions. Does the Chancellor agree that one set of numbers is the cornerstone of any enterprise, and is he also frustrated that she has been advised that she will need to close full years before she can close part years?

**Victoria Atkins:** If the hon. Gentleman would like to write to me about this, I will look into it, but I remind him that I issued a written ministerial statement recently, extending the deadlines precisely to help women in the situation he describes.

**Dr Luke Evans** (Bosworth) (Con): The Chancellor and I sat for three years on the Health Committee hearing evidence of just how restrictive the pension rules were for the likes of doctors. The fact that he has now been able to make that change is fantastic. Will he take that approach to dealing with some of the other red tape around retention and recruitment for other professions in the health service because, as the British Medical Association said, it is making a real difference?

**Jeremy Hunt:** Few people know as much about this issue as my hon. Friend, given his background in the NHS. He is right, and I know that my right hon. Friend the Secretary of State for Health and Social Care is looking closely at the issue of retention, which has an equally important role to play.



**Margaret Ferrier** (Rutherglen and Hamilton West) (Ind): Industry stakeholders have been clear that Ministers must now focus on long-term solutions to support people with ongoing high energy prices through improved home energy efficiency. What steps will Ministers take to support households with the rising costs of energy in the long term?

**The Exchequer Secretary to the Treasury (James Cartlidge)**: The hon. Lady makes an excellent point. We have put in place a huge amount of support to help people through this immediate challenge with their energy bills, but we do need to think long term. That is why the Chancellor has put in place the 15% target to reduce energy consumption in both domestic and non-domestic buildings, but alongside that, and crucially, we have to increase the supply of UK energy, both renewables and in the North sea.

**Saqib Bhatti** (Meriden) (Con): Thanks to the quick thinking and quick moves by the Chancellor, the Prime Minister and the Treasury, the tech sector was saved from almost certain oblivion, and at no cost to the taxpayer. Can my right hon. Friend confirm that he is still ambitious for the tech sector, and can he confirm that the merger with HSBC will ensure that our fantastic tech sector, especially our start-ups, will have access to the funding they need?

**Jeremy Hunt**: My hon. Friend is right. We have a very good solution to the Silicon Valley bank issue with the HSBC takeover. In the long run, we would like our

brilliant tech superstar companies to have more choice about how they finance their expansion, and we will bring forward plans to make sure that happens.

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): On a point of order, Mr Speaker. The Minister said to me in her response that the Chief Secretary had just confirmed with her that we had signed the memorandum of understanding on regulatory co-operation with the EU. Could you please advise me whether she meant that both sides had signed and the agreement has been secured with the EU? I cannot find the details anywhere. Can you advise me where MPs are able to see the agreement?

**The Chief Secretary to the Treasury (John Glen)**: Further to that point of order, Mr Speaker. I can confirm that we have always been ready to sign the MOU, from two years ago—[*Interruption.*] Well, we have made it very clear to the EU that we are ready to sign. It is a matter for it to come to the table, and we very much hope it will be able to do that. What happened was that as the Financial Secretary came to the Dispatch Box she did not quite hear exactly what I said, and for that I apologise on behalf of the Government. It was my fault.

**Mr Speaker**: I think that clears it up. The answer was no.

## Metropolitan Police: Casey Review

**Mr Speaker:** Given the importance of the issues raised by the statement we are about to hear, I am waiving the House's sub judice resolution. However, I would ask Members to exercise caution and avoid referring to the detail of any cases that are currently or soon to be before the courts, to avoid any risk of prejudicing proceedings, particularly criminal ones. I call the Home Secretary.

12.34 pm

**The Secretary of State for the Home Department (Suella Braverman):** With permission, Mr Speaker, I would like to make a statement on Baroness Casey's review of the Metropolitan police. I wish to put on record my thanks to Baroness Casey for undertaking the review on such a difficult and sensitive topic with the utmost professionalism.

The Metropolitan Police Service plays a big role in our country: tackling crime throughout the capital and keeping 9 million Londoners safe; preventing terrorism nationally; and managing significant threats to our capital and country. I back the police. I trust them to put their safety before ours, to step into danger to protect the most vulnerable, and to support all of us at our most fearful, painful and tragic moments. Many of us can never imagine the challenges that regular police officers face every day. That is particularly poignant as tomorrow marks the sixth anniversary of the murder of PC Keith Palmer in the line of duty while he was protecting all of us in this place. For their contribution, I am sure all Members will join me in thanking the police for their work.

But there have been growing concerns around the performance of the Metropolitan police and its ability to command the confidence and trust of Londoners. That follows a series of abhorrent cases of officers who betrayed the public's trust and hideously abused their powers. In June last year, His Majesty's inspectorate of constabulary and fire and rescue services announced that the force would be put into an Engage phase. In July, the Government appointed Sir Mark Rowley to the post of Metropolitan Police Commissioner, with the express purpose of turning the organisation around.

Today's report, commissioned by Sir Mark's predecessor, makes for very concerning reading. It is clear that there have been serious failures of culture, leadership and standards in the Metropolitan police. That is why Sir Mark Rowley's top priority since becoming commissioner has been to deliver a plan to turn around the Met and restore confidence in policing in London. Baroness Casey's report finds: deep-seated cultural issues in the force; persistent poor planning and short-termism; a failure of local accountability; insularity and defensiveness; and a lack of focus on core areas of policing, including public protection. She also highlights the recent decline in trust and confidence in the Met among London's diverse communities.

The report underlines the fact that the Met faces a long road to recovery. Improvements must be made as swiftly as possible, but some of the huge challenges for the organisation may take years to fully address. Baroness Casey is clear that Sir Mark and deputy commissioner Lynne Owens accept the scale of those challenges. I know that to be true from my own work with them.

I will ensure that the Metropolitan police has all the support it needs from central Government to deliver on Sir Mark's pledge of more trust, less crime and high standards. Every officer in the force needs to be part of making those changes happen.

As I said as soon as I became Home Secretary, I want all forces to focus relentlessly on common sense policing that stops crime and keeps the public safe. The Government are already providing the Metropolitan police with support to do just that. Funding for the force will be up to £3.3 billion in 2023, a cash increase of £178 million compared with 2010, and the force has by far the highest funding per capita in England and Wales. As a result of the Government's police uplift programme, the Metropolitan police has more officers than ever before—over 35,000 as of December. The Home Office is providing funding to the force to deliver innovative projects to tackle drug misuse and county lines. We are working with police and health partners to roll out a national “right care, right person” model, to free up frontline officers to focus on investigating, fighting crime and ensuring that people in mental health crises get the right care from the right agency at the right time.

It is vital that the law-abiding public do not face a threat from the police themselves. Those who are not fit to wear the uniform must be prevented from doing so. Where they are revealed, they must be driven out of the force and face justice. We have taken steps to ensure that forces tackle weaknesses in their vetting systems. I have listened to Sir Mark and his colleagues; the Home Office is reviewing the police dismissals process to ensure that officers who fall short of expected standards can be quickly dismissed. The findings of Baroness Casey's review will help to inform the work of Lady Angiolini, whose independent inquiry, established by the Government, will look at broader issues of police standards and culture.

I would like to turn to two particularly concerning aspects of Baroness Casey's report. First, it addresses questions of racism, misogyny and homophobia within the Metropolitan police. Baroness Casey has identified evidence of discriminatory behaviour among officers. I commend those officers who came forward to share their awful experiences with the review team. Discrimination must be tackled in all its forms, and I welcome Sir Mark's commitment to do so. I will be holding the Metropolitan police and the Mayor of London to account by measuring their progress. I ask Londoners to judge Sir Mark and the Mayor of London not on their words but on their actions to stamp out racist, misogynistic and homophobic behaviour. Action not words has been something that victims of police misconduct and criminal activity have asked for.

Secondly, officers working in the parliamentary and diplomatic protection command perform a vital function in protecting our embassies and keeping us, as Members of Parliament, safe on the parliamentary estate. Baroness Casey's report is scathing in its analysis of the command's culture. The whole House will be acutely aware of two recent cases of officers working in that command committing the most abhorrent crimes. I expect the Metropolitan police to ensure that reforms reflect the gravity of her findings, while ensuring that the command's critical security functions are maintained. The Home Office and the parliamentary security department will work closely with the Metropolitan police to ensure that that happens.

Although I work closely with the Metropolitan police, primary and political accountability sits with the Mayor of London, as Baroness Casey makes clear. I spoke with the Mayor yesterday; we are united in our support for the new commissioner and his plan to turn around the Met so that Londoners get the police service they deserve. We all depend on the police, who overwhelmingly do a very difficult job bravely and well. It is vital that all officers maintain the very highest standards that the public expect of them. Londoners demand nothing less. I have every confidence that Sir Mark Rowley and his team will deliver that for them. I commend this statement to the House.

**Mr Speaker:** I call the shadow Home Secretary.

12.43 pm

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): The report published today by Louise Casey, commissioned by the Mayor of London, into standards and culture in the Metropolitan police service is thorough, forensic and truly damning. It finds that consent is broken, management of the force has failed and frontline policing,—especially neighbourhood policing—has been deprioritised and degraded after a decade of austerity in which the Met has ended up with £0.7 billion less than at the beginning of the decade. It finds that the Met is failing women and children, and that predatory and unacceptable behaviour has been allowed to flourish. It finds institutional racism, misogyny and homophobia.

Baroness Casey pays tribute to the work that police officers do and the bravery that they show every day, as we all should, because across the country we depend on the work that police officers do to keep us all safe—catching criminals, protecting the vulnerable and saving lives. We support them in that vital work. But that is what makes it all the more important that the highest standards are maintained and the confidence of those the police serve is sustained, otherwise communities and the vital work that police officers do are let down. We support the work the new Met commissioner is doing now to start turning the Met around. He and his team must now go much further in response to the Casey review, but I am concerned that the Home Secretary's statement is dangerously complacent. Astonishingly, there is no new action set out in her response, simply words saying that the Met must change. This is a continuation of the hands-off Home Office response that Baroness Casey criticises in her report. Some of the issues raised are particular to the Met because of its size, history and particular culture, where the Home Secretary and Mayor are jointly responsible for oversight and where the commissioner is responsible for delivering, but the report also raises serious wider issues for the Home Office.

The failure to root out officers who have been involved in domestic abuse or sexual assault also applies in other forces. The failure to tackle culture has gone wrong in other forces too, with problems in Gwent, Hampshire, Police Scotland, Sussex, Leicestershire and more. It is a disgrace that there are still not mandatory requirements on vetting and training, underpinned by law, and that misconduct systems are still too weak. I urge the Home Secretary to commit now that anyone under investigation for domestic abuse or sexual assault will be automatically suspended from their role as a police officer, and that anyone with any kind of history of domestic abuse or

sexual assault will not be given any chance to become a police officer. We need an urgent overhaul, underpinned by law. Will she give us that commitment today?

The Home Office approach more widely to standards is also failing. Six police forces are in so-called special measures, but it is still too easy for forces to ignore the recommendations from the inspectorate and the intervention processes are too weak. Where is the Home Secretary's plan to turn that around?

The report is damning about the decimation of frontline policing, but neighbourhood policing has been decimated everywhere, not just in the Met. There are 6,000 fewer police officers in neighbourhood teams and 8,000 fewer police community support officers than just in 2016, and it is worse than that because officers are routinely abstracted for other duties. So where is the plan to restore neighbourhood policing? Labour has set out a plan. We would work with the Government on this, but where is the Government's plan?

The report is devastating on the lack of proper public protection arrangements for women and children who have been let down, but again we know that across the country prosecutions for rape and domestic abuse have plummeted and serious cases have too often been dismissed. Again, where is the national action plan to improve public protection? Where is the commitment to specialist rape investigation units in every force and specialist domestic abuse experts in 999 control rooms? It is not happening.

The findings on institutional misogyny, racism and homophobia are based on evidence and clear criteria that Baroness Casey has set out for measuring change with recommendations. The Home Secretary rightly says she wants discrimination tackled in all its forms, but she has been telling police forces the opposite in telling them not to focus on those issues. Where is her plan now to turn that around? Where is the Home Office plan in response to this, on standards, on neighbourhood policing, on violence against women and girls, and on systemic or institutional discrimination? Where are those plans?

The British policing model is precious. The Peel principles, which started in London—policing by consent—said

“that the police are the public and that the public are the police”.

They are our guardians, not our guards, but that precious policing model is in peril. The Home Office and the Home Secretary are the custodians of that tradition, but the lack of any plan to restore trust, to stand up for policing or to turn things around is letting everyone down. It is not standing up for the police; it is letting both the police and communities down. It is because we believe in policing and because we believe in those Peel principles that we know standing up for the police also means working with the police to deliver change and to restore the trust, confidence and effective policing that all police officers and communities properly deserve.

**Suella Braverman:** I must say that I am disappointed by the right hon. Lady's tone. Today is not a day for crass political point scoring; it is a day for serious and sober consideration of the Met's shortcomings and how those shortcomings have a devastating impact on people's lives. The victims have asked for actions, not words, and I, along with the Mayor of London, have every confidence



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that Sir Mark Rowley and his team will deliver their plan to turn around the Met. Accepting Baroness Casey's findings is not incompatible with supporting the institution of policing and the vast majority of brave men and women who uphold the highest professional standards. I back the police; I trust them to put their safety before ours.

On the topic of national standards, I am working with chief constables on a programme to drive up standards and improve culture across police forces at a national level. On the topic of institutional racism, I agree with Sir Mark Rowley. It is not a helpful term to use; it is an ambiguous, contested and politically charged term that is much misused and risks making it harder for officers to win back the trust of communities. Sir Mark is committed to rooting out discrimination, in all forms, from the Met. I believe that it is how the Met police respond to the issues that is important, not whether they accept a label.

Trust in the police is fundamental, and I will work to support Sir Mark Rowley in his work to change culture and provide the leadership that the Met needs, but I would point out to the shadow Home Secretary that her crass political attacks really would be more accurately directed at the person with actual and political responsibility for overseeing the performance of the Met: that is the Mayor of London, Labour's Sadiq Khan. The Labour Mayor has been in charge of the Met for the past seven years. Baroness Casey is unflinching and unequivocal about the dysfunctional relationship between the Mayor's office and the Met, and her recommendation that the Mayor takes a more hands-on approach. It was frankly shocking to learn that the Labour Mayor does not already chair a quarterly board meeting to exercise accountability over the Met. I trust the shadow Home Secretary will agree that the Mayor accepts Baroness Casey's recommendation that he do so.

Londoners have been let down by the Met. The shadow Home Secretary knows who is ultimately responsible for that. She should not be looking to score political points today: it is a disappointment, and frankly she should know better.

**Mr Speaker:** I call the Father of the House.

**Sir Peter Bottomley** (Worthing West) (Con): Everyone in the House will back up what the Home Secretary, Baroness Casey and the shadow Home Secretary have said about our reliance on the police and our support for them, but there are times when we have to look at how often the police, the police authority, the Mayor and the Home Secretary have not put things right.

I will give as an example the high-profile case of the Sikh police officer Gurpal Viri, who 25 years ago was in effect accused of doing something he had not done. We had the Muir report at the end of 2001, which showed what the police ought to do to do things right. We had the report by Sir William Morris, as he then was, in 2004. Before that we had had the Stephen Lawrence inquiry by Sir William Macpherson, advised by the former police officer Tom Cook, by the human rights expert Dr Richard Stone and by John Sentamu, who later became the Archbishop of York. What they recommended has not happened.

Now we have the Casey report. I say to the commissioner of the Met police, to the Mayor and to my right hon. and learned Friend the Home Secretary: have a review into what happened in the Gurpal Viri case, including his prosecution eight years ago for a non-offence, where the only evidence exonerated him. Until that is done, people will not have confidence in people putting things right. It may be one case, and many other examples will be given in the next few minutes, but Sergeant Gurpal Viri has been the victim of more injustice from the police, over decades, than I have ever seen in my life.

**Suella Braverman:** My hon. Friend is absolutely right about the devastating stories of misconduct, inappropriate behaviour, discrimination and poor standards. No one is denying that. Baroness Casey's review is unequivocal about the failings, cultural and more widespread, within the Met. It is right now that we need to see real change. The Met commissioner has put in place a plan. He is already working and making progress on increasing standards, improving behaviour and ridding the force of those who do not deserve to wear the badge. We should all get behind him in that objective.

**Mr Speaker:** I call the Chair of the Select Committee on Home Affairs.

**Dame Diana Johnson** (Kingston upon Hull North) (Lab): The findings of institutional racism in the Met made 24 years ago, the findings of institutional corruption in the case of Daniel Morgan more recently, the homophobia in the botched Stephen Port investigation, the misogyny, homophobia and racism in the Charing Cross inquiry, the criminal misconduct of police officers in the murders of Bibaa Henry and Nicole Smallman, the strip-searching of Child Q, the numerous Independent Office for Police Conduct investigations and damning HMICFRS reports, the abduction, rape and murder by a serving police officer and the case of the serial sex offender David Carrick were all not enough to provoke real change, so can the Home Secretary say what is now different about this report? Is she confident that the Met can change?

**Suella Braverman:** It is clear just from the examples to which the right hon. Lady refers and from this report that all the behaviour, including instances of racism, homophobia and misogyny, is completely unacceptable and that standards must improve. Sir Mark has been clear that he is not shying away from the enormity of the challenge. He has a plan in place to ensure that standards are increased, that more rigour is instilled in the Met and that there is a better and more robust response when standards fall short. It is absolutely vital that they rebuild trust and improve standards so that all Londoners have confidence in the Met.

**Tim Loughton** (East Worthing and Shoreham) (Con): This is a shocking report, and it is particularly galling for the majority of decent officers who do an outstanding job day in, day out. Whether or not we think the Met is institutionally racist, misogynist or homophobic, it is certainly institutionally incapable of bringing in strong and consistent leadership, although I exclude the new commissioner from that, or of recruiting enough people of sufficient calibre to make good officers. Does the Home Secretary share my concerns that the police's solutions are still too much about bringing in more



police to mark the homework of other police? Has she given thought to bringing in leading people from other disciplines such as the Army or business to provide proper, independent executive scrutiny and promote new ways of working?

**Suella Braverman:** My hon. Friend is absolutely right that standards need to improve and that doing more of the same is not acceptable. Ultimately, independent scrutiny is provided for by the Mayor of London's office; those are independent, publicly accountable individuals who bring that outside scrutiny. Baroness Casey's report is clear that that has not been good enough to date. That is why we all need to get behind the Met to ensure that standards improve.

**Dawn Butler** (Brent Central) (Lab): I am struggling to establish the point of the Home Secretary when it comes to the Met. With this hands-off approach, it is as though nothing is the her responsibility. When the Mayor of London got rid of the last commissioner, the Home Secretary continually attacked the Mayor of London's correct decision. We have heard about all the other reports, including the 1981 Scarman report on the Brixton riots, the 1999 Stephen Lawrence report, the 2021 IOPC report on Nicole Smallman and Bibaa Henry, and the 2021 report on Daniel Morgan, which found that the police were institutionally corrupt. The IOPC report on the Stephen Port murders found that the police were homophobic, and some of them are still working in Barking. Operation Hotton made 15 recommendations; those recommendations have still not been implemented in the Met. Why is the Home Secretary not taking any responsibility in her role in the Met? If she does not want the responsibility, for goodness' sake, will she just stand down?

**Suella Braverman:** I am afraid that the hon. Lady needs to direct some of her criticism towards the person who is directly responsible for the performance of the Met: that is, unfortunately, her Labour colleague the Mayor of London. He has been on the receiving end of particular criticism in the report, although I am glad to hear that he is forward-leaning in accepting the recommendations and turning around the way in which he is holding the Met to account. When it comes to changing the law or introducing any frameworks that are necessary, we in the Home Office will do that—we are already consulting on the dismissals process, and we have instituted a regime of better vetting with the College of Policing—but I am afraid that, ultimately, the hon. Lady's ire should be focused on her colleague in London.

**Priti Patel** (Witham) (Con): The sad reality is that, as Opposition Members have just highlighted, over the past 18 months we have seen report after report, and it is now incumbent on us, if we are to secure the whole notion of policing by consent and to elevate public trust and confidence in policing, to see action going forward. The Casey review identifies a range of directions that are required across the board. May I suggest to the Home Secretary, and indeed the Mayor of London, that we should start to see a performance plan for the Metropolitan police to ensure that individuals are held to account? We have strong leaders in the new commissioner and his deputy, and we need to back them, but given the

amount of money that goes into the Metropolitan police, I think that that money should bring about the outcomes, such as performance changes, that the British public, and the people of London in particular, desperately want to see.

**Suella Braverman:** My right hon. Friend is absolutely right, and I pay tribute to her leadership in respect of positive change and improving police standards when she was in this role. I do back Sir Mark and his team: he is the right person to lead the organisation towards reform and improvement. He has set out a turnaround plan and is making progress in realising its objectives, and it is vital that we support him in that.

**Andy Slaughter** (Hammersmith) (Lab): Like many London MPs, I deal with constituency cases—from modern slavery to stalking—in which ethnicity, gender or sexuality is a factor, but the victims complain that those factors are not taken seriously by police investigators. What can I tell them that the Home Secretary will do, following this damning report, to give them dignity, respect and, above all, justice?

**Suella Braverman:** Discriminatory attitudes and homophobic, racist or misogynistic behaviour have no place in policing. All the case studies and references in the report make for shocking reading. The ability of the police to fulfil their duties is essential, but what we have seen is a real impediment preventing chief constables from dismissing and getting rid of officers who are not fit to wear the badge, for a host of reasons. We in the Home Office are currently consulting on the dismissals process, and if necessary I will change the law to empower chief constables to better control the quality of the officers in their ranks.

**Kit Malthouse** (North West Hampshire) (Con): For anyone who, like me, has worked with the Metropolitan police over many years, this is a dark if not catastrophic day. While our thoughts are primarily with the many victims who have been let down and failed by the force, obviously we all reserve a huge amount of disappointment for the officers who do a startlingly good job every single day. Many of us who have visited the Met will have seen their work over the years.

I hope the Home Secretary will agree that key to turning the force around is ensuring that this becomes a joint enterprise between City Hall and the Home Office. There has clearly been a failure of local accountability—and I speak as someone who has urged the Mayor, both in public and in private, to lean into the governance of the Metropolitan police during his time in office. On that note, would it be possible for the Policing Minister to sit on the new board that Baroness Casey wants to be convened to supervise changes within the Met, and will the Home Secretary discuss that with the Mayor?

I hope that the Home Secretary will also agree that key to turning around policing in general is the professionalisation of the workforce. She recently decided to cancel the policing education qualifications framework route into policing, although it held out the promise of the kind of continuing professional development that many people believe police officers need during their careers to keep them on the straight and narrow, in terms of values and operational practice. Will she reconsider her decision to cancel that project?

**Suella Braverman:** My right hon. Friend makes an important point about the quality of accountability. The report identified a dysfunctional relationship between the force and the Mayor's Office for Policing and Crime, and the Mayor needs to ensure it is reset as a matter of urgency. That local accountability is absolutely critical if we are to see meaningful improvement. My right hon. Friend also referred to leadership training within the ranks, which is something I am very interested in. We are making progress with the College of Policing, in particular, towards rolling out better leadership training in order to create a good cohort of leaders in policing for the future.

**Marsha De Cordova (Battersea) (Lab):** Nearly 25 years after the Macpherson report, it is damning that the Casey review has found that the Met remains institutionally racist, and is now misogynistic and homophobic as well. Its actions can seriously undermine policing by consent, and without wholesale reform it will be impossible to rebuild trust and confidence in our communities in London. My constituents in Battersea deserve a force they can trust, so will the Home Secretary end the postcode lottery that exists in place of standards by implementing national standards in relation to vetting, misconduct and training?

**Suella Braverman:** We are already working with the College of Policing to ensure that there is a statutory code setting out the standards for vetting and recruitment. However, as Baroness Casey makes clear, it is vital that the law-abiding public never face a threat from the police themselves. Those who are not fit to wear the badge should be rooted out, but they should never enter the force in the first place.

**Caroline Nokes (Romsey and Southampton North) (Con):** My right hon. Friend is absolutely right to say that every police officer has to be part of the solution, but when a female officer comments to Baroness Casey that she would have been better off suffering in silence, that does not engender confidence in women across the capital—including, importantly, women serving in the Metropolitan Police Service—that they will be empowered to speak out. What specific measures can my right hon. Friend reassure us will be put in place to ensure that those good officers, who we know make up the bulk of the Metropolitan Police Service, are supported when they speak out, and do not see their own careers suffer?

**Suella Braverman:** The turnaround plan deals specifically with how to institute a better framework so that people who are on the receiving end of unacceptable behaviour can report incidents in the knowledge that they will not be penalised for doing so, and ensuring that those who are perpetrators of, or responsible for, unacceptable behaviour receive meaningful sanction and are no longer permitted to wear the badge.

**Munira Wilson (Twickenham) (LD):** While there are many dedicated and decent police officers who serve our capital with integrity and professionalism, Londoners' confidence in the Met police will be utterly shattered by the horrors and systemic failures revealed in Baroness Casey's report—and I dare say that the party political point scoring we are hearing from the Dispatch Box will not help. Does the Home Secretary really think

that next time I visit a school or college in my constituency, I shall be able to look a young woman or person of colour in the eye and tell them to pick up the phone to the police when they are in danger, or indeed consider a career in the Met?

**Suella Braverman:** The report is scathing in tracking and describing incidents of misogyny and the way in which confidence has been broken among women and girls, and it is therefore vital that we work with the Met police to restore that confidence. The Soteria programme, to which Baroness Casey expressly refers, must be rolled out and implemented meaningfully when it comes to the investigation and prosecution of rape and serious sexual offences. We are already seeing some improvement in police referrals of rape complaints to the Crown Prosecution Service, but it is clear that, although we are on the right track, more must be done.

**Dr Matthew Offord (Hendon) (Con):** The immediate political acceptance of Baroness Casey's report demonstrates that nothing has changed since the publication of the Macpherson report 24 years ago. Many think that the report in itself is a panacea to change. Does the Home Secretary not agree that it would be more effective to abolish the Metropolitan Police Service, transfer the specialist operations to the remit of the Home Office and establish a police service for London to focus solely on the maintenance of law and order?

**Suella Braverman:** I do not agree that we must abolish the Metropolitan Police Service. I think we need to institute a wide-ranging programme of profound reform, and that is why I think that Sir Mark is absolutely right in his turnaround plan, which deals specifically with the systemic problems—problems that, unfortunately, are not new but of which we are all aware—that need root-and-branch reform. That is why he is in the right position to effect that change.

**Seema Malhotra (Feltham and Heston) (Lab/Co-op):** I want to put on record my thanks to Baroness Casey for her report, but it has reached the damning verdict that London's women and children have been left even further behind. The report states:

"The de-prioritisation and de-specialisation of public protection has put women and children at greater risk than necessary. Despite some outstanding, experienced senior officers, an overworked, inexperienced workforce polices child protection, rape and serious sexual offences."

Her report recommends specialist units to deal with violence against women and girls, and it is clear that this must happen across the country. Will the Home Secretary today back Labour's plans to introduce 999 specialist call handlers for domestic abuse and specialist rape units in every police force, or bring forward her own urgent plans to do so?

**Suella Braverman:** I take violence against women and girls extremely seriously. That is why I added VAWG to the strategic policing requirement, meaning that it is set out as a national threat for forces to deal with specifically. We are funding the first full-time national policing lead for VAWG, DCC Maggie Blyth, who is driving improvements in the police responses. We are also providing up to £3.3 million for domestic abuse matters and consulting on increasing the powers that police have in

responding to this heinous crime. There are many measures and initiatives that we have brought in over the years, and I am proud of this Government's track record on supporting women and girls.

**Nickie Aiken** (Cities of London and Westminster) (Con): Baroness Casey's review makes for grim reading, and I pay tribute to her hard work and forensic gathering of evidence. We must remember that that evidence is available thanks to the many police officers who were brave enough to speak to Baroness Casey for her review. Next month marks the 30th anniversary of Stephen Lawrence's murder, and we have seen from Baroness Casey's review that things have not progressed, even though we have had inquiry after inquiry. Does my right hon. Friend the Home Secretary agree that the time has now ended and we must ensure that the Metropolitan Police Service cleans itself up, and that the Mayor of London has a major part to play in ensuring that police officers are held to account?

**Suella Braverman**: My hon. Friend is right to say that discriminatory attitudes and behaviours, whether racism, misogyny or homophobia, have no place in policing. I was appalled to read the shocking stories in the report. We need to ensure that the police act with the highest levels of honesty and integrity. We have to ensure that standards are improved, that we strengthen vetting, and that there is better police training and a more diverse leadership pipeline. All those measures, supported by the Mayor of London, will bring about real change.

**John McDonnell** (Hayes and Harlington) (Lab): I associate myself with the words of the Father of the House about Gurpal Viridi. The relationship between the Metropolitan police and the Asian community, particularly in west London, was damaged by that case and also by the failure of the Met to properly investigate the death of my constituent Ricky Reel 25 years ago. It was subsequently discovered, when Ricky's family were appealing for more police resources, that police resources were being applied to surveilling the family and the campaign itself.

The new commissioner has launched a new inquiry with a new inquiry team, but we need the assistance of the Home Secretary in releasing the confidential report that was undertaken by the Police Complaints Authority in the late 1990s exposing the failures of the original investigation, as well as the family liaison officer logs that were kept during that period, so that we can again look at what happened to Ricky subsequent to the racial attack that he suffered. The ownership of those documents is with the Home Secretary, not with the Met commissioner. I wrote to the Home Secretary in February about this. Please can I have a positive reply as soon as possible, to reassure the family?

**Suella Braverman**: It is clear that the Met needs to command the confidence of all communities, including those from black and ethnic groups, in London. That is why Sir Mark's turnaround plan specifically covers better engagement with communities; it is vital that trust is rebuilt within those communities. There are lots of measures in train and I know that the Met commissioner takes very seriously the relationship and the trust among communities. I will look into the specific issue to which the right hon. Gentleman refers.

**Mr Louie French** (Old Bexley and Sidcup) (Con): Today's findings are very concerning and I know that my right hon. and learned Friend will do what she can to hold the Met and the Labour Mayor—the police and crime commissioner for London—to account after seven years of failure. What assurances can she provide that the thousands of decent and hard-working police officers can continue to focus on fighting crime, which I believe is the best way to restore public trust? Will she please urge the Met to reverse Sadiq Khan's tri-borough policing policy, which continues to negatively impact policing in Bexley and starve it of resources?

**Suella Braverman**: Thanks to this Government, the Met now has a record number of police officers—the highest it has ever known in its history. That increase in meaningful resource on the frontline will make a difference to how it effectively polices and safeguards Londoners. We have also seen a cash increase in Met funding since 2010, and that is being put into increased resources. It is vital that we now work with Sir Mark and his team to ensure that there is a proper turnaround.

**Catherine West** (Hornsey and Wood Green) (Lab): It is clear that some basic policies and procedures have gone seriously wrong. When an individual is raped, the advice is to keep the specimens in a refrigerator, so how can it be that during a hot spell last summer the refrigerator broke down and there was no back-up plan? How can that be? What is the Home Secretary going to do for every victim whose evidence was in that refrigerator? What is the plan? Is it to go back to those victims, apologise and explain what happens next?

**Suella Braverman**: The particular incident to which the hon. Lady refers is shocking and unacceptable. It must not happen again. It is absolutely clear that that is true.

Progress has been made. I have emphasised the importance that I attach to VAWG and the investigation and prosecution of rape. It is clear that police forces all around the country need to do better. We are seeing progress on the timeliness of investigations and the number of cases referred to the Crown Prosecution Service for charge; there is an increase in the number of independent sexual violence advisers and independent domestic violence advisers, who significantly increase the chances of a successful prosecution; and we have introduced special measures so that victims of rape and serious sexual offences can give evidence in a better way. There are many measures, but I am clear that I am not going to rest until we really succeed on this problem.

**Lee Anderson** (Ashfield) (Con): I met the Met police a few weeks back with the Home Affairs Committee, and I was astounded to learn that officers who have been there for over 20 years are now investigating a culture that is well over 20 years old. Does my right hon. and learned Friend think it would be a good idea for more independent people to come into the Met force to investigate?

**Suella Braverman**: As Baroness Casey accepted, the vast majority of police officers uphold the highest professional standards, and I pay tribute to them for their everyday bravery in keeping Londoners safe. We must make sure that the Met continues to attract the



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best and brightest people from all walks of life so that they can bring diversity, expertise, experience and skills to ensure that it is the best force that we can have.

**Bell Ribeiro-Addy** (Streatham) (Lab): I represent a constituency in Lambeth, where trust in policing is at the lowest level of anywhere in London. Instead of addressing the abuses of existing police powers, the Government seem to be creating new unaccountable powers. My constituency has sadly seen the death of two young people at the hands of police officers in the past two years alone, with the tragic murder of Sarah Everard in March 2021 and the fatal shooting of Chris Kaba in September 2022. This report is not the first to highlight institutional racism, sexism and homophobia, which the Home Secretary seems unwilling to accept.

We have to undergo a security check, including police checks, to work in this House. How hard is it to ensure that every single officer is run through a similar check? Will the Home Secretary commit today to doing that? I asked the new commissioner who is responsible for suspending officers for misconduct, and he said that, under the law, it is the Home Secretary's responsibility. In November 2022, a response from the Minister for Crime, Policing and Fire said it was the commissioner's responsibility. The Home Secretary has said today that there are impediments and that she could potentially change the law to make sure that this happens. Can she please explain who is in charge and exactly what is going on?

**Suella Braverman**: I have taken action by consulting on the disciplinary process. Vetting standards are set by the College of Policing, via its statutory code of practice and its authorised professional practice guidance on vetting, to ensure that standards are improved. I asked the inspectorate to conduct a rapid review of all forces and their responses to the report's findings. The Policing Minister has led a lot of work with the College of Policing to strengthen its statutory code of practice for police vetting, making the obligations that all forces must legally follow stricter and clearer. We are doing work in the Home Office, but I am afraid that, ultimately, political accountability lies with the Mayor of London.

**Mark Pritchard** (The Wrekin) (Con): I note the Home Secretary's support for the commissioner, but could it be the case that the future of the Met hangs on one word: "ambiguous"? Not "institutional" but "ambiguous". Is there anything ambiguous in either the findings, the recommendations or the terminology that the Home Secretary has seen in the Casey report?

**Suella Braverman**: Baroness Casey is clear that the vast majority of serving police officers in the Met uphold the highest professional and cultural standards. This report is not about them but about the unambiguous systemic failings of culture, management and accountability. I am very keen for us all to learn from this diagnosis, from which reform must grow.

**Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): The Home Secretary is primarily responsible for the funding, which has seesawed, the vetting, which she just touched on, and, critically, the structure of the Metropolitan police. On the latter point, she has talked

about the need for reform. Can she tell the House whether she has had any discussions about, or whether she is even considering, breaking up the Metropolitan police to take out counter-terrorism and leave a London police force for Londoners?

**Suella Braverman**: Even Baroness Casey does not recommend breaking up the Metropolitan police, so I do not support that proposal. The hon. Lady mentions funding, so let me be clear that cash funding for the Met has increased since 2010. The Met gets 57% more funding per capita than the rest of England and Wales, and 24% more than the next highest-funded force, Merseyside, which has a higher level of crime. On all accounts, there is funding for the Met and there should be no reason for a failure to improve.

**Simon Fell** (Barrow and Furness) (Con): Baroness Casey's review makes stark reading: "too little humility", "denial", a culture of covering up problems and a lack of emphasis on the issues that matter most to those the Met is meant to serve. That is compounded by, in the report's words,

"institutional racism, misogyny and homophobia".

When the Home Affairs Committee has been to meet Sir Mark and his team over recent months, it has been clear that they are working hard to turn around this culture and to root out the officers at the heart of doing so much harm to the public's view of the force, but the public can wait only so long for this turnaround to happen. Can my right hon. and learned Friend confirm by what time and what metrics she will be looking to see whether the right reforms are taking root?

**Suella Braverman**: The new Met commissioner has been in place for only six months. From the moment he was appointed, he has been clear and unequivocal about the size of the challenge he faces and what it will take to turn it around, which is why he set out in detail his plan to restore trust and raise standards. He now needs all our support to ensure he can achieve that plan as quickly as possible.

**Ruth Cadbury** (Brentford and Isleworth) (Lab): My hon. Friend the Member for Hackney South and Shoreditch (Dame Meg Hillier) specifically asked the Home Secretary about the seesawing, as well as the inadequacy, of funding. The report has a chapter on the inexperience of new officers. Does the Home Secretary now regret her Government's decision to cut 20,000 officers?

**Suella Braverman**: As I said earlier, the Met police has done well on recruitment and now has a record number of police officers—higher than at any time under a Labour Administration. The force has a record number of police officers, thanks to this Government's police uplift programme and our resource to increase and improve frontline policing.

**Jackie Doyle-Price** (Thurrock) (Con): I am sure the whole House wants to celebrate the contribution of and thank all the women police officers who, we now learn, have had to deal with daily abuse and sexism from their male colleagues as they try to keep us safe. It is simply unacceptable that such behaviour is normalised in a service that is supposed to keep us safe.



If my right hon. and learned Friend is serious about tackling violence against women and girls, it simply is not adequate to come to this Dispatch Box and say it will take many years to fix the problems in the Met. I ask her to reflect on that and to see what more can be done within the Home Office to spread good cultural practice throughout our police services, because these issues are not restricted to the Met.

**Suella Braverman:** I agree with my hon. Friend that we need to make progress on improving protection and results for victims of rape and serious sexual offences, which is why we have instituted a programme of reform on the investigation and prosecution of rape. I recently announced the biggest ever package of measures on domestic abuse, in terms of the powers and the funding available for victims. This is a priority, which is why I added violence against women and girls to the strategic policing requirement, meaning it is now set out as a national threat, sending the message to chief constables and forces across the country that this can no longer be dismissed.

**Florence Eshalomi** (Vauxhall) (Lab/Co-op): We have to pause for a minute and really think about the fact that our national police service has been declared institutionally racist, sexist and homophobic. I think about all the victims in my Vauxhall constituency who continue to be let down. We have to make this a real turning point.

I have raised with the Home Secretary and the Policing Minister the fact that, over the years, the Met has let down a number of young, vulnerable girls who are being exploited by gang members. Because of the adultification of young black girls, they, and not the gang members, are viewed as the criminals. We are talking about girls as young as 12 years old being forced into sexual exploitation, servitude and abuse. Instead of dealing with their trauma, the police criminalise these young girls. Does the Home Secretary agree that this should be a matter of shame for the Met police? Will she work with me to look at how we can end this exploitation?

**Suella Braverman:** The exploitation of women and girls is unacceptable, whether by gangs or by individual perpetrators, or whether it is structural misogyny, as we have read in Baroness Casey's report. Policing leaders need to do all they can to restore confidence among communities and among women and girls. We need to ensure that policing standards are increased, vetting is improved and training is reformed, and that there is a more diverse leadership pipeline. We need more women to come forward to take leadership roles within the police so that we see change.

**Laura Farris** (Newbury) (Con): Baroness Casey said that the Sarah Everard case should have been responded to with the seriousness with which

"a plane falling out of the sky"

would be responded to in the aviation sector. Yet some of those now responsible for implementing the fundamental reforms, particularly to vetting and disciplinary procedures, have worked for the Met police for years or even decades, as in the case of the commissioner. Is my right hon. and learned Friend confident that those already imbued

with the structures and cultures of the Metropolitan police have the leadership skills to deliver the fundamental change that is now required?

**Suella Braverman:** My hon. Friend is right to say that we need to see change. Sir Mark Rowley has been in post for six months and he is clear that we need to see change. We have commissioned several independent reports. Baroness Casey's is one, but we also have the one from Lady Angiolini—she is due to report on standards and culture. These independent voices will be vital in effecting change, but it is also clear that the independent scrutiny brought about by the Mayor's Office for Policing and Crime and the Mayor of London will be critical in bringing about change.

**Jeremy Corbyn** (Islington North) (Ind): Baroness Casey's report makes it very clear that what campaigners have been saying for years is absolutely true: black Londoners are disproportionately likely to be stopped and searched by the Metropolitan police. It also calls for fundamental change in that whole policy. Will the Home Secretary explain how the Public Order Bill, which gives the police increased powers of stop and search during protests or demonstrations, fits with the recommendations made by Baroness Casey? Will she also suspend the operation of that section of the Public Order Bill until such time as the police have been able to reform their ways on the disproportionate stopping and searching of black Londoners?

**Suella Braverman:** As Baroness Casey makes clear, the majority of Londoners support the appropriate use of stop and search. As Sir Mark has made clear, stop and search is a vital tool in keeping Londoners safe and saving lives; 350 to 400 knives are seized per month thanks to stop and search. That is why I emphatically support the appropriate use of stop and search as a way to keep everyone safe.

**Mary Robinson** (Cheadle) (Con): Baroness Casey's report makes harrowing reading. We see a police force riddled with misogyny, racism and homophobia; and a place where complainants or whistleblowers, rather than being listened to, are turned on and mistreated, leading to a systemic fear of speaking up. During the UK's first Whistleblowing Awareness Week, this report shines a light on the failure of organisations where there is a culture of fear and cover-up. Shockingly, the report makes the following clear:

"The culture of not speaking up has become so ingrained that even when senior officers actively seek candid views, there is a reluctance to speak up."

Clearly, the Government, the Mayor and the Met leadership must act on all of the report's recommendations. However, may I add another one of my own, by encouraging my right hon. and learned Friend to consider how whistleblowing reform and an office of the whistleblower could play a key part in eradicating toxic cultures across all organisations?

**Suella Braverman:** My hon. Friend is right to highlight the need for reform of misconduct procedures. There are measures to ensure that there is transparency and rigour in the system, including the Independent Office for Police Conduct. The Government have also introduced other measures, including routinely holding misconduct

[*Suella Braverman*]

hearings in public and having independent legally qualified chairs to lead misconduct hearings. But there is a vital need to ensure that provision on dismissals and the process of rooting out inappropriate officers is improved, which is why I have launched a consultation to look at just that.

**Clive Efford** (Eltham) (Lab): One of the first things I did as a newly elected MP in 1997 was call for an independent inquiry into the investigation into the murder of Stephen Lawrence. That became the Macpherson report of 1999, and it is a sad indictment that we are back here again with the Metropolitan police being called institutionally racist. People such as Carrick and Couzens are the tip of the iceberg. In order for them to get away with what they got away with, hundreds of other officers have had to turn a blind eye. That is an indictment of the culture that exists within the Metropolitan police and other police forces, and those who want to do the right thing are held back because there is not a disciplinary process to deal with the people who do bad things. So what is the Home Secretary going to do, not just with the Met—do not blame the Mayor—but about our national police force to ensure that a proper disciplinary process is in place that allows the good people to do their jobs properly?

**Suella Braverman**: What I am already doing is running a review of the dismissals process. On the issues that the hon. Gentleman raises, this is why the Met commissioner's establishment of a new anti-corruption and abuse command, with a wider and more proactive remit, is absolutely essential. That will raise internal standards and internal accountability, and it will facilitate and empower people to come forward, challenge and report bad behaviour.

**Janet Daby** (Lewisham East) (Lab): The Casey review is truly damning; there is institutional racism, institutional misogyny and institutional homophobia in the Met. On child protection, the review recommends creating a new children's strategy. Does the Home Secretary support that? If so, what is the top issue on child protection and safeguarding that she wants this strategy to address?

**Suella Braverman**: I was disturbed by Baroness Casey's findings on the issues relating to the work on public protection and safeguarding. That is why that has been expressly dealt with in the turnaround plan set out by the Met commissioner; there are key interventions to invest in the safeguarding teams and achieve national best practice standards. The police want to ensure that there is better data and technology to target perpetrators and protect victims. We want to ensure that there are positive criminal justice outcomes for public protection cases and that safeguarding and the people who work in it are properly supported.

**Sam Tarry** (Ilford South) (Lab): I represent the most diverse constituency in the whole of the UK. Over the past three years, we have faced stabbings and homicides far too frequently. Recently, we have had the awful and avoidable tragedy of the murder of Zara Aleena. Those in my local community want to be able to trust the thin blue line to look after and protect them. Unfortunately, as is set out in the Casey report and in the conversations

I have day to day in Ilford, it is clear that people do believe that the Met police is institutionally racist and institutionally misogynistic. I want to be able to go back to them today having heard from the Home Secretary about what she is going to do. I do not want her to pass the buck; I want her to make sure that my constituents can trust the police; that they will not be raped or murdered by people who are police officers; that they can call 999 and know that help will be on the way; and that they will be protected in the way that they should be.

**Suella Braverman**: Baroness Casey is clear that the failings in relationships with communities are serious. That is why it is paramount that public trust in the Met is restored. I am going to continue to hold the Met commissioner to account, as well as the Mayor of London, because he has an important role to play here. But it is clear that we need to ensure that the Met has the resources it needs, which is why I am pleased that it now has the record number of police officers in its history on the frontline, working to keep Londoners safe. It has also made significant progress already in achieving some of the stated goals in its turnaround plan.

**Stella Creasy** (Walthamstow) (Lab/Co-op): Recognising that the Met has been decreed to be institutionally misogynistic, homophobic and racist is not just about a label; it is about the lived experience of the communities that many of us have served and worked in for generations, and the message we had been trying to get across to the Home Secretary and her predecessors, as well as the Met leadership, for many years. All of us have a role to play in restoring confidence for our communities, but the Home Secretary will know that as of today there are still more than 100 serving officers in the Met being investigated for sexual misconduct and domestic violence. She could do something about that today. Let us be clear: if she wants to bring forward emergency legislation to deal with the issues stopping those officers being dismissed, she will have our support. Will she do it?

**Suella Braverman**: I am very proud that a Conservative Government brought in landmark legislation—the Domestic Abuse Act 2021—that, for the first time, increased the powers relating to and the status and seriousness of domestic abuse. We have announced our intention to bring in legislation at the earliest opportunity to ensure that offenders convicted of coercive and controlling behaviour are automatically managed in the same way as violent offenders. We have also run an important measure and are consulting on a lot of investment to support victims of domestic abuse, and I am very proud of this Government's track record on empowering the police to better support victims of domestic abuse.

**Ms Karen Buck** (Westminster North) (Lab): Neither the long-standing concerns about police culture identified in the Casey report nor the individual instances of racism, misogyny and homophobia in the police can be laid at the door of the cuts to the police budget over the early part of the last decade and the see-saw funding since then; that would allow those responsible to escape that responsibility. However, does the Home Secretary accept that the collapse of neighbourhood policing, not just in London but across the country, has fundamentally

changed the relationship between the public and the police? Will she ensure that the police across Britain—not just in London—rebuild their neighbourhood policing? How will she hold police forces to account in restoring that vital function?

**Suella Braverman:** I am very glad that the Met has an increased, record number of police officers. Many of them will be deployed on the frontline to neighbourhood policing teams, so we will have an increase in response. The turnaround plan specifically addresses how the Met will improve its neighbourhood policing response through better powers and quicker responses from the response team, ensuring that antisocial behaviour is dealt with. That is a priority for both the Met and myself.

**Helen Hayes** (Dulwich and West Norwood) (Lab): For many of my constituents, reading Baroness Casey's report will be the first time that their experiences of policing have been validated and vindicated. The same cannot be said for the Home Secretary's response. It is hard to overstate the frustration and betrayal that so many Londoners have felt when they have raised concerns with the police and have been met with a stone wall of defensiveness, excuses and denial. Among many, many issues that Baroness Casey highlights are serious problems with transparency and accountability. My experience in raising complaints about two very serious matters of police conduct is that there is no accountability because the IOPC will refer complaints back to the Met to be investigated, and internal investigations simply cannot deliver. What will the Home Secretary do to resolve the situation in which the police mark their own homework and there is no accountability or change?

**Suella Braverman:** As Baroness Casey's report made clear, primary accountability sits with the Mayor of London. It is for the Mayor, rather than the inspectorate or any other body, to hold the commissioner directly to account for taking the rigorous action needed to address concerns. It was frankly shocking to read that the Mayor has not chaired a board for several years. I am very glad that he has now agreed to start discharging his role appropriately, but it is clear that governance and accountability need to improve. That is why that constituted a significant element of the report.

**Fleur Anderson** (Putney) (Lab): Putney constituents will find the report shocking but not surprising in many ways. Cuts have consequences. A major culture change is essential, but the Casey report lays out that the cuts resulted in the culture problem increasing. The Home Secretary said that funding for the force will be up to £3.3 billion, but in 2011, the funding was £3.7 billion, so there is a real-terms cash cut. Along the way, there has been £1 billion of cuts, and the funding for the Met is now 18% lower in real terms than it was in 2011, which is equivalent to 9,600 police officers. We see in the report that police officers have been taken away from our streets, that the number of senior police officers has been cut, which reduces accountability, and that there were cuts to rape investigation units. Does the Home Secretary accept her part in that and in the report's findings about national cuts? Will she fund the reforms that are needed to win back trust?

**Suella Braverman:** In 2023-24, the Met police will receive up to £3.34 billion in funding. That is an increase of up to £97.6 million on the previous year and £177.8 million compared with 2010. The average funding per head of population for the Metropolitan police is higher than for any other force. In terms of funding, resources and police numbers, which I mentioned, there is no reason why the Met cannot succeed in turning this around.

**Carol Monaghan** (Glasgow North West) (SNP): The Casey review shines a damning light on racism, misogyny and homophobia in the Met police, but that is not isolated. There are other organisations where such behaviour goes unpunished. The hon. Member for Wrexham (Sarah Atherton) published her report on the experiences of women in the armed forces, which was similarly damning. What discussions has the Home Secretary had with Cabinet colleagues about shining further light on major organisations—such as the armed forces—in which the public should have absolute trust?

**Suella Braverman:** I only have responsibility for the police. That is why earlier this year, I asked for all forces to go through their data, wash it and check for cases where police officers should not be serving on the frontline or, indeed, in the force at all. Forces are coming forward with that information and that will be a good thing to ensure that the police force nationally rids itself of those who are unfit to wear the badge.

**Liz Kendall** (Leicester West) (Lab): I thank Louise Casey for her report and service to the country. Like her, I am fundamentally pro-policing and appalled at the findings. To give an example, sexual offences units kept rape kits in broken fridges next to lunchboxes, which may have included swabs taken from victims—an absolutely appalling thing to have to go through—and armed police units wasted money on spurious kit such as night vision goggles and camouflage clothes. My constituents will want to understand whether there are wider implications. What assessment has the Home Secretary made of the degree to which these appalling failings are happening in other forces? What action will she take to ensure that my constituents and those across the country get the decent, safe policing that they deserve?

**Suella Braverman:** I expect every report of rape to be treated seriously from the point of disclosure. Every victim needs to be treated with dignity and every investigation needs to be conducted thoroughly and professionally. The rape review took a hard and honest look at how the entire criminal justice system deals with rape, and in too many instances, it has not been good enough. That is why there is a whole programme of work afoot—including Operation Soteria, of which I am a big supporter—to improve the investigation of rape, reduce the time that it takes to get a prosecution going, and, ultimately, to improve outcomes for victims of rape.

**Wendy Chamberlain** (North East Fife) (LD): As a former police officer, I would like to say that I was shocked to read Baroness Casey's excellent report, but to be honest, I am pretty inured by now to some of what we have heard. I will make two points. First, in my view,



[Wendy Chamberlain]

the most important rank in the police service, particularly if we want to change the culture, is police sergeant, but the report told us that the training for police sergeants amounted to a 23-slide PowerPoint. Will the Home Secretary task the College of Policing to ensure, and make an assessment, that that is not the case in other forces, and to directly support the Met in that regard? Secondly, as a Scottish MP—not a police officer any more—let me say that the Met’s performance impacts my constituents, too, through its national priorities. The Casey report said that it did not recommend dismantling the Met at this point but that that may be recommended in future. How will that assessment be made and who will make that decision?

**Suella Braverman:** The hon. Lady is right to talk about leadership training; that is why I work closely with the College of Policing to ensure we have a better programme of preparation for the next generation of police leaders. That must start early on in a policing career. The existing training is frankly not good enough, and that is why there will be a programme of reform announced soon.

**Charlotte Nichols** (Warrington North) (Lab): Among the most harrowing parts of Baroness Casey’s report, she quotes a serving police officer who says of rape, “you may as well say it’s legal in London.”

However, that is not just an issue for London or the Metropolitan Police. This Government have allowed the national charge rate for rape to drop to an abysmal, historic low of 1.6%. Does the Home Secretary accept that this is a national problem, and that it is her responsibility to fix it so that victims can expect justice from our justice system?

**Suella Braverman:** It is exactly because we accept that there have been problems with the investigation and prosecution of rape that the Government commissioned the end-to-end rape review, which looked rigorously at how we can improve the investigation and prosecution of rape. The Metropolitan police is part of Operation Soteria, a pioneering new way of delivering better outcomes for victims. In the last year, the number of charges for adult rape offences increased by 79%. That is progress and movement in the right direction, and we need to ensure that it continues.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): The Casey review’s conclusion that the Met is institutionally broken is damning, but this is not just about the Met. Looked at from Wales, the Westminster model of policing is failing. If we want policing in Wales to reflect the values of the people of Wales, strategy and scrutiny must be made in Wales. When will the Home Secretary acknowledge that reality and devolve policing to our Parliament?

**Suella Braverman:** I do not support devolving policing to Wales. We have a national oversight role for all forces in England and Wales, and I am very glad that the forces in Wales have responded well to my call for all chiefs to look at their data and vetting and to improve their vetting standards.

**Jon Trickett** (Hemsworth) (Lab): A mature woman constituent who came to see me had been abused as a child by her father. The police simply did not address the matter for years and years until, through that struggle, we eventually managed to get a prosecution and the father ended up in jail. He is still there now. This is not simply a problem of the Met. What is the Home Secretary doing? Is it not reckless to hand over new police powers, such as stop and search, without suspicion of any crime being committed, to a racist, homophobic and misogynist police force? What guarantee can she give that those very police officers who are not acceptable will not use those powers to pursue their evil ways?

**Suella Braverman:** On improving standards, I have launched a review of the dismissals process. We wait for that to conclude, and on the back of that we will take action, legislative if necessary, to change the standards and the process by which chief constables and senior leaders in policing apply those standards in recruitment. It is important that we look at the evidence from that consultation, and we will be announcing measures in due course.

**Neale Hanvey** (Kirkcaldy and Cowdenbeath) (Alba): Institutional racism, misogyny and homophobia are bad enough, but the deliberate operational decision to deprioritise women’s safety and child protection is serious and unforgivable. I asked the Home Secretary about safeguarding in response to her statement on David Carrick, and on 9 February I wrote to the Prime Minister asking him to look at establishing an independent safeguarding regulator, because this is a much bigger problem than the police. We have policy capture by proponents of queer theory that undermines the very activities that are of concern: women’s safety and child protection. Is it not time that we had an independent regulator that, as the hon. Member for Glasgow North West (Carol Monaghan) suggested, can tackle those problems across all public bodies?

**Suella Braverman:** It is precisely because I take violence against women and girls seriously that I added it to the strategic policing requirement, so that it is set out as a national threat for forces to respond to alongside the other threats listed there. I am very proud of the range of tools and powers that the Government have introduced, such as stalking prevention orders, sexual harm and sexual risk orders, and forced marriage and female genital mutilation protection orders—a whole range of legislative measures that are empowering the police to respond more robustly to victims of abuse and domestic abuse.

**Tonia Antoniazzi** (Gower) (Lab): Baroness Casey’s finding of a “boys’ club” is sadly not a surprise to many of us—and let us not pretend that that culture is purely confined to WhatsApp groups in the Metropolitan Police. The report has shown the urgent need for action to make policing and police forces more transparent. When public trust in policing is at its lowest, it is unfathomable that serving police officers are not obliged to declare their affiliations with and memberships of societies such as the Freemasons. I urge the Home Secretary to bring in legislation to address that lack of transparency.

**Suella Braverman:** Vetting standards are set by the College of Policing via its statutory code of practice on vetting, and the inspectorate has looked in depth at

whether those standards are being properly applied. We are strengthening the statutory code of practice for police vetting and making the vetting obligations on all forces stricter and clearer. That is action that we are taking, but of course we need chief constables to take the requisite action at their end.

**Geraint Davies** (Swansea West) (Lab/Co-op): Baroness Casey's report underlines the fact that the Met is systematically dysfunctional and discriminatory. That is manifested on a day-to-day basis when women and minority officers seek support in their workplace and are simply bullied and intimidated. When they complain, gangs of sergeants troop up to ridicule, abuse and coercively control them. Will the Home Secretary change that by introducing civilian management resources and independent accountability to empower and empathise with women and minority officers, with a view to increasing performance, welfare and retention in place of misogyny, racism and homophobia? Then we can get rid of the toxicity and have forces that we can all be proud of, both in the Met and across the land.

**Suella Braverman:** Baroness Casey's review makes clear that there is a need for some regulatory change. We are currently undertaking a review of the process for police officer dismissals, due to conclude in May, which will cover some of those issues, but we need to consider all the outcomes of the review before determining next steps.

**Jim Shannon** (Strangford) (DUP): I thank the Secretary of State for her statement. Baroness Casey's report is not simply uncomfortable, but devastating in the detail and the extent of problems and difficulties. It seems clear that nothing short of a complete overhaul of the force will engender the restoration of public trust. However, does the Secretary of State agree that the thousands of good Met officers cannot be tarred with the same brush? What steps will she take to support those members of staff and ensure they do not face unfair accusations at this time?

**Suella Braverman:** The hon. Gentleman is absolutely right to pay tribute to the vast majority of serving police officers in the Met and throughout the country who do a good job, who are honest, decent and brave and who uphold the highest standards. Many of us will never see the crime prevented, the victims protected or the justice secured thanks to their everyday bravery. It is to that majority of officers that I appeal for their commitment. We cannot change this situation without them. They are part of the solution, and they need to step up and step forward if that much-needed change is to happen. We need to back the leadership and our brave police officers so that together we can create a Met that is fit for purpose.

**Mr Deputy Speaker (Sir Roger Gale):** Finally, I call Mr Andrew Gwynne.

**Andrew Gwynne** (Denton and Reddish) (Lab): The Casey review is damning and makes difficult reading for those of us who support the police and the concept of policing by consent. Of course, these issues are pertinent not just to the Metropolitan police but to police forces across the country. I was reassured to receive an email today from Chief Superintendent John Webster, the district commander for Stockport in Greater Manchester police, in which he said:

"I'm sure you'll agree with me that there will be some parallels that we can draw from this report. On standards of professional behaviour, it goes without saying that these are non-negotiable, and as your District Commander, it is important for you to know that I will never bend outside of our rules. I expect you all to have the same view."

What is the Home Secretary doing to ensure that the words of Chief Superintendent Webster are communicated not just to his police officers in the Stockport division, but to police officers across the whole country?

**Suella Braverman:** If that is the last question, perhaps it is inspiring for us to end this session with reference to Greater Manchester police, because under the powerful leadership of Chief Constable Stephen Watson, that force has turned around. In a relatively short time, it has gone from being a failing force with severe, chronic and systemic problems to a force that is succeeding and winning in the fight against crime. That is thanks in large part to the strong leadership of Stephen Watson, upholding the highest standards, holding his officers to account and ensuring that the needs of the public come first and foremost in policing. That is a great example of what is possible for the Met.

## BILL PRESENTED

### ELECTIONS BILL

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

Cat Smith, supported by Wendy Chamberlain, Caroline Lucas, Stephen Farry, Liz Saville Roberts, Clive Lewis, David Linden and Helen Morgan, presented a Bill to introduce a system of proportional representation for local authority elections in England and for parliamentary general elections; to alter the methods used for electing the Mayor of London, for electing other directly-elected mayors in England and for electing police and crime commissioners in England and Wales; and for connected purposes.

*Bill read the First time; to be read a Second time on Friday 24 March, and to be printed (Bill 275).*

## Same Sex Marriage (Church of England)

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

2.2 pm

**Mr Ben Bradshaw** (Exeter) (Lab): I beg to move,

That leave be given to bring in a Bill to enable clergy of the Church of England to conduct same sex marriages on Church of England premises in certain circumstances; and for connected purposes.

As I am sure colleagues are aware, the Church of England has grappled with the issue of human sexuality for many years. It has been nearly 18 years since the passing of the Civil Partnership Act 2004 and 10 years since the passing of the Marriage (Same Sex Couples) Act 2013, or equal marriage Act. The Church of England opposed both reforms at the time. It has since changed its mind on civil partnerships, but it still opposes equal marriage, will not allow same-sex weddings in church, and requires its own clergy in same-sex relationships to be celibate. The Methodist Church and the United Reformed Church in England conduct same-sex weddings, as do the Anglican—or Episcopal—Church in Scotland, the established Church of Scotland, and several other provinces of the global Anglican communion.

The most recent opinion poll commissioned by *The Times* and conducted by YouGov in February found that a majority of the public, and a majority of Anglicans, support marrying same-sex couples in church. People who know the private views of the bishops better than I do believe that a majority of them also support treating lesbian and gay members equally. But in January, after six years of formal discussions in the Church, through a process called “Living in Love and Faith”, the bishops recommended to the Church of England’s General Synod that there be no significant change to the current rules. Instead, they recommended allowing some limited prayers of blessing for people in same-sex relationships—although not a blessing of the relationship itself—and they promised to review the current rules regarding the clergy.

That was a bitter disappointment to many Anglicans and their families and friends. I will quote just one of the emails I have had about my Bill. Susannah wrote:

“I am a lesbian Christian who has worked in prisons and as a teacher and a registered nurse for 40 years. I have tried to lead a decent and caring life, but my church has refused to marry my wife and myself and I find that deeply demeaning. I have engaged with over 50 bishops trying to get them to allow freedom of conscience on this at local church level. The recent decision (to continue the ban) was devastating, and my wife no longer wants to be part of an organisation that discriminates in this way. We are so grateful for your support in introducing this Bill.”

The House might ask why this is a matter for MPs and for Parliament. Well, the Church of England is not just some sect; it is the established Church in England. It was established by Parliament and still has its Church or canon laws approved by Parliament.

The monarch is its Supreme Governor; its bishops are appointed by the monarch on the advice of the Prime Minister and sit in the other place; it runs thousands of schools across England. With those privileges of establishment comes a duty to serve the whole nation—to be there for all citizens.

As constituency MPs, we have all had experience of the special role played by the Church of England in our nation’s life. In times of tragedy and celebration, the

Church’s doors are open to all in our communities. Personally, I value that role, and I believe that most Anglicans and parliamentarians do, too. But when the practice of the Church in how it treats its lesbian and gay members persists in being so out of step with the country as a whole, that established status is bound to be questioned.

Sir Tony Baldry, the former Conservative MP and Second Church Estates Commissioner, recently called for a Bill just like this one to be introduced in Parliament. He noted that when Parliament relinquished most of the responsibility for Church legislation in 1919, it was not envisaged that there would be a major issue of doctrine or practice on which Church and state would diverge. But during the 20th century, as society and attitudes inside the Church changed, differences emerged over the treatment of divorcees, for example, or the role of women in the Church.

On each of those subjects, the Church eventually adjusted to the new reality, but not without a gentle nudge from Parliament. We did that most recently over the decision to allow women bishops when, at the first time of asking, the Synod failed to approve the change. Parliament, through the Second Church Estates Commissioner, made it quite clear to the bishops that that was an unacceptable state of affairs. The following Synod approved the measure, and Parliament legislated to fast-track women bishops into the other place.

Parliament nudged the Church then, and a gentle nudge is what this Bill is intended to give now. It would allow, in certain circumstances, priests and parishes that wish to conduct same sex weddings to do so—a solution similar to the one governing the remarriage of divorcees or whether a parish should be forced to have a woman priest. I have seen some conservative evangelicals and other opponents of equality claim in recent days that the Bill amounts to an attack on religious freedom or to Parliament legislating on doctrine. It is neither. The Bill is deliberately drafted as permissive, so as to allow those who wish to move forward to do so “in certain circumstances”. Such circumstances could include prior approval by the Synod.

Many would like Parliament to go further, including my local priest, a traditionalist who nevertheless said to me after mass—following the heated debates in Synod in February—that, “Parliament should just get on with it.” Parliament could get on with it, but that is not the intention or necessary consequence of my Bill. My preference—and, I imagine, that of most colleagues—would be for the Church to do this itself. A vote at February’s Synod to allow same-sex weddings was very close among the clergy and laity. It is quite possible that, once blessings are allowed and the world does not fall in, things could move rapidly in the next few years. Yet even if the Church of England wanted to conduct same-sex weddings, it is currently prevented from doing so by the so-called quadruple lock to the equal marriage Act. This Bill could, should Parliament wish, simply remove that lock, meaning that the Church would not have to come back to Parliament again as and when it decided to change its doctrine and practice.

Of course, discussion about the potential impact of the Bill is somewhat academic, given that it has no chance of becoming law. The main motivation in introducing it is to encourage the bishops to stick to the commitments and timetable agreed by February’s Synod



and resist any delay or backsliding at the next Synod in July. There has been sustained pressure from a vocal minority inside the Church against the very modest proposals on the table.

Some conservative provinces in the global Anglican communion have disowned the Archbishop of Canterbury, and a small number of homophobic parishes here have stopped paying their diocesan contributions in protest. There is a small minority in the Church of England who will never be reconciled to treating gay and lesbian people equally. They are holding the majority back. The Church leadership should stop indulging them and focus on their primary mission to the majority of Anglicans here. That might also make it easier for them to focus on the many important things the Church has to say and offer about the 21st century.

I am immensely grateful for and humbled by the range and quality of the co-sponsors of this Bill. They include the right hon. Member for Romsey and Southampton North (Caroline Nokes), the right hon. and learned Member for South Swindon (Sir Robert Buckland), my right hon. Friends the Members for Derby South (Margaret Beckett), for Kingston upon Hull North (Dame Diana Johnson) and for Leeds Central (Hilary Benn), the hon. Members for Milton Keynes South (Iain Stewart), for Brighton, Pavilion (Caroline Lucas) and for St Albans (Daisy Cooper), my hon. Friend the Member for Rhondda (Sir Chris Bryant) and both the Mother and Father of the House. I apologise to those who wanted to be sponsors but did not make the list, but I am only allowed 11.

I hope the Bill serves, if nothing else, to give hope to those still waiting for change, like Susannah and her wife, and sends a clear message to the Church of England leadership about where Parliament stands on these matters. I commend it to the House.

2.10 pm

**The Second Church Estates Commissioner (Andrew Selous):** I do not intend to divide the House, but it is necessary to respond to the Bill in my capacity as Second Church Estates Commissioner because it seeks to usurp the role of the democratically elected General Synod of the Church of England, as well as to remove the freedom of the Church of England to decide its own doctrine, a freedom that members from all parts of this House champion for religions and beliefs all over the world and one that we should therefore apply equally to the Church of England.

There are passionately held and differing views about same-sex marriage on both sides of the House and I am also acutely aware of the personal pain and hurt that the issue causes for so many people, but it is for the democratically elected assembly of the Church of England, the General Synod, to decide matters of doctrine rather than Parliament. That has been the settled convention for nearly 50 years, since the 1974 worship and doctrine Measure was approved by Parliament.

At the General Synod last month, it was agreed that the prayers of love and faith proposed by the bishops would be finalised, that the pastoral guidance for clergy would be produced and that a welcoming culture towards LGBTQI+ people would be embedded throughout the church. It was also agreed not to change the doctrine of marriage and that motion was passed by a clear majority in all three Houses of the Synod. Amendments to

require the bishops to bring forward proposals for same-sex marriage to the next meeting of the Synod and to revisit the issue within the next two years were rejected by the House of Bishops, the House of Clergy and the House of Laity.

The Bill proposed by the right hon. Member for Exeter (Mr Bradshaw) proposes that the decision of the Synod, arrived at prayerfully and democratically, should simply be set aside. In this House, we do not all agree with each other, but we respect everyone's right to be here because we have all been given our mandate through the same black boxes on election night. I ask that members of this democratically elected House to show the same respect to the democratically elected members of the General Synod.

Directing the Church of England on doctrine is not the job of Parliament. It would infringe on settled principles of religious freedom, for which we argue for our sisters and brothers overseas, and it would also call into question the rights and protections of conscience for other denominations and faiths. Several Catholic members of this House came up to me after the urgent question on 24 January and told me how grateful they were that Parliament was not telling their Church what to do.

The Bill is also unnecessary, as should the Synod decide to change the doctrine of marriage in the future, it could do so. It would produce a Measure that would come before Parliament and amend the Marriage (Same Sex Couples) Act 2013. There is no need, therefore, for Parliament to act independently to change the Act.

Although the Bill is intended to be permissive and not to compel any member of the clergy to solemnise same-sex marriage, it is just not possible to leave it to individual clergy to choose to do things that are clearly contrary to the doctrine of the Church. Doctrine is not determined by local decision varying by parish or diocese, but is decided centrally, not by a small group of bishops, but through the prayerful deliberation and decision of the democratically elected Synod. If the Church lost its ability to require compliance with its doctrine, that would be a breach of the human rights convention as it would be contrary to article 9 read with article 11 for the state to interfere with a religious organisation's ability to require compliance with its own doctrine. The Bill's attempt to give individual freedom and choice would be unworkable and would breach the long-standing convention that Parliament does not legislate for the internal affairs of the Church of England without its consent.

I honoured my commitment to tell the General Synod the views of Parliament as expressed in the urgent question on 24 January. I know that the General Synod will continue to listen carefully and respectfully to the views of this House, just as I would ask Parliament to be respectful to the views of the Synod.

*Question put (Standing Order No. 23) and agreed to.  
Ordered,*

That Mr Ben Bradshaw, Margaret Beckett, Hilary Benn, Sir Peter Bottomley, Sir Chris Bryant, Sir Robert Buckland, Daisy Cooper, Ms Harriet Harman, Dame Diana Johnson, Caroline Lucas, Caroline Nokes and Iain Stewart present the Bill.

Mr Ben Bradshaw accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 24 November, and to be printed (Bill 274).*

# Ways and Means

## Budget Resolutions and Economic Situation

[*Relevant documents: The Eleventh Report of the Treasury Committee, Fuel Duty: Fiscal forecast fiction, HC 783, and the Government response.*]

### INCOME TAX (CHARGE)

*Debate resumed (Order, 16 March).*

*Question again proposed,*

That income tax is charged for the tax year 2023-24.

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

2.17 pm

**The Secretary of State for Levelling Up, Housing and Communities (Michael Gove):** It is a pleasure to open this final day of the Budget debate. It is a particular pleasure to be opposite my old friend, the right hon. Member for Doncaster North (Edward Miliband). It is a pleasure that both of us now—I think I can fairly say as elder statesmen of our respective parties—have a chance to be taken around the parade ring one more time in front of everyone. There is a difference, however, between me and the right hon. Gentleman. I went from rising hope to elder statesman without an intervening period of achievement, whereas he was a very distinguished Energy Secretary and Leader of the Opposition. It is a pleasure to see him in his place.

The fact that we are both in the Chamber today also demonstrates the wisdom of one of the Budget measures. In the Budget, the Chancellor of the Exchequer made it clear that he wanted to bring people who had been dropped from the frontline of the workforce back into the frontline if they still had something to contribute. It is welcome to see not just both of us here, but, within days of the Budget, someone of real talent who had been retired from the frontline coming back: I am referring, of course, to the news that broke just an hour ago that Roy Hodgson has returned as manager of Crystal Palace.

I am conscious that this is not the most significant political or parliamentary event this week. All of us will this week be thinking of another political figure—a blond titan who divides opinion, a figure of undoubted achievement who defied the then Prime Minister over Europe but whose passion for Britain and especially for overlooked and undervalued communities cannot be denied. I am referring, of course, to the former Member for Henley, Lord Heseltine of Thenford, who is 90 today. I hope I speak for the whole House in wishing Lord Heseltine many happy returns. He is a personal hero of mine, although we do disagree on some things. He is that rare thing—a Conservative who has been given the freedom of the city of Liverpool—

**Yasmin Qureshi** (Bolton South East) (Lab): He was against Brexit.

**Michael Gove:** He was against Brexit, that is true. We all have our flaws, myself included. I am pleased to say that many people were in favour of Brexit, including well over 70% of the members of the constituency of

the right hon. Member for Doncaster North. Brexit has been delivered by this Government, Brexit is a settled fact and we are all committed across this House to making Brexit work.

Lord Heseltine set an example of leadership: pro-enterprise, compassionate and inclusive in the best traditions of one nation conservatism, which are being carried on by my right hon. Friends the Prime Minister and the Chancellor of the Exchequer. Look at what the Prime Minister has already achieved this year. In the early weeks of this year, he issued a section 35 notice with the Secretary of State for Scotland in order to uphold the principle that the Equality Act 2010 should be a shield and not a sword. As a result, women's rights were protected across the United Kingdom. Shortly after that, he concluded the Windsor framework, which further strengthened our United Kingdom and ensures a closer and more effective relationship, not just within these islands but with our neighbours and friends in the European Union. He then concluded the next stage of the AUKUS defence pact, which means that the waters of the Pacific will be patrolled and democracy will be defended by submarines built here, in Barrow-in-Furness on the shores of the Irish sea, securing jobs and investment for thousands of talented young people for decades to come.

Shortly after that, we had legislation to control illegal migration and a concordat with President Macron, with money being spent in order to ensure that the French police are supported in making sure that illegal people smugglers are dealt with effectively. After that, we had steps to ensure that tech firms were protected in this country from Chinese takeover, and we also had the rescue of the UK branch of Silicon Valley Bank. We also had the establishment of a new Government Department, the Department for Science, Innovation and Technology. That innovation was called for by William Hague and by Tony Blair—remember him?—and it reflects what every world-leading jurisdiction is doing, ensuring that more research and development investment is directed to where we need it.

All this time, as the Prime Minister and the Chancellor were recording those achievements, what has the Leader of the Opposition, the right hon. and learned Member for Holborn and St Pancras (Keir Starmer), done? Well, he has been energetic in expressing profound concern about the presenter rota on “Match of the Day”. While our Prime Minister has been a new statesman, I am afraid that the Leader of the Opposition has been a mere spectator. While our Prime Minister has been shaping global events, the Leader of the Opposition has been furiously scrolling through his Twitter feed. While our Prime Minister has been halving inflation, reducing debt, growing the economy, cutting waiting lists and stopping the boats, I am afraid that the Leader of the Opposition has been reduced to an irrelevance on the bench. We in this Government are delivering impactful, progressive government, while Labour can only look on in consternation and admiration.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (Ind): Before the right hon. Gentleman gets too excited, the Office for Budget Responsibility's report provides a rather sobering analysis about economic stagnation for the duration of the forecasting period. That is predominantly down to the same old problems, including

low productivity—according to the OBR, productivity has halved since 2010. Business investment has stagnated since 2016. Why have successive Governments and Chancellors failed to get a grip on these issues?

**Michael Gove:** The hon. Gentleman raises an important point, which goes to the heart of what the Budget addresses. It is the case that there is a productivity challenge that has bedevilled Governments of different colours for years now in this country. Whether Labour Governments, coalition Governments or Conservative Governments, we have all in different ways recognised that productivity has been too low in too many parts of the economy, particularly the overlooked and undervalued communities of the north, the midlands, and indeed south Wales.

But that is what this Budget addresses directly, through a series of labour market and supply-side interventions that are explicitly designed to raise the trend rate of growth of the British economy. We have welfare reform to support those who have been disengaged from the labour market. My right hon. Friend the Secretary of State for Work and Pensions has introduced a groundbreaking White Paper to help those people—they may be struggling with mental health or other difficulties—who need to be re-engaged with care and thought, so that they can again contribute to the economy and enjoy pride and purpose in their lives, as well as contribute to growth.

It is also the case that my right hon. Friend the Secretary of State for Education and the Minister for Children and Families, my hon. Friend the Member for East Surrey (Claire Coutinho), have brought in groundbreaking childcare reforms. These reforms are a win-win-win. They ensure that men and women can return to the workforce at an earlier stage to contribute economically, they ensure that children can have the best care and support, so that they can arrive at school ready to learn, and they contribute to making sure that we are both family-friendly and pro-growth. These are exactly the sort of supply-side interventions that will contribute to not just a growing economy, but a fairer society.

**Tim Farron** (Westmorland and Lonsdale) (LD): Like the two gentlemen on the Front Benches, I was also the future once. The point that the Secretary of State makes about labour market reforms is extremely important; in the lakes and dales of Cumbria, 63% of our employers are operating below capacity because there are not enough workers in the area. The big problem for us, which I know the Secretary of State is seeking to tackle, is the collapse of the long-term private rented sector into Airbnb. Could he give me some assurance of when this Government will change planning law to allow communities such as mine to control our housing stock, so that there are enough homes affordable and available for local families and local workers?

**Michael Gove:** The hon. Gentleman makes a very good point: whatever our other disagreements, he is absolutely right to focus on that issue, as so many others have done. Of course we want to have a labour market that works, and of course we want to have a tourism sector that works, but there is a problem in the private rented sector, particularly in beautiful parts of our

country such as those he represents, where homes are being turned into Airbnbs and holiday lets in a way that impedes the capacity of young workers to find a place where they can stay in the locale that they love and contribute to the economy of which they wish to be part. We will be bringing forward some planning changes to the Levelling-up and Regeneration Bill, which are intended to ensure that we have restrictions on the way in which dwelling homes can be turned into Airbnbs. I look forward to working with the hon. Gentleman and other colleagues, including my hon. Friends the Members for North Cornwall (Scott Mann) and for North Devon (Selaine Saxby), to make sure that those reforms will work.

**Barbara Keeley** (Worsley and Eccles South) (Lab): The Secretary of State talks about childcare measures, but when it comes to people with caring responsibilities, childcare measures are not enough in themselves. Some 1.7 million people are economically inactive because of caring responsibilities, and there was no support for unpaid family carers in the Budget. Caring responsibilities are a major reason for people not being able to work or having to cut back their hours, and this Budget was a massive disappointment to those people.

**Michael Gove:** I appreciate the point that the hon. Lady makes, and she is right to draw attention to and thank those who exercise caring responsibilities. The family is the foundation of our welfare society, even before the creation of the welfare state, and we need to work in partnership with carers everywhere. I know that she and others—including, if I may say so, the leader of the Liberal Democrats, the right hon. Member for Kingston and Surbiton (Ed Davey)—have come forward with proposals to ensure that we can better support carers. It is the mission of the Secretaries of State at the DWP and the Department of Health and Social Care to see what more can be done, particularly in the wake of the covid pandemic, which has placed particular pressures on some of the most vulnerable in our society.

**Sir Desmond Swayne** (New Forest West) (Con): Where families make a choice that one parent will remain at home for full-time childcare, their tax treatment is much, much less eligible than for couples where both parents work. If we are to have true freedom of choice in childcare arrangements, there is an agenda on taxation that we need to address.

**Michael Gove:** I know that my right hon. Friend and other Members of this House, including my hon. Friend the Member for Penistone and Stocksbridge (Miriam Cates), have raised interesting questions about how we can better support families overall. Both the Prime Minister and the Chancellor of the Exchequer are absolutely determined to explore what more we can do, but tax changes are, and always have been, above my pay grade. They are a matter for the Chancellor of the Exchequer in consultation with the Chief Secretary to the Treasury, and I know better—particularly after recent weeks—than to try to guide their hands.

**Jeremy Corbyn** (Islington North) (Ind): Will the Secretary of State give way?

**Michael Gove:** I am very happy to.



**Mr Deputy Speaker (Sir Roger Gale):** Order. The right hon. Gentleman is giving way. That is his prerogative, but it has not escaped the notice of the Chair that the right hon. Member for Islington North came in late.

**Jeremy Corbyn:** I missed the first two minutes of the speech, and I apologise. Following on from the point that was raised by the hon. Member for Westmorland and Lonsdale (Tim Farron), the issue of the private rented sector is devastating in inner-city areas such as mine, where private rents are now going up—the worst I have heard is an 80% increase—because of the end of restrictions on them. Will the Secretary of State take some action to bring about a rent freeze in the private rented sector? It is devastating, particularly for young people looking for flats in London, to try to find anywhere to live. They are spending a vast proportion of their income on rent, which is simply wrong and not fair. We need rent control in the private rented sector.

**Michael Gove:** I am very grateful to the right hon. Gentleman for his intervention. No one can doubt the sincerity of his concern and care for people, both in the private and the social rented sector—standing up for them has been a consistent theme of his time in this House—but I respectfully disagree with him. I think there are legislative changes that we can make in order to help those in the private rented sector, including the abolition of section 21, but if we want to ensure that there is a pipeline of affordable private rented homes for people, there are two things that we need to do. First, we need to improve supply, particularly in London, and to do so in partnership with the Mayor of London, who has not always been as energetic as his predecessor in bringing forward new homes. The other thing we need to do is make sure there is fairness in the tax treatment of landlords and others. I look forward to working with the right hon. Gentleman and others on that. A rent freeze, while often attractive, has the effect, as we have unfortunately seen in Scotland, of reducing the supply of rented homes. Although I know his heart is in the right place on this issue, the methods he proposes run counter to what we both want to see.

I was talking about supply-side reforms earlier, and I briefly mentioned pension reforms. It is important we recognise that the pension reforms unveiled earlier in the debate by my right hon. Friend the Chancellor of the Exchequer have been widely welcomed, including by the British Medical Association, the Royal College of Surgeons, the leaders of police and crime commissioners everywhere and, most conspicuously, the hon. Member for Ilford North (Wes Streeting), the shadow Secretary of State for Health and Social Care. He called some time ago for a change. He said that he recognised it may not be “progressive”, but that it was “pragmatic” to introduce a pension change that will see more doctors coming out of retirement and on to the frontline, ensuring that more patients are treated more quickly, that fewer people are in pain and that our NHS is there for those who need it.

This wholly welcome change to pensions was addressed in Treasury questions earlier. Labour Members had an opportunity to express their dissatisfaction with that change, but not a single Labour Back Bencher did so. I know that the measure is a source of synthetic and confected rage from elements of the Labour Front-Bench team, but this initiative will cut waiting lists, has been

welcomed everywhere—from the shadow Health Secretary to Labour Back Benchers, and from the BMA to the Royal College of Surgeons—is progressive and is in the country’s best interests.

Other changes made in the Budget also contribute to economic growth and social justice. The full expensing of capital receipts is a way of ensuring that our companies address what is, as the right hon. Member for Islington North (Jeremy Corbyn) rightly pointed out, one of the long-term property problems in this country. We have not always had the level of business investment—this runs across Governments of all colours—that we need to ensure we have high-paying jobs and the capital required to take advantage of the technological changes of the future. The full expensing proposals, amounting to a tax cut of some £9 billion, are a pro-business tax cut, and they also mean we maintain not just one of the most competitive corporation tax regimes, but the most competitive business environment in the G7.

**Alan Brown (Kilmarnock and Loudoun) (SNP):** The right hon. Gentleman must know by now that the measures taken on the annual allowance and all the rest of it were a sledgehammer to crack a nut. It did not need to be a full £4 billion package. In terms of growing the workforce, when he was having his cross-party summit to discuss Brexit problems, did they discuss the problems that ending freedom of movement has caused in the health and social care, hospitality and agricultural sectors? If they did not, why not?

**Michael Gove:** The hon. Gentleman makes an important point about freedom of movement. If we want to have the benefits of freedom of movement within the United Kingdom, and if we want to ensure that talented people across the United Kingdom can go to the jobs where they are needed, the one thing we need to avoid is a divisive debate focused on separatism, which he and his party have been leading. There is no more expensive and harmful intervention to the economy of this country and that of Scotland than a perpetuation of an obsession with independence.

I am grateful to the Member of the Scottish Parliament for Skye, Lochaber and Badenoch for how she has made it clear that the SNP needs to address its mediocre record in government, get rid of politically correct obsessions and focus once more on partnership with the UK Government in order to generate economic growth. If the hon. Lady wins, I hope we can work together in the interests of everyone in Scotland. If it is one of the other candidates, I am afraid that the SNP will continue on the vortex of decline, which I know will be a source of sadness to the hon. Member for Kilmarnock and Loudoun (Alan Brown) but a relief to many of the rest of us.

The other key changes that I want to mention in the context of improving productivity were the changes on regulation, particularly of the Medicines and Healthcare products Regulatory Agency. Those are coming about as a result of Sir Patrick Vallance’s review of how we can better regulate the science and tech sector outside the European Union. Then there is the investment in energy. I know that we are not going as far as the right hon. Member for Doncaster North wants—indeed, he is not even being allowed to go as far as he would want by the shadow Chancellor, the right hon. Member for Leeds West (Rachel Reeves)—but with our investment

in Great British Nuclear and carbon capture and storage, we are ensuring that we move towards net zero in an environmentally and economically sustainable way.

One key point of distinction between those on the Government Benches and those on the Opposition Benches is that this is the Government who legislated for net zero and who introduced the 25-year environment plan. We have been the greenest Government ever. We are also the Government who believe in moving to net zero in a sustainable way. If we are to do that, it is vital that we continue to have the means, through oil and gas from the North sea, to have a just transition. Jobs in the north-east of Scotland need to be protected, as do jobs in Middlesbrough, Tyneside and Humberside. It is those on this side of the House who believe that we can have sustainable and prudent new exploration and new drilling. The message from those on the Opposition Benches, whether SNP, Liberal Democrat or Labour, to the north-east of Scotland and to workers in Aberdeen, Middlesbrough, Tyneside and Humberside is, "We put our ideology ahead of your jobs and growth." Those of us on the Government Benches will not stand for it.

**Several hon. Members** *rose*—

**Michael Gove:** I look forward to the intervention from the hon. Gentleman who represents the energy-intensive steel town of Port Talbot.

**Stephen Kinnock** (Aberavon) (Lab): I thank the Secretary of State for giving way; he is being very generous. He talks about the importance of jobs and energy-intensive industries. Is he aware that Labour has committed to a steel renewal fund, which will facilitate the transition from blast furnace technology to electric arc furnace technology, which is vital for the future of the Port Talbot steelworks in my constituency? Can he set out whether his Government have anything like that sort of plan? Is he aware of the fact that Tata Steel has said that if the Government do not make up their mind as to whether they will support our steel industry by July, it will close down one of the blast furnaces?

**Michael Gove:** First, the hon. Gentleman is a fantastic advocate for his constituency and the steel sector. Secondly, as far as I know, the Labour proposals that have been put forward, which we welcome, are not funded. [*Interruption.*] No, I do not believe they are. Thirdly, it is the case that if we are to have a sustainable steel industry, we need to move towards its decarbonisation and a bigger role for hydrogen, but no scientist and no one in the steel industry thinks that will be an answer tomorrow.

As has been pointed out, we will need, alongside the development of those technologies, to ensure diversity of supply of the different types of energy needed in steel production. That is why the independent planning inspector said to the Government that we should go ahead with a new coalmine producing coking coal in Cumbria, and it is why the Opposition, without even having read the planning inspector's report, once again put ideology before jobs and growth in rejecting it. I will always listen to the hon. Gentleman when it comes to the steel industry, but I will not take lectures from Opposition Front Benchers when they set their face against precisely the type of jobs that will help sustain steel for the future.

**Several hon. Members** *rose*—

**Michael Gove:** I will give way to the hon. Lady, and then I will try to make a little progress.

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): Does the Secretary of State want to comment on the CBI report on climate change and the relative investment of different countries, including the UK? It puts us below Germany, France, the US, the EU and the World Bank for investment through public spending on climate change.

**Michael Gove:** It is the case that this Government have seen a massive uptick in solar power—I think more than 90% of the increase in solar panels and solar power generation in this country has occurred under this Government. It is also the case that this country is the world's favourite destination for offshore wind investment. It is also the case that with our investment in carbon capture and storage and in nuclear power, as I have mentioned, we have exactly the diversity of supply required.

Could this Government do more? Could any Government do more? Yes, but it has to be paid for. I am afraid that Labour's position, with the commitment to spend £28 billion on a green new deal, is unfunded. Not a penny has been allocated by the shadow Chancellor to pay for that. Do not just take it from me. Take it from the former shadow Chancellor, Ed Balls, who pointed out on Channel 4 that we have to make sure, if we are governing the economy well, that debt as a proportion of GDP reduces every year. He pointed out explicitly that the unfunded £28 billion green new deal was only going to be funded, and could only be funded, by borrowing. He explicitly pointed out that if the plan put forward by the right hon. Member for Doncaster North for unfunded, borrowing-financed investment goes ahead, he runs exactly the same risk as others have in the past of tanking the economy, pushing up interest rates and having the bond markets catch fright. It was not a voice of reaction making that point, but the man who the right hon. Gentleman thought should be Chancellor of the Exchequer.

**Mr John Baron** (Basildon and Billericay) (Con): We should also remember that no Labour Government have left office without unemployment being higher than when they came to power. Does my right hon. Friend accept that small and medium-sized enterprises employ by far the largest number in the private sector, and that in order to help them we perhaps need to take a fresh look at the amount of regulation they have to abide by? It needs to match the complexity and size of the company in question. Perhaps we should place greater emphasis on, say, a small firms regime that actually addresses this point head-on.

**Michael Gove:** My hon. Friend makes an important point. People will know—particularly readers of the *Investors' Chronicle*, in which he writes a regular column—that there are few keener students of exactly how we can make changes to the supply side in the labour market in order to drive growth. The point he makes about SMEs and, indeed, microbusinesses is one that I know the Chancellor of the Exchequer, as a former small businessman and entrepreneur himself, takes very seriously, so I am grateful to my hon. Friend for making that point.

**Anna McMorris** (Cardiff North) (Lab): Yesterday, the Intergovernmental Panel on Climate Change issued its most damning report yet. This Government go around the world telling other Governments not to open coalmines, yet that is exactly what this Government are doing. They are also issuing new oil and gas licences, yet not investing in the most efficient and cheapest renewable energy of all, which is onshore wind. Will the Secretary of State at least admit that this Government are not doing anything to commit to ensuring that our next generation has a future linked to the economy, and a more sustainable future at that?

**Michael Gove:** I am very grateful to the hon. Lady, who is a brilliant advocate for the environment. Some of the arguments she has made in this place have weighed with me, and she has helpfully corrected me in the past when I have been in the wrong, but on this occasion I have respectfully to disagree with her. I cannot see how we can have an effective and just transition to a net zero future—not a total zero future, but a net zero future—without oil and gas playing a diminishing but significant and strategic part.

If there are people in this House—and there are on the Front Benches of almost every other party—who believe that we should get rid of oil and gas like that tomorrow or overnight, let them say so. If there are people who think that there should be no further exploration or drilling of our own domestic oil and gas resources, let them go to Aberdeen, Middlesbrough or Grimsby and say so, but I do not think they will receive a warm welcome from the voters there or from the investors. On the point about the coalmine, again I am restricted in what I can say because I have merely followed the advice of the planning inspector. The planning inspector was very clear that both the net zero and downstream emissions as a result of this change would actually contribute to a stronger environmental posture for the UK, not a weaker one.

I want to turn to the area of renewable energy, which the hon. Member for Cardiff North (Anna McMorris) mentioned. She, like me, is a fan and an advocate of renewables. Let me take her on a journey—a journey to Teesside. I would invite her to join me in visiting Teesport, in the constituency of my hon. Friend the Member for Redcar (Jacob Young). I would like her, and indeed everyone in the House, to join me in seeing what Ben Houchen and the Tees Valley Combined Authority have done there; to see the way in which turbines are assembled there; and to see the way in which the investment secured through the freeport there is providing high-quality, high-paying jobs in green technology, at the cutting-edge of the future, alongside hydrogen work.

I am sure the hon. Lady would want to applaud what Ben Houchen has done, because she is an enlightened and thoughtful Member of this House, but I have to tell her that not every member of the Labour party has been supporting Ben Houchen in bringing high-quality green jobs to working class areas in Teesside. Recently, when the Mayor of Teesside was creating a new development corporation to bring new jobs and new investment into renewables, Middlesbrough Labour councillors voted against it. When the freeport was being debated recently, Labour activists sought to undermine the efforts of Ben Houchen in bringing jobs

into that area. The economic policies of those on the Opposition Front Bench that would undermine what is being done.

Teesside has been transformed thanks to Conservative leadership, and in the Budget most recently, Eston—which for 20 years Labour had promised it would invest in, but where it never spent a penny—secured £20 million to see that community at last given the money it needs, so that people's pride in that place can be supported by central Government. For decades, Teesside was neglected and overlooked by Labour, and it is still being undermined and attacked by Labour, but it depends on Conservatives for its future. That is levelling up in action.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): I would be delighted if the Secretary of State could demonstrate that his Department knows where the places are that he is talking about. Is he aware of Government advertising boasting about levelling-up funding for the Grainger market in Newcastle that was advertised in Newcastle-upon-Lyme?

**Michael Gove:** I think it is Newcastle-under-Lyme, not Newcastle-upon-Lyme, but as someone who lived in Gosforth for five happy months, I am always happy to talk about Newcastle with the hon. Lady.

**Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): Will the Secretary of State give way?

**Michael Gove:** However, I am even happier to give way to my right hon. Friend.

**Mr Clarke:** My right hon. Friend is exactly right in what he says about the recent vote at Middlesbrough Council. Does he agree that effective devolution to the structures of local government, which can deliver change most effectively—including, in Middlesbrough's case, a development corporation led by the Mayor, but with full democratic accountability ensured by its membership—is the right way to make sure that left-behind communities in towns such as Middlesbrough are not ignored and forgotten, as they were for far too long?

**Michael Gove:** My right hon. Friend is absolutely right. All the communities of Teesside—Redcar, Normanby, Eston, Middlesbrough, Stockton, Darlington—are benefiting as a result of Conservative leadership, but in particular, the development corporation that the Mayor is bringing forward is the right thing to do.

I must draw my remarks to a close in a minute, but before I do, because I think it is always right to offer praise to members of other parties who have done the right thing, I want to thank all those across local government who have contributed to the extension of devolution that we saw in the Chancellor's statement. I have known the Chancellor since we both entered the House of Commons in 2005, and he has long been a champion of devolution, decentralisation and empowering local government. It was thanks to his leadership and the support of the Chief Secretary to the Treasury and the Prime Minister that we were able to secure two significant trailblazer deals with the Mayors of the West Midlands and of Greater Manchester. We hope to emulate that by having further powers devolved to Mayors in mayoral combined authorities across the United Kingdom.



Of course, the Chancellor of the Exchequer is underpinning that investment with the money that he has secured for innovation accelerators in Glasgow, Manchester and Birmingham, and through the eight investment zones designated for England and the four in other parts of the United Kingdom. However, today I want to thank the Mayor of Greater Manchester, Andy Burnham, who has signed a devolution deal—a new trailblazer deal. Mayor Burnham says that this deal marks

“a new era for English devolution”.

I know that some Conservatives will not always necessarily want to hear praise for Mayor Burnham, but I think it is important that all of us across the House recognise that, if we want to see our country operate in a way that gives us truly sustainable growth, we need to empower local leaders. We need to have central Government investing in science and technology, in changes to the labour market and in our children's future, as with the changes to childcare, education and skills that this Budget brings.

I opened my remarks by reminding us how much we owe to Lord Heseltine of Thenford. His determination to work across party boundaries and across the United Kingdom to raise the hopes and the ambitions of people in areas that had been overlooked and undervalued contributed to an economic renaissance from Liverpool to Canary Wharf. It is a similar spirit that animates our Prime Minister and our Chancellor in this Budget, and I commend it to the House.

**Several hon. Members** *rose*—

**Mr Deputy Speaker (Sir Roger Gale):** Order. Looking around the Chamber, it is obvious that more than 50 Members wish to speak in this debate. I will therefore put down a marker now that with effect after the Front-Bench speeches there will be a fixed time limit of five minutes, which may well drop to four minutes in the course of the afternoon. I call Ed Miliband.

2.49 pm

**Edward Miliband** (Doncaster North) (Lab): May I return the compliment to the Secretary of State for Levelling Up, Housing and Communities and say what a pleasure it is to face him? That was a typically eloquent and entertaining speech, and he has a very happy future in opposition on the Tory rubber chicken fundraising circuit.

The defining questions at the heart of the Budget are these. Does it show a proper understanding of what is really going on in the country? Does it have the right priorities in facing that reality? Does it have a long-term plan that can tackle the deep-seated challenges the country faces?

I want to start with the alternate reality that the Chancellor described six days ago. He told us that “the plan is working.” Many will have heard that and thought to themselves, as they struggle to pay their bills and as their wages stagnate, “What planet are these people living on?” They are right to think that. The Office for Budget Responsibility says that we are in the midst of the biggest fall in living standards on record. Not a mention of that in the Chancellor's pantomime speech. That record goes back 70 years. How can that be a plan that is working?

The Budget came a week after Which? said that one in seven people in our country are skipping meals because they cannot afford to eat, and six in 10 are cutting back on essentials, selling items or dipping into savings. How can that be a plan that is working? The OBR says that even by 2028 we will not get back to the living standards we had before the pandemic. How can that be a plan that is working?

Finally, and most damningly, the Resolution Foundation shows that even by 2024 wages will still be lower than they were in 2010. Let us just take in the scale of that failure. For all the boasts, all the promises and all the hype we have heard from the Government Benches at multiple Budgets over the last decade or more, people will be worse off at the next election than they were when the Tories came to power 13 long years ago. Because I am a bit of a nerd—[HON. MEMBERS: “Hear, hear.”] Only a bit, thank you very much. I asked the Library when it last happened that a party in power had wages lower at the end of its time in office—

**Tim Farron:** Under Labour!

**Edward Miliband:** The hon. Gentleman is wrong. If he can be patient, I will give him the answer. First, the Library staff told me, “Well, certainly not under any Government since the second world war.” I asked them to go back further, and they went back to the first world war, but they said, “No, not since the first world war.” They had to go all the way back to 1855 to find that happening—before the foundation of the Labour party, I say to the hon. Gentleman. For all the enormous challenges that Governments have faced over 168 years, this Government stand out for their failure to deliver what I think all sides can agree the British people have the right to expect—rising standards of living. Throw in the highest tax burden since the 1950s, public services that are crumbling in so many areas and debt that is up, and it is no wonder that the British people are asking what they have to show for 13 years of this lot. They are being paid less and taxed more for worse quality services. Conservative Members may not like it, but it is the truth—it is their record, it is their legacy.

That takes me to the second part of my speech. Why has this happened? It is because the Government have had the wrong priorities and they have failed on growth. Let us talk about the priorities in this Budget. I welcome the fact that the Government followed our plan to stop energy bills rising even further. But let us be clear—I think this feeling is shared on both sides of the House—that £2,500 energy bills are not a cause for celebration. They are double what they were 18 months ago. The energy bills crisis is absolutely not over for families and businesses up and down this country.

Of course, when we proposed the windfall tax the Government resisted it tooth and nail. Then they were dragged kicking and screaming to do it. But here's the thing: as they did so, they introduced a massive tax break for the very fossil fuel companies whose windfalls of war they were supposed to be taxing. It was not mentioned in the Budget, it was not even in the published OBR documents—it was in an annex—that the total cost of that loophole is £11.4 billion over the coming years. That is a tax break for companies making record profits and paying out record amounts in dividends and share buy-backs—a tax break not available to any other

[Edward Miliband]

sector of the economy, including renewables. Think how those billions of pounds could have helped to tackle the cost of living crisis. By the Government's choices we know their priorities, and it is not the British people.

Let us take the issue of the abolition of the pension tax relief lifetime allowance, on which we will force a vote this evening. It may interest the House to hear what a former Chancellor said about why we have a lifetime allowance. He said that

"we must demonstrate that we are all in this together. When looking for savings, I think that it is fair to look at the tax relief that we give to the top 1%."—[*Official Report*, 5 December 2012; Vol. 554, c. 878.]

Who was that? Not Gordon Brown. Not Alistair Darling. It was George Osborne, in the autumn statement of 2012. Remember him? But we do not need to go back that far. I have been doing my research. What about the Budget of March 2021? I wonder who was Chancellor then—he might have gone on to higher things. The then Chancellor froze the lifetime pensions allowance for five years and said:

"It is a tax policy that is progressive and fair".—[*Official Report*, 3 March 2021; Vol. 690, c. 256.]

That was the current Prime Minister. Let me explain why he said that. The reason we have a lifetime limit on tax-free pension saving is to provide some cap on the amount of pensions tax relief for the most wealthy in our society. The average pension pot in this country is £60,000. The change the Chancellor is making to abolish the lifetime limit of over £1 million is therefore about people with a pension pot 17 times the average. The Minister nods from a sedentary position—[*Interruption.*] He says it is all surgeons: I will come to that in a moment.

According to the Resolution Foundation, this change will give a benefit of almost £250,000 to someone with a £2 million pension. If Members vote for this Budget measure tonight, they will be voting for a tax cut of almost £250,000 for people with a £2 million pension pot. That might be the right priority for the Government: it is not the right priority for us.

The Minister for Health and Secondary Care claims, and the Chancellor says, that they are doing this for the doctors. But according to the Resolution Foundation, five in six people with the largest pension pots, who will benefit from this change, are not doctors. They are not in medicine at all. In fact—get this—one in five of the people who will benefit are in banking and finance and nothing to do with the medical profession. There could have been a bespoke scheme at a fraction of the cost, just like there is for the judges.

We have been told by Treasury Ministers that this is the "politics of envy". No, it is not, it is about fairness. Even George Osborne agrees with that, and when you are beaten by George Osborne on fairness, you know you are losing the argument. The other argument that Government Members have been making is that Labour is somehow creating problems by opposing this measure. Let us get this straight: the Government come along with a £1 billion tax cut for the very richest in our society when everyone is struggling and they blame us! The truth is that it says so much about them, because here's the thing: they did not even get that it would be controversial. That is how out of touch they are.

There should have been different tax choices in the Budget to fund our schools, cut NHS waiting lists and level up our country. The Government could have ended non-dom status, but they will not do that. They could have ended the tax breaks for private schools to help fund our state schools, but they will not do that either. In preparing for this debate, Mr Deputy Speaker, I came across a brilliant article for that proposal set out in 2017 in *The Times*, entitled "Put VAT on school fees". It was written by a participant in today's debate and I think it is worth quoting. The author said this:

"to my continuing surprise, we still consider the education of the children of plutocrats and oligarchs to be a charitable activity."

I am not sure that we on the Opposition Front Bench would go that far, but there you go. [*Laughter.*] He went on to say:

"The prime minister, quite rightly, wants to end burning injustice...We could scarcely find a better way of doing that than ending tax advantages for the global super-rich and instead extending them to the vulnerable and voiceless. What better way to make next month's budget a budget for social justice?"

Now, the House may be wondering who wrote that article. It was none other than the Levelling Up Secretary! I am a generous person, so I will give way to him and he can tell us whether he still believes what he wrote six years ago. Does he agree with himself? Why so uncharacteristically bashful? Why this sudden bout of monastic silence? It is so uncharacteristic. I would love for him to tell us: did he make the argument in Government in the run-up to the Budget, or did he just not bother to make the argument because he did not think he had a hope of persuading the people in charge? I think it is probably the latter, because, let us be honest, there is zero evidence that this Government will make the necessary choices. He knows it and the country knows it. The Government have the wrong priorities, which is why people are sick and tired of them.

Let us talk about the third part of the Budget, because it does not just have the wrong priorities for now, but for the future too. I want to come on to the energy transformation that the country needs. If we want to get energy bills down, there is a simple answer: going all in on a green energy sprint. We know that wind and solar are many times cheaper than fossil fuels, but the problem is that we have a Government who do not get it. The Levelling Up Secretary is a case in point. When he should be blocking coalmines he waves them through, as he has done in Cumbria. By the way, it will interest the House to know that he said it is carbon neutral, good for the climate and good for the environment. People may wonder. We have been going around the world lecturing people about getting off coal, so how have we suddenly got a coalmine that is good for the environment? Well, the answer is that in the calculations he made, he does not count the burning of the coal, just the mining of it. That is like saying tobacco does not damage your health if you do not take into account the smoking of it. He can correct me if I am wrong, but that is correct, isn't it? Yes, it is correct.

The Levelling Up Secretary should support onshore wind, but he blocks it. The onshore wind ban is very important. It is symbolic. The Government have their fifth energy re-set coming next week, I believe, so I look forward to that. It is the fifth one in two and a half years—a sure sign that the policy is not going well. The onshore wind ban brought in by David Cameron raised

bills—this is really important—by £160 for every family in the country. It did seem like good news, because the Levelling Up Secretary made some positive noises and promised things would change in December, but all the evidence is that yet again the Government will resile from taking the right position. This month, RenewableUK expressed its bitter disappointment, saying that “Ministers are doing almost nothing to lift the draconian ban”.

The Energy Secretary, who is not here, calls onshore wind an “eyesore”. It makes me nostalgic, believe it or not, for the brief period when the right hon. Member for North East Somerset (Mr Rees-Mogg) was Business Secretary. He was an unlikely climate warrior but his proposal to bring onshore wind rules in line with other infrastructure was better than the position under the current Government. It is harder today to build an onshore wind farm—a unique category in the planning system in England, whereby, basically, if one person objects, it cannot be built—than it is to build an incinerator. That does not make any sense. Why not go for the proposal from the right hon. Member for North East Somerset? That is my injunction to the Secretary of State.

The Government have failed not just on onshore wind, but on energy efficiency. In 2010 there were 1.7 million home upgrades. Last year there were 128,000, and there was no new money in the Budget. At that rate, it will take a century to bring all homes up to an energy performance certificate C rating.

But the biggest long-term failure of the Budget is the lack of a coherent plan to compete with President Biden’s Inflation Reduction Act. This is really serious. Talk to any business today and they will say that this is a massive competitive challenge for the UK. On offshore wind, we are doing well on generation—lots of people say that it was started by the last Labour Government—but not on delivering the jobs in offshore wind. Denmark has three times as many jobs in wind energy as us, with about a tenth of the population. Then look at other areas. My hon. Friend the Member for Aberavon (Stephen Kinnock) spoke eloquently about steel: there are already 23 clean steel demonstration plants across Europe. How many are there in the UK? None. Across Europe, 40 gigafactories are expected to open by 2030. In the UK only one is certain. Alarming—this is the consequence of the onshore wind policy—the number of jobs in solar and onshore wind has actually fallen over the last five years in Britain because of the blockages in the system. That is why the Institute of Directors said just days before the Budget:

“The UK deserves nothing less than its own version of the Inflation Reduction Act”.

And the CBI pointed out our failure on spending.

I was very disappointed by the Budget. It was the moment to turn it around. It turns out there was no new money for carbon capture, but the promise of £1 billion some time in the future. I am old enough to remember when there was a £1 billion carbon capture and storage plan. It was announced 15 years ago by the last Labour Government, but was cancelled by this Government. The other boast was a reheated announcement of a competition for small modular reactors. We are in favour of new nuclear, but a reannouncement from 2015 will not make it happen.

There was warm praise for Lord Heseltine, which I agree with. I remember Lord Heseltine saying he would intervene before breakfast, lunch and dinner, and

then wake up the next morning and intervene again before breakfast. That is not the character of this Government. What was the Government’s reaction to President Biden’s Inflation Reduction Act? The Energy Secretary called it “dangerous”, the Business Secretary said it was “protectionist”, and the Chancellor did not support it. As if crying foul is going to stop the race. It will not stop the race; it will leave us behind. I do not believe that the Government get what a modern industrial policy looks like. We needed a new national wealth fund to invest in the industries of the future. We needed GB Energy, a proper publicly owned energy generation company, to invest in all forms of low carbon generation. We need a sprint for zero-carbon power by 2030. We need a plan to insulate 19 million cold, draughty homes. We got none of that from this Budget, but that is what a Labour Government would do.

In their failure to grasp the future, the Government show why it is high time they were consigned to the past. After 13 years of their failure, the last thing we need is another five years. They have the wrong priorities. They have no proper plan for the future. They cannot provide the leadership the country needs. It is time for change.

**Mr Deputy Speaker (Sir Roger Gale):** Five-minute limit. I call Simon Clarke.

3.8 pm

**Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): The shadow Secretary of State, the right hon. Member for Doncaster North (Edward Miliband), said in his speech that by their choices you will know their priorities. He was absolutely right. The Chancellor showed last week that his priorities are the priorities of Teesside. The Secretary of State for Levelling Up, Housing and Communities, my right hon. Friend the Member for Surrey Heath (Michael Gove) said in his speech that he would take anyone who wanted on a tour of Teesside to see our freeport and the fantastic progress being made there. Many Opposition Members would benefit from such a tour, because they would see the transformative impact of the carbon capture and storage investment that the Chancellor reaffirmed last week.

Contrary to what the shadow Secretary of State said in his closing remarks, Net Zero Teesside is a reality. It is going up as we speak, backed by Shell, Equinor and BP—real companies investing in a real project that is transformational not just for the industries of the future, but our existing industrial base in steel, chemicals, plastics and all those industries which emit carbon dioxide as an intrinsic part of their production, not just in terms of the emissions released as part of energy generation, but as a by-product. That is why carbon capture is so vital. That is why it was so welcome that it was backed strongly in the Budget last week. We had a welcome decision on new nuclear and its classification as a sustainable technology, which is absolutely right and vital for the future. I welcome warmly the position to keep Hartlepool nuclear power station producing for two more years.

Critically, there was direct investment in our communities—£20 million secured by my hon. Friend the Member for Redcar (Jacob Young) for Eston Square, which my right hon. Friend the Secretary of State rightly celebrated in his remarks. That follows the £15 million



[Mr Simon Clarke]

for Guisborough in my constituency, the £6 million for Loftus and the £36 million for the Middlesbrough town deal. That is investment in the economic drivers of growth and in the communities that need it. By the time we go to the polls in 2024, the Government's levelling up plan will have transformed people's lives—that is a good sign.

There was much else to welcome in the Budget including, critically, the announcements on childcare—something that the group Next Gen Tories has been campaigning hard for. We all know across this House that the cost of childcare is unsustainably high and deeply unfair. The campaign group Pregnant Then Screwed has reported that for two thirds of families, childcare costs are as much as their mortgage. That is totally unjust and clearly an obstacle not just for the economy but for our having the children we need as a society. It is right that the Chancellor has taken bold action to address it.

I also welcome the abolition of the lifetime allowance on pensions, which will have a major impact on our retaining the doctors we need. The response of the British Medical Association says a lot more than that of shadow Front Benchers, who we have seen in complete chaos, with the shadow Chancellor and the shadow Health Secretary utterly at odds about this important measure.

As we heard from my right hon. Friend the Secretary of State, there is bold action on worklessness. The OBR estimates that 110,000 more people will be supported into the workplace by 2027-28. That is exactly what we need—the combination of challenge and support that people across the country want from the welfare state and our excellent jobcentres. It is an absolute scandal that too many people have their lives written off as economically inactive owing to health conditions, when they could work. There is all the support and ingenuity that can be deployed available to help with that vital process. All that was to be welcomed in the Budget.

There were some aspects of the Budget that I wish had been different. I have made no secret of my deep concern about the decisions surrounding the future of our corporation tax increase. I think that we have seen the consequences already with the decision of AstraZeneca to choose the Republic of Ireland over the UK for its next investment. I welcome the offsetting benefits of the full expensing that the Chancellor announced. If that is to work, it is vital that it is a permanent decision rather than simply a temporary relief, otherwise it will have a distorting effect on business investment. I very much hope that the Chancellor will make that permanent if the headroom is there to enable it, as he said he would. That will be vital to ensure that the measure is a success.

It will not surprise Members across the House that I believe that we need to do more on the generators of growth more generally. I point out the importance of housing, which my right hon. Friend the Secretary of State mentioned. In the end, the only sustainable way to improve our economic activity in this space—and the social justice of our housing debate—is to build more homes, addressing the challenges of nimbysism and nutrient neutrality. I hope and believe that there will be more progress on that in the months ahead.

**Mr Deputy Speaker (Sir Roger Gale):** I call the Scottish National party spokesperson. No time limit.

3.13 pm

**Alan Brown (Kilmarnock and Loudoun) (SNP):** This Budget follows on from the autumn statement, when the introduction of the energy profits levy and the electricity generator levy provided an additional £75 billion of predicted income to the Treasury. That money mostly arose from Scotland's energy sector. In this Budget, the Government chose to increase the tax rate on whisky by 10%. What does Scotland get in the Budget? Acorn was overlooked once again, but we are expected to be grateful for £320 million of Barnett consequential over a two-year period. Only the Scottish Tories can think that is a fair return.

One thing is for sure: this Budget is not about the Tories trying to help grow the Scottish economy. We have the highest energy bills in the UK, but we do have our fair share of the biggest cut in living standards since the 1950s and of Brexit's 4% cut to GDP. Are we supposed to be grateful for being part of the broad shoulders of the UK when that is what being part of the sharing process looks like? There is £65 billion of additional income from oil and gas revenues, yet the UK Government will not even match the Scottish Government's £500 million just transition fund, even though the Secretary of State was talking about the need for a just transition in the oil and gas sector.

Nothing sums up Tory pork barrel politics more than the fact that three out of the five community projects in Scotland have gone to the constituency of the leader of the Scottish Tories. That, plus £1.5 million for a bridge to be repaired that the local Tory council thought was too low a priority for them to bother with. What the Treasury does not say is that the whisky distillers in Speyside alone will be handing over more additional duty to the Treasury than the pennies that it is giving back in community projects. Where is the Scottish Tory leader on standing up for the whisky industry against the 10% duty rise? Is he pointing out the fact that 75% of the cost of a bottle of whisky is now tax to the UK Exchequer, or that draught beer, wine and cider are to be subsidised while 99% of spirits are excluded from the scheme? Let us not forget that distillers are excluded from the energy intensive industries support scheme, while other alcohol producers receive support. Instead of trying to grow the whisky industry, it is clear that the UK Government are treating it unfairly within the overall alcohol production sector.

When it comes to energy considerations, it seems that the intention is to sabotage the good work that has gone on in the renewable energy sector. While the United States has the Inflation Reduction Act, the Tories have given us the energy generator levy, but with no corresponding renewable investment allowance to encourage reinvestment. We had an announcement of £20 billion in funding for carbon capture and storage, but Acorn did not even get a mention in either the Budget book or the speech. That is shameful given the history of pulling funding from Peterhead.

Paragraph 4.99 of the Budget document mentions track 1 expansion later this year. Is that a realistic prospect for Acorn? If not, what is the timescale for announcing the track 2 processes? Not only is Acorn the most advanced cluster and the easiest to deliver, its progress is needed to address greenhouse gas emissions from Scotland's two biggest polluters. It is the only way that Scotland can meet its 2030 commitments. The next

time that Scottish Tories complain about Scotland possibly missing emission targets, they had better look in before they look out, and question the decisions made down here.

On storage, we have well-established pumped storage hydro technology, which is suited to complementing renewable energy. It uses spare energy to pump fill reservoirs and can generate electricity when there is peak demand. Coire Glas has been consented since 2020. SSE has £1.5 billion of capital available to invest in it. Just today, it has announced a £100-million commitment for site investigation and advance design works. It would be the first pumped hydro storage scheme to be constructed in the UK in 40 years, and would double the capacity of pumped storage in the UK while creating 500 construction jobs in the highlands. It will be able to power 3 million homes continuously for 24 hours. No subsidy is required; it is not looking for a regulated asset base model or even for taxpayers to share the risk. All that industry is asking for is a cap and floor mechanism to stabilise the price received for electricity generation.

I have raised this issue countless times over the years. The previous Secretary of State for Business, Energy and Industrial Strategy let his guard down by calling it a Scottish technology. That really does show the motives for the UK Government not to move forward with it, but they really need to revisit it. On the possibilities for pumped storage hydro, Drax has submitted a planning application to more than double the capacity at Cruachan dam, to take it up to 1 GW of generation capacity. Those are exactly the type of schemes that should complement intermittent renewables and take us towards the construction of a stable, low-carbon, truly renewable system. In contrast, National Grid ESO spent £4 billion to turn off wind turbines due to grid constraints. We need a better way of managing the grid system though a whole system approach, otherwise we are throwing money away.

If we are looking at a truly green system, the Budget document is notable for not using the phrase “green hydrogen” once. Are the UK Government now content to fall behind other countries? What is the real scale of their ambition? The day after the Budget, we had the updated allocations for the next renewable energy auction for assessment report 5. So despite rampant inflation and despite some projects struggling against the strike rates agreed for allocation round 4, the Government have decided to cut the overall budget by 30%. It is madness, and that needs to be revisited urgently.

Then we have tidal stream. Scotland is genuinely leading the world. MeyGen in the Pentland Firth is the largest consented tidal stream site in the world. It has generated 75% of the world’s tidal stream energy to date, but has seen a 50% cost increase since securing its allocation round 4 contracts for difference because of external inflation factors. The project can still go on and deliver against that, but only if it secures enough money going forward to be able to scale up. Instead of increasing the ringfenced budget for the tidal scheme, the UK Government have halved it, which puts the project and that technology at risk. Again, I ask the Government to revisit how they are doing this, because the project is an opportunity to grow our technology with a UK-based supply chain and then export that knowledge and technology around the world.

We have come to one of my hobby-horses: the UK Government have absolutely no problem with throwing money and promises at nuclear energy, with a £700 million stake in Sizewell C and the creation of Great British Nuclear, which is an oxymoron if there ever was one. The simple facts are that there is not yet a successful EPR nuclear project anywhere in the world. The only EPR station generating electricity to the grid is Taishan in China, but even that had one reactor offline for a year with damaged fuel rods, which is a possible inherent design flaw in EPR design. Olkiluoto 3 in Finland is 14 years late. It connected to the grid last March, but a year on it is still only in trial operation mode. The EPR in Flamanville, France, is four times over its original budget and a mere 10 years behind schedule.

“Now but,” they tell us, “all the lessons have been learned from these projects in time for Hinkley Point C.” However, Hinkley Point C was estimated to cost £18 billion in 2016, but it is now estimated to cost £33 billion, and guess what? It is running years late. Yet the collective madness from the Tory Front Bench, encouraged by the Labour Front Bench, says, “Let’s not worry. We will sort out the problems and we will learn the lessons for Sizewell C. What could go wrong?”

Even if they believe Sizewell C will cost less in relative terms than Hinkley Point C, given that Hinkley Point C is already estimated to cost £33 billion and that construction inflation and material costs are increasing all the time, Sizewell C will cost upwards of £35 billion, without any shadow of doubt. How can they talk about reducing debt when they want to put a further £35 billion of debt on our energy bills? It makes no sense.

And then we have the insult of passing that as a green technology. If we look at the costs of the existing nuclear waste legacy we see that the Nuclear Decommissioning Authority estimates it is going to cost us £235 billion to clean up. There is no solution yet for dealing with radioactive waste other than burying it for thousands of years, so why do we want to pass that as a green renewable energy system?

I am sure others will touch on this, but we have one other great hope for nuclear: small modular reactors. The reality is that there is not even a regulator-approved design in the UK for an SMR yet, but somehow Rolls-Royce says it could have them operational by 2029. It is the same rhetoric and the same mistakes, over and over again. In reality, each SMR will cost roughly £2 billion, so they are hardly a cheap alternative source of energy generation. If SMRs are so attractive, why is the taxpayer being asked to pay half the cost of a prototype and then sign up to a 35-year extortionate deal in terms of strike rates? It makes no sense, if it was so commercially viable.

In reality, nuclear means billions of pounds of increased debt added to our energy bills and future generations paying for decommissioning and handling of waste, no matter the pretence that that is somehow included in upfront estimates. It means years of further delays, when that money could and should be invested in renewable energy, storage, green hydrogen and, of course, in energy efficiency upgrades.

When people talk about the job creation that comes from nuclear, well of course spending £35 billion will create some jobs. The important thing is the cost-benefit ratio in terms of job creation, which can be done much better through alternatives.

[Alan Brown]

It is clear that within the UK, Scotland has a drag on its economy and energy policy. We might be expected to doff our caps because of the £320 million of Barnett consequential we are getting over two years, but I would argue that that, in the words of the Chancellor, is the very epitome of dependence, rather than independence, and I look forward to working with the Chancellor to secure the latter.

3.24 pm

**Kit Malthouse** (North West Hampshire) (Con): I draw attention to my entry in the Register of Members' Financial Interests.

It was a good Budget, a fine Budget, filled with lots of delights, with something in there for everybody. In deference to the Opposition Front Bench, it had Osbornian overtones, filled with smart, clever tactical manoeuvres to fan the flicker of growth that there is in the economy, hopefully into a flame.

There are three areas that I want to raise with the Minister in my five minutes. While we have made some progress, we need to go further and do some thinking before the autumn, and indeed the Budget next year.

First, on childcare, in my brief time at the Department for Education, I was pleased to put together some options that were going to form what we were calling "a childcare big bang". I was happy to see a number of those appear in the Budget, not least the expansion of the provision of free hours of care for under twos. However, I am sure the Chief Secretary to the Treasury, my right hon. Friend the Member for Salisbury (John Glen), recognises that the system is still very complicated and still has a number of anomalies in it, not least the £100,000 threshold, which keeps a lot of highly productive women out of the workforce who are punished for going back by having their free hours withdrawn.

In addition, there are seven different ways for childminders to receive payment for the care they give. Given that the Government are putting lots of money in at the front-end of the equation, they need to think carefully about supply. I urge my right hon. Friend to look at what more we can do to expand childminder agencies in particular across the country as they are the only proactive tool we have for recruiting childminders. I also urge him to think more flexibly about what we can do to allow families to choose for themselves what kind of care they want to give.

I urge my right hon. Friend to consider conflating the childminding budget, which now rises to about £9 billion, with the child benefit budget, which is now £12 billion although that is falling, and other ancillary budgets, into one huge budget that would allow us to think carefully about what reform we could put in place to support families, not just in looking after children but encouraging them to have more children. As my right hon. Friend will know, we are not replacing ourselves in this country. We have a demographic problem and we have to encourage those who want to have children to do so. More thinking in that area would be great.

The second area that I wish to raise is corporation tax. I concur with my hon. Friend the Member for Stockton South (Matt Vickers) in wanting corporation tax to be lower, not least because I believe in the Laffer curve; I do not believe that we will necessarily raise that

much more by raising corporation tax rates. It raises a question in my mind about how we tax companies and why we continue to chase them for corporation tax when we know that the international and online nature of business makes it very difficult to tax such organisations.

When he was the Chancellor, the Prime Minister put us into an international cabal of minimum corporation tax chargers across the world in an attempt to track all these companies down and tax all their profits, but if we went for a sales tax—if we focused on consumption and on those businesses' sales—their domicile would be irrelevant, because the tax would relate to where their transactions had taken place. The huge international businesses that operate online and that we are currently chasing around the world would come into our taxation envelope, and we would find it easier to collect tax from them.

The third big area is, in many ways, the missed strategic move in the Budget. It did not address one of the fundamental problems with the operation of our economy, which is the nature, spread and dynamism of capital within it. Happily, the Government have talked expansively about science, technology and innovation; they obviously recognise that we are on the threshold of the fourth great advance in human understanding and ingenuity. Our country caught the first two advances—the industrial revolution and the industrialisation at the turn of the 20th century—but we broadly missed the advance that took place in the 1960s and '70s. That was largely because our economy was sclerotic, but, critically, it was also because we had forgotten a basic tenet of capitalism: if we want the private sector to weigh in behind science, technology and advancement, we have to let capital rip. We have to deregulate it. We have to make sure that profit can be made from taking risk.

Critically, we also have to allow capital to spread into as many hands as possible. We talk a lot about housing in this country, and about putting houses in the hands of young people, but we never talk about putting shares in the hands of young people and encouraging them to own shares in the businesses for which they work and to participate in a capitalist economy.

**Several hon. Members rose—**

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. To fit everybody in, I am going to reduce the time limit to four minutes after the next speaker.

3.30 pm

**Valerie Vaz** (Walsall South) (Lab): Thank you, Madam Deputy Speaker. It is a pleasure to follow the right hon. Member for North West Hampshire (Kit Malthouse).

We have had plenty of Budget debates, but this Budget has not fixed anything. The Chancellor stood here, in the middle of the strikes and the collapse of the Silicon Valley Bank, and said nothing about those events in his speech—just like an avatar Chancellor. For months, the unions asked to meet, but the Government refused, hoping to break them. The unions were not moved, except to make a concession, but, like President Zelensky, their cause was right. Worst of all, as a former Secretary of State for Health, the Chancellor knows the cause of the junior doctors, because he picked a fight with them, allowing a few senior doctors to top up their pension while denying the many junior doctors a decent



pay rise. We need to be able to recruit and retain our brilliant staff who take care of the country when we need it most: the public servants, like the late Ruth Perry.

I agree with the Chancellor on something—getting rid of local enterprise partnerships, which are totally unaccountable—but he is placing his faith in the Mayor, who is so far removed from my constituents. There was a press release in my inbox at 8.30 am on 14 March, the day before the Budget, crowing about the west midlands being an investment zone. I thought we had to hear about it here in the House first.

The Chancellor set out his Es. We know what happens to people who have too many Es, but this Budget was not hyperactive. It fixed nothing, not even the economic injustice of non-dom status. Nor did it impose a further windfall tax on the huge profits of energy companies while people need support with their heating bills. There is £10.4 billion on the table.

There was nothing about the problems that local authorities have faced over the years. In Conservative-controlled Walsall, we have an abandoned town hall with no one there. The former police station on Green Lane is a pile of rubble. Nothing has changed. Jack Lowe, who was 18, Bailey Atkinson and Akeem Francis-Kerr were murdered in and around the town centre. On Milton Street, there are prostitutes and drug dealing—shopkeepers are saying they are tired of seeing young people with money in their pockets. I thank the Police and Crime Commissioner Simon Foster and Chief Superintendent Phil Dolby for meeting me on Friday to discuss the situation.

Our Sure Starts, an important focus for families, are gone. Palfrey Sure Start was rated outstanding. There is a lack of health visitors to support families. There is no investment in schools; Blue Coat Church of England Academy is still waiting for money to fix its heating. There is no direct support for children or for those who have been excluded from school. The Chancellor talks about childcare, but his policy will not come into effect until 2024. And what about social care? There is nothing. This Budget fixes nothing. It does not invest in people.

The Chancellor wants to get people with disabilities back into work, but we cannot even get a lift to help people with disabilities or parents with pushchairs to access Bescot Stadium station. I wrote to the Minister, who told me to write to the Mayor; the Mayor told me to write to the Minister again. He said that there was no money, but he has £70 million of unspent Commonwealth games legacy funding. My constituents cannot wait until 2029 for access.

The Chancellor said that he wants us to be the best place to do business and work and the best place for research and development, but what about other research? It cannot all be about digital and computers. He truly is an avatar Chancellor. There was no explanation for the return to the Treasury of £1.6 billion that should have been allocated to Horizon Europe. Is that what is holding us back from joining Horizon? Will the Chief Secretary to the Treasury please ensure that it is paid over so our scientists can collaborate on their research?

There is a democratic deficit. I have outlined the stuff of life that keeps people in our communities going. The Chancellor missed out an E—E for excuses—but so far the country has given him an F for failure. He is failing

our constituents, our communities and the country. There is an alternative. It is time for change, and only Labour can bring that change.

**Madam Deputy Speaker (Dame Rosie Winterton):** I call Anthony Browne.

**Hon. Members:** Hear, hear.

3.34 pm

**Anthony Browne** (South Cambridgeshire) (Con): Thank you, Madam Deputy Speaker—and thank you, colleagues. So much to say, so little time to say it.

I agreed with the opening comments of the shadow Secretary of State, the right hon. Member for Doncaster North (Edward Miliband): we do have a problem with economic growth in the UK. Economic growth is incredibly important—it creates more jobs, it creates better-paid jobs, it helps with the cost of living crisis, and it helps to raise the taxes that we need to pay for public services—but it has been too slow over the 15 years that have elapsed since the financial crisis. What he failed to point out, however, is that this has been a problem across the developed world, and is not unique to the UK. The global economy has been hit by the triple whammy of the financial crisis, the covid pandemic, and the cost of living crisis that has resulted from the invasion of Ukraine. It has been like being hit by a hurricane, a tornado and an earthquake back to back, and it is not surprising that the entire world economy is feeling battered.

If the right hon. Gentleman wants to pin the blame on the Conservatives, which is what he was trying to do, what matters is how the UK has performed in comparison with the rest of the world. As I have said in the Chamber before, according to the International Monetary Fund, we had the fastest-growing economy in the G7 last year and the year before, but what is our record since 2010, when the Conservatives were elected? According to the IMF, the UK economy has grown by 21% during that period, which, although too low, compares extremely well internationally. In fact, the UK has had the fastest-growing major economy in Europe. Since 2010, we have grown faster than Germany, France, Italy, Spain and almost every other euro area country apart from the fast-growing economies of eastern Europe, and we have grown far faster than Japan. We have a track record that really holds its head up, and criticisms of Conservative Government policy really do not bear examination.

**Mr Baron:** Is that not reflected in our unemployment rates, which are almost half the EU average?

**Anthony Browne:** Absolutely. Our unemployment has gone down dramatically, and has halved since 2010. This has been an astonishing performance. Given the economic troubles that we have experienced since the pandemic, it is amazing that unemployment has not risen more than it has. Our unemployment rates compare very well with those in most other countries. This illustrates dramatically the point that we keep making about the Labour party: every time it has been in power, it has left office with unemployment higher than when it arrived, whereas with us it is the other way round.

So how do we achieve economic growth? That is the key challenge. There are two main steps that we need to take. First, we need to increase the participation rate of

[Anthony Browne]

workers and, secondly, we need to increase business investment to improve productivity. Many of the measures in the Budget, which I highly commend, will increase the participation rate of workers—notably the childcare reforms, which many others have mentioned, and the abolition of the lifetime allowance for pension contributions, which the Backbench Treasury Committee, which I chair, recommended to the Government. The allowance is clearly a hindrance that prevents a great many people in a great many sectors from continuing to work, given the punitive tax penalty that they incur when their pension pot reaches £1 million. The Labour party has tried to bring the politics of envy into play, saying that it is a tax for the rich, but about half those involved work in the public sector—they are not just doctors, but senior civil servants, senior police officers, senior military personnel, air traffic controllers, Government scientists and so forth. Are all those the unacceptable 1%? It is a very ill-informed attack from Labour. This measure also constitutes a dramatic simplification of the system, which means that many more people can understand it and gauge what is best for their pensions.

As for increased business investment, that too was proposed by our committee, although we never dreamt that the Government would be courageous enough to go the whole way. Full expensing is far the most generous tax relief for business investment in any developed country. There was a tax penalty for business investment, but it is now the other way round. I would prefer not to see corporation tax rise to 25%, but that is still the most competitive rate in the G7, and full expensing goes a long way towards reversing its effect.

Given all these different policies—and I will not go through them all—I think that this is a powerful Budget which should go a long way towards promoting economic growth, and the Office for Budget Responsibility, in its analysis, has raised its economic growth forecast as a result of it. I strongly commend it to the House.

**Several hon. Members** *rose*—

**Madam Deputy Speaker:** Order. There is absolutely nothing wrong with interventions, but we are so pressed for time that speakers should bear in mind that if they accept an intervention, I would appreciate it if they nevertheless stuck to the time limit. Those who intervene on others and who are still trying to catch my eye will move further down the list, because they will have had one chance already, and it means that someone else loses a minute, if not more.

3.39 pm

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I will be very brief, Madam Deputy Speaker. According to the British social attitudes survey, what most people want to see is fairness in our society. They want to see fairness in rewarding hard work, in how our policies and laws are applied and in the dignity and respect that we show our vulnerable citizens, whether that is older people, sick and disabled people or people who become destitute, of whom we increasingly see too many. So, in relation to the Budget, fairness for me is about reducing the structural inequalities in income, wealth and power that saw us have one of the highest death rates in the developed world during the pandemic

and that, in particular, have driven the largest fall in life expectancy since world war two. As my right hon. Friend the Member for Doncaster North (Edward Miliband) said, fairness is at the heart of what we are about and what our constituents are about.

In relation to the Budget, though, we see that the OBR is still forecasting historically large reductions in living standards this year after adjusting for inflation. If we look at the fairness aspect of that, although we see direct taxes particularly affecting high-income groups, indirect taxes are having a really detrimental effect on groups on lower incomes. On public spending, it looks good when we consider the end of this financial year, but there is no real-terms investment in public services, as my right hon. Friend the Member for Walsall South (Valerie Vaz) said. We are seeing this in our constituency casework in relation to social care, and that is going to be the case for the next two years, with no real-terms investment in public services.

On social security, I was deeply disappointed to see the emerging rhetoric from the Chancellor in the Budget concerning the reasons we have seen a dip in economic activity. He and others have started to assert that the reason there are fewer people in work at the moment is that it is too comfortable on social security, hinting at the workshy and the shirkers and scroungers narrative that we have heard in the last 10 years. There is absolutely no evidence to support that. First, if those people are economically inactive, they are not claiming social security. There are myriad reasons that they are not in work, including sickness. We have 2 million people who are still living with long covid, for example, and an army of family carers is needed to look after them.

I was pleased to see the changes to our childcare system, which has been so poorly funded, but it has taken 13 years. This should have happened before. And what about elder care? What about flexible care from work? The Government should look at those problems and stop scapegoating sick and disabled people and those people who are claiming social security. I worry about those who are not well and who are barely clinging on. All this talk about a tougher sanctions regime will send people over the edge. So I would like to ask the Minister what assessment he has undertaken of the deaths of vulnerable claimants as a result of increasingly punitive sanctions.

3.43 pm

**Andrew Jones** (Harrogate and Knaresborough) (Con): In the many forecasts that we receive in the Budget, there was one that particularly pleased me. That was the projected fall in inflation to 2.9% by the end of this year. Tackling inflation means tackling its underlying causes, and that means boosting supply in a way that does not drive inflation. I believe that improving productivity is central to this—a point that was made eloquently by my hon. Friend the Member for South Cambridgeshire (Anthony Browne).

When we discuss productivity, we must be clear about what we mean and what we do not mean. It does not mean working harder; rather, it means working smarter so that there is more output for the same input. I therefore strongly welcome the Budget change in capital allowances, which will mean that companies can get up to 100% tax relief on investments in plant and machinery and on upgrades to IT equipment and production lines. The

OBR suggests that this measure will increase business investment by 3% per year. The Treasury forecasts suggest that that measure is expensive, costing up to £25 billion, but it is also critical for international competitiveness. This decision makes the UK the only major European economy with full expensing and gives us, jointly, the most generous regime of any advanced economy.

Other measures in the Budget boost supply, but the supply of people and skills are critical in building capacity and longer-term growth. Recruitment challenges are the challenges most frequently raised with me by businesses in Harrogate and Knaresborough, which echo the comments of businesses I meet through the all-party parliamentary group on infrastructure, which I chair, and are backed by the data on the number of vacancies in the economy. I am pleased to see the measures to boost work participation: reforming universal credit, expanding childcare and abolishing work capability assessments. Each is to be welcomed.

One measure I particularly welcome has already received some comment, and that is the measure on pensions. I recently had a conversation with a doctor in my constituency who told me that he is leaving the NHS due to pension issues, as he would literally have to pay to go to work, which is a ridiculous position. He is a senior brain surgeon in his early 50s, doing important work that he loves. Our conversation was one of sadness and regret. The lifetime allowance change makes his problem disappear, and I hope this most expert and most pleasant constituent will now reconsider his life plans. People know there is a problem to solve on pensions, particularly in the health service and the public sector, and they want it tackled. It is good policy to encourage people to make provision for their future, and it is good policy to make things simple and transparent.

This Budget, as a whole, is about getting the wiring of our economy right and solving problems. In a different, post-pandemic world, it is about making the UK a better place to do business and supporting people through difficult times. The Budget is not showy, but it addresses long-term competitiveness and productivity issues, the fruits of which will address growth, inflation and debt in the longer term. I am particularly pleased to see supply-side reforms across a number of sectors.

The energy market will be a future area for attention. New technologies and new opportunities require new Government and regulatory responses, but this is future work. The Budget shows the direction of travel and where work should be focused. With its much more encouraging forecasts, this Budget shows that the plan is working, and it puts in place the framework for future progress. I commend my Treasury colleagues for all they have achieved.

3.47 pm

**Douglas Chapman** (Dunfermline and West Fife) (SNP): “Growth” is fast becoming a word with no meaning in relation to our economy, thanks to the ever-increasing financial and fiscal fiascos racked up by this UK Government. Just as the Chancellor delivered his Budget last week, the OECD announced that Britain will be the only economy to contract this year. It will be an outlier, the worst performer among the wealthiest countries. Is this the good news the Chancellor wanted from his four E’s mantra of “enterprise, education, employment and

everywhere”? You can fool some of the people some of the time, but you cannot fool all of the people all of the time.

Hard-working families and individuals cannot make it to their next pay cheque without visiting the multitude of food banks that have popped up throughout the country after 13 years of Tory austerity and mismanagement. Levelling up is yet another misleading and meaningless mantra to add to the list.

The Chancellor has admitted that there are quite a few other E’s, and these need to be examined more closely if we are to find the truth of this Budget. One of them is “eating,” because extraordinary levels of inflation have pushed grocery bills well above record highs, affecting families’ ability to afford adequate food.

There is another E to add to this sorry tale of fiscal mismanagement, and that is for “extreme poverty.” It is not even five years since the UN special rapporteur on extreme poverty, Professor Philip Alston, described the “systematic immiseration” of the British people through Tory austerity, creating “workhouse” conditions for the working poor and the destitute.

What about that big E—“Europe”? The Resolution Foundation has pointed out that our household incomes are falling even further behind those of our European neighbours. Ours are a grand total of £4,000 less than those of our German counterparts, and we are a staggering £11,000 worse off thanks to Brexit and other pay cuts. The Resolution Foundation also reported that the wage stagnation we are experiencing in the UK is “unprecedented”. It says we have

“a toxic combination of low growth and high inequality”

and that that

“is what failure looks like.”

The E there would be the “epic failure” that has built up over these successive disastrous Tory Governments. That is not an E anybody would want to boast about. When a Government are failing on this scale, it is time to do some soul searching, but that can be done only if big truths are faced, however uncomfortable.

The truth is that Brexit remains the big E in the room; it is a continuing kamikaze catastrophe for citizens and businesses alike. It is hard to grow an economy when you have cut yourself off from your largest market, and other countries across the world seem none too fussed about partnering up with a splendidly isolated old Blighty.

To make matters worse, this Chancellor has thought it wise to slap a hefty tax burden on our biggest export—another E. I am referring to Scotch whisky, an export that was previously so badly wanted in the UK that the Union Jack was even stuck on all the packaging.

Finally, let me say that there is one E we can agree with the Chancellor on, and that is the “expression” he used during his Budget speech: “independence is far better than dependence”. That may have been the only true E muttered by a Tory Minister in the past 13 years, and the sooner that Scotland is independent, the better it will be for everyone.

3.51 pm

**Jack Lopresti** (Filton and Bradley Stoke) (Con): I will focus my brief remarks on supporting the announcements made in the Budget relating to the Government’s commitments on defence spending, and on how the Budget also underpins the UK’s place in the world and supports our veterans.



[Jack Lopresti]

Defence of the realm and the security of our people is the first responsibility of any Government. However, as the Chancellor has stated,

“our return to growth has direct”—

positive—

“consequences for our role on the global stage.”—[*Official Report*, 15 March 2023; Vol. 729, c. 844.]

The £11 billion increase in our defence budget over the next five years is a significant investment to ensure the protection of our values of freedom, democracy and an international rules-based order. That £11 billion comes on top of the record £24 billion increase announced in 2020, which was the largest increase since the cold war. This funding will enable us to continue to modernise our military and help ensure that our armed forces have the resources they need to meet the evolving threats we face today. The package of funding for the Ministry of Defence includes an additional £2 billion next year and £3 billion the year after. This funding will also help to replenish and bolster vital ammunition stocks, modernise the UK’s nuclear enterprise and fund the next phase of the AUKUS submarine programme.

Although I am delighted with the increase in defence spending, I join some of my colleagues in urging the Government to commit to spending even more on defence in due course. I understand the budgetary constraints, especially after the support we gave during the pandemic and the help we have given to deal with the rise in energy costs, but I saw for myself only a few weeks ago in Ukraine some of the destruction inflicted by the Russians, so I can say that deterrent is cheaper than conflict and then reconstruction.

I am pleased to see our Government leading Europe in supporting Ukraine with military aid, with at least £2.3 billion this year, at least matching what we spent last year. We are providing more military support to Ukraine than any other country in Europe, and this is support that Ukraine desperately needs. The UK remains the second largest spender on defence in NATO, after the United States, and we were the first large European country to commit to spending 2% of GDP on defence. The proposed increase to 2.5% shows our continued commitment to being a leading defender of democracy and providing help to people who are standing up to those who threaten it.

I welcome the package of £30 million to increase the capacity of the Office for Veterans’ Affairs, which will help veterans with injuries returning from their service and increase the availability of housing for veterans. It will help to ensure that our veterans receive the support they need to transition back into civilian life and live their lives to the fullest.

The impact of all this investment on the broader economy is huge. The commitment to increase defence spending will create much more certainty for the 390,000 defence jobs across the UK, many of which are high paying and highly skilled, in places such as my constituency. The MOD is the largest provider of apprenticeships in the country. It supports more than 90,000 apprenticeships in subjects as diverse as cyber, engineering and healthcare. I support the introduction of a new kind of apprenticeship known as a “returnership”, targeted at the over-50s who want to return to work. Returnerships will operate alongside skills boot camps

and sector-based work academies. They will be incredibly useful for those who wish to change career and in encouraging some of our over-50s back to the workplace.

The Budget not only increases our ability to defend ourselves, sustaining our credibility and our place in the world; it will also help to create many more high-tech, high-skilled jobs, so that we can continue to preserve and enhance our sovereign defence manufacturing capability as well as defending ourselves.

3.55 pm

**Barbara Keeley** (Worsley and Eccles South) (Lab): In the Budget, the Government missed an important opportunity to support unpaid carers. There was also no mention of social care and there were no measures to fix the current crisis, which is increasing the workload of unpaid carers.

On Budget day, which was also Young Carers Action Day, members of the all-party parliamentary group on young carers and young adult carers met to hear from young carers. One was Rochelle, who has been a carer since the age of 12. She told us that her mother had bipolar disorder—type 2—and was sectioned. Rochelle said that she had no interaction with the mental health professionals who supported her mother despite the fact that she saved her mother’s life twice through her knowledge of first aid. Rochelle’s mother lost £20,000 of her savings through fraud by someone who befriended her. Rochelle told her teachers at school about that, but they did nothing to help.

Rochelle got no help as a young carer until she went to Kingston University through the KU Cares programme. The good news is that she is now studying law part time while working as a full-time member of staff at the university on work to recognise and address the unique challenges and structural disadvantages that some groups of students face. Rochelle won an award for charity and third sector work presented at the House of Lords in December 2018, and she shared her story with the charity Our Time to encourage other young carers.

There are 800,000 young carers like Rochelle who need better support. One young carer told the Carers Trust that:

“Being a young carer feels like we have been forgotten. There is not enough support to help us.”

A recent survey by the Carers Trust showed that the situation for young carers is getting worse. The majority of young carers now spend more of their time caring than they did last year, and around half of young carers care for more people. In a Budget that claimed to be about getting people back to work, there were no significant measures to help the many unpaid carers who cannot work or have to reduce their hours due to caring.

The Work and Pensions Secretary referred briefly to carers in his speech, when he said that

“we know that 1.7 million people say they are economically inactive because they have caring responsibilities.”—[*Official Report*, 16 March 2023; Vol. 729, c. 1015.]

He went on to talk about childcare but said nothing about support for carers.

Worse still, the *Health Service Journal* has reported that the Government are set to cut planned spending on the adult social care workforce and on reform and integration by at least £500 million. The workforce funding announced in December 2021 would have invested in “knowledge, skills, health and wellbeing and recruitment policies”

in social care. That money is sorely needed in a sector with a 10% vacancy rate, but it is now expected to be halved. The same reports suggest that the already miserly funding pot of up to £25 million in funding for carers will be cut to nothing, as will £300 million earmarked “to integrate housing into local health and care strategies”

to improve supported living. Leaders across the sector have rightly criticised those cuts, because this is no time to cut social care or, even worse, to cut the existing pitiful level of Government funding of support for carers.

The Budget missed the opportunity to do something about the crisis in social care, but the Government cannot keep ignoring it. The system has already eroded to a level that fails patients, staff, families and unpaid carers, and the impact of that failure will be serious and far-reaching for both social care and the NHS.

3.58 pm

**Simon Fell** (Barrow and Furness) (Con): I will speak briefly because I know that many Members want to speak. There is much to like about the Budget, which is focused on growth, getting people into work, incentivising investment, driving down inflation, and providing people with security on energy costs and the future of their energy needs. I will touch on three areas that I think are the most important: energy support, energy security and the environment.

The illegal invasion of Ukraine has layered stresses on a global economy already weakened by covid. Food and fuel shortages have led to global inflation and the pressures we all face now. Two ways to resolve that are support in the here and now, and planning for the future so that we are not exposed next time round. The £94 billion cost of living package, one of the most generous in Europe, is a remarkable intervention by the Government and will continue to shield families while the market stabilises. Continuing the energy price guarantee, freezing fuel duty and ending the premium on prepayment meters are interventions that will make a genuine difference to people's lives, and I support them wholeheartedly.

The other side of the coin is energy security. I particularly welcome two measures announced in the Budget, categorising nuclear as environmentally sustainable and launching Great British Nuclear. Crucially, changing how nuclear is categorised means that pension funds and asset managers under pressure to make green investments are now in a position to do so. Great British Nuclear and small modular reactors are also crucial to unlocking the UK's potential in capacity and resilience, and offer huge opportunities for the Cumbrian coast at Sellafield and Moorside.

It is worth noting that those SMRs, in which the Government have already invested £210 million, power an existing nuclear fleet as the engines of our submarines. One reason such programmes are costly and fragile is the infrequency of their production; not having a common nuclear energy fleet layers complexity and cost on the roll-out of nuclear power. However, given the security in the submarine programme through Astute, Dreadnought and SSN-AUKUS, the drumbeat of production and the progress of the submersible ship nuclear replacement programme, that symbiotic relationship should bolster the defence of our realm and our energy security.

The Government's commitment to carbon capture and storage in the Budget is a welcome push for that industry and will inspire confidence in market participants

that the Government are serious about achieving their target of storing 20 to 30 megatonnes of sequestered carbon by 2030. I declare an interest, because in Morecambe bay we have a cluster with the potential to store a gigatonne of CO<sub>2</sub> and will provide long-term decarbonisation solutions to businesses across the whole UK, creating thousands of jobs in industrial heartlands. My right hon. Friends on the Front Bench are welcome to visit at any point.

I welcome this Budget for the clear emphasis it places on growth and delivering against the people's priorities of halving inflation, growing the economy and reducing debt, all in aid of creating better-paid jobs and opportunities across the UK and in constituencies such as mine in Barrow and Furness.

4.2 pm

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): This year has been one of profound difficulty and hardship for many of my constituents, and in many areas the Budget will fail to allay their fears.

I want to cover a few issues, starting with small and medium-sized businesses. While the Chancellor could have used last week's Budget as a means to rebalance the scales in favour of the small businesses that form the backbone of the Welsh and UK economies, many SMEs will feel that instead they have been short-changed and overlooked. My constituency, like many others, is filled with dynamic, vibrant and resilient small businesses, which are integral to this country's recovery from the pandemic, to the economic growth that appears to have eluded seven Tory Chancellors, and to the long-term prosperity of our country. I recently met many local SMEs with my constituency colleague, the Minister for the Economy of Wales Vaughan Gething, and they raised many issues with me, from energy costs to recruitment and skills and the importance of infrastructure.

However, the Government's priorities in no way reflect that picture. I agree with the criticism from the Federation of Small Businesses that small business owners,

“will be wondering why the choice has been made to overlook them.”

We have seen £27 billion directed at big business, with small and medium businesses being told that their role is insignificant in comparison. On the Opposition side of the House, we know the value of small business: we would cut business rates for small firms, give grants to go green and tackle late payments from big businesses.

The Chancellor also brushed over the contribution the co-operative sector makes to our economy—here I declare an interest as a Co-operative MP and draw the House's attention to my past interests. There are currently 7,000 co-operatives in the UK and this critical sector contributes £40 billion to the economy each year. Co-operatives are ambitious, with 61% expressing ambitions to grow compared with 53% of small businesses generally, but co-ops and mutuals are struggling under this Government. The recent crisis at John Lewis, which faces the prospect of having to dilute more than 70 years of a tradition of collective ownership, is a symptom of the Government's refusal to make sensible changes, such as introducing permanent capital to enable mutuals to access new funding without having to change their status.

[Stephen Doughty]

The creative industries are absolutely critical in my constituency. They are worth £115.9 billion in gross value added, and make up 6% of the economy, employing 2.3 million people, including many of my constituents. Although we welcome the audio-visual expenditure credits, which are replacing the tax relief, they stand in contrast to the cuts that could be made to the BBC orchestra and singers. Indeed, my constituents have raised with me not only the cuts to those organisations but the impact of energy costs on grassroots music venues—one is closing every week across the UK, but the Chancellor has failed to heed the evidence submitted by the Music Venue Trust and others about the crisis that they are facing.

Steel and green steel, which have been raised by other hon. Members, are absolutely critical in my constituency and crucial for our construction industry and many key infrastructure projects, but the Government have lacked a clear industrial strategy on steel. The Labour party would invest in green steel and have a steel renewal fund. The UK public are with us on that: 70% said in a recent poll that the Government should intervene to provide competitively priced electricity to the UK steel industry.

Pensions have been a core issue. Although the Government have been happy to provide support for the pension pots of the richest 1%, constituents of mine who lost their Allied Steel and Wire pensions, and who were part of the financial assistance scheme, are still being short-changed. Indeed, some are now receiving 40% less than they should because of a lack of index linking and a lack of action. We met the former Pensions Minister, the hon. Member for Hexham (Guy Opperman) back in 2021, but two years on, I have yet to hear what answers he has to the serious questions that those pensioners are raising. There is not a lot of joy in this Budget, and there are some serious questions for the Government.

4.6 pm

**Elliot Colburn** (Carshalton and Wallington) (Con): I congratulate the Chancellor of the Exchequer and the Treasury team on delivering a Budget that tackles cost of living pressures, takes steps to continue our economic recovery and, ultimately, places our constituents at the heart of the Government's priorities.

We should be under no illusion that high inflation, spurred on by the illegal invasion of Ukraine and the economic fallout of the pandemic, is the greatest threat to the prosperity of the UK right now. My Carshalton and Wallington constituents come to me to share their stories. Parents—particularly women—are forgoing employment because childcare is unaffordable, elderly people are worried about energy prices, businesses are struggling because their customers are tightening their belts, and pretty much everyone in between is affected. High inflation spares no one. That is why I am so pleased that the OBR forecast states that we will more than meet the Government's pledge to halve inflation this year. The Budget also builds on the work that the Government have already undertaken to cut inflation, and takes decisive action to support the people who are currently impacted by inflation.

I will touch on a few key measures, particularly the introduction of 30 hours' free childcare per week for children aged nine months to four years old. I pay tribute to my hon. Friend the Member for Stroud (Siobhan Baillie) for her doughty campaign in that incredibly important space. I cannot begin to tell the House how many young parents—again, particularly women—have met me to discuss the cost of childcare. I am grateful that the Minister for Social Mobility, Youth and Progression, my hon. Friend the Member for Mid Sussex (Mims Davies), came to my constituency last week to visit Bright Horizons nursery and pre-school, where we discussed some of those priorities. Not only are the measures good for the wider economy, good for enabling new parents to return to work and good for those parents' personal budgets, but they will give back to many of the young mothers whom I have met an important part of their lives: the opportunity for independence and professional aspiration.

I am also glad about the other actions that the Government are taking to support all people facing cost of living pressures, particularly by extending the energy price cap and ending the premium paid by the more than 4 million households that use prepayment meters, ensuring that energy bills become fairer across the board. Of course, there is always more work to be done, and I would like the Government to spend more time looking into the impact on people whose homes are heated by district energy networks, such as those who live in New Mill Quarter in Hackbridge. It is not entirely clear what the energy bills discount scheme means for them. Indeed, that extends to local businesses as well. I thank the Minister without Portfolio, my right hon. Friend the Member for Chelsea and Fulham (Greg Hands), for coming to Carshalton last week to visit businesses, particularly Village Bakers, to discuss their energy bills.

Shortness of time prevents me mentioning many other measures, such as the frozen fuel duty, so I will wrap up by highlighting the major advance in healthcare. I welcome the move on pensions: as chair of the all-party parliamentary group on cancer, I know that much of the cancer workforce was leaving because of that issue, so I am grateful for the change. I never forgo an opportunity to mention the upgrade to St Helier hospital in the London Borough of Sutton, so I thank the Government for reaffirming those pledges. I commend the measures in this Budget.

4.10 pm

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): It is an honour to follow the hon. Member for Carshalton and Wallington (Elliot Colburn), a fellow member of the Petitions Committee. After the chaos of the past few years, the Budget was the Government's chance to show that they would govern for everyone and end the divisive rhetoric and politics that hold our country back. Sadly, it was an opportunity missed, because although some of the biggest challenges—the need to reform childcare and get Britain working again—were acknowledged, the Government have proved incapable of fixing them.

Across the north-east, 38% of babies, children and young people are growing up in poverty, overwhelmingly in working families. In Newcastle, that figure is 42%. It is only set to get worse, with 1 million more children



expected to live in poverty in the next year. That is the reality: more children growing up in households without the very basics, whether that is food in their stomachs, heating in their homes, clothing on their backs or something as fundamental as a bed.

In December, as chair of the Petitions Committee, I led a debate on child bed poverty. I can scarcely believe that bed poverty is a real problem in 21st century Britain, but it is, yet we only saw complacency in the Budget. The squeeze on living standards has left working people £104 a month poorer and wages are set to remain below 2008 levels until 2026. That is not growth. Everyone is running faster but they are slipping backwards. People are still paying more for their mortgages after the kamikaze budget, but, against that backdrop, the Chancellor's choice was to give a tax cut to the richest 1%. That is the wrong priority at the wrong time.

Since 2019, the Petitions Committee has received many childcare petitions, signed by more than half a million people, on extending free childcare, on the childcare ratios and calling for an independent review of the childcare sector. I am heartened that the Chancellor has started to listen to those concerns, but the solutions will not meet the challenge. Increasing the number of children entitled to free childcare places while continuing to supply inadequate funding will mean that childcare providers will increasingly be forced out of the market. They have made that very clear.

The Government have also neglected to follow the evidence on ratios. It was presented very clearly to us in a powerful petition led by Zoe and Lewis Steeper, who sadly lost their son in a tragic accident at nursery. The Early Years Alliance describes relaxing ratios as a

“ludicrous, pointless and potentially dangerous policy”.

It just will not work. Some 70% of childcare providers have said that the Government consultation will not make them review their provision. Pregnant Then Screwed warn that such a change will be “detrimental to staff retention”, with a survey showing that 75% are likely to leave if ratios are relaxed. We are asking these very low-paid workers to do more with even less, and that will exacerbate existing problems. It is not just about safety. We know that smaller numbers mean better quality childcare, and that matters to our families, our children, our childcare workers and our economy.

I could have talked about so many issues today—our crumbling transport infrastructure, our wavering commitment to international aid, defence spending or the failure of the Government's so-called levelling-up agenda—but time simply does not allow it. What worries me is that this Budget is an attempt to paper over the cracks of 13 years of failure, and we cannot afford any more precarious growth. The Budget is a deafening wake-up call to the British people that unfortunately this Government are out of ideas, out of road and need to make way for a Government who will take the country forward.

4.14 pm

**Siobhan Baillie** (Stroud) (Con): Small businesses and families are the “force” in workforce. It is fantastic that the Chancellor of the Exchequer has recognised that, and it is also not rocket science to know that the country's finances are going to be stretched at a time when we have spent £400 billion on the pandemic and are dealing with a war. However, Stroud people can see

that the Budget is making sensible and realistic changes to help with fuel and transport, energy costs and pensions; to ease recruitment pressures for businesses; and to take action on beer duty, potholes and leisure centres.

We have had a huge team effort on this side of the House to make the case for putting parents and the early years workforce front and centre in the Budget. I am not sure that the Chancellor or the Prime Minister has had a breakfast or a meeting recently without that issue being mentioned, and they have definitely listened. Reforming and stimulating the early years and childcare sector is not just some fluffy woman's issue: it helps the country threefold. It gets parents back into work and working at full tilt; it gives businesses the workers that they desperately need at the moment; and the childcare and early years sector is a skilled workforce in itself. These people are looking after the most precious things in our lives, and it is really hard graft. I come to work for a rest from my kids; I could not do what those workers do. We have to value them, train them, and pay them more. It is well known in this place that I think there is more work to do on hourly rates for the childcare sector, but we have made massive strides in the Budget.

The Budget is also a good reminder to the country that the free hours are not free. They are paid for by the taxpayer, and we need to use them judiciously: we need to think through who are the best people to use them. I think there should be changes, but again, I think we are getting there. I met some Stroud childminders recently, which reaffirmed to me how special these entrepreneurial businesspeople—mainly women, but businesspeople—are. They can do an awful lot for families, but they can also do a lot for families with children with special educational needs and disabilities, and I think we should lean on them more.

I do want to make a political point now: I think the Chancellor of the Exchequer has blown the Labour party out of the water on childcare. Labour Members have gone on and on about this—I have been shouted down—but they have not come up with a plan. We have had speech after speech; we have had flying around the world, using lots of air miles and upsetting the environment, but they have not come up with a plan. They have misled parents and mismanaged expectations. They have talked about universal free childcare; they have talked about having a new system like the rebirth of the NHS, as per the article in *The Times*, but behind the scenes, they have realised that that is not affordable, realistic, or sustainable for the country. I do not accept that they could not come up with a plan because they are waiting for the elections and want to get all the good stuff out then.

**Florence Eshalomi** (Vauxhall) (Lab/Co-op): Will the hon. Lady give way?

**Siobhan Baillie**: No, we are not taking interventions, but I would love a conversation about this, because I would have liked to see the ideas. Unfortunately, that plan has not been forthcoming, but other plans have been. We have seen ideas about cars from the Opposition, but not about childcare and not for families. The Government have made childcare and the early years sector not just about infrastructure, which Opposition parties have been asking for. They have recognised parents and the early years workforce as key to growing the country—key to the economy. That is absolutely

[Siobhan Baillie]

integral to making the families of this country feel valued and part of getting involved in this country's success. I am very grateful for that.

In my final seconds, what I would say to the people who are worried about there being too much focus on getting parents into work is, "I hear you." It is right that we should have parental choice, but given the financial constraints on this country and the current workforce issues, it is also right that the Chancellor has done what he has with the Budget.

4.18 pm

**Carolyn Harris** (Swansea East) (Lab): While the Chancellor seemed to think that last week's Budget was an opportunity to celebrate the fact that the country had narrowly avoided entering recession, the fact remains that the UK will be the weakest economy in the G7 this year, and the only country that will see negative growth. True to form, when the Government came to choose who to give additional support to, it was the richest 1% and their pension pots when they abolished the £1 million cap on how much an individual can build up in their private pension before they pay additional tax. If, as the Chancellor suggested, the reason behind doing so was to keep doctors in work to boost our struggling NHS, that clearly could have been done through a tailor-made amendment to pension rules.

While the Government are helping the rich to get richer, there are people in my constituency and right across the country who cannot even dream of paying into a pension, let alone saving on the money they have to pay on it. We have families who cannot afford to put food on the table, working people queueing at food banks and children going to school with empty bellies, yet the Government's response was to bolster the pensions of those who already have more than they will ever need. That is very wrong.

We all want to keep people in work, but to do that we need to help them by offering them the support they need, rather than just offering financial incentives to a tiny elite group. There are women who have worked all their lives, mostly on salaries, where a £1 million pension pot will never trouble them. They hit the perimenopause, and they become engulfed in self-doubt and in need of some minor adjustments to their working conditions, but at the moment, even though we have started to see a breakthrough, not enough businesses have that support in place. Some 10% of menopausal women are leaving jobs. One in four is reducing hours and thousands more are avoiding promotion.

Women are claiming benefits for the first time in their lives simply because nothing was done to help them remain in work, but by leaving work earlier than planned, their national insurance contributions may not reach the threshold for the full state pension, so they may well end up claiming pension credit. There are employers that have taken that on board and implemented changes that have been instrumental in retaining staff, and I welcome the development of a new standard on menopause in the workplace that will be launched by the British Standards Institution later this year. I am absolutely delighted that the Opposition have committed to improving menopause workforce support when we have a Labour Government, because we understand that it is the millions we need to be helping, not the millionaires.

4.21 pm

**Dr Ben Spencer** (Runnymede and Weybridge) (Con): This is an excellent and very important Budget for people in Runnymede and Weybridge and across the country. There is lots to talk about in it, but I want to focus on a couple of key points that are maximally important in tackling the challenges we have today—the need to halve inflation, grow the economy and reduce debt—and some of the interventions that this Budget makes to drive that forward.

The first thing I want to talk about—No. 1—are our reforms and improvements to childcare. I have an interest of sorts to declare, as I am a recipient of 30 hours of subsidised childcare and a user of the tax-free childcare scheme. Childcare is one of the biggest issues that comes up on the doorstep in my constituency. It is clearly a barrier to parents—mums and dads—returning to work, and the interventions we are making to increase the number of hours and improve the rate and the supply-side reforms will make a big difference. I have had meetings with many of my early years providers and nurseries, and they have raised just how challenging it is and how challenging the rates are in particular. These reforms and changes will make a huge difference. There is also a recognition in the measures being brought forward that supply-side provision will be difficult. In bringing the policy forward, there will be challenges in growing the workforce, and that is why it is being introduced in a sensible, staged way.

My second point is the investment in science. In Runnymede and Weybridge, we are proud to have the SuperFab quantum lab at Royal Holloway. I have visited it, and it is absolutely brilliant. It is an awesome high-tech research lab. The quantum strategy we have announced, with £2.5 billion going into it and a 10-year plan going forward, is critical for UK science. It will help the quantum ecosystem and it will continue to consolidate our position as world leaders in science, which is so important for the medium to long-term ambitions of our economy as we move more towards a high-skill, high-tech economy. We very much see that in Runnymede and Weybridge and the businesses we have locally.

I speak to businesses all the time, and I say, "Why did you set up originally in Runnymede and Weybridge?" They talk about proximity to an international airport—Heathrow—and to motorways, the commute time into London and of course being in Surrey, a wonderful place to live and work. Through that, we have a whole host of big life science and high-tech companies located in my constituency. I am working to drive forward further investment to consolidate us as a world-class location in which to invest. So I say to those watching at home, "If you've got a company that is in the tech and life science sector and you want to invest in Runnymede, come on over." We are a fantastic place to set up, and the Government's reforms will help consolidate that even further.

While I am on a roll, in my last 30 seconds I am going to talk about the Animal and Plant Health Agency, which is in my constituency. In the first Budget I was at as a new MP, the Government committed £1.4 billion towards it, and I am looking forward to seeing that being delivered as we go forward. It is critical for our security in defence against zoonotic diseases and for our trade. It underpins the Northern Ireland framework, or

what I would like to be called the Runnymede agreement, as it was actually signed in my constituency, and on that, I will finish.

4.25 pm

**Angela Crawley** (Lanark and Hamilton East) (SNP): The cost of living crisis is far from over and, sadly, this Budget offers very little to the people in Lanark and Hamilton East. Energy bills remain high, mortgage rates remain high and child poverty remains high, so if this is the best that the Chancellor can offer during a financial crisis of his own Government's making, it demonstrates how perfectly out of touch Westminster is with the needs of Scotland.

The Chancellor spoke of ramping up welfare conditionality. This will only force more people into insecure work, offering no stability for future planning, and it is not enough to lift them out of poverty. The reality is that this has resulted in a series of punitive sanctions in relation to the administrative earnings threshold on universal credit. Does the Chancellor really believe that the solution to bringing about growth is to hammer down on sanctions?

The gender pay gap is still very much apparent, and this Budget will do nothing to address it. I fear that women are bearing the brunt of the cost of living crisis, and this is fundamentally unacceptable in 2023. Calls to reintroduce gender pay gap reporting and to include ethnicity and disability pay gap reporting have all but been ignored. So can the Chancellor really claim that this will achieve economic growth and be truly inclusive, as the Conservative Government appear to believe it will?

While I welcome an increase in the national minimum wage, it is not a real living wage. It will not be enough to cover the cost of living, and it will not be enough to lift people out of poverty. It will not be enough to give people financial freedom to meaningfully contribute to the economy. When will the Chancellor listen to the overwhelming calls from stakeholders to completely commit to fully implementing a real living wage?

The one policy I will welcome is on childcare. We all accept and understand that good-quality, well-funded childcare is imperative to drive the economy, to get women and parents back into work, and ensure that those who are in work stay in work, as well as to tackle things such as pregnancy and maternity discrimination and the bias against women within the workplace who are assumed to bear the brunt of childcare, but this is simply not good enough. I recognise that it enables parents, particularly mothers, to contribute to the economy, but lip service to childcare is not good enough. This could be a truly transformative policy: it could achieve real economic change, reduce discrimination, reduce in-work disparity and level the playing field for the gender pay gap, but this policy does not go far enough. I hope the Government will consider that it is a great policy, and let us drive it further.

I want to make a final point about the Government's record in the last 13 years. Their dogmatic commitment to Brexit has cut Scotland off from our largest international trading partner. It has cut us off from access to the EU labour force, and businesses in Scotland can no longer afford the labour shortages they have been hit with in the last 12 months. The reality is that the cost of living

crisis is not over. I am calling on this Government to listen to the SNP, accept the Migration Advisory Committee's recommendations for a rural visa pilot, and allow those who want to come here to work and contribute to our economy to do so.

The reality is that this Budget has only further deepened the isolation that people feel. It has pushed low-income households into further poverty, created hardship even for those in well-paying jobs and forced people to sacrifice their basic needs to stay afloat. It has exacerbated the mental health crisis and pushed businesses to the brink of collapse. It has encouraged people into debt and forced pensioners to turn their heating and electricity off in the depths of winter. I know that this is the reality for many of my constituents across Lanark and Hamilton East and across the UK, and I am calling on the Chancellor to make—

**Madam Deputy Speaker (Dame Rosie Winterton):** Order.

4.29 pm

**Mr John Baron** (Basildon and Billericay) (Con): I refer Members to my declarations in the Register of Members' Financial Interests.

I very much support this Budget, which has many commendable aspects: the expansion of free childcare, the extension of the energy price guarantee, the increased expenditure on defence, the continued fuel duty freeze and the extension of the 5p cut are all welcome. But I want to take the opportunity to bend the ear of Ministers on a couple of issues that may have been overlooked and may even threaten the long-term potential growth of the economy. They may not have been adequately addressed in the Budget.

The Chancellor rightly focused on five key growth areas, and one of them is financial services. The City of London generates more than 10% of the UK's GDP, but I suggest to Ministers that that is under threat, and I am not convinced that the full scope of the Edinburgh reforms go far enough to address the problem. Many people pooh-bah the stock market, but it is only part of the Square Mile and it acts as a gateway to many other financial services, such as derivatives, trading, insurance, legal services and so on. A healthy stock market is therefore essential, but it is ailing. We just have to look at the computer chip designer Arm and the building materials giant CRH shunning the City for US listings. Those two companies in aggregate account for £80 billion of market worth.

A key problem is that the reaction after the financial crisis—and the Government were involved in this—was to encourage pension fund investors, some of the big beasts in the City, to adopt a more risk-averse approach to investment. Over the long term—and pension funds are about long-term investment—a more risk-averse approach means lower returns. Some pension funds have reduced their allocations to UK equities by up to 90%. The Government need to think outside the box to reverse that trend. They should consider tax incentives to encourage longer-term investment to foster investment in our technology companies, and ending tax penalties associated with equity financing. The Hill review, which is now two years old, has still hardly been properly addressed and it should be revisited.



[Mr John Baron]

We should ask ourselves why so many rising stars among our SMEs, especially in the technology sector and the green space, are banking with a Californian bank, Silicon Valley Bank, which needed rescuing over the weekend. It points to a wider issue.

My second point, in the minute left, is about investment and productivity. There is a severe risk that we will be squeezed between the US's Inflation Reduction Act, worth £300 billion, and the EU's green deal industrial plan, worth £200 billion. Subsidies and investment incentives do work: we need only look at our renewable energy sector. I suggest to Ministers that we need to follow this closely. I welcome the investment proposals in the Budget, and they will go a long way, but we need to monitor this continually, otherwise we risk losing our lead in so many areas in the green technology space. There is simply no room for complacency.

4.33 pm

**Naz Shah** (Bradford West) (Lab): Last week's Budget was another example of sticking-plaster politics, in which once again working people paid the price. The OBR confirmed that the hit to living standards in the UK has been the highest since records began. Data from the Joseph Rowntree Foundation shows that one in five people in the UK are now in poverty. In my constituency, families are struggling to make ends meet. Over half of the children are in poverty and 22.3% of households are in fuel poverty, compared with 13.2% in the country as a whole.

The Tories will attribute their failure to the pandemic and the war, but the contrast between our economy and those of the other countries in the G7 is stark. The UK will be the only country that will see negative growth—no other G20 economy, other than Russia, is forecast to shrink this year.

The Government have neglected small businesses. There have been no plans to support them with their energy bills through this crisis, putting them and their workers' jobs in a precarious position. I welcome the reform to childcare support, which is a significant expense to many families, but the policy does not come into place until 2025. The only permanent tax cut in the Budget, for the very top earners, might come as a shock, but it is certainly no surprise that the Conservative party remains true to its priorities: safeguarding the interests of the rich over the interests of ordinary people.

The Budget was another missed opportunity to provide support for struggling families in Bradford West and across the country. Once again, it fell short on delivering for the working people—another Tory failure to add to a pattern of 13 years of Tory economic failure. The UK and Bradford West need a Labour Government who will put working people first, promote growth and ensure that Britain unlocks its potential.

The Tory party, with no plan of its own, once again rehashes Labour's policies, extending Labour's plans for a windfall tax on oil and gas companies, Labour's plans to cap energy bills for households, Labour's plans for welfare reform, Labour's plans to scrap extra charges for those on prepayment energy meters and Labour's plans to scrap the rise in fuel duty. The Tory party should also consider adopting Labour's plan for a national wealth fund. In fact, I reckon the Tories are ready for a Labour Government who deliver on Labour policies.

In conclusion, this is not a back-to-work Budget; this is the same old Tory Budget that fails my constituents and the rest of the country.

4.36 pm

**Alexander Stafford** (Rother Valley) (Con): I rise to celebrate the Budget. Madam Deputy Speaker, as a fellow South Yorkshire MP, you will know that there was joy, singing and the happy ringing of bells in Dinnington on the news that the Budget provided £12 million, under the capital regeneration project, out of a pot of £20 million given to Rotherham, to rejuvenate and revitalise our high streets.

As I am sure the House will know, the regeneration of Dinnington high street is something I have spoken about for years. Unfortunately, the Labour-led Rotherham Metropolitan Borough Council bid for levelling-up funds for Dinnington failed twice. We got £11 million, with £4.5 million for Maltby, but Dinnington was failed and let down. Our bid should never have been put in with the library in Wath; it is not the same project.

When I found out that our bid for the high street had failed, I went to the Levelling Up Secretary, the Chancellor and even the Prime Minister himself to say that Dinnington needs this money. The Prime Minister visited Dinnington last June when he was the Chancellor of the Exchequer. He saw at first hand where the money would go, the need to take out the burnt out building, and the need to revitalise the high street and open up the markets. The Government have delivered for the people of Rother Valley and the people of Dinnington.

Why could we deliver? We could deliver because of a combination of work: work by me, but also by ward councillors and other groups, such as the Dinnington St John's Town Council, led by Councillor Dave Smith, and the Dinnington Land Trust, with David Dixon and Dave Johnston, who combined to put together a neighbourhood plan for Dinnington, so that the high street project could be looked on favourably by the Government. The reason we had not had the investment for Dinnington high street and other areas in Rother Valley for so long was that there were no masterplans for Dinnington, no masterplans for Maltby, no masterplans for Thurcroft and no masterplans for Swallownest. We were waiting and waiting and waiting for them from Rotherham Metropolitan Borough Council, but we did not get them, so we took the matter into our own hands. It was because of that that we could get the money for our high streets. When I was elected in 2019, I made a promise that I would get the money for Dinnington high street. This Budget has delivered for the people of Dinnington.

The £12 million for Dinnington is just the start. There is so much more to do on Dinnington high street—for example, reopening a police station on the high street—but we need further plans for places such as Maltby, Thurcroft and Swallownest. I want the Government to work with me to get more money for our high streets across the area, because we clearly cannot let this situation continue. We cannot rely on Labour-led Rotherham Metropolitan Borough Council to provide the plans for these areas, because it has not done them. That is why, when I had my meetings with the Chancellor, the Prime Minister and the Levelling Up Secretary, I said again and again that

we needed this money for Dinnington. This Conservative-led Government have delivered for the people of Dinnington and that is so important in this Budget.

The Budget is so important for the people of Dinnington and Rother Valley. At last we have hope that our high street—the beating heart of Rother Valley—will be revitalised. It will be a long battle to get the planning permissions, the possible compulsory purchases and all the consultations. I want the Government to work with me to ensure that, now the £12 million is in Rotherham's bank, it is spent fully on Dinnington high street and its people to truly level up, as this Government promised and are delivering.

4.40 pm

**Mohammad Yasin** (Bedford) (Lab): Like many of my constituents in Bedford and Kempston, I listened intently to the Chancellor's Budget announcement last week. It was an opportunity for the Government to unleash Britain's potential and realise the nation's economic promise. Once again, the Tory Budget failed to deliver.

We should not be fooled by avoiding recession on a technicality. There is no room for boasts and bluster when we face being the only country in the G7 that will see negative growth this period. For all the bravado that surrounded the extension of the energy price cap scheme, have the Government reflected on how we got to a position where such a guarantee was necessary for struggling households across the country?

My constituents are worried about the state of the NHS, the number of police on the streets and the progress of infrastructure projects that will change the physical, social and economic landscape of our towns—issues that were all but ignored in the Budget. The Chancellor may have fudged this Budget, but he has had a long parliamentary career. Given his previous incarnation as Health Secretary, he must acknowledge the importance of health for boosting the economy. This is about not just physical health—the impact of mental health is incredibly significant. In my constituency, we are waiting for the delivery of a new mental health unit, comprising vital services and beds for both adults and young people. The project has spent years in the long grass. The site is approved, the funding is ready and there is a wealth of local support, yet we wait. Progress is blocked by the current Tory Government, who cannot resolve a bureaucratic technicality that limits capital investment, delaying a scheme that will change lives. Why will the Government not take mental health seriously?

Bedfordshire MPs from both sides of the House have raised concerns about policing in the region and how an unfair formula funds us as if we were a rural force—ignoring the many urban areas across the county, including an international airport. Our police force faces major challenges arising from this misclassification and, as a result, so do our constituents. Why did the Government think that policing was not important enough to focus on last week?

The Government have pledged up to £15 million in local capacity funding to support local authorities along the East West Rail route, which runs through Bedford and Kempston. We are told to expect a route announcement from the Department for Transport in May—one that may or may not bring an end to the years of uncertainty for residents whose homes are blighted by a current proposal that lacks any detail or clarity about alignment or scale. If the project had been a road one, residents in

a similar position may already have been eligible for payouts under blight and compulsory purchase. Instead, my constituents—many of whom have a genuine need to sell—are fighting for acknowledgement from EWR and, by extension, the DFT. They were promised consultations and payout schemes that have not materialised.

There is a better way. The Government should support Labour's plans to empower our communities, invest in our economy and fix our public services.

4.43 pm

**Simon Baynes** (Clwyd South) (Con): I warmly welcome this Budget, and I am pleased that it sets out measures to support the Government's aim of halving inflation, growing the economy and getting debt falling. According to the OBR's analysis, the Government will meet those targets in the medium term, which is vital for my constituency and the rest of the UK, to ensure long-term economic health.

Inflation is forecast to fall to 2.9% by the end of 2023—a figure that perhaps has not been drawn out so much from the Budget—and to fall to 0.9% in 2024, before rising again to around 2% for the remainder of the forecast period. Debt is forecast to start falling as a percentage of GDP in the medium term and the Government's other fiscal target—for public sector net borrowing to total less than 3% of GDP by 2027-28—will also be met.

Given the massive economic turmoil that we have seen around the world, caused by the covid pandemic and Putin's illegal war in Ukraine, these forecasts represent an impressive stabilisation and improvement in our economic prospects. That stabilisation rests, in great part, on the strong base with which the UK economy entered the covid pandemic. My hon. Friend the Member for South Cambridgeshire (Anthony Browne) has drawn out the figures about how the UK economy was 21% bigger in 2022 than in 2010, when the Conservatives came to power. I want to add to that statistic that since 2010 the UK has grown a quarter faster than Germany, nearly 50% faster than France, more than twice as fast as Spain, three times faster than Japan and 19 times faster than Italy, so this is a strong economic base.

I strongly support the broader policies outlined in the Budget. As a Welsh MP, I hope very much that the Welsh Government will match the Chancellor's policy to extend 30 hours of childcare a week to working parents of children aged nine months to four years. I also warmly welcome the introduction of reforms to the childcare sector, including changes to the staff-to-child ratio for two-year-olds, from 1:4 to 1:5. Likewise, I hope that measure is adopted by the Welsh Government.

I believe the Chancellor got the balance right in focusing help for business by introducing a £25 billion three-year tax cut for business investment through expensing, rather than maintaining lower corporation tax rates. I speak as the Member of Parliament for Clwyd South, where the many small and medium-sized companies make up the vast majority of the business sector of my constituency. This measure to encourage investment in business will help to improve productivity, which is a key aim within the British economy. I strongly support that measure for the benefit of the economy in Clwyd South.

[Simon Baynes]

I also strongly support the measures to help people get back to work, particularly the more vulnerable in our society, ranging from establishing a new universal support programme for disabled people and the long-term sick, to abolishing the work capability assessment and increasing the administrative earnings threshold to 18 hours. These are vital reforms that will help many people in my constituency.

In conclusion, this is a bold and imaginative Budget that will help people across the length and breadth of the UK, and provide strength and stability for the economy after a period of great turbulence and uncertainty. Therefore, the Budget commands my full support.

4.47 pm

**Neale Hanvey** (Kirkcaldy and Cowdenbeath) (Alba): “Lettuce” not forget that the chaos we are experiencing, which the Government are trying to correct, is a consequence of the short shelf-life PM who left office recently. It is the cost of chaos and the cost of greed.

Constituents who are dealing with the financial crisis come into my office daily, and the Government are simply not providing support for them. An elderly lady, who came to my constituency office last week, is rationing her energy. She has worked all her life but she is rationing her energy to a few short hours across the day, so that she can at least stay marginally warm—that is in energy rich Scotland, where we have a number of fuel-poor Scots.

This Budget barely gives Scots crumbs from the table. In Scotland we have 2.4 million homes. In a parliamentary written answer, the Minister for Energy Security and Net Zero, the right hon. Member for Beverley and Holderness (Graham Stuart), confirmed to my hon. Friend the Member for East Lothian (Kenny MacAskill) that Scotland generated and sent south 35 TWh of electricity—equivalent to 35 billion kW—in 2021. In only eight years’ time, that will have increased to 124 TWh—enough electricity to power tens of millions of homes—yet no revenue and no jobs are coming to Scotland.

The Chancellor spoke about

“enterprise, employment, education and everywhere.”—[*Official Report*, 15 March 2023; Vol. 729, c. 837.]

None of those opportunities is coming to Scotland. There are no jobs in construction, no jobs in the service industry for renewable technologies, and no jobs in the supply chain. The energy is cabled south by an undersea connect; it is just taken from Scotland. My constituency has Mossmorran petrochemical plant, which processes various gas components piped down from St Fergus in the north-east of Scotland. It is a strategically important place because it is an ideal test bed for Exxon, Shell and Avanti to use their carbon capture technologies, but this Government do not support carbon capture in Scotland. They do not support the Acorn project in the north-east of Scotland.

The Levelling Up Secretary harped on today about how important jobs in the north-east of Scotland are to the Scottish people. They are important, and the industry should be supported—we in Alba take a very different view of the North sea oil and gas industry—but that is not enough. It is simply unacceptable that Scotland is

continually robbed of its energy resources while our people are cold and hungry. This Government will never prioritise their needs.

This Budget is yet another Budget of robbery. The exploitation of Scotland and its people must end. I absolutely oppose this Budget, top to bottom.

4.51 pm

**Laura Farris** (Newbury) (Con): Because of the restrictions on time, I will confine my comments to childcare. The main thing I want to say is thank you to the Chancellor for listening to the concerns that colleagues on both sides of the House have raised about affordability.

The shadow Energy Secretary, the right hon. Member for Doncaster North (Edward Miliband), said that we should judge this Budget according to three tests. I accept his challenge and will confine my remarks on childcare to the tests that he set.

The first test was whether the Budget shows a proper understanding of what is really going on in this country. Well, it was not the most headline-grabbing element, but the childcare announcement included half a billion pounds over the next two years to fund the free hours—more correctly, the subsidised hours—that apply currently to three and four-year-olds. I know from nurseries in my constituency, such as Ladybirds in Newbury and Hungerford Nursery School, that that provision has been under-subsidised and they have been under serious financial pressure. The amount that they are getting is equivalent to a 30% increase per hour. Most importantly, it is the sum that the sector requested from the Treasury. I think that shows that the Chancellor has the right priorities.

The Treasury has also understood that childcare costs, which have climbed by 20% in the past five years, are affecting women’s participation in the labour market. In my constituency, the cost of a two-year-old’s full-time place in a nursery is £15,000. Last year, the Centre for Progressive Policy reported that half of all mums are struggling to access suitable childcare. Of them, half again said that they were prevented from taking on more hours at work; a third said that they were prevented from taking on a new job, that it was completely out of the question or that they had had to reduce their hours; and one in seven said that the cost of childcare had forced them out of the labour market altogether. Let us be clear: women’s employment was being severely affected.

The second question that the shadow Energy Secretary asked was whether we are showing the right priorities. Let us be clear about what this is. It is tantamount to universal free childcare from the end of the protected statutory maternity period to the start of school, and then an extension of wraparound care. It has been called for, in one form or another, by the Fawcett Society, Pregnant Then Screwed, the think-tank Onward, the Women’s Budget Group—I could go on. They all seem to think it is the right priority. It helps the poorest by accelerating the payment of universal credit. It helps the mothers of older children with wraparound care. Most importantly, it puts women in a position in which they do not have to say no to that promotion, to that job or to increasing their hours because of childcare limitations. It is fundamental to ameliorating the stubborn inequalities that persist in relation to pay, promotion



opportunities, pension saving and leadership in the workplace. I respectfully invite the Opposition to say why that is not the right priority.

**Several hon. Members** *rose*—

**Laura Farris:** I have not finished.

Finally, is the Budget a good way of meeting the long-term challenges? Obviously, it is good for growth and not just for meeting short-term labour market challenges, but it enables businesses to harness expertise with the labour market and gives them a greater chance to grow. The Women's Budget Group has estimated that the lost working hours that women spend providing childcare have cost the economy £28 billion in lost economic output every year. I therefore respectfully suggest that the Budget meets the third test in addressing the long-term challenge.

I feel genuinely sorry for the Opposition. I feel sorry for the shadow education team, who spent so much time making noises about childcare, saying—as was pointed out by my hon. Friend the Member for Stroud (Siobhan Baillie)—that what they were proposing would be like the rebirth of the NHS. I have dug around to see exactly what meat there is on those bones, but all I have been able to find is the introduction of a breakfast club. If that is the best the Opposition can do, I am genuinely sorry for them, and I congratulate the Government on making such an important announcement in this year's Budget.

4.55 pm

**Marsha De Cordova** (Battersea) (Lab): Thank you for calling me, Mr Deputy Speaker. It is good to see you this afternoon.

This country is experiencing the biggest fall in household living standards since records began, with weak growth, low pay and a workforce shortage. Last week's Budget should have been an opportunity for the Government to try to unlock the potential of our great country, but, after 13 years of Tory rule, it has just shown how out of touch and out of ideas they really are. They have no long-term plan for growth, yet they still want to champion the virtues of Brexit. Wages are now lower in real terms than they were in 2010, and people will be paying more tax—but who will not be paying more tax? Yes, the richest 1%, following those pension changes.

There was nothing for small businesses such as those in my constituency: they were given no hope. There was no new investment for London, with nothing provided for housing or transport infrastructure. When will the Government understand that when London does well, the country will also do well?

Ahead of the Budget, I wrote to the Chancellor about childcare reforms, urging him to fix the broken system. There were some announcements, but it is glaringly obvious that full implementation of all the policies will not happen until 2025, so those who will benefit have not yet even been born.

The Chancellor also placed a great deal of emphasis on getting people back to work, including the ill and disabled. We know that the changes proposed in the health and disability White Paper will have a significant impact on millions of disabled people. The Chancellor ramped up his rhetoric about conditionality and more

sanctions, but all the evidence shows that sanctions do not work. It is important for the Government to heed that point and follow the ruling from the Information Commissioner, who said that they must publish the results of their research on sanctions. The ruling came last week, so when will the Government publish that report?

As I said in my urgent question last week, no one is going to argue with the scrapping of the work capability assessment—it was cruel, it was inhumane, and it caused harm to people's lives. However, relying solely on the personal independence payment assessment—another assessment that is cruel and inhumane, but whose function and purpose are totally different from those applying to someone receiving an income replacement benefit—will not work, because PIP is intended to cover the extra costs of living with a disability. It is also flawed, as is truly evident from the success rate of the appeals, which is between 70 and 80%.

I believe that when it comes to getting more people back to work, the Government must focus on some of the barriers that those people face, such as an inaccessible transport network and discrimination in the workplace. They should invest more in the Access to Work programme, which I consider to be the best form of employment support. If they do that, they will finally begin to start reducing the disability employment gap, which has remained stubbornly at 30% for more than 10 years. Investment in Access to Work is vital, as is reducing the backlog, given that more than 10,000 people are waiting for their assessments and support.

Finally, let me point out that yet again the Government have failed to publish an equality impact assessment, thus failing in their responsibilities under the public sector equality duty. It is vital that they do so now.

4.59 pm

**Selaine Saxby** (North Devon) (Con): I warmly welcome the many good things in the Budget to help cut debt and inflation, but given the time constraint I will focus on what did not make it into this Budget, as it is never too early to lobby for the next one.

My right hon. Friend the Secretary of State for Levelling Up, Housing and Communities mentioned affordable housing many times, and it is probably the biggest issue in my constituency. It impacts on our productivity, puts pressure on household budgets and makes moving into the region for work increasingly unaffordable. Some challenges of the housing situation on the south-west peninsula rest with the Department for Levelling Up, Housing and Communities and the Department for Culture, Media and Sport; others are a direct result of taxation policy and could be alleviated by changes to it. We need to level the playing field between long-term and short-term rentals within the taxation system. Both are businesses, but one enables people to live and work in an area and the other is a tourism business. The current tax system encourages short-term lets over long-term lets and needs at least levelling up or possibly even reversing.

Cornwall Council's own data shows that more than 1,000 people in Cornwall were made homeless in 2021 as a result of landlords changing their properties into more profitable holiday lets. Many of those households are now on Cornwall's housing wait list, which now numbers

[Selaine Saxby]

more than 20,000. Devon's is in excess of 16,000. The situation on the peninsula is so severe that businesses are unable to open fully, which is reducing their profitability, and public services cannot recruit because there is simply no affordable housing. Long-term rentals have also collapsed, with a drop of 67% in my constituency in the past two years, making it very hard for people to move into the area. I have already written to the Levelling Up Secretary about this, but he said that he did not want to tinker with the taxation system, so I am very much hoping that the Treasury team will find an opportunity to delve into the housing market. I recognise that this might seem niche and just for tourist parts of the country, but it is now impacting hugely across almost all of Devon and Cornwall and having an impact on our workforce.

While we look to drive up productivity across the south-west, I have another small ask for the Treasury team. Will they revisit the VAT threshold? Every year in Ilfracombe, in my constituency, swathes of businesses close down for the winter rather than go through the £85,000 tax threshold. Having put a small business through that tax threshold myself, I know how challenging it is, but I hope that we can fire the ambition of those small business owners by alleviating that small threshold. I recognise that it does not raise large sums for the Treasury, so I completely understand why it was not included, but this would be an opportunity for those businesses to level up with their bigger competitors in the constituency and hopefully keep that town open and thriving throughout the entire year.

There is so much in this Budget that I warmly welcome, and I thank the Treasury team for all their engagement, and particularly for their help for potholes in Devon, but can we look at what more we can do to level up our coastal communities?

5.3 pm

**Munira Wilson** (Twickenham) (LD): Like the Chancellor, I regard education as an investment in our country's future growth. The focus that the Budget puts on childcare is therefore long overdue, but sadly, the small print does not stand up to scrutiny. Many disadvantaged children will be left behind as the 30-hours offer is restricted to working parents. Any offer for children aged two to four should be universal. Increasing the child to adult ratios will not bring down costs, and it will put children's safety, as well as quality of delivery, at risk. And providers will struggle. The Women's Budget Group says that the Chancellor has underfunded the existing childcare offer by £1.82 billion, let alone this new one. Parents will not congratulate the Chancellor on continuing to do childcare on the cheap. They expect high-quality early years education that is fully funded and where staff are fully qualified.

The Chancellor boasted about last year's spending on schools, but this has been eaten up by soaring energy bills and last year's unfunded teacher pay rise. One school in Twickenham has told me that its energy bills are set to quadruple to over £80,000 this year. From April it will receive a Government discount of just £1,600. The Liberal Democrats would extend the existing energy bill relief scheme for another six months so that schools are not forced to slash support staff and school trips, as many already are.

The Budget also confirms that capital spending on education will be cut to £6.1 billion in 2024-25. When schools are skipping routine maintenance to balance the books, cutting capital funding shows that this Government have the wrong priorities. At least 39 schools have partly or fully shut since the last election because their buildings were unsafe for pupils, and we now know, thanks to an important investigation by ITV News, that at least 68 schools contain reinforced autoclaved aerated concrete, which is likened to an Aero chocolate bar and can collapse suddenly without warning. These schools include Priory School in Surrey and Braunton Academy in Devon, whose plans to remove RAAC have been held up by a lack of funding. Responding to a freedom of information request by ITV News, St James Primary School in Kent said that it is completely beyond the scope of the school to consider replacing its affected roof.

These schools, along with at least 20 hospitals that also contain life-expired concrete, stand as concrete signs of years of Government neglect of our public services. Ministers should visit each of these schools to witness for themselves the potential danger in which our children and school staff are putting themselves.

Finally, 800,000 children in poverty continue to miss out on a free school meal. The Secretary of State for Levelling Up, Housing and Communities, who opened today's debate, said at the Conservative party conference last September that he agrees with the Liberal Democrats, and many celebrities, that free school meals should be extended to all families on universal credit. He said

"given the scale of the challenge we face and the benefits it brings, this is a more than worthwhile intervention."

Well, I am afraid the Chancellor did not listen and the Budget has failed those hungry children.

**Several hon. Members** *rose*—

**Mr Deputy Speaker (Mr Nigel Evans)**: Order. I remind everyone that those who have contributed to the debate will be expected to attend the wind-ups, which will begin no later than 20 minutes to 7.

5.7 pm

**Jerome Mayhew** (Broadland) (Con): Thank you, Mr Deputy Speaker.

Although there are plenty of measures to help with the cost of living, which I welcome, the Budget's real impact is much more profound. It seeks to tackle some of the structural weaknesses that have bedevilled our economy for decades, holding back growth. Page 7 of the OBR's accompanying economic and fiscal outlook sets out a number of those factors: reduced business investment, reduced labour market participation and the conundrum of low productivity. It is through that prism that we should address this Budget.

I do not have time to address all those factors, so I will focus on business investment. Budgets do not come in isolation. They are part of a Government's raft of sensible economic management. If we look at the reasons behind the lack of business investment, according to the OBR, one is obviously the pandemic—we hope we have put that behind us. The second is the energy crisis, and we are dealing with that, including through the continuing measures for businesses with high energy

use. The third is uncertainty on EU relations, which is an area that the Government have been addressing week in, week out. Whether it is the Windsor framework, the very positive French summit a couple of weeks ago, the restarting of talks on our involvement in Horizon or increased co-operation with the French on stopping the small boats and hosting migrant detention centres in mainland France, each is slowly increasing business confidence in the future of UK trade, even as global exports expand through the Australia and New Zealand free trade agreements and, hopefully, soon the CPTPP.

Although I accept and regret that corporation tax is going up to 25% for the biggest 10% of corporations, this is more than offset by the 100% capital allowance—full expensing—within the first 12 months, which provides an incentive for businesses to invest rather than pay dividends. A host of other tech sector improvements were set out in pages 94 and 95 of the Red Book: innovation accelerators in Glasgow, Manchester and the west midlands; £900 million for the exascale supercomputer to assist with artificial intelligence research; £2.5 billion for the quantum strategy; the implementation in full of the Patrick Vallance digital tech regulations, to improve the speed at which that sector can develop; and faster approval processes for new medicines. This is the Government being on the side of fast growth and the new economy.

This is not just about tackling business investment, as we are also addressing labour market participation. We are dealing with the unexpected reduction of the workforce by some 520,000 after the pandemic. I do not have time to deal with that, but I can say that the Budget builds on what is increasingly being described to me on doorsteps in my constituency as the “Sunak effect”. It is not flashy and there are no eye-catching initiatives so beloved of the Labour party, but instead we are getting competent, serious tackling of the big issues, one after another. It is no surprise that the economics of this country are improving, as shown in the composite PMI—purchasing managers’ index—for February 2023 of 53.1; more than 50 means economic growth. This Budget was detailed, considered and responsible and it speaks to what is behind this Government; they are not flashy and they let the work do the talking.

5.11 pm

**Alex Sobel** (Leeds North West) (Lab/Co-op): Leeds is a vibrant, rapidly developing city. We are a hub for business, finance, law, technology, and education. Major corporations have their headquarters in Leeds, and we have many universities. However, we still face significant difficulties, not least our outdated transport system, a severe lack of affordable housing and steadily rising poverty rates. Our six levelling-up bids were all rejected by this Government. The Conservative manifesto promised Leeds a mass transit system. We are the largest city in Europe without one. Mayor Brabin and our councils met that challenge and a comprehensive metro tram system has been designed, which will cost £2 billion—that is equivalent to two Northern line extensions. However, five Tory Chancellors have managed to find just £200 million for the scheme; we get the crumbs off the table, although all credit to the Mayor for pressing on with the pittance we have received.

This Budget contains no new comprehensive funding settlement for Leeds, which means that local authorities will be forced to make further cuts or spend their

reserves to make up the shortfall. Indeed, the latest report from the Local Government Information Unit found that only 14% of local government officials expressed confidence in the long-term viability of their council’s finances. With no end in sight to the budget cuts, councils will continue to face impossible decisions about which essential services to reduce or eliminate altogether. The cumulative effects of austerity pose a serious threat to communities up and down the country. Rather than investing in the public services so crucial to citizens’ wellbeing, the Government’s austerity agenda rolls on, with no real plan to help cities such as Leeds, and it exacerbates the already very real impacts of the cost of living crisis. The small amount allocated for road improvements and select regeneration projects will do little to alleviate the challenges facing Leeds.

By the Government’s own admission, Leeds has a well-run council, which has been given responsibility for helping to improve other local authorities’ failing children’s services. It has also been steadfast in not cutting frontline adult and children’s services, which are needed now more than ever thanks to a cost of living crisis, exacerbated by Government policies. The council runs on low reserves, forcing all available cash to the frontline services, yet it continues to innovate on climate and infrastructure projects, showing exemplary leadership in that area. The Government, however, push that prudent and forward-looking leadership model to the brink with more and more cuts.

In his Budget, the Chancellor failed to outline any ambition for the co-operative sector, which contributes £40 billion to the economy. Businesses whose customers, employees and members have a genuine stake and say in the performance of the business are well placed to improve the UK economy. We should be supporting that, but growth will not happen by chance, and we have 288 co-ops, employing 5,000 people in West Yorkshire.

I put on record my support for the progress made in devolving powers through the trailblazer deals, which is a positive step. In West Yorkshire, we have seen the positive impact of devolution at first hand. Mayor Tracy Brabin has been doing an exceptional job in getting people back into work, creating and bringing in thousands of good, well-paid jobs to the region. I therefore urge the Chancellor to consider extending trailblazer deals to other areas in the country, particularly in West Yorkshire. That would provide a much-needed boost to the local economy.

Even when the Government do bring new initiatives to Leeds, they cannot leave London behind. We are told by the Government that the new green UK Infrastructure Bank is headquartered in Leeds. In November, I asked the Government how many staff were actually in Leeds, and was told that only 40% of staff are based there. When will the Government ensure that the vast majority of the staff are in Leeds?

Leeds has a population of over 800,000 people and contributes over £60 billion to the national economy. Investing in Leeds is investing in the future of the north of England and the country. When Leeds succeeds, it boosts the economy, creates more opportunities and helps the region to reach its potential. We have the ambition and drive to become an even more prosperous and sustainable city, but we cannot do it alone. We need the Chancellor to step up and fund our city and our region.



5.14 pm

**Paul Bristow** (Peterborough) (Con): I rise to support the Budget, because there is much in it to get excited about. Yes, it is important that we boost growth and reduce inflation, but the thing that I am most excited about is the direction of travel when it comes to levelling up and investing in parts of the country that have perhaps not had the investment that they deserve in years gone by. Peterborough is a place that provides evidence of that. In a cynical age when people are cynical about MPs and Governments, we often hear, “What have the Government done for me? What have the Government done for Peterborough? What has the MP for Peterborough done for the city?” But in a short walk from the station to the other side of our city centre, I can point to £100 million-worth of investment in Peterborough.

We will start at our university. We have £34 million to build a new engineering, technical and manufacturing university. That will create the high-skilled, high-wage economy that my city so desperately needs. It will transform the life chances of so many young people in my constituency. When they reach the age of 18, a lot of young people do what I did: they leave Peterborough. I came back, but because of this investment, so many young people will not have to leave our city. They can go on to university, get good jobs, transform their life chances and transform our local hospitality and entertainment sector. This will be a game-changer.

But guess what, Mr Deputy Speaker? There is more, because we can talk about the £23 million from our towns fund to regenerate our city centre and bring old buildings back into use, drawing people back into our city centre and creating the sort of local economy that we need.

But guess what, Mr Deputy Speaker? There is more, because we have millions to build a new pedestrian bridge across the River Nene, linking Fletton Quays with the Embankment, bringing that green and open space into better public use.

But guess what, Mr Deputy Speaker? There is more, because we are investing in our NHS in Peterborough. We are building a brand-new NHS community diagnostic centre. That is 67,000 extra tests, checks and scans each and every year.

But guess what, Mr Deputy Speaker? There is more: we have £48 million to regenerate our station quarter and to create new access, new retail and new opportunities, and to create a gateway not just to Peterborough, but to the east of England. These millions and millions of capital investment in our city are transforming the life chances of the people of my city.

So when people ask, “What has your MP done for you?”, lots of Opposition Members cannot answer that, but Government Members can talk about £100 million of capital investment in Peterborough, a place with potential. That is before—[*Interruption.*] They don’t like it, do they, Mr Deputy Speaker? But this is evidence of investment in a place like Peterborough. That is before I mention the changes to childcare, which will benefit so many people in my city. I declare an interest as the father of a three-year-old who is currently at nursery. Support for our pubs, through the new draught relief, will help many struggling pubs. Of course, we will make sure that we invest in places with potential, and Peterborough is at the very top of that list.

5.18 pm

**Yasmin Qureshi** (Bolton South East) (Lab): Despite all the Chancellor’s claims, the OBR downgraded the long-term growth forecasts, with downgrades in all the last three years of the forecast period. Labour’s mission is to seek economic growth. To do that, we will implement a green prosperity plan alongside a coherent industrial strategy, which is lacking from the Government, including building more homes.

As a member of Labour’s shadow Women and Equalities team and MP for a deeply deprived town within Greater Manchester, I took a special interest in the Budget to see what the Government were doing to tackle the issue of structural barriers. How many mentions of inequality or poverty were in there? Guess what? The answer is zero—there was just one reference to regional inequality.

I want to speak about a particular issue that affects my constituents, which many colleagues have already spoken about, and that is people struggling to get on in life because they are bound by their childcare and unpaid caring commitments and held back by exorbitant costs that act as a barrier. We need a national conversation on that. Can hon. Members imagine the increase in economic productivity if we had widespread and affordable childcare? The Chancellor’s childcare provision does not come in until after the next general election and the policy itself will just create a huge surge in demand without addressing the underlying issue of supply.

That brings us to nursery prices. In the north-west, our childcare prices are the lowest of any area; hon. Members might think that that would be cause for celebration, but it is not, because even the cheapest region for childcare still demands 60% of people’s weekly pay, about £400 a week. Can we just take a step back and reflect on the fact that families in Bolton, the 19th most deprived local authority and a town in economic decline according to the latest figures—I am sorry that we have not had £100 million of investment, but that could be because we are not a marginal, unlike Peterborough—are spending almost £2,000 a month on their childcare? It is truly unbelievable, and the Government’s approach is short-termist and unambitious.

Some 4,000 childcare providers have closed since this Government have been in power. The reality is that successive childcare policies have made the situation worse for parents and children since 2020, including the cut to Sure Start and the cut to the education maintenance allowance, which was a lifeline for young teens trying to get on in life.

The Chancellor has shamelessly stolen Labour’s wraparound childcare offer, supporting children with before and after-school clubs to support working parents, but has made it worse. Pathfinder care is not enough for parents—they need real support. That act of desperation by the Government shows that they are devoid of ideas and unable to implement the policy we need. It is Labour that has the solution, Labour that has the winning argument on childcare and Labour that is leading the way to answering the serious problems we face as a society.

5.23 pm

**Anna Firth** (Southend West) (Con): It is wonderful to be called so early in this debate. I rise to pay tribute to the Chancellor and the whole Treasury team for delivering a serious Budget for serious times.

This Budget will inject international confidence, credibility and stability into our economy. It lays out a plan for sustainable growth while not forgetting my hard-working families in Southend West, who are struggling with the cost of living in the here and now. It is in the here and now that I welcome the £94 billion of support, or £3,300 for every household across Southend West.

We have heard a lot of criticism that we are not helping the vulnerable and that we are not doing enough, but we are helping with fuel, with energy and with childcare. We are helping with £3,300 for every household last year and this year, which is one of the best packages in Europe. I welcome it, and my constituents in Southend welcome it too.

However, the real stand-out wins in this Budget are the predictions that we will return to growth next year and get inflation down to 2.9% by the end of the year; that is a fall of over two thirds, and we have heard that it will be into single figures after that. Conservative Members absolutely recognise that inflation is the enemy of growth and prosperity. It destroys jobs and savings, it erodes the money in our pocket, and it affects in particular the poorest and the retired—those who do not have the wriggle room to cope with it—so I welcome the Government's laser focus on bringing down inflation.

The other problem with inflation that we do not often talk about is, of course, its effect on the power of government spending. If we allow inflation to rage at 10% per year, we will have to increase public spending by 10% every year just to keep our public sector services as they are today, and that is just not sustainable. I am very pleased that the Government are showing restraint and resisting calls for inflation-busting pay.

I do not want to go down a political rabbit hole, but this is just a fact: if we were to give in to the unions that want 35% inflation-busting pay rises for junior doctors, that money would have to come from somewhere. It would have to come from my hard-working tax-paying Southend West constituents, who are themselves struggling with mortgages, food and utilities. Giving in to every one of those pay demands would cost £28 billion a year—an extra £1,000 in income tax from each of my hard-working constituents—so I am very pleased that the Government are showing restraint and a commitment to getting back to sound money.

In the time I have left, I will rattle through and welcome the Budget's incentives for growth. Community pharmacies, such as the brilliant Belfairs pharmacy in my constituency, will benefit from the changes in the VAT system. Nurseries in my constituency will benefit from the uplift in hourly funding. Our world-leading national theatres will benefit from increased support and higher rates of tax relief for a further two years. Our brilliant charitable sector will also benefit.

So many measures in the Budget will bring more jobs, more growth and more prosperity not just for Southend and Essex, but for the whole of the UK.

5.26 pm

**Florence Eshalomi** (Vauxhall) (Lab/Co-op): Like a number of hon. Members, including the hon. Member for Peterborough (Paul Bristow), I benefited from the 30 hours' free childcare when my children were in nursery. Although that is a big support for a number of working parents, I hope that those on the Treasury

Bench will consider the issues that have been raised by a number of childcare providers, which are worried that there is still a big funding gap. Some 5,000 nurseries are said to have closed this year alone. It is important that the Government get childcare providers on side, otherwise the policy will not work at all.

I rise to speak on behalf of my resilient, dynamic, ambitious and diverse constituency of Vauxhall. It is a constituency filled with businesses that are deeply rooted in their community, and it has given rise to an array of nationally and globally recognised landmarks and institutions that all work happily alongside the small enterprises that make Vauxhall so unique. Having grown up in my constituency, I know that we have a lot to showcase. The constituency spans parts of London's best known areas, including Brixton Clapham, Waterloo, the south bank, Kennington and many more. My constituents are proud of where they are from, but they have been held far back by 13 years of Tory austerity and economic stagnation.

This Budget was a missed chance to change course and empower our communities and small businesses. Instead, we are seeing widening inequality across the country, falling living standards, wages divorced from growth and too many people struggling to make ends meet in the world's sixth richest economy. The Chancellor must rebuild a more productive and resilient economy; create decent, sustainable jobs; hardwire fairness in our community, and ensure that all the rewards are shared equitably. I am a proud Labour/Co-op MP, and our co-op values mean that we are committed to providing that—co-operation is key. Employees, consumers and communities should all be able to enjoy the profits, which are reinvested back into the community, and employees should have real influence. Productivity would increase, and wealth and power would be shared.

It was therefore disappointing that the Chancellor failed to outline a plan to support the contribution of the co-operative movement in helping our economy to grow. Co-operatives are a significant part of our economy, with around 7,000 co-ops contributing nearly £40 billion each year. We should be doing much more to support them and the Chancellor's failed ambition for co-op growth is a missed opportunity.

One of the easiest ways to support small businesses and households would be to cut their energy bills, which are unfortunately crippling so many people. One of the main reasons that Brixton has been exposed to the energy crisis is 13 years of failed Conservative energy policy. The Conservatives have banned onshore wind, scrapped home insulation and shut out gas storage facilities. All those things increase our reliance on volatile import prices. Labour would make Britain's energy secure, with a plan for clean energy by 2030. I have just one question for those on the Treasury Front Bench. Will they support our ambition to get Britain back on track and to grow a green Britain so that everyone can thrive?

5.30 pm

**Anna McMorris** (Cardiff North) (Lab): This is a Budget for decline and could not be further from growth. Every day, I hear from constituents in Cardiff North who are hungry, cold, in debt and fearful for the future. There is nothing in this Budget that will reassure them

[Anna McMorris]

even a little. They have no shield from the cost of living crisis, no measures to kick-start the economy and no green agenda to build a better future. This Government continue to deny the enormity of the climate challenge. There was nothing on investing in cheap onshore solar and wind power and there was a failure to invest in green tech. The windfall tax loopholes for oil and gas companies were left wide open.

Just yesterday, the Intergovernmental Panel on Climate Change released its most damning report yet, a final warning on the climate crisis. The IPCC warned that only swift and drastic action can avert what is predicted, and I think we can all agree that this Budget is neither swift nor drastic. Without making that link between the climate and the economy, we will never be able to face the challenges ahead. Our children will remember the failing political choices of this Government.

Despite the Chancellor's misleading claims about growth, the UK will be the weakest economy in the G7 this year and the only country that will see negative growth. It has the weakest recovery from the pandemic; the economy is smaller now than it was pre-covid. The Office for Budget Responsibility has predicted the largest fall in living standards since records began, a bleak legacy for the Tory Government. Is it surprising that one of the new policies benefits only the richest 1% and their pension pots, costing the taxpayer £1.3 billion? That is the wrong priority at the wrong time.

On fuel poverty, Friends of the Earth has just released data showing that at least 5 million households, or one in every five, are now in fuel poverty in England and Wales. My constituents are paying double in energy bills what they were paying a year ago. My constituent Lauren and her partner are both disabled and were told by Shell Energy, without warning, that they are in debt by £5,000. They are both trying to remain positive, but this has really pushed them over the edge. How many more testimonies like that must we hear before the Government develop a conscience and introduce meaningful change?

Instead, we are faced with a Government who are repairing the colossal cracks in our society with paper mâché. Meanwhile, Samaritans figures show that this January saw the highest percentage of first-time callers concerned about finances or unemployment. There is a direct correlation between increased poverty and domestic abuse, and support services are reporting increased demands on their helplines from desperate victims. Now would be a great time for the Government to introduce the long-awaited victims Bill, but, as always, we continue to wait.

This Budget fails on every level. I have constituents who have told me that they would rather die than pay the energy bills that they cannot afford, food banks in Cardiff are reporting that their users are eating dog food to survive, and the Chancellor has increased the Welsh Government's budget by only £180 million over the next two years. This Budget is not fit for purpose. To echo the words of our Welsh First Minister, Mark Drakeford, this is a

"less than bare minimum Budget."

5.34 pm

**Sam Tarry** (Ilford South) (Lab): This Budget follows successive Conservative and coalition Governments that have overseen the worst growth in GDP per head since records began, a sustained decline in living standards, and a disintegration of our vital public services. Worse still, a recent forecast by the IMF has said that we are going to be languishing behind even the Russian economy in terms of economic growth. That is the result of 13 years of stagnant wages and rapid inflation—what the TUC has called the worst pay crisis "since Napoleonic times". Real income is still below the levels of 2010, the last time that we had a Labour Government. The recent collapses of Silicon Valley Bank and Credit Suisse have shown how fragile global financial regulatory frameworks are. SVB took unnecessary risks and triggered a run on its assets, while Credit Suisse accrued fine after fine, as well as the involvement of Greensill, a former Prime Minister's employer, in damaging its capital.

Yet every time, it is my constituents in Ilford who have borne the brunt of this economic chaos. My inbox is full of desperate cries for help from people being forced into debt and even further below the poverty line. This Budget, unfortunately, was a Budget for the select few, totally divorced from the reality that so many constituents face every day. Rather than supporting ordinary people struggling to make ends meet, the Chancellor is handing billions to the wealthiest 1% through tax cuts for corporations and abolishing the lifetime pensions allowance at huge taxpayer cost. What is most bizarre is that, on the day that the Budget statement took place, 400,000 teachers, doctors, rail workers and civil servants took industrial action for better pay and conditions, yet the Budget made just one cursory reference to wages.

In the past year, public sector pay has fallen by £185 a month, with real pay being lower now than in 2008 and not expected to go back above 2008 levels until 2027. It is no wonder that, in almost every sector of the economy, workers are taking industrial action. The New Economics Foundation has warned that we are now on the precipice of the

"greatest living standards crisis on...record."

Colleagues will undoubtedly have seen the OBR forecast that predicts a staggering 5.7% fall in real income per capita over the next two years, after what has already been a decade of decline. What that means for the lived experiences of families, especially those already on a low income, is utterly grim. By December 2024, based on estimates from the Joseph Rowntree Foundation, 43% of households will be unable to afford a decent standard of living. On average, those falling below the threshold for a decent standard of living will be short by £10,000 a year—10 grand, Mr Deputy Speaker.

Let us be clear: low pay is the cause of thousands of unfilled vacancies in key professions such as nursing and teaching. Until wages grow in real terms, there will be no long-term solution to the recruitment and retention crisis. James Meadway and Costas Lapavistas have just launched a new book on the cost of living crisis. The language of pay restraint urged by some Government Members is out of kilter with the economic reality for so many, because there is no wage-price spiral. It is nonsense—it is economically illiterate and untrue—to say that putting people's wages up is going to lead to



inflation rises. If the Government are serious about tackling this crisis, they must provide public sector workers with the inflationary pay rise that they sorely deserve. The Government were perfectly capable of spending billions in taxpayer money to protect private enterprises during the pandemic and to bail out banks. This needs to be extended to ordinary working people.

5.38 pm

**Jeremy Corbyn** (Islington North) (Ind): I just want to set out a few points very quickly in this debate. The number of children in food poverty in this country has doubled in the past year to 4 million; the NHS is on its knees; and the richest 1% are taking home more than ever, and own 230 times the wealth of the poorest 10% in our society. Does this Budget do anything to deal with those issues? I think everyone knows the answer to that.

I will just put forward five points, if I may, the first of which is on pay. The Chancellor handed out tax breaks to the 1%. Some 700,000 workers were on strike last Wednesday. Public sector pay has risen by 2.2% on average over the past year, when inflation is running at 10%. At the very least, the Government should commit to above-inflation pay rises for health workers, teachers and public service workers, implement a £15 an hour minimum wage, and ban zero-hours contracts and all the insecurity that goes with them. The Government are not going to grow the economy if they keep so many people living in desperation and poverty. Public sector workers did not cause this inflation—inflation has been caused by greed in the private sector and profiteering.

That brings me to my second point, which is that the energy companies are making enormous profits and have done so for a very long time. There is no argument other than to take them into public ownership, so that we can control energy prices. It also means recognising the need to do far more to bring about a green sustainable economy. The United Nations report was damning yesterday—damning on increasing global warming and damning on its implications. It made the case that there has to be real investment in alternative green energy sources. That does not mean just relabelling things as green; it means actually doing it. While we have a privately run energy system, that is not likely to happen.

The third issue is one that I feel strongly about in terms of my constituency: we need an immediate rent freeze for those living in the private rented sector. Constituents are telling me that their rent has gone up by between 50% and 80% in one year as the greed and profit taking by some private sector landlords continues unabated. Young people are forced out of inner-city areas because they cannot afford to stay there, and councils have insufficient funding to build the council houses that are so necessary. If we are to deal with the housing crisis, it means rent control and investment in council housing.

The fourth area I want to mention is a wealth tax, which would help us to fully fund the national health service. Billionaire wealth in the UK has gone up by 1,000% in the past 30 years. We could save the NHS from its disastrous privatisation by taxing profits and wealth. Increasing tax on the top 1% of earners to 50% would raise £5 billion, as an example.

The last point I want to make is on the Government's appalling strategy of divide and rule against the poorest and most vulnerable people on this planet. The national health service does all it can and public sector workers do all they can, and this Government spend their time scapegoating desperate people, such as refugees, and forcing them to Rwanda or somewhere else. These are people who want to contribute to our society. They are victims of war and oppression. Let them work, and let them make their contribution to our society as part of our common good.

5.42 pm

**Martin Docherty-Hughes** (West Dunbartonshire) (SNP): It is a pleasure to follow the right hon. Member for Islington North (Jeremy Corbyn). One policy proposal in the Chancellor's statement leapt out at me. It was yet another one praising the efforts of small independent northern neighbours. Just before announcing a range of measures to increase childcare, the Chancellor said:

"Our female participation rate is higher than average for OECD economies, but we trail top performers, such as Denmark and the Netherlands. If we matched Dutch levels of participation, there would be more than 1 million additional women working."—[*Official Report*, 15 March 2023; Vol. 729, c. 845.]

On the announcement of universal childcare for one and two-year-olds, we could say that imitation is the sincerest form of flattery, since my preferred candidate to be Scotland's First Minister, Humza Yousaf, had already announced his intention to implement that policy in Scotland, based on our Government's scheme—also copied by the UK Government—for three and four-year-olds. However, it was the choice of countries that the Chancellor used, and being able to delve a little into the reality behind the headline statistic, that intrigued me.

While the Netherlands and Denmark have higher female participation rates, the consequences of both are quite different. While the Dutch Government policy has encouraged more women into working, it has done a very poor job of allowing flexibility within the workplace and with childcare, resulting in the unfortunate scenario whereby Dutch women's outstanding participation in the labour market paradoxically contrasts with them working the fewest hours of women in any developed country. The University of Utrecht calls that phenomenon the part-time trap, as women seeking to balance childcare and household commitments are forced into working fewer hours. That has a consequence for the economy as a whole, with representation for Dutch women in senior positions lagging behind that in similar states, and the resultant gender pay gap costs the country €10.8 billion annually. On a personal and social level, it means that only 64% of Dutch women are financially independent, compared with 81% of men.

It will be no surprise to those who know my politics to hear me say that increased female participation in the labour market could best be achieved by following the social democratic principles that underpin the Danish childcare system, with the Dutch system—underpinned by the same imperfect patchwork of primarily private providers—rivalling the UK for its cost to families. In Denmark, this system is underpinned by local authorities helping parents to find provision, with central Government helping to subsidise costs. Of course, we all know that the real leader seems to be Finland, which provides universal, local authority-led provision from birth to six years.

[*Martin Docherty-Hughes*]

The key for me is the local authority-led aspect of this. This increase in Government-funded provision will be of little tangible use if it is fed through a majority of less accountable private providers that have less bargaining power with central Government and will therefore be more vulnerable to the inevitable future squeezes in the per-place fee, passing it on to parents through other costs and making it a less attractive option for those parents who can least afford it.

However, the biggest barrier to public sector involvement in provision for one and two-year-olds will be capital expenditure for new facilities, especially as they face their own pressures—investment that I am willing to bet will not be forthcoming from a Government who are always intent on doing things on the cheap.

5.46 pm

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Let us be clear: the message from this Budget is that long-term growth is being downgraded, household incomes are falling, public services are on their knees and families are facing the biggest hit to living standards since records began. In fact, the only surprise was a massive handout to the richest 1% of pension savers. Once again, ordinary families and businesses across the country have featured at the back of the Chancellor's queue. The very legitimate questions that those in ordinary families will be asking themselves after 13 years of Conservative Government are: are my family and I better off, and are our public services working any better? Clearly, the emphatic answer to those questions is no.

I am pleased that my right hon. Friend the shadow Chancellor has announced that Labour will reverse the changes to tax-free pension allowances. As has been said often this afternoon, this is the wrong priority, at the wrong time, for the wrong people. The OBR tells us that the Government still have £10.4 billion left on the table from the windfall tax last year and this year. We also know that plans for a windfall tax on oil and tax producers were announced by the Labour party in January 2022, while the Government announced their policy in May of the same year. A plan to cap energy bills was announced by Labour in August, and adopted by the Tories on 8 September. The Conservatives announced Budget plans recently to scrap extra charges for those on prepayment energy meters, but Labour first called for that in August 2022. The Government have taken a number of policies from the Labour party, so why not take this one? Put a proper windfall tax in place to ease the burden on families in Merthyr Tydfil and Rhymney and across the UK who are suffering under crippling energy costs.

In my limited time, I want to highlight that this Budget will do very little to tackle child poverty. For the past 13 years, we have seen how the Conservatives have cut, cut and cut, and finally crashed our economy with a kamikaze Budget in September 2022. As Gordon Brown once said:

“Child poverty is the scar that demeans Britain. When we allow just one life to be degraded or derailed by early poverty, it represents a cost that can never be fully counted. What difference could that child have made? What song will not be written, what flourishing business will not be founded, what classroom will miss out on a teacher who can awaken aspiration?”

At Prime Minister's questions recently, I highlighted the 800,000 children taken out of poverty by Labour Governments between 1997 and 2010, and contrasted that with the half a million children plunged into poverty since the Tories took office 13 long years ago. When I gave the Prime Minister the chance to apologise for his party's failure, he could have jumped at the chance, but instead he gave us bluff and bluster. Compare this with the last Labour Government, who delivered Sure Start, record funding for schools, tax credits, increasing child benefit, child trust funds and introducing the UK's first ever national minimum wage. These did not happen by accident; they happened because the people of Britain voted for a Labour Government, and those Labour Governments made eradicating child poverty a key priority, in stark contrast to what we have now.

I am also proud that the Welsh Labour Government are continuing to tackle child poverty in Wales through Flying Start, free school breakfasts, free school lunches, the pupil deprivation grant, Jobs Growth Wales and, of course, the groundbreaking Well-being of Future Generations (Wales) Act 2015. The Senedd is using the tools available to help mitigate child poverty in Wales, but to tackle child poverty in Wales and right across the UK we desperately need a UK Labour Government to get our economy back on track and give tackling child poverty the attention it so needs and deserves. So the next general election simply cannot come soon enough.

5.49 pm

**Janet Daby** (Lewisham East) (Lab): I have spoken in every Budget debate since I entered this place, and the fiscal statement under the Government of the right hon. Member for South West Norfolk (Elizabeth Truss) was the absolute worst. Thirteen years of Tory Government have brought us to a place where every public institution in our country is in crisis. We see that in strike action from civil servants to teachers and ambulance drivers—the list goes on. It tells us that the Government are consistent at failure.

Although there are some positives in this Budget, it comes across as a Tory manifesto launch that borrows much Labour policy. The Government should be concerned about the low growth of our economy. The OBR downgraded the UK's long-term growth forecasts, and forecasts by the OECD suggest that we could be the only G7 economy to be in recession this year. In response, the Conservatives gave a £1 billion tax cut to the richest 1% of earners through changes to pension allowances.

Staying on the subject of low growth, it is undeniable that the Government's Brexit deal has also contributed to this. The food on our shelves has become scarce, while food prices have rocketed. Work and research opportunities are under threat.

Like the Brexit deal, our immigration and asylum system is failing. The Government treat refugees and asylum seekers with contempt. The huge expense of that lies at the Government's doorstep because they have failed to get a European returns agreement and to process asylum applications. There is still no safe route for asylum seekers.

On the subject of children and young people and the Budget, I am pleased that the Government have listened to Labour's call for investment in childcare. However, the real test for the policies will be whether childcare is

more affordable and more available, and whether they deliver the economic growth that our country desperately needs. Many headline measures will only be fully rolled out after the next election, and some not until 2026, if at all. It was also disappointing that the Government did not listen to the call for more money for school buildings. Neither did they focus on the real increases in the cost of school meals.

The Government have lacked in investment in green jobs, such as wind energy, and that is greatly disappointing. Neither have they tackled high private rents and mortgage costs, or the cost of living crisis. I look forward to the Minister's response to the issues raised today.

5.52 pm

**Ben Lake** (Ceredigion) (PC): It is a pleasure to follow the hon. Member for Lewisham East (Janet Daby).

With living standards falling at a record rate and incomes in real terms set to remain below pre-pandemic levels until 2028, it is impossible to deny that the Budget is set against severe economic headwinds. But given the impact that rising living costs are having on households across the UK, it is disappointing that the Budget failed to take advantage of the opportunity to ease the burden of higher fuel costs. Four in 10 homes in Wales are thought to be switching off their heating because of the cost, and typical energy bills are expected to remain at historically high levels for some time to come. Additional support could be delivered immediately by extending the energy bills support scheme and guaranteeing off-grid homes an additional round of the alternative fuels payment.

It is staggering that small businesses have been left without additional support for their energy costs. I am worried that many will be forced to close when support is reduced in April if the parameters of the energy bills discount scheme are not expanded. Off-grid businesses have had to endure the rise in alternative fuel costs with paltry Government support. I should like to know how the Government justify the comparative lack of support for off-grid businesses, many of which are located in rural parts of the country such as Ceredigion. Their omission from meaningful support schemes has placed them at a competitive disadvantage to those companies located in more urban areas, which surely goes against the levelling-up agenda, about which we have heard so much from the Government.

If we are concerned about addressing the productivity problems of this country, we need to look at some of the structural issues in the way the UK economy has operated for some decades. There is no better way, in the short term at least, to address some of those structural problems and the productivity issue in rural areas than by investing in digital connectivity improvements.

Gigabit connectivity in Ceredigion stands at 27% of premises, compared with the UK average of 68%. Far too many places in my constituency, and in rural areas in general, suffer from poor connectivity and that hampers their economic development. As the Digital, Culture, Media and Sport Committee noted, the decision to allocate only 25% of the funding for Project Gigabit so far risks undermining the ambition to improve the connectivity of hard-to-reach premises in a timely manner and prevent them from falling even further behind other parts of the UK. I would therefore like the

Minister, in summing up, to explain when the UK Government will release the rest of the funding. Will they commit to accelerating the timescales for the roll-out of gigabit broadband in very hard-to-reach areas, many of which often lack both fast broadband and 4G signal?

On HS2, the Chancellor could also have used the Budget to release the £1 billion or so owed to Wales in consequential funding from the £20 billion expenditure already allocated to HS2. Over the project's lifetime, Wales could receive up to £5 billion in consequential funding to spend on improving our creaking public transport infrastructure. That sum could be transformational for areas in rural mid-Wales such as Ceredigion. Sadly, it does not seem to be coming our way.

The success of any Budget is measured in the way it addresses the immediate challenges facing the economy and whether it paves the way for future prosperity. For rural areas, this Budget sadly falls short on both counts.

5.56 pm

**John McDonnell** (Hayes and Harlington) (Lab): Often what will happen between a Budget being announced and its final debate is that the world can move on, so I have two warnings and a plea, if I have time.

The first warning is that we are making the Budget in the middle of a banking crisis and we need to recognise that. It has moved from Silicon Valley Bank to Credit Suisse to First Republic Bank. For those not in the House 15 years ago when we debated the start of the banking crisis, it started with Northern Rock. A lot of the signs that underlined the crisis then are evident now: failure of regulation, mismanagement and speculative gambling all leading to a crisis of confidence among customers and investors. It spreads very quickly, like wildfire. I hope it is not on the scale of 2008, but I just warn the House that it can rapidly get out of hand. Often what will occur is a lull and then it comes back with a vengeance.

The role of this House is to ensure that the Bank of England and the Financial Conduct Authority are not found asleep at the wheel during the crisis. I urge the Bank of England to again undertake stress tests on all the banks and financial institutions within its remit, and a stress test on the overall regulatory system, and to publish those tests. The Financial Services and Markets Bill introduces an element of further deregulation. I urge the Government to pause. Now is not the time to prioritise the deregulation of our financial system. To the Bank of England, I say that this is not the time to increase interest rates, particularly at this moment.

The other warning is on pay. The Government are seeking a settlement to the NHS dispute and the National Union of Rail, Maritime and Transport Workers has already settled with Network Rail, but they should not consider that the issue of pay is in any way going away. That is a complete misreading of the situation. Major disputes are still happening: the Public and Commercial Services Union in the civil service, the junior doctors, the universities with the University and College Union, and education with the National Education Union. In the private sector in my constituency, Unite the union is representing the lowest paid security workers at Heathrow. The Government should not underestimate in any way the strength of feeling that workers have about the pay freezes and cuts of the last 13 years. Pay settlements



[John McDonnell]

of 5% or 6% still mean people will be struggling to pay the rent and feed their family. The Government should not fail to understand the anger and resentment at the grotesque levels of inequality in our society.

It is interesting that on the picket lines are young people struggling with low pay. They are unable to get on the housing ladder. In addition, they are burdened with debt from qualifications obtained through higher education. These young people have had enough. I think they will increasingly react to the injustices they see in our society and I warn the Government that that ferocity of concern has not disappeared.

My final plea is to follow up on what my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) said about unpaid carers. They are living in poverty and endure hardship, and many are exhausted because of the lack of social care and financial support. They need an income to reflect the care that they provide—a real living wage—or at least a first step by increasing carer's allowance to maternity allowance levels. Carers are saying clearly that this Government should stop taking them for granted, given the essential role that they play in our society.

6 pm

**Stephen Kinnock** (Aberavon) (Lab): The United Kingdom was the cradle of the first industrial revolution. The opportunity for us to be the cradle of the green industrial revolution is there for the taking. But there is absolutely nothing in this Budget that supports that goal. Labour's game-changing green prosperity plan is the ultimate example of a policy that will deliver on that opportunity, and will pay for itself in the long term by driving growth and creating good jobs, thereby expanding the tax base. We will double onshore wind, triple solar power and quadruple offshore wind. We will launch Great British Energy, making Britain energy secure and creating as many as 1 million good jobs across the UK in the process. We will insulate 19 million homes and invest in a £3 billion transition for green steel.

The Labour party knows that every leading economy has a strong and healthy steel industry, so it is deeply concerning that of the leading economies, only Britain has a declining steel industry. It is deeply troubling that there is nothing for steel in this Budget. We know that more steel will be required in the net zero economies of the future than there is today. That creates a huge market opportunity for British steelmakers across the globe. We know that UK steel companies employ 35,000 in good, well-paid jobs well above regional pay averages, and 45,000 more in our supply chains. We know that steel underpins our defence sector and our nation's economic resilience, in an age of turbulence where authoritarian regimes are a threat to our supply chains and our democratic values. We know that if the Government continue to sit on their hands, tens of thousands of jobs could be lost and our country's resilience will be in tatters.

We on the Labour Benches recognise the scale of the challenge. Steel companies in Canada, Germany and Spain are receiving up to £1 billion per plant to decarbonise, yet the British Government's offer to our steelmakers is a fraction of that. It is therefore unsurprising that Tata

Steel, owners of the biggest steelworks in the UK in my constituency, has reportedly given the Government until July to approve its investment offer, due to growing concerns that competitors in mainland Europe are getting ahead of us in the drive towards green steel. If the Government continue to dither and delay, we could see the closing down of one of the blast furnaces, which would be truly a hammer blow for our Port Talbot steelworks.

Labour's message to Tata is clear: the cavalry is coming. A Labour Government will deliver on the clean steel fund. Perhaps there is not time to wait. Our message to the Conservative Government is also unambiguous: we need action now. They must not once again betray industrial communities such as the one in my constituency. They must step up to the mark, deliver for green steel and make up their mind. Do they believe that the UK should have a steel industry, or do they not?

We need a growing economy that can deliver good jobs that people can raise a family on. We need a single-minded commitment to investing for growth and a proper industrial strategy that will enable us to stand as a country more firmly on our own two feet, rather than being over-reliant on authoritarian regimes and dictators across the world. That is how Labour's mission-driven Government will deliver. No more sticking-plaster solutions. Our steelworkers, who make the best steel that money can buy, are just asking for a level playing field. The Government need to step up to the plate and do the right thing.

6.4 pm

**Andrew Gwynne** (Denton and Reddish) (Lab): The Chancellor closed his Budget last week proclaiming that "the plan is working". But as has been pointed out time and again, the OECD has confirmed that the UK will be the weakest economy in the G7 this year. Living standards have taken the biggest hit since comparable records began, and the average French family are now a tenth richer than their British counterparts. None of those figures scream to me that the plan is working. Instead, they speak of a sad truth: the Tories have mismanaged our economy and have catastrophically failed to level up and invest in our communities.

I will not pretend that the new devolution deal for Greater Manchester is not welcome. The Greater Manchester Combined Authority and the Mayor's office have been working around the clock to secure the deal, and I am pleased that they have negotiated a settlement that will assist the ongoing work in the region. I am particularly pleased to see support for the integration of the Bee Network. Transport connectivity is key to growing the economy—something the Government would do well to consider before handing another six-month contract to the failing rail operator Avanti.

While positive, the devolution deal does not absolve the Government of their failure to level up. After all, the deals for Greater Manchester and the West Midlands only grant extra powers to 9% of the population. The other 91% remain tied to the economic disaster of successive Tory Governments in Westminster.

Let us take a moment to assess whether the levelling-up plan is working. Bloomberg's 2023 levelling-up scorecard shows that since 2019 people across Denton and Reddish have seen their salaries, access to affordable housing,

life expectancy and broadband coverage all fall or remain the same. The report also shows that overall Government spending has declined in my local area. The Government can talk about growing the economy until they are blue in the face, but those words feel particularly hollow to the people I represent and the communities in my constituency. They have less money in their pockets and they are struggling to put food on the table and heat their homes.

Those words also feel hollow to me. I have tried countless times to secure levelling-up investment both for Denton and for Reddish. Most recently, I backed Tameside Council's levelling-up fund bid to transform Denton town centre. It would have enabled Tameside Council to significantly improve Denton Festival Hall, with a new neighbourhood hub for children's services and new NHS primary care services. As with the earlier Stockport bid for Reddish, the Denton bid was rejected. That is just not good enough, not least because my town is plastered full of levelling-up posters with nothing to show for it.

It does not need to be that way. I want to see rapid investment in good jobs for the future, and better salaries and working conditions for the people I represent. I want to see more powers handed to local communities, an end to "The Hunger Games"-style bidding process and an investment that benefits working people instead. Labour is the party that has a plan to deliver that. The Tory Budget was nowhere near bold enough. Sadly, economic growth is just another slogan for this Government.

6.8 pm

**Beth Winter** (Cynon Valley) (Lab): Last week, what we needed was a transformative Budget designed to lift incomes and living standards, deliver fair funding to level up our poorer nations and regions, and build an economy fit for future generations. We did not get that. Instead, we got the views of a multimillionaire Downing Street that is completely out of touch with the lives of people who are struggling in the horrendous cost of living crisis, including people in my constituency of Cynon Valley.

The OBR confirms the hit to living standards over the past two years is the largest since comparable records began in the 1950s. Wages are lower now in real terms than they were 13 years ago. That is why workers are being forced—yes, forced—to take industrial action, including 700,000 last week, and why it was so crucial for us to hear something concrete on pay in the Budget. However, there was complete and utter silence.

For those who are reliant on social security benefits, increasing the use of sanctions is a real concern: it will mean the demonisation of some of the most vulnerable groups and will force people further into poverty. Meanwhile, millionaires will benefit from the Chancellor's pension allowance change, which benefits only the 1% with the biggest pension pots. Some high earners are getting a tax cut of up to £275,000. In the funding of public services, we can see the continuation of austerity: analysis by the New Economics Foundation shows a further £21.6 billion in unannounced cuts. That is not levelling up; it is trickle-up economics.

Wales is yet again being starved of funds. The Welsh Government's budget is worth up to £3 billion less over the three-year spending review period than when it was

originally announced. Wales faces a £1.1 billion shortfall in funding as a result of structural fund changes. So much for "not a penny less, not a power lost"! The problems with the structural funds will put 1,000 academic jobs at risk in Wales's higher education sector; I worked in the sector for 10 years, and a lot of my former colleagues are at risk. I urge the Government to address that now.

The UK Government continue to benefit unduly from their share of the national mineworkers' pension scheme. That is money they should be paying to former mineworkers and their families, many of whom live in my constituency. It is a shame on this Government that they have failed to fund the £600 million legacy costs of making the coal tips safe in Wales.

**Ian Lavery** (Wansbeck) (Lab): I declare an interest as a member of the mineworkers' pension scheme. Does my hon. Friend agree that we are seeing double standards at the highest level? The Government are refusing to allocate the £2 billion surplus to some of the poorest pensioners, but at the same time they are giving an extra £1.2 billion-plus to some of the richest pensioners in the country. How is that levelling up?

**Beth Winter:** I could not agree more. This was clearly a Budget for the 1%, not the 99%. Mineworkers in my constituency created the wealth of this country: they put their lives at risk over many, many years, and the wealth was extracted. Surely the Government owe them the money that they created for this country. Shame on this Government.

The UK Government also continue the lie of designating not only HS2 but now Northern Powerhouse Rail as "England and Wales" projects, which should result in a total of £6 billion for the Welsh economy. The Welsh Government are striving to chart a different path. The programme for government in Wales is a commitment to a progressive agenda: from free school meals to the universal basic income pilot, from a publicly owned energy company to tackling the climate crisis in order to secure prosperous and fulfilling lives for current and future generations.

This Budget shows how urgently we need a change of Government in the UK and a different economic approach that delivers a new funding settlement for public services and fully funded, inflation-proofed pay rises. We need the wealthiest in society to finally pay their fair share in tax. We must not only abolish non-dom status, but equalise capital gains tax rates with income tax. We need to tax the windfall gains of oil and gas giants at a higher rate and remove the loopholes that allow businesses to avoid paying their fair share.

I welcome the Secretary of State's comments about devolving decision making and finance to the English regions. I implore the UK Government to do the same for Wales, to provide us with fair, needs-based funding and to stop riding roughshod over the devolution settlement. Diolch yn fawr.

6.13 pm

**Richard Burgon** (Leeds East) (Lab): Last Wednesday, as the Chancellor stood up to deliver his Budget, millions of people around the country will have been hoping for real action on the biggest cost of living crisis in living

[Richard Burgon]

memory. They were disappointed. In the theatre of Parliament, with the jokes, the backslapping and the irrelevant asides, it seemed that we had very rarely been as far removed from what was going on outside. We would never have guessed from listening to the Chancellor that there is a cost of living crisis out there and that people are using food banks, are having to choose between heating and eating and are struggling to pay the bills. One would never think that it was about to get worse, with the worst fall in incomes since the 1950s. It seemed from the Budget that the Conservatives just did not think that that was a big deal. The Budget did not say enough. The Budget did not really do anything for the millions of people out there who are struggling to make ends meet.

We hear a great deal about the cost of living crisis, but it is not true across the board. Some people are doing very well indeed at the moment. British billionaires are increasing their wealth by £220 million a day, profits at the biggest UK companies are up by 34%, bankers' bonuses are up by 28%, top bosses' pay is up by 23%, and we even have a Prime Minister on the rich list—the richest Prime Minister in history.

The Government had a choice, and the Government failed to do what was right for the people out there. When the hon. Member for Southend West (Anna Firth) was explaining why public sector workers should not get the pay rise that they deserve, she said, "The money has to come from somewhere." Of course the money has to come from somewhere, but the money is there; the Government just choose not to take it. Let me explain that by identifying just two policies that the Government could have adopted—two taxes on wealth that would have raised £30 billion. When I mention that sum, Members should reflect on the fact that free school meals for every child would cost £1 billion, as would an inflation-matching pay rise for all nurses, and an inflation-matching pay rise for all public sector workers would cost about £12 billion.

The first of those two policies is a 1.5% annual tax on any wealth amounting to more than £10 million, which would raise up to £15 billion a year and would affect only 0.04% of the population: the richest 20,000 individuals. The Government do not have the guts to do that, because they would be doing it to their wealthy friends. The second policy is very simple: equalise capital gains tax rates with income tax to raise up to £17 billion a year. Why should bus drivers, for example, pay a higher rate of tax on their incomes than those living on income from their wealth? It is about time taxation on wealth was equal with taxation on income, because any other system is unjust and unfair.

The results of a new poll show that the vast majority of people back those policies, but instead of making the choices that they should have made, the Government have completely failed to tackle the emergency, now. That is what they should have done, but they chose not to do it.

6.17 pm

**Helen Morgan** (North Shropshire) (LD): Let me begin by declaring an interest as a vice-president of the Local Government Authority.

Overall, this was a disappointing Budget for North Shropshire and for rural communities across the country. Instead of allocating levelling-up funding on the basis of need, councils will once again be forced to spend thousands in consultant and officer time, competing against each other for small pots of money which, ultimately, they may not win. Surely it is time to assess the needs of each area objectively and invest accordingly. Personally, I would not consider a marginal seat to be an indication of need, but Wednesday's statement shamelessly funnelled funding into marginal seats, largely ignoring the urgent need in rural Britain for investment in public transport and key infrastructure.

I would welcome clarity from the Chief Secretary to the Treasury on the proposals for local enterprise partnerships. The LEP in the Marches covers a number of local authority areas, and has been a driver of public and private sector investment. How will its activities be effectively absorbed across a number of different overstretched councils?

The rest of the Budget was largely taking with one hand and giving away with the other. Money to repair potholes is welcome, but the entire national potholes budget would probably not be enough to repair the badly neglected roads of Shropshire, while the active travel fund, which might have brought real benefits to all areas, has been cut. The £63 million to keep swimming pools open is welcome, but it involves another largely competitive bidding process for capital investment and energy efficiency measures. Community Leisure UK still predicts that many pools will be unable to reopen without additional funding to help with the soaring energy bills that forced them to close in the first place.

The Chancellor claimed that 100% capital allowances for businesses investing in plant and machinery would offset their corporation tax rise, but those businesses have to have the cash to invest and they need to be turning a profit to offset those capital allowances against. Rural businesses in North Shropshire have told me that the astronomical cost of energy means that they are struggling to stay afloat, not turning a comfortable profit or generating cash to invest.

**Wendy Chamberlain** (North East Fife) (LD): A very easy way to help small businesses to grow is to do something about the VAT tax threshold, which has not increased in line with inflation since 2017. Does my hon. Friend agree that this is preventing businesses from growing further and that the Government could have done that instead of stealth-taxing small businesses?

**Helen Morgan:** I thank my hon. Friend for her intervention, and I agree.

Duty on draught beer has been cut, and that is obviously welcome for the pubs that sit at the heart of the communities in our towns and villages, but many small businesses were locked into gas and electricity contracts last year in a period of soaring prices as a result of the terrible invasion of Ukraine. Just this morning, I was contacted by a popular village pub to say that it was facing closure—despite always being too busy to fit me in for a table. It is facing a fourfold increase in its energy costs, but this Budget has cut the support that it is going to be offered, even while wholesale prices fall and it costs the Government less.



We all want to get people back into work, but there has been a real-terms cut to the public health budget, with nothing more for adult and children's social care at a time when illness and caring responsibilities have placed enormous pressure on the workforce across every sector. Staff shortages underpin the crises in social care, the health service and the wider rural economy, and we feel them strongly in North Shropshire. In summary, this is a missed opportunity for North Shropshire and for rural communities across Britain.

6.21 pm

**Margaret Ferrier** (Rutherglen and Hamilton West) (Ind): Welcome measures in the Budget include enhanced tax relief rates for some life sciences research and development-focused SMEs, to help incentivise investment in R&D, and the extension of the reduced fuel duty rate has been welcomed by the logistics and haulage industries. Among the not-so-welcome measures is the 10.1% tax hike on Scotch whisky, meaning that on the sale of an average £15.22 bottle, £11.40 will be taken to the Treasury through tax. This is an enormous blow for the spirits industry, significantly reducing its already tight profit margins in a move that the Scotch Whisky Association has noted breaks previous ministerial commitments to review alcohol duty to ensure that the tax system supports Scottish whisky.

In a post-Brexit context, protecting businesses and positioning them in the best possible way is of vital importance when it comes to successful trade deals. We need trade deals that will allow UK industries to prosper and thrive for the benefit of the economy and the public, but that cannot happen if domestic policies are strangling industries. On that note, I welcome the addition of several new sectors to the shortage occupation list, which will help with managing labour shortages in those areas, but reform is still needed to the scheme if it is to be as effective as we need it to be. The hospitality sector, for example, is crying out for support and it needs to be included in the scheme.

For my constituents, though, the cost of living remains the No. 1 concern. The Chancellor's fiscal policies are still not going far enough to provide households with the support they so desperately need. While he is extending the price cap guarantee, the actual practical financial support is being withdrawn. That means that average households will see a £400 a year increase in their energy costs, which is an increase that many cannot afford. Nationally, around 30% of households could not afford to put the heating on over the winter months; in my constituency it was 45%. Someone who has not lived in poverty and faced these struggles daily cannot truly understand what that means day to day, or what worrying about how they will pay the bills, feed their children and put a roof over their heads does to a person. Statistics cannot paint the picture entirely, but they give a flavour. Nationally, 41% of people said that their mental health had worsened as a result of the cost of living crisis, and in my constituency it was much higher at 55%.

Pensioners, too, were left behind in this Budget. What is essentially a hefty tax cut for a very small number of very wealthy retirees is not enough. Although the state pension is being uprated in line with inflation, it is still not keeping up with living costs. Our main concern, though, is that the Government are considering increasing

the state pension age again. Against the backdrop of all this, life expectancy is stagnating, and even falling in deprived communities. We are still waiting for justice for the Women Against State Pension Inequality Campaign, which is a perfect example of why now is not the right time to be making this change, as I hope Ministers will recognise.

We all know there is not an unlimited pot of money to finance everything we would like the Chancellor to announce in an ideal world. However, with living standards so low and with so many households struggling across Scotland and the UK, the Budget could have done more to support the public this Government serve.

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP) *rose—*

**Margaret Greenwood** (Wirral West) (Lab) *rose—*

**Mr Deputy Speaker (Mr Nigel Evans):** We are down to our last two Back-Bench contributions, so those watching in their offices who participated in this debate should now come back to the Chamber in anticipation of the wind-ups.

6.25 pm

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): Last week should have seen a Budget that embraces the idea that moving to net zero and decarbonising our economy and society is an opportunity to rebalance our economy and recognise that the old platitudes and ideologies no longer work. Instead, we saw the same mistakes, the same retrenchment and the same failures that have dragged the UK ever closer to the bottom of the pile, and the same determination to continue down a path that is disastrous not only for our society but for our planet.

Last week, England's active travel budget was slashed to the bone. Active Travel England is being neutered before it has even begun. This financial year will see active travel spending in Scotland reach a transformational £30 per person. In contrast, England, outside Greater London, will receive less than £1 per person per year. For those sitting on the Treasury Bench who are not too good at arithmetic, that is 30 times less than in Scotland. The priorities are clear: inertia from the UK Government or investment in our communities by the Scottish Government.

Meanwhile, the UK Government pledged to drop billions into the black hole of nuclear power, surely the least sustainable energy there is. Despite the potential of fuels such as green hydrogen and tidal to reduce our dependence on fossil fuels, alongside the known quantities of hydro and wind, we will see another wave of massively subsidised nuclear power stations, all presumably to be cleaned up by our children and grandchildren. In trying to justify not giving free school meals to those in need, or slashing transport funding outside London, the Tories claim they do not want future generations to pay the price for our financial profligacy, but they are more than happy to bequeath to those same future generations the cost and danger of dealing with our toxic waste.

The Government's desperation to cling to the past is not limited to energy, as is apparent from their attitude to the railway and the failure of their free-market

[Gavin Newlands]

doctrine, with another six-month extension for Avanti, a train operator that can barely run a train. There are five state-supported rail operators in Scotland, and two of them—ScotRail and London North Eastern Railway—are run by the state for public benefit. One more will join them in June, when the Caledonian sleeper returns to public ownership. Only Avanti and TransPennine Express, two of the worst train operators in these isles, will remain as contracted operators.

If we are serious about sustainable economic growth, we need public transport and transport infrastructure fit for the 21st century, not the 19th century. There has been a sea change in rail in Scotland since devolution, driven by Governments of all political colours, except the Tories, of course. We have seen electrification and decarbonisation right across the country, and Scotland's rail network will be fully decarbonised by 2035, which is some achievement for a rail network that was ignored by this place for decades. In contrast, the last decade of rail investment south of the border has been a sorry tale of delay, incompetence and hard political ideology, which has meant virtually zero progress on modernising the network anywhere outside the M25.

Public charge points are being rolled out by the UK Government at a glacial pace, in a scheme ironically called Project Rapid, which has seen the Government fall 200,000 short of their 300,000 target by 2030. That target is utterly imperative. Scotland has ordered 11 times more zero-emission buses per head than England. I could go on.

Did we see any new funding or action in the Budget to show any sign that the Chancellor and his colleagues understand the gravity of the situation? Not a sniff. This Budget was another missed opportunity, following the last 13 years of torpor and decline. It shows zero understanding of the fundamental and, to be blunt, existential challenges our society faces. The transition to net zero is a golden opportunity to revitalise communities and our economy. The UK and its failed economic strategy should get out of the way of Scotland's aspirations to be a net zero nation and a world leader in decarbonisation. It is clearer than ever that those aspirations will be met only through independence.

6.29 pm

**Margaret Greenwood** (Wirral West) (Lab): The Chancellor has given a tax break to some of the wealthiest people in society by scrapping the £1.07 million lifetime pensions allowance. We need to retain people in the NHS, but there are other ways of doing that. Let us see what he has done for the rest of society. At the same time, he has frozen personal income tax thresholds until 2028. The OBR has said that as a result wage growth over the next five years will force 3.2 million people into paying tax for the first time and put 2.1 million people into the higher rate tax band. The IFS has said that the freeze would cost most basic rate taxpayers £500 from April and most higher rate payers £1,000.

It is difficult to see how that will not have an impact on child poverty. Alison Garnham, the chief executive of the Child Poverty Action Group, has pointed out that the Budget contained

“no mention of the UK's 4 million children in poverty”.

She called on the Government to

“expand free school meals eligibility, remove the two-child limit and benefit cap and increase child benefit. Any less and the effects of poverty will stalk millions of children from cradle to grave.”

While giving tax breaks for the very wealthy, the Chancellor announced that sanctions in the social security system would be

“applied more rigorously to those who fail to meet strict work search requirements or choose not to take up a reasonable job offer.”—[*Official Report*, 15 March 2023; Vol. 729, c. 844.]

So people who struggle to read and write will be punished, because for them a work search is a difficult business. Furthermore, that announcement came just a day after it was reported that the Department for Work and Pensions had been ordered to release sensitive research into whether fining benefit claimants is effective in getting them to take a job or work more hours. There is overwhelming evidence in academic research, through the welfare conditionality project, to show that benefit sanctions are ineffective at getting people who do not have jobs into work and that they are more likely to reduce those affected to poverty, ill health or even survival crime.

Speaking of those who struggle to read and write, once gain the Government have failed to provide the urgent support that is needed to the 7.1 million adults in England who are deemed functionally illiterate and who face immense barriers in life. They make up more than 16% of the adult population, yet it seems that this Government have abandoned them. The Chancellor announced the introduction of returnerships and I will be interested to see the content of those. However, they are specifically vocational and, for many people who are functionally illiterate, the idea of going straight to a vocational course can be daunting; and, of course, illiteracy is not only about barriers to work.

Over 13 years of Conservative Government, we have seen public services cut to the bone, and public sector workers and the public they serve bearing the brunt of that ill-conceived austerity. Headteachers in Wirral whom I met earlier in the year spoke of the acute financial challenges they are facing in terms of paying staff, buying resources and heating their buildings. We also know that, according to the Government, across the country, the risk of collapse in one or more blocks in some schools built between 1945 and 1970 is now very likely. All this reminds me very much of the final years of the Thatcher Government, when public services were left in ruin.

In conclusion, this Budget sidestepped the most pressing issues, including the cost of living crisis that is causing misery to millions; the running down of public services; and the failure to support more than 16% of the adult population by providing them with much-needed support to read and write.

**Mr Deputy Speaker (Mr Nigel Evans):** We come to the wind-ups.

6.33 pm

**Mr Pat McFadden** (Wolverhampton South East) (Lab): Let me begin by paying tribute to all the right hon. and hon. Members who have taken part in this Budget debate, not only today, but throughout its four days. Today, many Members from across the House, including

my right hon. Friend the Member for Walsall South (Valerie Vaz), and my hon. Friends the Members for Newcastle upon Tyne North (Catherine McKinnell), for Ilford South (Sam Tarry), for Bolton South East (Yasmin Qureshi) and for Leeds East (Richard Burgon), have raised the issue of the cost of living crisis. Other Members have spoken about individual measures in the Budget, such as investment allowances and devolution deals.

Some Members, such as my hon. Friend the Member for Vauxhall (Florence Eshalomi), called this Budget a missed chance, whereas others, such as my hon. Friend the Member for Merthyr Tydfil and Rhymney (Gerald Jones), talked about the number of Labour policies adopted by the Government in the Budget. My hon. Friend the Member for Lewisham East (Janet Daby) and the hon. Member for Newbury (Laura Farris) talked about childcare. The hon. Member for Basildon and Billericay (Mr Baron) rightly warned the Government against being left behind by the measures being taken in the US and the EU to ensure the green transition.

The right hon. Member for North West Hampshire (Kit Malthouse) urged us all to have more children. Perhaps when all other growth plans have failed, that is all that is left.

The Budget is a critical part of our economic and political framework, and I congratulate the Chancellor on surviving long enough in his post to deliver one. Here we are a few days later and he is still in his post. That is a rare achievement among Conservative Chancellors of modern times.

Outside this House—indeed, on the day that the Chancellor spoke—there is significant turbulence in the financial system. Even though we debate these measures, it is imperative that the Treasury and the regulators are alive to the risks elsewhere in the system and to what other risks may be there.

The Budget was billed by the Chancellor as a Budget for growth. He opened his statement last week by asking us to give thanks that, this year, the economy is expected to shrink, but just not by quite as much as was previously thought. A flatlining economy is now defined by the Government as success.

**Stephen Kinnock:** My right hon. Friend is making an excellent speech. The Secretary of State for Levelling Up, Housing and Communities said earlier that this was a Budget for growth and that it would deliver more economic prosperity, but the reality is that the OBR said that we will not see a rise in living standards for another decade. Does my right hon. Friend agree that the Government have had their chance?

**Mr McFadden:** My hon. Friend is absolutely right. After 13 years, there really is nowhere left to hide.

Despite the Budget being billed as a Budget for growth, the UK is still experiencing the slowest recovery from covid in the G7. All the countries that make up this group had to cope with the pandemic. All of them have suffered the consequences of Russia's invasion of Ukraine, yet Britain's recovery is the slowest.

What is it about Conservative stewardship of the United Kingdom that makes us stand out in this way? Is it the political chaos inflicted on the country by the Conservative party, which makes a Chancellor who gets

to deliver a Budget such a rarity? Is it the fact that, since 2010, our productivity growth has been the second lowest in the G7? Is it the disastrous Tory mini-Budget last year, which they would like to bury under 10 feet of concrete, but which people will not forget? It caused borrowing costs to soar, put our pension system on life support and rocked international confidence in the UK economy. Is it the former Prime Minister's Brexit deal, which was supposed to give us global Britain but instead gave us the problem of how to send a sandwich to Belfast?

It could be all those things, but whatever the reasons, the overriding fact for our constituents is that they are still living through the biggest fall in living standards in living memory. Their money goes less far, their incomes have been squeezed and they are living in a country that is poorer than it was four years ago.

**Alan Brown:** Will the right hon. Member give way?

**Mr McFadden:** I will give way one more time.

**Alan Brown:** The right hon. Member mentioned Brexit. Are not some of the issues related to Brexit associated with leaving the single market, leaving the customs union and not being part of freedom of movement? That has a big detrimental impact on the economy and Labour will not change any of that.

**Mr McFadden:** I understand why people regret the result. What I do not understand is why the response to that should be to erect even more trading barriers inside the United Kingdom, as the hon. Member wants to do.

Even if the fall in living standards is at its most severe this year and next, it is not just a short-term dip, because since the Government took office, real-terms wages have not risen and are not expected to get to their pre-2010 levels until 2026. That is what people feel in their lives—that year after year, it gets harder to make ends meet and harder to pay the bills. The question that people are asking themselves is the one that has been posed by the shadow Chancellor, my right hon. Friend the Member for Leeds West (Rachel Reeves). Are my family and I better off? The answer is no. Are our public services in better shape now than when the Tories took office in 2010? Time after time, once again, the answer is no.

When he made his statement last week, I thought there was one significant thing about the way the Chancellor spoke: he was happy to own the whole 13 years that his party have been in office.

**The Chancellor of the Exchequer (Jeremy Hunt):** I'm proud of it.

**Mr McFadden:** He confirms that now—he is proud of it. He obviously did not get the memo that says every time the Tories ditch a leader, they are supposed to pretend it is year zero. Not for him the pretence that this is a brand-new Government. Not for him the pretence that whatever was inflicted by his predecessors had nothing to do with him.

I welcome the Chancellor's honesty about that, because that means the Tories can own the annual tax rises faced by every taxpayer over the coming years. They can own the 24 tax rises they have imposed in the last few years.



[Mr McFadden]

They can own the NHS waiting lists of 7 million people. They can own the biggest drop in living standards on record. They can own all the waste and all the fraud. They can own the mortgage rate rises faced by hard-working families this year and next, which were driven up by their own reckless economic irresponsibility. They can own the whole cycle of low growth, increasing taxes, declining living standards and creaking public services. I am grateful to the Chancellor for his honesty and candour in embracing his party's 13 years in power. That is a rare thing in politics these days and he deserves credit for it.

There were measures in this Budget that we liked and supported—those were the Labour bits. The extension of the energy price cap, the freeze in fuel duty, the investment allowances for industry and more help for childcare were all called for by Labour. Of course we welcome them, and we knew they were coming because most of the Budget was leaked in advance.

**Several hon. Members** rose—

**Mr McFadden:** I am not going to give way; I am going to proceed.

One thing was not leaked, however, and that was the Chancellor's plan to abolish the pensions lifetime allowance—a £1.2 billion policy that will benefit those with the biggest 1% of pension pots. Let us be clear: there is a problem facing doctors, and it has existed for years. In the run-up to the Budget, my hon. Friend the Member for Ilford North (Wes Streeting), the shadow Health Secretary, called for a special scheme to deal with the issue facing doctors, which is forcing some of them to retire early. That call was supported by the Chancellor when he was Chair of the Health and Social Care Committee. His report said:

“The government must act swiftly to reform the NHS pension scheme to prevent senior staff from reducing their hours and retiring early from the NHS.”

That is exactly what the shadow Health Secretary proposed.

**Andrew Gwynne:** Will my right hon. Friend give way?

**Mr McFadden:** I am going to proceed.

Such a scheme already exists for judges, but when the shadow Health Secretary made that call, he was attacked by the Tories, who said it was financial profligacy and unaffordable—and let us remember that that was only a scheme directed at the NHS. A Conservative spokesman said:

“Now they announce an expensive pensions policy without pointing to how they would fund it”,

adding that the shadow Health Secretary should think about the impact on the public finances. And what did the Tories do then? They said, “Wes, hold my beer.” Just days later, having denounced a smaller NHS scheme as being completely unaffordable, they proposed to abolish the entire lifetime allowance for everyone. According to the Tory argument, it is completely unaffordable for doctors alone, so we are going to propose it for everyone.

However, that was not always the Tories' view. They used to think that,

“we must demonstrate that we are all in this together. When looking for savings, I think that it is fair to look at the tax relief that we give to the top 1%.”—[*Official Report*, 5 December 2012; Vol. 554, c. 878.]

Who was the ideologically suspect pinko who said that? Who was that anti-aspirational enemy of enterprise? It was, of course, George Osborne. That is how far they have moved. They used at least to claim we are all in this together; now they do not even pretend.

Growth is the essential challenge facing the country. We need better growth to make the country more prosperous and its people better off. Right now, in the United States, growth is being driven by the Inflation Reduction Act sucking in investment in new technologies and the green transition, and creating jobs right across the country. Europe is responding with incentives of its own. What is the Government's position? It is that this is “dangerous”, as the previous Business Secretary said. Other countries are on the pitch; they are using the power of government to crowd in private investment. That is exactly what we should be doing. This is not about the state doing it all; it is about setting a clear, long-term direction, and asking business and employees to be partners in making that work.

Those investments will happen somewhere. The question we pose is: why not in Britain? Why not in Britain when we have some of the best researchers in the world? Why not in Britain when we have a tradition of innovation and creativity that is second to none? Why not in Britain? Because we lack a Government with the ambition to make it happen. In the end, that is what was missing from this Budget.

The Chancellor and the Prime Minister want to project themselves as the adults in the room, but with the challenges that the country faces, that is not enough. It is not enough just not to be reckless and ideological; it is not enough just not to subject the country to another giant juvenile experiment with real-world consequences; it is not enough just not to degrade the idea of public office itself; it is not enough for them not to be their disastrous predecessors. The country deserves a lot more than that. It needs a Government who will break with, not continue, the last 13 years, and who will break with the whole pattern of low growth, high tax and creaking public services. That is what we need, and that is what we did not get from the Budget last week.

6.46 pm

**The Chief Secretary to the Treasury (John Glen):** What a privilege it is to close this four-day Budget debate on behalf of the Government. I thank the right hon. Member for Wolverhampton South East (Mr McFadden) for his remarks—for someone who moved from being the high disciple of Tony Blair to sitting in a Cabinet where there was “no money left”, I think there was a lot of cheek in his remarks.

This Budget takes our collective potential and unleashes it to deliver sustainable long-term growth. We are now able to direct our attention to the future because of the difficult decisions that we took in the autumn, when we cemented stability and the prudent management of the nation's finances, taking responsible, necessary decisions for the good of the economy—for the vulnerable, for families and for communities up and down this country. Since then, debt-servicing costs are down, mortgage rates are lower and inflation has peaked. We are heading

in the right direction. The OBR's clear assessment is that because of the action taken in the autumn, combined with the actions announced by the Chancellor last week, we are on track to meet all the Prime Minister's economic pledges.

As has been famously said before, inflation is taxation without legislation. It makes us all poorer. That is why we said that we will halve it this year. Indeed, the OBR says that we will do more than that.

**Andrew Gwynne:** Will the Minister give way?

**John Glen:** No, I will not.

Inflation in the UK will fall from 10.7% in the final quarter of last year to 2.9% by the end of 2023. If debt is left unchecked, it acts as a ceiling on our economic potential. That is why we are bringing it down. Under this Government, we will pay our own way.

On growth—the focus of the Budget—there were those who said that we would fall into recession in 2023, but last week the OBR said that we will not enter a recession this year. Instead, after this year, the UK economy will grow in every single year of the forecast period, including by 2.5% in 2025. As we look to the future, we are now rolling out the biggest employment package ever, we are overhauling incentives to get businesses growing, and we are unleashing our green energy sector while supporting families and businesses with bills in the short term. But, contrary to the characterisation in many Opposition speeches today, there is no complacency from this Government. There will be no let-up in our relentless focus on enabling growth.

The subject of today's debate is halving inflation, reducing debt and growing the economy. During the course of the debate, we have heard some excellent speeches from right hon. and hon. Members on both sides of the House, and I would like to respond to some of them now. I will respond first to my right hon. Friend the Member for Middlesbrough South and East Cleveland (Mr Clarke), one of my predecessors. Although he welcomed many measures in the Budget, he drew attention to the question of corporation tax. Let me draw his attention to the remarks of the Chancellor, who expressed his determination that the full expensing measure will be a permanent intervention of this Government.

I thank my right hon. Friend the Member for North West Hampshire (Kit Malthouse), my parliamentary neighbour, for his constructive suggestions about the simplification of childcare. I also draw his attention to the fact that this Government have committed £492 million over this year and next to ease the supply for those who will provide our child support.

I also want to refer to the speech from my hon. Friend the Member for South Cambridgeshire (Anthony Browne), who gave us a helpful contextualisation of the world economy and pointed out the fact that, contrary to what we heard in many Opposition speeches, since the Conservatives came to power in 2010 we have grown more than major countries such as France, Italy or Japan, and about the same as Europe's largest economy, Germany. We have halved unemployment, cut inequality and reduced the number of workless households by 1 million. I also want to refer to my hon. Friend's remarks on the pensions intervention. That was called for by many in the medical profession over many months, but

our pension reforms benefit other experienced key workers as well as doctors, including headteachers, police chiefs, armed forces clinicians, senior armed forces personnel, air traffic controllers, prison governors, senior Government scientists, Government-employed vets and, yes, even senior people in the private sector who create jobs, sustaining growth across the economy.

I also thank my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), who had a characteristically clear understanding of how economic challenges will be met. He also mentioned the support of his local brain surgeon. Many more people working in the NHS are realising that within two weeks they will be able to continue working, knowing that their pensions are safe.

I thank my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) for his remarks on defence expenditure. I suspect that there will never be enough money for him on defence, but he shows a clear understanding of the extra commitment the Chancellor has made in the Budget to invest in continuing to support our efforts in Ukraine.

There were many other worthwhile contributions from Members on both sides of the House, and I think it is important that we recognise that one of the major themes of this Budget was levelling up across the whole United Kingdom. I welcome the contribution from my hon. Friend the Member for Barrow and Furness (Simon Fell), who drew attention to the value of the announcements on nuclear, particularly Great British Nuclear, and the transformation that will bring to his economy and to the country as a whole.

**Alan Brown:** On nuclear, and the fact that the Minister is talking about reducing debt, why does he think it is a good thing to sign bill payers up to £35 billion of debt for Sizewell C through the regulated asset model? Surely that is just a burden on all future generations.

**John Glen:** What is important is that this country knows that we have a Government who will take long-term decisions about energy security for this country.

I would like to address a number of significant themes of this afternoon's discussions on the cost of living. Support for households with higher bills has been worth £94 billion—on average, £3,300 per household—across 2022-23 and 2023-24. That means that in this coming year more than 8 million households on means-tested benefits will receive three cost of living payments totalling £900; more than 8 million pensioner households will receive a cost of living payment of £300; and more than 6 million people on disability benefits will receive a cost of living payment of £150. Since this Conservative Government came to power in 2010, we have grown more than major countries such as France, Italy or Japan, and we are now on track.

I want to address public sector pay, which was also raised by a number of Opposition Members. Through the efficiency and savings review, Departments have reprioritised and identified further efficiencies, building on the 5% efficiency challenge set at the 2021 spending review.

We have faced a global energy crisis. We have had high global inflation. There has been a global economic downturn. We needed to bring about stability—we did.

[John Glen]

We needed sound money—we have it. We now need long-term, sustainable, healthy growth—this Budget delivers it. Many Opposition Members have asked who this Budget was for. It was for the families struggling with energy bills, the left-behind communities that will receive record investment, and the entrepreneurs who drive growth. The OBR's forecasts show that this Budget will deliver improvements in growth and inflation, but this Government will continue to do everything we can to beat those forecasts. It is with humility, focus and determination that we tackle the challenges facing this country. We will deliver a stronger, cleaner economy for the whole of the United Kingdom, and I commend this Budget to the House.

*Question put and agreed to.*

*Resolved,*

That income tax is charged for the tax year 2023-24.

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

*The Deputy Speaker put forthwith the Questions necessary to dispose of the motions made in the name of the Chancellor of the Exchequer (Standing Order No. 51(3)).*

## 2. INCOME TAX (MAIN RATES)

*Resolved,*

That for the tax year 2023-24 the main rates of income tax are as follows—

- (a) the basic rate is 20%,
- (b) the higher rate is 40%, and
- (c) the additional rate is 45%.

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

## 3. INCOME TAX (DEFAULT AND SAVINGS RATE)

*Resolved,*

That—

- (1) For the tax year 2023-24 the default rates of income tax are as follows—
  - (a) the default basic rate is 20%,
  - (b) the default higher rate is 40%, and
  - (c) the default additional rate is 45%.
- (2) For the tax year 2023-24 the savings rates of income tax are as follows—
  - (a) the savings basic rate is 20%,
  - (b) the savings higher rate is 40%, and
  - (c) the savings additional rate is 45%.

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

## 4. INCOME TAX (STARTING RATE LIMIT FOR SAVINGS)

*Resolved,*

That—

- (1) For the tax year 2023-24 the amount specified in section 12(3) of the Income Tax Act 2007 (the starting rate limit for savings) is “£5,000”.

- (2) Accordingly, section 21 of that Act (indexation) does not apply in relation to the starting rate limit for savings for that tax year.

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

## 5. CORPORATION TAX (CHARGE AND MAIN RATE FOR FINANCIAL YEAR 2024)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made—

- (a) for corporation tax to be charged for the financial year 2024, and
- (b) for the main rate of corporation tax for that year to be 25%.

## 6. CORPORATION TAX (STANDARD SMALL PROFITS RATE AND FRACTION FOR FINANCIAL YEAR 2024)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made—

- (a) for the standard small profits rate to be 19% for the purposes of Part 3A of the Corporation Tax Act 2010 for the financial year 2024, and
- (b) for the standard marginal relief fraction to be 3/200ths for those purposes for that year.

## 7. CAPITAL ALLOWANCES (TEMPORARY FULL EXPENSING ETC)

*Resolved,*

That provision may be made for temporary first-year allowances under Part 2 of the Capital Allowances Act 2001 in respect of expenditure incurred on plant or machinery by companies within the charge to corporation tax.

## 8. ANNUAL INVESTMENT ALLOWANCE

*Resolved,*

That provision may be made for the maximum amount of the annual investment allowance under section 51A of the Capital Allowances Act 2001 to be £1,000,000 in relation to expenditure incurred on or after 1 April 2023.

## 9. CAPITAL ALLOWANCES (ELECTRIC VEHICLE CHARGE POINTS)

*Resolved,*

That provision may be made substituting the year 2025 for the year 2023 specified in section 45EA(3)(a) and (b) of the Capital Allowances Act 2001.

## 10. CORPORATION TAX RELIEF (RESEARCH AND DEVELOPMENT)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made in relation to the corporation tax relief contained in Chapter 6A of Part 3 of the Corporation Tax Act 2009 or Part 13 of that Act—

- (a) conferring relief in respect of expenditure on data and cloud computing services,



- (b) about the administration and management of claims for the relief,
- (c) about the circumstances in which an enterprise counts as a small or medium-sized enterprise and in which accounts are to be treated as prepared on a going concern basis, and
- (d) limiting relief for expenditure incurred on payments to expenditure incurred on payments made before the making of a claim for the relief.

## 11. CORPORATION TAX RELIEF (PROFITS FROM PATENTS ETC)

*Resolved,*

That provision may be made for substituting references in section 357A(3) of the Corporation Tax Act 2010 to the main rate of corporation tax with references to whichever of the main rate of corporation tax and the standard small profits rate is charged on a company's profits which are not ring fence profits.

## 12. ENERGY (OIL AND GAS) PROFITS LEVY (DE-CARBONISATION ALLOWANCE)

*Resolved,*

That provision (including provision having retrospective effect) may be made for relief from energy (oil and gas) profits levy in respect of capital expenditure incurred by a company on the de-carbonisation of its upstream petroleum production.

## 13. MUSEUMS AND GALLERIES EXHIBITION TAX RELIEF (EXTENSION OF SUNSET DATE)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made amending section 1218ZCG(1)(c) of the Corporation Tax Act 2009 by replacing the reference to the year 2024 with a reference to the year 2026.

## 14. CREATIVE RELIEFS (EXTENSION OF PERIOD FOR TEMPORARY INCREASE IN CREDITS)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made amending sections 17, 19 and 21 of the Finance Act 2022 so as to extend the periods for which the temporary increases in the credits have effect.

## 15. SEED ENTERPRISE INVESTMENT SCHEME (AMOUNT ON WHICH RELIEF MAY BE CLAIMED ETC)

*Resolved,*

That provision may be made—

- (a) increasing to £200,000 the amount on which relief may be claimed under Part 5A of the Income Tax Act 2007 or Schedule 5BB to the Taxation of Chargeable Gains Act 1992, and
- (b) amending sections 257DI, 257DL and 257HF of the Income Tax Act 2007.

## 16. COMPANY SHARE OPTION PLANS

*Resolved,*

That—

- (1) Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003 (CSOP schemes) is amended as follows.

- (2) In paragraph 6 (limit on value of shares subject to options)—
  - (a) in sub-paragraph (1), in the words after paragraph (b), for “£30,000” substitute “£60,000”, and
  - (b) after sub-paragraph (4) insert—
    - “(5) The Treasury may by regulations amend sub-paragraph (1) by substituting a different sum of money for the sum for the time being specified there.”
- (3) In paragraph 15 (requirements relating to shares that may be subject to share options: introduction), in sub-paragraph (1)—
  - (a) after the entry for paragraph 17 insert “, and”; and
  - (b) omit the entry for paragraph 20 and the “, and” before it.
- (4) Omit paragraph 20 (requirements as to other shareholdings).
- (5) In paragraph 27 (requirement about share options granted in exchange), in sub-paragraph (4)(a), for “20” substitute “18”.
- (6) The amendments made by paragraph (2) have effect for the purposes of determining whether a share option may be granted to an individual on or after 6 April 2023 (“the commencement day”).
- (7) The amendments made by paragraphs (3) and (4) have effect in relation to—
  - (a) share options granted on or after the commencement day, and
  - (b) shares acquired by the exercise of share options on or after the commencement day (regardless of when those share options were granted).
- (8) The amendment made by paragraph (5) has effect in relation to share options granted on or after the commencement day.
- (9) A CSOP scheme which was approved by, or notified to, His Majesty's Revenue and Customs before the commencement day has effect on and after the commencement day with any modifications needed to reflect the amendments made by this Resolution.
- (10) In particular, such a CSOP scheme has effect from the commencement day with—
  - (a) the substitution of “£60,000” for “£30,000” in any provision required by paragraph 6 of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003;
  - (b) the omission of any provision that (before the amendments made by this Resolution) was required by paragraph 20 of that Schedule by virtue of paragraph 15(1) of that Schedule.
- (11) In this Resolution, “CSOP scheme” and “share option” have the same meaning as in the CSOP code (see paragraph 37 of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003).

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

## 17. ENTERPRISE MANAGEMENT INCENTIVES

*Resolved,*

That—

- (1) Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 (enterprise management incentives) is amended as follows.
- (2) In Part 5 (requirements relating to options), in paragraph 37 (terms of option to be agreed in writing) omit sub-paragraphs (4) and (5).
- (3) In Part 7 (notification of option to HMRC), in paragraph 44 (notice of option to be given to HMRC)—
  - (a) in sub-paragraph (5)—

- (i) after paragraph (a) insert “and”;
- (ii) omit paragraph (c) and the “, and” immediately before it;
- (b) omit sub-paragraphs (5A) and (6).
- (4) In Part 8 (supplementary provisions) omit paragraph 57A (penalty for non-compliance with paragraph 44(5A)).
- (5) The amendments made by this Resolution have effect in relation to—
  - (a) share options granted on or after 6 April 2023, or
  - (b) share options granted before 6 April 2023 which are capable of being exercised on or after that date (“relevant options”).
- (6) But if—
  - (a) an employer company has granted relevant options to persons by reason of their employment with the company, and
  - (b) the effect of paragraph (5)(b) would otherwise be that a relevant requirement would not be met in relation to one or more share options granted before 6 April 2023, the employer company must, on or before the relevant day, make arrangements for determining which of the relevant options, or the extent to which those options, are to take the benefit of paragraph (5)(b) without a relevant requirement not being met in relation to any share options granted before 6 April 2023.
- (7) The arrangements must—
  - (a) set out the criteria by reference to which the determination will be made, and
  - (b) be made available to persons who may be affected by the determination.
- (8) If the employer company fails to make arrangements in accordance with paragraph (7) in a case where it is required to do so by paragraph (6), which relevant options, or the extent to which those options, take the benefit of paragraph (5)(b) is to be determined in the chronological order in which those options were granted (and where two or more relevant options were granted at the same time, the extent to which those options take the benefit of paragraph (5)(b) is, where necessary, to be apportioned between those options).
- (9) In this Resolution—
  - “relevant day” means 6 July following the end of the first tax year in which a relevant option granted by the employer company is exercised;
  - “relevant options” has the meaning given in paragraph (5)(b); “relevant requirement” means any of the requirements in paragraphs 5(1), 6(2) or (4) or 7(1) of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003;
  - “share option” and “employer company” have the same meaning as in the EMI code (see paragraph 59 of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003).

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

## 18. PENSIONS (LIFETIME ALLOWANCE CHARGE AND ANNUAL ALLOWANCE)

### *Question put,*

That provision may be made—

- (a) abolishing the lifetime allowance charge,
- (b) increasing the amount of the annual allowance in section 228 of the Finance Act 2004 to £60,000,
- (c) replacing references to £240,000 with references to £260,000 in section 228ZA(1) and (3)(a) and (b) of that Act,

- (d) replacing references to £4,000 with references to £10,000 in sections 227ZA to 228ZA of that Act, and
- (e) amending provisions that confer transitional protection in connection with—
  - (i) the introduction of the lifetime allowance charge, or
  - (ii) reductions subsequently made in the amount of the lifetime allowance.

*The House divided: Ayes 330, Noes 233.*

### Division No. 194]

[6.58 pm

#### AYES

Adams, rh Nigel  
 Afolami, Bim  
 Afriyie, Adam  
 Aiken, Nickie  
 Aldous, Peter  
 Anderson, Lee  
 Anderson, Stuart  
 Andrew, rh Stuart  
 Ansell, Caroline  
 Argar, rh Edward  
 Atkins, Victoria  
 Bacon, Gareth  
 Bacon, Mr Richard  
 Badenoch, rh Kerni  
 Bailey, Shaun  
 Baillie, Siobhan  
 Baker, Duncan  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, rh Steve  
 Baron, Mr John  
 Baynes, Simon  
 Bell, Aaron  
 Benton, Scott  
 Berry, rh Sir Jake  
 Bhatti, Saqib  
 Blackman, Bob  
 Blunt, Crispin  
 Bone, Mr Peter  
 Bottomley, Sir Peter  
 Bowie, Andrew  
 Bradley, Ben  
 Bradley, rh Karen  
 Braverman, rh Suella  
 Brereton, Jack  
 Bridgen, Andrew  
 Brine, Steve  
 Bristow, Paul  
 Britcliffe, Sara  
 Browne, Anthony  
 Bruce, Fiona  
 Buchan, Felicity  
 Burghart, Alex  
 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  
 Clark, rh Greg  
 Clarke, rh Mr Simon  
 Clarke, Theo (*Proxy vote cast by Mr Marcus Jones*)  
 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  
 Cox, rh Sir Geoffrey  
 Crabb, rh Stephen  
 Crosbie, Virginia  
 Crouch, Tracey  
 Daly, James  
 Davies, rh David T. C.  
 Davies, Gareth  
 Davies, Dr James  
 Davies, Mims  
 Davis, rh Mr David  
 Davison, Dehenna  
 Dines, Miss Sarah  
 Djanogly, Mr Jonathan  
 Docherty, Leo  
 Donaldson, rh Sir Jeffrey M.  
 Donelan, rh Michelle  
 Dowden, rh Luke  
 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  
 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  
 Francois, rh Mr Mark  
 Frazer, rh Lucy  
 Freeman, George  
 Freer, Mike  
 French, Mr Louie  
 Fuller, Richard  
 Fysh, Mr Marcus  
 Garnier, Mark  
 Ghani, Ms Nusrat  
 Gibb, rh Nick  
 Gibson, Peter  
 Gideon, Jo

Girvan, Paul  
 Glen, rh John  
 Goodwill, rh Sir Robert  
 Gove, rh Michael  
 Gray, James  
 Grayling, rh Chris (*Proxy vote cast by Mr Marcus Jones*)  
 Green, Chris  
 Green, rh Damian  
 Griffith, Andrew  
 Gullis, Jonathan  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, Stephen  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Sally-Ann  
 Hart, rh Simon  
 Hayes, rh Sir John  
 Heald, rh Sir Oliver  
 Heappey, rh James  
 Henderson, Gordon  
 Henry, Darren  
 Higginbotham, Antony  
 Hinds, rh Damian  
 Holden, Mr Richard  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Adam  
 Holmes, Paul  
 Howell, John  
 Howell, Paul  
 Huddleston, Nigel  
 Hudson, Dr Neil  
 Hughes, Eddie  
 Hunt, Jane  
 Hunt, rh Jeremy  
 Hunt, Tom  
 Jack, rh Mr Alister  
 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, rh Mr Marcus  
 Jupp, Simon  
 Kawczynski, Daniel  
 Kearns, Alicia  
 Keegan, rh Gillian  
 Knight, rh Sir Greg  
 Knight, Julian (*Proxy vote cast by Craig Mackinlay*)  
 Kniveton, Kate  
 Kruger, Danny  
 Lamont, John  
 Langan, Robert  
 Latham, Mrs Pauline  
 Leadsom, rh Dame Andrea  
 Leigh, rh Sir Edward  
 Levy, Ian  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Sir Julian

Liddell-Grainger, Mr Ian  
 Lockhart, Carla  
 Loder, Chris  
 Logan, Mark (*Proxy vote cast by Mr Marcus Jones*)  
 Longhi, Marco  
 Lopez, Julia  
 Lopresti, Jack  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackrory, Cherilyn  
 Maclean, Rachel  
 Mak, Alan  
 Malthouse, rh Kit  
 Mangnall, Anthony  
 Mann, Scott  
 May, rh Mrs Theresa  
 Mayhew, Jerome  
 Maynard, Paul  
 McCartney, Jason  
 McPartland, rh Stephen  
 McVey, rh Esther  
 Menzies, Mark  
 Mercer, rh Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Millar, Robin  
 Milling, rh Amanda  
 Mills, Nigel  
 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  
 Murray, Mrs Sheryll  
 Murrison, rh Dr Andrew  
 Neill, Sir Robert  
 Nici, Lia  
 Nokes, rh Caroline  
 Norman, rh Jesse  
 O'Brien, Neil  
 Offord, Dr Matthew  
 Opperman, Guy  
 Paisley, Ian  
 Patel, rh Priti  
 Pawsey, Mark  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Philp, rh Chris  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, rh Victoria  
 Pritchard, rh Mark  
 Pursglove, Tom  
 Quin, rh Jeremy  
 Quince, Will  
 Raab, rh Dominic  
 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  
 Rutley, David  
 Sambrook, Gary  
 Saxby, Selaine  
 Scully, Paul  
 Seely, Bob  
 Selous, Andrew  
 Shannon, Jim  
 Sharma, rh Sir Alok  
 Shelbrooke, rh Alec  
 Simmonds, David  
 Skidmore, rh Chris  
 Smith, rh Chloe  
 Smith, Greg  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Solloway, Amanda  
 Spencer, Dr Ben  
 Spencer, rh Mark  
 Stafford, Alexander  
 Stevenson, Jane  
 Stevenson, John  
 Stewart, Iain  
 Streeter, Sir Gary  
 Stride, rh Mel  
 Stuart, rh Graham  
 Sturdy, Julian  
 Sunak, rh Rishi  
 Sunderland, James  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek

Throup, Maggie  
 Timpson, Edward  
 Tolhurst, rh Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, rh Anne-Marie  
 Trott, Laura  
 Tugendhat, rh Tom  
 Vara, rh Shailesh  
 Vickers, Martin  
 Vickers, Matt  
 Villiers, rh Theresa  
 Walker, Sir Charles  
 Walker, Mr Robin  
 Wallis, Dr Jamie  
 Warburton, David (*Proxy vote cast by Craig Mackinlay*)  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, rh Craig  
 Whittingdale, rh Sir John  
 Wiggin, Sir Bill  
 Wild, James  
 Williams, Craig  
 Williamson, rh Sir Gavin  
 Wilson, rh Sammy  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Sir Jeremy  
 Young, Jacob

**Tellers for the Ayes:**  
**Steve Double and**  
**Andrew Stephenson**

## NOES

Abbott, rh Ms Diane (*Proxy vote cast by Bell Ribeiro-Adley*)  
 Abrahams, Debbie  
 Ali, Tahir  
 Amesbury, Mike  
 Anderson, Fleur  
 Antoniazzi, Tonia  
 Ashworth, rh Jonathan  
 Bardell, Hannah  
 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  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Alan  
 Brown, rh Mr Nicholas  
 Bryant, Sir Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, Ian  
 Byrne, rh Liam

Cadbury, Ruth  
 Callaghan, Amy (*Proxy vote cast by Brendan O'Hara*)  
 Cameron, Dr Lisa  
 Campbell, rh Sir Alan  
 Carden, Dan  
 Champion, Sarah  
 Chapman, Douglas  
 Charalambous, Bambos  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crawley, Angela  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Daby, Janet  
 Dalton, Ashley  
 David, Wayne  
 Davies, Geraint  
 Day, Martyn  
 De Cordova, Marsha  
 Debbonaire, Thangam  
 Dixon, Samantha  
 Docherty-Hughes, Martin  
 Dodds, Anneliese  
 Doogan, Dave  
 Dorans, Allan (*Proxy vote cast by Brendan O'Hara*)



Doughty, Stephen  
Duffield, Rosie  
Eagle, Dame Angela  
Eagle, rh Maria  
Eastwood, Colum  
Edwards, Jonathan  
Efford, Clive  
Elliott, Julie  
Elmore, Chris  
Eshalomi, Florence  
Esterson, Bill  
Evans, Chris  
Fellows, Marion  
Ferrier, Margaret  
Fletcher, Colleen  
Flynn, Stephen  
Fovargue, Yvonne  
Foxcroft, Vicky  
Furniss, Gill  
Gardiner, Barry  
Gibson, Patricia  
Gill, Preet Kaur  
Glendon, Mary  
Grady, Patrick  
Grant, Peter  
Greenwood, Lilian  
Greenwood, Margaret  
Griffith, Dame Nia  
Gwynne, Andrew  
Haigh, Louise  
Hamilton, Fabian  
Hamilton, Mrs Paulette  
Hanvey, Neale  
Hardy, Emma  
Harris, Carolyn  
Hayes, Helen  
Healey, rh John  
Hendrick, Sir Mark  
Hendry, Drew  
Hillier, Dame Meg  
Hodge, rh Dame Margaret  
Hodgson, Mrs Sharon  
Hollern, Kate  
Hopkins, Rachel  
Hosie, rh Stewart  
Howarth, rh Sir George  
Hussain, Imran  
Jarvis, Dan  
Johnson, rh Dame Diana  
Johnson, Kim  
Jones, Darren  
Jones, Gerald  
Jones, Ruth  
Jones, Sarah  
Kane, Mike  
Keeley, Barbara  
Kendall, Liz  
Kinnock, Stephen  
Kyle, Peter  
Lake, Ben  
Lammy, rh Mr David  
Lavery, Ian  
Leadbeater, Kim  
Lewell-Buck, Mrs Emma  
Lewis, Clive  
Lightwood, Simon  
Linden, David  
Lloyd, Tony (*Proxy vote cast by Chris Elmore*)  
Long Bailey, Rebecca  
Lucas, Caroline  
Lynch, Holly

MacNeil, Angus Brendan  
Madders, Justin  
Mahmood, Mr Khalid  
Mahmood, Shabana  
Malhotra, Seema  
Maskell, Rachael  
Mc Nally, John  
McCabe, Steve  
McCarthy, Kerry  
McDonald, Andy  
McDonald, Stewart Malcolm  
McDonald, Stuart C.  
McDonnell, rh John  
McFadden, rh Mr Pat  
McGinn, Conor  
McGovern, Alison  
McKinnell, Catherine  
McLaughlin, Anne (*Proxy vote cast by Brendan O'Hara*)  
McMahon, Jim  
McMorrin, Anna  
Mearns, Ian  
Miliband, rh Edward  
Mishra, Navendu  
Monaghan, Carol  
Morden, Jessica  
Morgan, Stephen  
Morris, Grahame  
Murray, Ian  
Murray, James  
Nandy, Lisa  
Newlands, Gavin  
Nichols, Charlotte  
Nicolson, John (*Proxy vote cast by Brendan O'Hara*)  
Norris, Alex  
O'Hara, Brendan  
Onwurah, Chi  
Oppong-Asare, Abena  
Osamor, Kate  
Osborne, Kate  
Oswald, Kirsten  
Owen, Sarah  
Peacock, Stephanie  
Pennycook, Matthew  
Perkins, Mr Toby  
Phillips, Jess  
Phillipson, Bridget  
Pollard, Luke  
Powell, Lucy  
Qaisar, Ms Anum  
Qureshi, Yasmin  
Rayner, rh Angela  
Reed, Steve  
Rees, Christina  
Reeves, Ellie  
Reeves, rh Rachel  
Reynolds, Jonathan  
Ribeiro-Addy, Bell  
Rodda, Matt  
Russell-Moyle, Lloyd  
Saville Roberts, rh Liz  
Shah, Naz  
Sharma, Mr Virendra  
Sheerman, Mr Barry  
Sheppard, Tommy  
Siddiq, Tulip  
Slaughter, Andy  
Smith, Alyn  
Smith, Cat  
Smith, Jeff  
Smith, Nick

Sobel, Alex  
Spellar, rh John  
Starmer, rh Keir  
Stephens, Chris  
Stevens, Jo  
Streeting, Wes  
Stringer, Graham  
Sultana, Zarah  
Tami, rh Mark  
Tarry, Sam  
Thewliss, Alison  
Thomas-Symonds, rh Nick  
Thompson, Owen  
Thomson, Richard  
Thornberry, rh Emily  
Timms, rh Sir Stephen  
Trickett, Jon

Twigg, Derek  
Vaz, rh Valerie  
Wakeford, Christian  
West, Catherine  
Western, Andrew  
Western, Matt  
Whitehead, Dr Alan  
Whitford, Dr Philippa  
Whitley, Mick  
Williams, Hywel  
Winter, Beth  
Wishart, Pete  
Yasin, Mohammad  
Zeichner, Daniel

**Tellers for the Noes:**  
**Liz Twist and**  
**Taiwo Owatemi**

*Question accordingly agreed to.*

## **19. PENSIONS (COLLECTIVE MONEY PURCHASE BENEFITS)**

*Resolved,*

That provision may be made about the treatment under Part 4 of the Finance Act 2004 of collective money purchase benefits.

## **20. PENSIONS (RELIEF RELATING TO NET PAY ARRANGEMENTS)**

*Resolved,*

That provision may be made about net pay arrangements for pensions in cases where there is no liability to income tax.

## **21. SOCIAL SECURITY PAYMENTS**

*Resolved,*

That provision (including provision having retrospective effect) may be made—

- (a) exempting from income tax payments made by way of training allowance under the Jobs Growth Wales Plus scheme, and
- (b) conferring a power on the Treasury to charge to income tax certain social security benefits payable by virtue of an Act of the Scottish Parliament, an Act of Senedd Cymru or Northern Ireland legislation.

## **22. QUALIFYING CARE RELIEF**

*Resolved,*

That provision may be made in relation to the amounts specified in sections 808(2) and 811(1A) and (2)(a) and (b) of the Income Tax (Trading and Other Income) Act 2005.

## **23. ESTATES IN ADMINISTRATION AND TRUSTS**

*Resolved,*

That—

- (a) provision, including provision that (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) takes effect in a future year, may be made amending Chapter 6 of Part 5 of the Income Tax (Trading and Other Income) Act 2005 and Chapter 3 of Part 10 of the Corporation Tax Act 2009,
- (b) provision may be made (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills)

taking effect in a future year amending Chapter 3 of Part 2 of the Income Tax Act 2007 in cases where the net income of personal representatives or trustees does not exceed a specified amount, and

- (c) provision may be made (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) taking effect in a future year omitting Chapter 6 of Part 9 of that Act.

## 24. BASIC LIFE ASSURANCE AND GENERAL ANNUITY BUSINESS

*Resolved,*

That provision (including provision having retrospective effect) may be made in relation to re-insurance involving insurance companies carrying on basic life assurance and general annuity business.

## 25. INSURERS IN DIFFICULTIES

*Resolved,*

That provision may be made about the consequences of a court making an order writing down the liabilities of an insurer.

## 26. CORPORATE INTEREST RESTRICTION

*Resolved,*

That provision (including provision having retrospective effect) may be made—

- (a) about the rules relating to corporate interest restriction contained in Part 10 of the Taxation (International and Other Provisions) Act 2010 (including by amending that Part) and the effect of predecessor provisions, and
- (b) amending section 457 of the Corporation Tax Act 2009.

## 27. INVESTMENT VEHICLES

*Resolved,*

That provision (including provision having retrospective effect) may be made—

- (a) amending Schedule 5AAA to the Taxation of Chargeable Gains Act 1992 (UK property rich collective investment vehicles etc) to alter the way the genuine diversity of ownership test applies,
- (b) amending Part 12 of the Corporation Tax Act 2010 (Real Estate Investment Trusts) to alter the way that test applies and alter other tests relevant to the application of that Part,
- (c) amending Schedule 2 to the Finance Act 2022 (qualifying asset holding companies) to alter the way the genuine diversity of ownership test applies and to make minor and technical changes to that Schedule, and
- (d) amending the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006 to make changes to the extent to which distributions to partnerships may be paid without deduction of tax.

## 28. SHARE EXCHANGES

*Resolved,*

That provision (including provision having retrospective effect) may be made for assets and income to be treated as being in the United Kingdom for the purposes of capital gains tax and income tax in cases involving the exchange of shares or debentures in companies incorporated outside the United Kingdom.

## 29. RECORDS RELATING TO TRANSFER PRICING

*Resolved,*

That provision may be made about the keeping of records for the purposes of Part 4 of the Taxation (International and Other Provisions) Act 2010.

## 30. DOUBLE TAXATION RELIEF (EXTENDED TIME LIMIT CLAIMS)

*Resolved,*

That provision (including provision having retrospective effect) may be made about claims under section 79 of the Taxation (International and Other Provisions) Act 2010, or section 806(2) of the Income and Corporation Taxes Act 1988, for a credit calculated by reference to a foreign nominal rate of tax.

## 31. CHARGEABLE GAINS (PAYMENTS TO FARMERS)

*Resolved,*

That provision (including provision having retrospective effect) may be made about payments under—

- (a) the Agriculture (Lump Sum Payment) (England) Regulations 2022, or
- (b) Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009.

## 32. CHARGEABLE GAINS (ASSESSMENT PERIODS)

*Resolved,*

That provision may be made about the application of section 28 of the Taxation of Chargeable Gains Act 1992 for the purposes of the Taxes Management Act 1970 and Schedule 18 to the Finance Act 1998.

## 33. CHARGEABLE GAINS (SEPARATED SPOUSES AND CIVIL PARTNERS)

*Resolved,*

That—

- (1) The Taxation of Chargeable Gains Act 1992 is amended as follows.
- (2) In section 58 (spouses and civil partnerships), for subsection (1) substitute—
 

“(1A) If an individual (“A”) disposes of an asset to another individual (“B”) in circumstances where any of subsections (1B) to (1D) applies, A and B are to be treated as if B acquired the asset from A for a consideration of such amount as would secure that on the disposal neither a gain nor a loss would accrue to A.

(1B) This subsection applies where the disposal is made while A and B—

  - (a) are married to, or are civil partners of, each other, and
  - (b) are living together.

(1C) This subsection applies where the disposal is made—

  - (a) while A and B are married to, or are civil partners of, each other,
  - (b) at a time when A and B have ceased to live together, and
  - (c) before the earlier of—

- (i) the last day of the third tax year after the tax year in which A and B ceased to live together, or
- (ii) the day on which a court grants an order or decree for A and B's divorce, the annulment of their marriage, the dissolution or annulment of their civil partnership, their judicial separation or, as the case may be, their separation in accordance with a separation order.

(1D) This subsection applies where—

- (a) A and B have ceased to be, or are in the process of ceasing to be, married to, or civil partners of, each other, and
- (b) the disposal of the asset is in accordance with an agreement or order within subsection (2)(a) or (b) of section 225B (disposals in connection with divorce etc)."

(3) In section 225B (disposals in connection with divorce etc)—

- (a) in subsection (1)(b), after "to" insert "someone other than";
- (b) in subsection (3), after "disposal to" insert "someone other than".

(4) After section 225B insert—

**"225BA Deferred payments on disposals in connection with divorce etc**

(1) This section applies where—

- (a) an individual ("A") ceases to live with A's spouse or civil partner ("B") in a dwelling-house or part of a dwelling house,
- (b) immediately before A ceases to live with B, the dwelling-house or part is A's only or main residence,
- (c) A disposes of, or of an interest in, that dwelling-house or part to B ("the initial disposal"), and
- (d) the initial disposal is in accordance with a deferred sale agreement or order.

(2) If—

- (a) in accordance with the deferred sale agreement or order A receives a sum in respect of a share of any profit made by B upon B's disposal of, or of an interest in, the dwelling-house or part, and
- (b) the receipt of that sum would be treated (apart from this section) as a disposal falling with section 22 (disposal where capital sums derived from assets),

that receipt is to be treated for the purposes of this Act as a gain attributable to the initial disposal but accruing to A at the time the sum is received.

(3) In this section, a "deferred sale agreement or order" is an agreement or order of a court which—

- (a) is within paragraph (a) or (b), as the case may be, of section 225B(2) (agreements and orders of the court in relation to divorce etc), and
- (b) includes a term entitling A to receive a share of any profit made by B as mentioned in subsection (2)(a)."

(5) In Part 8 (supplemental), in section 288 (interpretation), in subsection (3), after "partner" insert "(however expressed)".

(6) The amendments made by this Resolution have effect in relation to disposals made on or after 6 April 2023.

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

### 34. CHARGEABLE GAINS (ELECTION TO TREAT GAINS AS ACCRUING)

*Resolved,*

That provision may be made for individuals to elect for chargeable gains to be treated as accruing in relation to arrangements described in section 103KA of the Taxation of Chargeable Gains Act 1992.

### 35. CHARGEABLE GAINS (RELIEF ON DISPOSAL OF JOINT INTERESTS IN LAND)

*Resolved,*

That provision may be made amending sections 248A and 248E of the Taxation of Chargeable Gains Act 1992 in cases where the land disposed of is held by a partnership.

### 36. ALCOHOL DUTY

*Question put,*

That provision may be made for charging a duty of excise on alcoholic products that are produced in, or imported into, the United Kingdom.

*The House divided: Ayes 321, Noes 64.*

**Division No. 195]**

**[7.15 pm**

#### AYES

Adams, rh Nigel  
Afolami, Bim  
Afriyie, Adam  
Aiken, Nickie  
Aldous, Peter  
Anderson, Lee  
Anderson, Stuart  
Andrew, rh Stuart  
Ansell, Caroline  
Argar, rh Edward  
Atkins, Victoria  
Bacon, Gareth  
Bacon, Mr Richard  
Badenoch, rh Kemi  
Bailey, Shaun  
Baillie, Siobhan  
Baker, Duncan  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, rh Steve  
Baron, Mr John  
Baynes, Simon  
Bell, Aaron  
Benton, Scott  
Beresford, Sir Paul  
Berry, rh Sir Jake  
Bhatti, Saqib  
Blackman, Bob  
Blunt, Crispin  
Bone, Mr Peter  
Bottomley, Sir Peter  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Braverman, rh Suella  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Bristow, Paul  
Britcliffe, Sara  
Browne, Anthony  
Bruce, Fiona  
Buchan, Felicity  
Burghart, Alex

Cairns, rh Alun  
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 Mr Marcus Jones*)  
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  
Cox, rh Sir Geoffrey  
Crabb, rh Stephen  
Crosbie, Virginia  
Crouch, Tracey  
Daly, James  
Davies, rh David T. C.  
Davies, Gareth  
Davies, Dr James  
Davies, Mims  
Davis, rh Mr David  
Davison, Dehenna  
Dines, Miss Sarah  
Djanogly, Mr Jonathan  
Docherty, Leo  
Donelan, rh Michelle  
Dowden, rh Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Drummond, Mrs Flick  
Duguid, David  
Duncan Smith, rh Sir Iain



Dunne, rh Philip  
Eastwood, Mark  
Edwards, Ruth  
Ellis, rh Michael  
Ellwood, rh Mr Tobias  
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  
Francois, rh Mr Mark  
Frazer, rh Lucy  
Freeman, George  
Freer, Mike  
French, Mr Louie  
Fuller, Richard  
Fysh, Mr Marcus  
Garnier, Mark  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gibson, Peter  
Gideon, Jo  
Glen, rh John  
Goodwill, rh Sir Robert  
Gove, rh Michael  
Graham, Richard  
Gray, James  
Grayling, rh Chris (*Proxy vote cast by Mr Marcus Jones*)  
Green, Chris  
Green, rh Damian  
Griffith, Andrew  
Gullis, Jonathan  
Halfon, rh Robert  
Hall, Luke  
Hammond, Stephen  
Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harris, Rebecca  
Harrison, Trudy  
Hart, Sally-Ann  
Hart, rh Simon  
Hayes, rh Sir John  
Heald, rh Sir Oliver  
Heappey, rh James  
Henderson, Gordon  
Henry, Darren  
Higginbotham, Antony  
Hinds, rh Damian  
Holden, Mr Richard  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Holmes, Paul  
Howell, John  
Howell, Paul  
Huddleston, Nigel  
Hudson, Dr Neil  
Hughes, Eddie  
Hunt, Jane  
Hunt, rh Jeremy  
Hunt, Tom  
Jack, rh Mr Alister

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, rh Mr Marcus  
Jupp, Simon  
Kawczynski, Daniel  
Kearns, Alicia  
Keegan, rh Gillian  
Knight, rh Sir Greg  
Knight, Julian (*Proxy vote cast by Craig Mackinlay*)  
Kniveton, Kate  
Kruger, Danny  
Lamont, John  
Largan, Robert  
Latham, Mrs Pauline  
Leadsom, rh Dame Andrea  
Leigh, rh Sir Edward  
Levy, Ian  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Sir Julian  
Liddell-Grainger, Mr Ian  
Loder, Chris  
Logan, Mark (*Proxy vote cast by Mr Marcus Jones*)  
Longhi, Marco  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Mackrory, Cheryllyn  
Maclean, Rachel  
Mak, Alan  
Malthouse, rh Kit  
Mangnall, Anthony  
Mann, Scott  
May, rh Mrs Theresa  
Mayhew, Jerome  
Maynard, Paul  
McCartney, Jason  
McPartland, rh Stephen  
Menzies, Mark  
Mercer, rh Johnny  
Merriman, Huw  
Metcalf, Stephen  
Millar, Robin  
Milling, rh Amanda  
Mills, Nigel  
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  
Murray, Mrs Sheryll

Murrison, rh Dr Andrew  
Neill, Sir Robert  
Nici, Lia  
Nokes, rh Caroline  
Norman, rh Jesse  
O'Brien, Neil  
Offord, Dr Matthew  
Opperman, Guy  
Patel, rh Priti  
Pawsey, Mark  
Penning, rh Sir Mike  
Penrose, John  
Percy, Andrew  
Philp, rh Chris  
Poulter, Dr Dan  
Pow, Rebecca  
Prentis, rh Victoria  
Pritchard, rh Mark  
Pursglove, Tom  
Quin, rh Jeremy  
Quince, Will  
Raab, rh Dominic  
Randall, Tom  
Redwood, rh John  
Rees-Mogg, rh Mr Jacob  
Richards, Nicola  
Richardson, Angela  
Roberts, Rob  
Robertson, Mr Laurence  
Robinson, Mary  
Rowley, Lee  
Rutley, David  
Sambrook, Gary  
Saxby, Selaine  
Scully, Paul  
Seely, Bob  
Selous, Andrew  
Sharma, rh Sir Alok  
Shelbrooke, rh Alec  
Simmonds, David  
Skidmore, rh Chris  
Smith, rh Chloe  
Smith, Greg  
Smith, Henry  
Smith, rh Julian  
Smith, Royston  
Solloway, Amanda  
Spencer, Dr Ben  
Spencer, rh Mark

Bardell, Hannah  
Black, Mhairi  
Blackford, rh Ian  
Blackman, Kirsty  
Bonnar, Steven  
Brock, Deidre  
Brown, Alan  
Callaghan, Amy (*Proxy vote cast by Brendan O'Hara*)  
Cameron, Dr Lisa  
Campbell, Mr Gregory  
Carmichael, rh Mr Alistair  
Chamberlain, Wendy  
Chapman, Douglas  
Cooper, Daisy  
Cowan, Ronnie  
Crawley, Angela  
Davey, rh Ed  
Day, Martyn  
Docherty-Hughes, Martin

Stafford, Alexander  
Stevenson, Jane  
Stevenson, John  
Stewart, Iain  
Streeter, Sir Gary  
Stride, rh Mel  
Stuart, rh Graham  
Sturdy, Julian  
Sunak, rh Rishi  
Sunderland, James  
Swayne, rh Sir Desmond  
Syme, Sir Robert  
Thomas, Derek  
Throup, Maggie  
Timpson, Edward  
Tolhurst, rh Kelly  
Tomlinson, Justin  
Tomlinson, Michael  
Tracey, Craig  
Trevelyan, rh Anne-Marie  
Trott, Laura  
Tugendhat, rh Tom  
Vara, rh Shailesh  
Vickers, Martin  
Vickers, Matt  
Villiers, rh Theresa  
Walker, Sir Charles  
Walker, Mr Robin  
Warburton, David (*Proxy vote cast by Craig Mackinlay*)  
Warman, Matt  
Watling, Giles  
Whately, Helen  
Wheeler, Mrs Heather  
Whittaker, rh Craig  
Whittingdale, rh Sir John  
Wiggin, Sir Bill  
Wild, James  
Williams, Craig  
Williamson, rh Sir Gavin  
Wood, Mike  
Wragg, Mr William  
Wright, rh Sir Jeremy  
Young, Jacob

**Tellers for the Ayes:**  
Andrew Stephenson and  
Steve Double

#### NOES

Donaldson, rh Sir Jeffrey M.  
Doogan, Dave  
Dorans, Allan (*Proxy vote cast by Brendan O'Hara*)  
Farron, Tim  
Ferrier, Margaret  
Flynn, Stephen  
Foord, Richard  
Gibson, Patricia  
Girvan, Paul  
Grady, Patrick  
Green, Sarah  
Harvey, Neale  
Hendry, Drew  
Hobhouse, Wera  
Hosie, rh Stewart  
Jardine, Christine  
Law, Chris  
Linden, David  
Lockhart, Carla

MacNeil, Angus Brendan  
 Mc Nally, John  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McLaughlin, Anne (*Proxy vote cast by Brendan O'Hara*)  
 Monaghan, Carol  
 Morgan, Helen  
 Newlands, Gavin  
 Nicolson, John (*Proxy vote cast by Brendan O'Hara*)  
 O'Hara, Brendan  
 Olney, Sarah  
 Oswald, Kirsten  
 Paisley, Ian  
 Qaisar, Ms Anum

Robinson, Gavin  
 Shannon, Jim  
 Sheppard, Tommy  
 Smith, Alyn  
 Stephens, Chris  
 Stone, Jamie  
 Thewliss, Alison  
 Thompson, Owen  
 Thomson, Richard  
 Whitford, Dr Philippa  
 Wilson, Munira  
 Wilson, rh Sammy

**Tellers for the Noes:**  
**Marion Fellows and**  
**Peter Grant**

*Question accordingly agreed to.*

### 37. OECD PILLAR TWO

*Resolved,*

That provision may be made—

- (a) imposing a tax for the purpose of implementing the OECD Pillar Two model rules (Tax Challenges Arising from Digitalisation of the Economy – Global Anti-Base Erosion Model Rules) so far as they relate to the charging of a top-up tax under the income inclusion rule (within the meaning of those rules), and
- (b) imposing a tax for purposes in connection with implementing a Qualified Domestic Minimum Top-up Tax within the meaning of those rules.

### 38. ELECTRICITY GENERATOR LEVY

*Resolved,*

That provision may be made imposing a tax in respect of receipts that relate to electricity generated, or that was expected to be generated, on or after 1 January 2023 and before 1 April 2028, where those receipts reflect a price per megawatt hour exceeding a specified price.

### 39. STAMP DUTY LAND TAX (TRANSACTION FUNDED WITH THE ASSISTANCE OF A SUBSIDY)

*Resolved,*

That—

In section 71 of Finance Act 2003 (certain acquisitions by registered social landlord), after subsection (4) insert—

“(5) In this section “public subsidy” also means any grant under section 31 of the Local Government Act 2003 (grants towards expenditure incurred or to be incurred by local authorities) towards expenditure incurred or to be incurred on the provision of social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008 (see sections 68 and 72 of that Act).”

The amendment made by this Resolution has effect in relation to land transactions the effective date of which falls on or after 15 March 2023.

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

### 40. VALUE ADDED TAX (DEPOSIT SCHEMES)

*Resolved,*

That provision may be made for the purposes of value added tax where amounts are payable in respect of goods in accordance with schemes established under Schedule 8 to the Environment Act 2021 or similar schemes established under other legislation.

### 41. IMPORT DUTY (DUMPING, SUBSIDISATION AND SAFEGUARDING REMEDIES)

*Resolved,*

That, for the purposes of import duty, provision may be made—

- (a) requiring the Trade Remedies Authority to give the Secretary of State notice at certain points in dumping, subsidisation and safeguarding investigations,
- (b) enabling the Authority to include more than one option in recommendations to the Secretary of State in relation to such investigations,
- (c) authorising the Secretary of State to ask for additional advice from, and to act otherwise than in accordance with a recommendation of, the Authority in relation to such investigations,
- (d) requiring the Authority to advise the Secretary of State on whether the economic interest test is met in relation to remedies that it recommends in dumping, subsidisation or safeguarding cases,
- (e) about reviews of the application of remedies in such cases,
- (f) about bilateral safeguards, and
- (g) about Part 12 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019.

### 42. IMPORT DUTY (RULINGS AS TO METHODS OF VALUATION OF GOODS)

*Resolved,*

That provision may be made amending section 24 of the Taxation (Cross-border Trade) Act 2018.

### 43. IMPORT DUTY (DISCHARGING GOODS FROM FREE CIRCULATION PROCEDURE)

*Resolved,*

That provision may be made for the discharge of goods from the free-circulation procedure under the Taxation (Cross-border Trade) Act 2018 to be subject, in certain circumstances, to a guarantee being given in respect of any liability or potential liability to import duty in respect of the goods.

### 44. FUEL DUTIES (EXCEPTED MACHINES)

*Resolved,*

That—

- (1) Schedule 1A to the Hydrocarbon Oil Duties Act 1979 (excepted machines able to use rebated diesel etc) is amended as follows.
- (2) In paragraph 6 (vessels)—
  - (a) in the heading, after “Vessels” insert “etc”;
  - (b) after sub-paragraph (3) insert—
 

“(4) A tractor or gear owned by a charity and used by it for the purpose of launching or hauling in a lifeboat owned by it.”
- (3) In paragraph 8 (other machines or appliances)—
  - (a) in sub-paragraph (1)—
    - (i) in paragraph (a), after “pisciculture” insert “, arboriculture”;
    - (ii) in paragraph (d), at the beginning insert “primarily”;
    - (iii) in paragraph (e), for “of premises that are used for commercial purposes” substitute “for any premises”;
  - (b) after sub-paragraph (2) insert—
 

“(3) The Commissioners may publish a notice making provision for the purposes of sub-paragraph (1)(d) about the meaning of—

- (a) “primarily”, and
- (b) “used for commercial purposes”.

(4) This Resolution comes into force on 15 March 2023.

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

#### 45. FUEL DUTIES (DEFINITION OF “HO%” AND “BD%”)

*Resolved,*

That provision may be made amending the definitions of “HO%” and “BD%” in section 14B of the Hydrocarbon Oil Duties Act 1979.

#### 46. RATES OF TOBACCO PRODUCTS DUTY

*Resolved,*

That—

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

**“TABLE**

1 Cigarettes	An amount equal to the higher of— (a) 16.5% of the retail price plus £294.72 per thousand cigarettes, or (b) £393.45 per thousand cigarettes.
2 Cigars	£367.61 per kilogram
3 Hand-rolling tobacco	£351.03 per kilogram
4 Other smoking tobacco and chewing tobacco	£161.62 per kilogram
5 Tobacco for heating	£302.93 per kilogram”

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

- (a) in the entry relating to cigarettes, for “£347.86” substitute “£393.45”,
- (b) in the entry relating to hand rolling tobacco, for “£302.34” substitute “£351.03”,
- (c) in the entry relating to other smoking tobacco and chewing tobacco, for “£144.17” substitute “£161.62”,
- (d) in the entry relating to cigars, for “£327.92” substitute “£367.61”,
- (e) in the entry relating to cigarillos, for “£327.92” substitute “£367.61”, and
- (f) in the entry relating to tobacco for heating, for “£81.07” substitute “£90.88”.

- (3) The amendments made by this Resolution come into force at 6pm on 15 March 2023.

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

#### 47. SOFT DRINKS INDUSTRY LEVY (FLAVOUR CONCENTRATES)

*Resolved,*

That—

- (1) Part 2 of the Finance Act 2017 (soft drinks industry levy) is amended as follows.
- (2) Section 26 (“soft drink” and “package”) is amended as follows—
  - (a) at the end of subsection (1) insert “;

- (c) a liquid flavouring (a “flavour concentrate”) which, when processed in a specified manner in a dispensing machine, constitutes a beverage within that paragraph.”;

- (b) after subsection (2) insert—

“(2A) A flavour concentrate is processed in a specified manner if—

- (c) it is combined with added sugar ingredients, with or without—
  - (i) artificial sweeteners, or
  - (ii) one or more other flavour concentrates; and
- (d) the flavour concentrate (or combination) is prepared in a specified manner.

(2B) A “dispensing machine” is a machine designed to—

- (a) combine, process or prepare ingredients so as to produce a beverage, and
- (b) supply the beverage directly to a consumer.

(2C) In subsection (2A)(a), “added sugar ingredients” means anything within paragraph (a) or (b) of section 29(2).”;

- (c) in subsection (3)—

- (i) omit the “and” at the end of paragraph (a);
- (ii) after paragraph (b) insert “and

- (c) in the case of a soft drink within subsection (1)(c)—
  - (i) it is suitable to be consumed when processed in a specified manner in a dispensing machine (and without any other processing or preparation), and
  - (ii) it is ready for use in a dispensing machine.”.

(3) Section 27 (meaning of “prepared drink”) is amended as follows—

- (a) at the end of subsection (1) insert “;
- (c) a beverage that would result from—

- (i) processing a flavour concentrate within subsection (1)(c) of that section in a specified manner in a dispensing machine, and
- (ii) in accordance with the relevant dispensing instructions.”;

- (b) in subsection (2)(b), for “subsection (3)” substitute “subsection (3)(a)”;

- (c) after subsection (2) insert—

“(2A) The “relevant dispensing instructions” means—

- (a) the instructions for use of the flavour concentrate provided with, or for the purposes of use with, the concentrate or a dispensing machine with which it is designed to be used;
- (b) where subsection (3)(b) or (4A) applies, the dispensing instructions determined by the Commissioners.”;

- (d) for subsection (3) substitute—

“(3) This subsection applies where—

- (a) in a case within subsection (1)(b), the packaging of the soft drink states neither the dilution ratio nor information by reference to which the dilution ratio can be calculated;

- (b) in a case within subsection (1)(c), no dispensing instructions are provided with, or for the purposes of use with, the flavour concentrate or with any dispensing machine with which it is designed to be used.”;

- (e) after subsection (4) insert—

“(4A) This subsection applies where—

- (a) dispensing instructions are provided, and
- (b) it is reasonable to assume that the main purpose, or one of the main purposes, of providing those particular dispensing instructions is avoiding or reducing liability for soft drinks industry levy.”;

- (f) in subsection (5)—

- (i) after paragraph (a) insert—

“(aa) determining dispensing instructions for the purposes of subsection (2A)(b);”;



- (ii) for paragraph (b) substitute—  
“(b) determining whether the main purpose, or one of the main purposes, of—  
(i) stating a particular dilution ratio or information, or  
(ii) providing particular dispensing instructions; is avoiding or reducing liability for soft drinks industry levy.”
- (4) In section 29 (sugar content condition), in subsection (1)—  
(a) in the words before paragraph (a), omit “it contains”;  
(b) for paragraph (a) (but not the “and” at the end) substitute—  
“(a) either—  
(i) it is a soft drink within section 26(1)(c), or  
(ii) it contains added sugar ingredients;”;  
(c) at the beginning of paragraph (b) insert “it contains”.
- (5) In section 30 (exempt soft drinks), in subsection (1)—  
(a) omit the “and” at the end of paragraph (c);  
(b) after paragraph (d) insert “, and  
(e) soft drinks within section 26(1)(c) (flavour concentrates) that meet such conditions as may be specified.”
- (6) After section 36 (levy rates) insert—  
**“36A Determining levy rate for flavour concentrates**  
(1) This section applies where—  
(a) two or more flavour concentrates are formulated so as to be combined with one another in a dispensing machine (see section 26(2A)(a)(ii)), and  
(b) each of those flavour concentrates is a chargeable soft drink.  
(2) The references in section 36(1) to a litre of prepared drink are treated, in relation to each of the flavour concentrates, as references to the relevant proportion of a litre of prepared drink.  
(3) Subject to subsection (4), the “relevant proportion” is—  
1/N  
where N is the number of flavour concentrates that are designed to be combined.  
(4) The Commissioners may by regulations make provision for determining the relevant proportion (otherwise than in accordance with subsection (3)) in cases where the flavour concentrates mentioned in subsection (1)(a) are formulated so as to be combined in a dispensing machine—  
(a) in unequal proportions, or  
(b) in different combinations for different beverages.”
- (7) Section 39 (tax credits) is amended as follows—  
(a) in subsection (1), after paragraph (b) insert “;  
(c) in the case of soft drinks within section 26(1)(c), the flavour concentrate—  
(i) has not been combined with added sugar ingredients (but has been prepared in a specified manner), or  
(ii) has been processed in a specified manner so as to result in a beverage that contains less than 5 grams of sugars per 100 millilitres of prepared drink.”;  
(b) in subsection (2)(a) for “exported or (as the case may be) lost or destroyed” substitute “that fall within subsection (1)(a), (b) or (c) (as the case may be)”.
- (8) The amendments made by this Resolution come into force on 1 April 2023 in relation to soft drinks that are packaged in, or imported into, the United Kingdom on or after that date.

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

## 48. AIR PASSENGER DUTY (BANDS AND RATES)

*Resolved,*

That—

### *Air passenger duty from 1 April 2023: bands and rates*

- (1) Section 30 of the Finance Act 1994 (air passenger duty: rates) is amended as follows.  
(2) In subsection (1A), after “long haul” insert “and ultra-long haul”.  
(3) After subsection (1A) insert—  
“(1B) If the passenger’s journey ends at a place in the United Kingdom—  
(a) if the passenger’s agreement for carriage provides for standard class travel in relation to every flight on the passenger’s journey, the rate is £6.50, and  
(b) in any other case, the rate is £13.”  
(4) In subsection (2) omit “the United Kingdom or”.  
(5) After subsection (2) insert—  
“(2A) If the passenger’s journey ends at a place in a territory specified in Part 1A of Schedule 5A—  
(a) if the passenger’s agreement for carriage provides for standard class travel in relation to every flight on the passenger’s journey, the rate is £87, and  
(b) in any other case, the rate is £191.”  
(6) In subsection (4A)—  
(a) in paragraph (a), for “£84” substitute “£91”;  
(b) in paragraph (b), for “£185” substitute “£200”.  
(7) In subsection (4E)—  
(a) before paragraph (a) insert—  
“(za) if the rate which (apart from this subsection) would apply is the rate in subsection (1B)(a) or (b), a rate of £78 is to apply instead,”;  
(b) in paragraph (a), for “equal to six times the rate in subsection (2)(a)” substitute “of £78”;  
(c) omit the “and” at the end of paragraph (a);  
(d) after paragraph (a) insert—  
“(aa) if the rate which (apart from this subsection) would apply is the rate in subsection (2A)(a) or (b), a rate of £574 is to apply instead, and”;  
(e) in paragraph (d), for “equal to 6.6 times the rate in subsection (4A)(a)” substitute “of £601”.  
(8) In Schedule 5A to the Finance Act 1994 (air passenger duty: territories etc)—  
(a) in Part 1 (Part 1 territories)—  
(i) for “Czech Republic” substitute “Czechia”;  
(ii) for “Former Yugoslav Republic of” substitute “North”;  
(b) after Part 1 insert—

## “PART 1A

### PART 1A TERRITORIES

Afghanistan	Cuba	Kyrgyzstan	Senegal
Angola	Curacao	Lebanon	Seychelles
Anguilla	Djibouti	Liberia	Sierra Leone
Antigua and Barbuda	Dominica	Macau	Sint Eustatius
Armenia	Dominican Republic	Malawi	Sint Maarten
Aruba	Egypt	Maldives	Somalia

Azerbaijan	El Salvador	Mali	South Korea
Bahrain	Equatorial Guinea	Martinique	South Sudan
Bangladesh	Eritrea	Mauritania	Sri Lanka
Barbados	Ethiopia	Mayotte	St Helena, Ascension and Tristan da Cunha
Belize	French Guiana	Mongolia	St Kitts and Nevis
Benin	Gabon	Montserrat	Sudan
Bermuda	Georgia	Namibia	Suriname
Bhutan	Ghana	Nepal	Syria
Bonaire	Grenada	Nicaragua	Tajikistan
Botswana	Guadeloupe	Niger	Tanzania
Brazil	Guatemala	Nigeria	The Bahamas
British Virgin Islands	Guinea	North Korea	The Gambia
Burkina Faso	Guinea-Bissau	Oman	Togo
Burundi	Guyana	Pakistan	Trinidad and Tobago
Cameroon	Haiti	Panama	Turkmenistan
Canada	Honduras	Qatar	Turks and Caicos Islands
Cape Verde	India	Russian Federation, east of the Ural Mountains	Uganda
Cayman Islands	Iran	Rwanda	United Arab Emirates
Central African Republic	Iraq	Saba	United States (including Puerto Rico and U.S. Virgin Islands)
Chad	Israel	Saint Barthélemy	Uzbekistan
China	Ivory Coast	Saint Lucia	Venezuela
Colombia	Jamacia	Saint Martin	Yemen
Comoros	Jordan	Saint Pierre and Miquelon	Zambia
Congo	Kazakhstan	Saint Vincent and the Grenadines	Zimbabwe
Congo (Democratic Republic)	Kenya	Sao Tome and Principe	
Costa Rica	Kuwait	Saudi Arabia	

#### *Air passenger duty from 1 April 2023: Northern Ireland rates*

- (9) Section 30A of the Finance Act 1994 (Northern Ireland long haul rates of duty) is amended as follows.
- (10) In the heading, after “long haul” insert “and ultra-long haul”.
- (11) In subsection (5A), in paragraph (c) omit subparagraph (ii) and the “or” before it.
- (12) After subsection (7) insert—
- “(7A) For the purposes of any paragraph, an Act of the Northern Ireland Assembly may set one rate for cases within section 30(2A) and a different rate for cases within section 30(4A).”

#### *Commencement*

- (13) The amendments made by this Resolution have effect in relation to the carriage of passengers beginning on or after 1 April 2023.

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

### **49. RATES OF VEHICLE EXCISE DUTY**

#### *Resolved,*

That—

- (1) Schedule 1 to the Vehicle Excise and Registration Act 1994 (annual rates of vehicle excise duty) is amended as follows.
- (2) In paragraph 1 (general rate)—
- (a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule with engine cylinder capacity exceeding 1,549cc), for “£295” substitute “£325”, and
- (b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£180” substitute “£200”.
- (3) In paragraph 1B (graduated rates for light passenger vehicles registered before 1 April 2017), for the Table substitute—

“CO2 Emissions Figure		Rate	
(1) Exceeding g/km	(2) Not exceeding g/km	(3) Reduced rate £	(4) Standard Rate £
100	110	10	20
110	120	25	35
120	130	140	150
130	140	170	180
140	150	190	200
150	165	230	240
165	175	280	290
175	185	310	320
185	200	355	365
200	225	385	395
225	255	665	675
255	—	685	695

- (4) In the sentence immediately following the Table in that paragraph, for paragraphs (a) and (b) substitute—
- “(a) in column (3), in the last two rows, “385” were substituted for “665” and “685”, and
- (b) in column (4), in the last two rows, “395” were substituted for “675” and “695”.”
- (5) In paragraph 1GC (graduated rates for first licence for light passenger vehicles registered on or after 1 April 2017), for Table 1 (vehicles other than higher rate diesel vehicles) substitute—

CO2 Emissions Figure		Rate	
(1) Exceeding g/km	(2) Not exceeding g/km	(3) Reduced rate £	(4) Standard Rate £
0	50	0	10
50	75	20	30
75	90	120	130
90	100	155	165
100	110	175	185
110	130	200	210
130	150	245	255
150	170	635	645
170	190	1030	1040

CO2 Emissions Figure		Rate	
190	225	1555	1565
225	255	2210	2220
255	-	2595	2605

(6) In that paragraph, for Table 2 (higher rate diesel vehicles) substitute—

CO2 Emissions Figure		Rate
(1) Exceeding g/km	(2) Not Exceeding g/km	(3) Rate £
0	50	30
50	75	130
75	90	165
90	100	185
100	110	210
110	130	255
130	150	645
150	170	1040
170	190	1565
190	225	2220
225	255	2605
255	-	2605

(7) In paragraph 1GD(1) (rates for any other licence for light passenger vehicles registered on or after 1 April 2017)—

- (a) in paragraph (a) (reduced rate), for “£155” substitute “£170”, and
- (b) in paragraph (b) (standard rate), for “£165” substitute “£180”.

(8) In paragraph 1GE(2) (rates for light passenger vehicles registered on or after 1 April 2017 with a price exceeding £40,000)—

- (a) in paragraph (a), for “£510” substitute “£560”, and
- (b) in paragraph (b), for “£520” substitute “£570”.

(9) In paragraph 1J(a) (rates for light goods vehicles that are not pre-2007 or post-2008 lower emission vans), for “£290” substitute “£320”.

(10) In paragraph 2(1) (rates for motorcycles)—

- (a) in paragraph (a) (engine cylinder capacity not exceeding 150cc), for “£22” substitute “£24”,
- (b) in paragraph (b) (motorbicycles with engine cylinder capacity exceeding 150cc but not exceeding 400cc), for “£47” substitute “£52”,
- (c) in paragraph (c) (motorbicycles with engine cylinder capacity exceeding 400cc but not exceeding 600cc), for “£73” substitute “£80”, and
- (d) in paragraph (d) (other cases), for “£101” substitute “£111”.

(11) The amendments made by this Resolution have effect in relation to licences taken out on or after 1 April 2023.

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

## 50. HGV ROAD USER LEVY

*Resolved,*

That—

### *Amendments to the HGV Road User Levy Act 2013*

(1) The HGV Road User Levy Act 2013 is amended as follows.

(2) In section 1(1) (charge to HGV road user levy), for the words “any heavy goods vehicle” to the end substitute “—

(a) any UK heavy goods vehicle that is used or kept on a road to which this Act applies by virtue of section 3(1A)(a), and

(b) any non-UK heavy goods vehicle that is used on a road to which this Act applies by virtue of section 3(1A)(b).”

(3) Section 3 (roads to which Act applies) is amended as follows—

(a) for subsection (1) substitute—

“(1A) Subject to subsection (2), this Act applies—

(a) in relation to UK heavy goods vehicles, to all public roads in the United Kingdom, and

(b) in relation to non-UK heavy goods vehicles, to any road which, under the system for assigning identification numbers to roads administered by the Secretary of State, Northern Ireland Ministers, Scottish Ministers or Welsh Ministers, has been assigned a number prefixed by A or M.”;

(b) in subsection (2), in the words before paragraph (a), after “may by order provide” insert “in respect of UK heavy goods vehicles or non-UK heavy goods vehicles (or both)”;

(c) in subsection (4), for “this section” substitute “subsection (1A)(a)”.

(4) In section 5(7) (payment of levy for UK heavy goods vehicles) for “paragraphs 2 to 4 of that Schedule and Tables 2 to 5” substitute “paragraph 1(3) of that Schedule and Table 1B”.

(5) Section 6 (payment of levy for non-UK heavy goods vehicles) is amended as follows—

(a) in subsection (2)—

(i) omit “or kept”;

(ii) after “this Act applies” insert “by virtue of section 3(1A)(b)”;

(b) in subsection (9) for “paragraphs 2 to 4 of that Schedule and Tables 2 to 5” substitute “paragraph 1(3) of that Schedule and Table 1B”.

(6) In section 7(2) (rebate of levy), for paragraph (c) substitute—

“(c) the person who paid the levy notifies the Secretary of State that—

(i) in the case of a UK heavy goods vehicle, the vehicle is not intended to be used or kept on a road to which this Act applies by virtue of section 3(1A)(a) at any time during the rest of the levy period, or

(ii) in the case of a non-UK heavy goods vehicle, the vehicle is not intended to be used on a road to which this Act applies by virtue of section 3(1A)(b) at any time during the rest of the levy period.”

(7) In section 11 (offence of using or keeping heavy goods vehicle if levy not paid), in subsection (1), for the words before paragraph (a) substitute—

“If a person uses or keeps a UK heavy goods vehicle on a road to which this Act applies by virtue of section 3(1A)(a), or uses a non-UK heavy goods vehicle on a road to which this Act applies by virtue of section 3(1A)(b), on a day in respect of which the HGV road user levy charged in respect of the vehicle has not been paid—”

(8) Section 14 (register of levy paid or due to be paid) is amended as follows—

(a) in subsection (1), for “must” substitute “may”;

(b) after subsection (1) insert—

“(1A) Subsections (2) to (5) apply in relation to any register set up and kept under subsection (1).”;

(c) in subsection (4), at the end insert “but need not be accessible to all members of the public”.



- (9) In section 19 (interpretation), in subsection (1), in the definition of “revenue weight”, at the end insert “, subject to paragraph 5(2) of Schedule 1”.
- (10) Schedule 1 (rates of HGV road user levy) is amended as follows.
- (11) In paragraph 1, for sub-paragraph (3) substitute—  
“(3) Table 1B sets out the Bands for the purposes of Tables 1 and 1A (and those Bands depend on the revenue weight of the vehicle).”
- (12) Omit paragraphs 2 to 4.
- (13) In paragraph 5—  
(a) the existing text becomes sub-paragraph (1);  
(b) in that sub-paragraph, in paragraph (a)—  
(i) omit ““axle”, ”;  
(ii) omit “and “tractive unit” each”;  
(c) after that sub-paragraph insert—  
“(2) For the purposes of this Schedule—  
(a) in calculating the revenue weight of a rigid goods vehicle drawing a trailer weighing less than 4,000 kilograms, the weight of the trailer is to be ignored;  
(b) in calculating the revenue weight of a rigid goods vehicle drawing a trailer weighing 4,000 kilograms or more, the weight of the trailer is to be added to the revenue weight of the vehicle.”
- (14) For Table 1 substitute—

**“TABLE 1: VEHICLES MEETING EURO 6  
EMISSIONS STANDARDS — RATES FOR EACH  
BAND**

<i>Band</i>	<i>Daily rate</i>	<i>Weekly rate</i>	<i>Monthly rate</i>	<i>Half- yearly rate</i>	<i>Yearly rate</i>
A	£3.00	£7.50	£15.00	£90.00	£150.00
B	£7.20	£18.00	£36.00	216.00	£360.00
C	£90.00	£28.80	£57.60	£345.60	£576.00

- (15) For Table 1A substitute—

**TABLE 1A: VEHICLES NOT MEETING EURO 6  
EMISSIONS STANDARDS**

**— RATES FOR EACH BAND**

<i>Band</i>	<i>Daily rate</i>	<i>Weekly rate</i>	<i>Monthly rate</i>	<i>Half- yearly rate</i>	<i>Yearly rate</i>
A	£3.90	£9.75	£19.50	£117.00	£195.00
B	£9.36	£23.40	£46.80	£280.80	£468.00
C	£10.00	£37.45	£74.90	£449.40	£749.00

- (16) After Table 1A insert—

**TABLE 1B: BANDS FOR THE PURPOSES OF  
TABLES 1 AND 1A**

<i>Revenue weight of vehicle</i>	<i>Band</i>
More than 11,999kgs but not more than 31,000kgs	A
More than 31,000kgs but not more than 38,000kgs	B
More than 38,000kgs	C

- (17) Omit Tables 2 to 5.

**Transitional provision for end of exempt period**

- (18) In section 88 of the Finance Act 2020 (HGV road user levy)—  
(a) in the heading, at the end insert “: exempt period”;  
(b) in subsection (1), at the beginning insert “Subject to section 88A,”;  
(c) in subsection (3), at the beginning insert “For the purposes of this section and section 88A,”.

- (19) After that section insert—

**“88A HGV road user levy: transitional provision for end of  
exempt period**

- (1) This section applies where—  
(a) a UK heavy goods vehicle (the “charged vehicle”) is charged to vehicle excise duty in respect of more than one period (a “charged period”) beginning within the last 12 months of the exempt period, and  
(b) the combined length of the charged periods is more than 12 months.
- (2) Section 5(2) of the 2013 Act applies in relation to the charged vehicle in respect of each complete month in the period (the “transitional liability period”)—  
(a) beginning with the day after the last exempt day in relation to the charged vehicle, and  
(b) ending with the end of the charged period during which that last exempt day occurs.
- (3) The last exempt day, in relation to a charged vehicle, is the last day of the period of 12 months beginning with the day on which the first charged period beginning within the last 12 months of the exempt period began.
- (4) Subsection (5) applies where, in relation to the charged vehicle—  
(a) a notification has been made under section 7(2)(c) of the 2013 Act (an “off-road notification”) in respect of a period beginning within the last 12 months of the exempt period, and  
(b) vehicle excise duty is charged in respect of a period beginning—  
(i) after the day on which the off-road notification is made, and  
(ii) within the last 12 months of the exempt period.
- (5) In calculating the period of 12 months mentioned in subsection (3) ignore the number of whole months in the period beginning with the day on which the off-road notification is made and ending with the first day of the period described in subsection (4)(b).
- (6) The Secretary of State, and any person who may exercise powers on behalf of the Secretary of State under section 9 of the 2013 Act (collection of levy), may (in addition to having the powers, duties and liabilities mentioned in that section) give a notice (a “payment notice”) to a person liable for HGV road user levy in respect of a transitional liability period.
- (7) A payment notice must state—  
(a) the amount of HGV road user levy for which the person is liable in respect of the transitional liability period,  
(b) how the amount is to be paid, and  
(c) that payment must be made within the period of 28 days beginning with the day on which the notice is given.
- (8) The amount in subsection (7)(a) is given by—  
(L x M) / 12  
where—  
L is the yearly rate of HGV road user levy applicable in relation to the vehicle on the first day of the transitional liability period, and  
M is the number of whole months during the transitional liability period.
- (9) In relation to the transitional liability period—

- (a) a person commits an offence under section 11 of the 2013 Act (offence of using or keeping heavy goods vehicle if levy not paid) only if the person—
  - (i) has been given a payment notice, and
  - (ii) has failed to make payment in accordance with that notice, and
- (b) section 7(5A) of the Vehicle Excise and Registration Act 1994 has effect as if the reference to HGV road user levy having been paid were a reference to it having been paid in accordance with a payment notice.
- (10) In this section “UK heavy goods vehicle” has the same meaning as in the HGV Road User Levy Act 2013 (see section 2 of that Act).”

#### *Commencement*

- (20) The amendments made by this Resolution come into force on 1 August 2023.

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

### **51. RATES OF LANDFILL TAX**

*Resolved,*

That—

- (1) Section 42 of the Finance Act 1996 (amount of landfill tax) is amended as follows.
- (2) In subsection (1)(a) (standard rate), for “£98.60” substitute “£102.10”.
- (3) In subsection (2) (reduced rate for certain disposals), in the words after paragraph (b)—
  - (a) for “£98.60” substitute “£102.10”, and
  - (b) for “£3.15” substitute “£3.25”.
- (4) The amendments made by this Resolution have effect in relation to disposals made (or treated as made) on or after 1 April 2023.

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

### **52. RATES OF CLIMATE CHANGE LEVY (FUTURE YEARS)**

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made taking effect in a future year amending the rates of climate change levy.

### **53. RATE OF PLASTIC PACKAGING TAX**

*Resolved,*

That—

- (1) In section 45(1) of the Finance Act 2021 (rate of plastic packaging tax), for “£200” substitute “£210.82”.
- (2) The amendment made by this Resolution has effect in relation to packaging components produced in, or imported into, the United Kingdom on or after 1 April 2023.

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

### **54. AGGREGATES LEVY (EXEMPTIONS AND EXPLOITATION)**

*Resolved,*

That provision may be made for the purposes of aggregates levy—

- (a) for aggregate won by being removed from the ground on the site of any or any proposed structure, or the site of any or any proposed infrastructure relating to transportation or utilities, to be exempt from tax, and
- (b) about the exploitation of aggregate which again becomes part of the site from which it was won or which becomes part of any other site occupied by the same person as the site from which it was won.

### **55. FREEPORTS AND INVESTMENT ZONES**

*Resolved,*

That—

- (a) provision may be made amending section 113(2), (3) and (5) of the Finance Act 2021 (designation of freeport tax sites), and
- (b) (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills), provision may be made for substituting a later date for the dates specified in section 61A of the Finance Act 2003 and sections 450, 270BNA and 270BNB of the Capital Allowances Act 2001 (provision relating to freeports).

### **56. RIGHTS TO REPAYMENT OF INCOME TAX**

*Resolved,*

That provision may be made preventing the assignment of a right to repayment of income tax.

### **57. LATE PAYMENT INTEREST (VALUE ADDED TAX)**

*Resolved,*

That—

- (1) In the Finance Act 2009, Sections 101 and 102 (Value Added Tax) (Late Payment Interest and Repayment Interest) (Exceptions and Consequential Amendments) Order 2022 (S.I. 2022/1298), in Part 2 (exceptions), before article 2 insert—

“Exception from section 101 of the Finance Act 2009 - late payment interest

1A—(1) Section 101 of the Finance Act 2009 (late payment interest on sums due to HMRC) does not apply to annual accounting scheme instalments.

(2) In paragraph (1) “annual accounting scheme instalment” means an amount payable to HMRC by virtue of regulation 50(2)(a) of the VAT Regulations.”

- (2) In Part 2 of Schedule 53 to the Finance Act 2009 (late payment interest start date), after paragraph 11 insert—

“VAT due after excess payment or credit from HMRC

11ZA (1) This paragraph applies to any amount of value added tax which is due and recoverable from a person by virtue of—

- (a) section 73(9) of the Value Added Tax Act 1994, in relation to an amount assessed and notified to the person under subsection (2) of that section, or
- (b) section 80C(1) of that Act.

- (2) The late payment interest start date in respect of that amount is the date on which HMRC paid or credited that amount to the person.”

- (3) Where, ignoring this paragraph, the late payment interest start date in respect of an amount would, by virtue of paragraph 11ZA of that Schedule (as inserted by paragraph (2)), fall before 15 March 2023, the late payment interest start date in respect of that amount is instead 15 March 2023.

- (4) This Resolution comes into force on 15 March 2023.

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

## 58. PENALTIES (VALUE ADDED TAX)

*Resolved,*

That provision (including provision having retrospective effect) may be made about penalties for failure to pay instalments of value added tax payable under the annual accounting scheme.

## 59. VAT CREDITS (REPAYMENT INTEREST DUE WHERE EVIDENCE NOT PROVIDED)

*Resolved,*

That provision (including provision having retrospective effect) may be made for repayment interest to be payable in respect of amounts of VAT credit where there is a failure to comply with a requirement imposed under paragraph 4(1) of Schedule 11 to the Value Added Tax Act 1994.

## 60. INSURANCE PREMIUM TAX (NOTIFICATIONS)

*Resolved,*

That provision may be made about notifications made under regulations under Part 3 of the Finance Act 1994.

## 61. PLASTIC PACKAGING TAX (PENALTIES FOR LATE PAYMENTS)

*Resolved,*

That provision may be made amending Schedule 56 to the Finance Act 2009 in the case of plastic packaging tax.

## 62. MANAGEMENT OF CUSTOMS AND EXCISE (APPROVAL OF AERODROMES)

*Resolved,*

That provision may be made for the Commissioners for His Majesty's Revenue and Customs to approve aerodromes for the purposes of customs and excise legislation.

## 63. MANAGEMENT OF CUSTOMS AND EXCISE (TEMPORARY APPROVALS)

*Resolved,*

That provision may be made amending section 16B of the Finance Act 1994.

## 64. LICENSING AUTHORITIES (REQUIREMENTS TO GIVE OR OBTAIN TAX INFORMATION)

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made requiring licensing authorities in Scotland and Northern Ireland, when licensing certain activities, to give or obtain information relating to tax compliance.

## 65. CHARITIES (VALUE ADDED TAX ETC)

*Resolved,*

That—

- (1) In Part 1 of Schedule 6 to the Finance Act 2010 (definition of “charity” etc), in paragraph 2 (jurisdiction condition)—
  - (a) in sub-paragraph (1) omit paragraph (b) (and the “or” before it);
  - (b) omit sub-paragraphs (3) to (5).
- (2) The amendments made by this Resolution—
  - (a) apply only to a body of persons or trust that has not asserted its status as a charity, and
  - (b) apply only for the purposes of value added tax, stamp duty land tax, stamp duty reserve tax and annual tax on enveloped dwellings.
- (3) The amendments made by this Resolution have effect—
  - (a) for the purposes of value added tax, in relation to supplies made, and acquisitions and importations taking place, on or after 15 March 2023;
  - (b) for the purposes of stamp duty land tax, in relation to any land transaction the effective date of which is on or after 15 March 2023;
  - (c) for the purposes of stamp duty reserve tax, in relation to any agreement to transfer securities in respect of which the relevant day (within the meaning of section 87(2) of the Finance Act 1986) is or is after 15 March 2023;
  - (d) for the purposes of annual tax on enveloped dwellings—
    - (i) for the chargeable period beginning with 1 April 2022 so far as it falls on or after 15 March 2023, and
    - (ii) for subsequent chargeable periods.
- (4) Notwithstanding paragraph (3)(b), the amendments made by this Resolution do not have effect for the purposes of stamp duty land tax in relation to a transaction if—
  - (a) the transaction is effected in pursuance of a contract entered into and substantially performed before 15 March 2023, or
  - (b) the transaction—
    - (i) is effected in pursuance of a contract entered into before that date, and
    - (ii) is not excluded for the purposes of this paragraph.
- (5) A transaction is excluded for the purposes of paragraph (4)(b)(ii) if—
  - (a) there is any variation of the contract, or assignment of rights under the contract, on or after 15 March 2023,
  - (b) the transaction is effected in consequence of the exercise on or after that date of any option, right of pre-emption or similar right, or
  - (c) on or after that date there is an assignment, sub sale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.
- (6) An apportionment to different periods which falls to be made as a result of paragraph (3)(d)(i) is to be made on a time basis according to the respective length of the periods.
- (7) For the purposes of this Resolution a body of persons or trust has “asserted its status as a charity” if—
  - (a) immediately before 15 March 2023 it falls within the definition of “charity” in Part 1 of Schedule 6 to the Finance Act 2010, and



- (b) at any time before that date, it has (under any enactment) made a valid claim to His Majesty's Revenue and Customs in reliance on its status as a charity.
- (8) The amendments made by this Resolution are to be ignored in determining whether a person who, immediately before 15 March 2023, holds a relevant interest in—
  - (a) a QAHC, or
  - (b) a company that has made an entry notification,
 is, at any later time, a relevant qualifying investor in relation to that interest.
- (9) Expressions used in paragraph (8) have the same meaning as in Schedule 2 to the Finance Act 2022 (qualifying asset holding companies).

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

## 66. CHARITIES (STAMP DUTY)

*Resolved,*

That the following provisions shall have effect for the period beginning with 22 March 2023 and ending 31 days after the earliest of the dates mentioned in section 50(2) of the Finance Act 1973—

- (1) In Part 1 of Schedule 6 to the Finance Act 2010 (definition of “charity” etc), in paragraph 2 (jurisdiction condition)—
  - (a) in sub-paragraph (1) omit paragraph (b) (and the “or” before it);
  - (b) omit sub-paragraphs (3) to (5).
- (2) The amendments made by this Resolution—
  - (a) apply only to a body of persons or trust that has not asserted its status as a charity, and
  - (b) apply only for the purposes of stamp duty.
- (3) The amendments made by this Resolution have effect in relation to any instrument executed on or after 15 March 2023.
- (4) For the purposes of this Resolution a body of persons or trust has “asserted its status as a charity” if—
  - (a) immediately before 15 March 2023 it falls within the definition of “charity” in Part 1 of Schedule 6 to the Finance Act 2010, and
  - (b) at any time before that date, it has (under any enactment) made a valid claim to His Majesty's Revenue and Customs in reliance on its status as a charity.
- (5) The amendments made by this Resolution are to be ignored in determining whether a person who, immediately before 15 March 2023, holds a relevant interest in—
  - (a) a QAHC, or
  - (b) a company that has made an entry notification,
 is, at any later time, a relevant qualifying investor in relation to that interest.
- (6) Expressions used in paragraph (5) have the same meaning as in Schedule 2 to the Finance Act 2022 (qualifying asset holding companies).

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of section 50 of the Finance Act 1973.

## 67. CHARITIES (OTHER TAXES)

*Resolved,*

That provision may be made amending paragraph 2 of Schedule 6 to the Finance Act 2010.

## 68. COMMUNITY AMATEUR SPORTS CLUBS

*Resolved,*

That provision may be made amending section 661A of the Corporation Tax Act 2010.

## 69. HOMES FOR UKRAINE SPONSORSHIP SCHEME

*Resolved,*

That provision (including provision having retrospective effect) may be made for relief from taxation in relation to the scheme contained in paragraphs UKR 11.1 to UKR 20.2 of Appendix Ukraine Scheme to the immigration rules.

## 70. OFFICE OF TAX SIMPLIFICATION

*Resolved,*

That provision may be made abolishing the Office of Tax Simplification.

## 71. DORMANT ASSETS SCHEME

*Resolved,*

That provision (including provision having retrospective effect) may be made in relation to authorised reclaim funds within the meaning of the dormant assets scheme.

## 72. INTERNATIONAL ARRANGEMENTS FOR EXCHANGING INFORMATION

*Resolved,*

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made—

- (a) re-enacting (with modifications) section 222 of the Finance Act 2013, section 122 of the Finance Act 2015, section 84 of the Finance Act 2019 and section 129 of the Finance Act 2021 (which concern international arrangements for exchanging information), and
- (b) for enabling effect to be given to other international arrangements for the exchange of information.

## 73. PAYMENT OF UNCLAIMED MONEY IN COURT INTO THE CONSOLIDATED FUND

*Resolved,*

That provision may be made amending section 38 of the Administration of Justice Act 1982 to enable rules to make provision requiring unclaimed money in court to be paid into the Consolidated Fund.

## 74. FINANCIAL SANCTIONS REGULATIONS

*Resolved,*

That provision may be made in relation to payments which are made by His Majesty's Revenue and Customs under any enactment to or for the benefit of persons who are, as a result of provision made by or under financial sanctions regulations made under section 1 of the Sanctions and Anti-Money Laundering Act 2018, designated persons.

## 75. INCIDENTAL OR CONSEQUENTIAL PROVISION

*Resolved,*

That provision (including provision having retrospective effect) may be made which is incidental to, or consequential on, provision authorised by any other Resolution.

## FINANCE BILL (MONEY)

*King's recommendation signified.*

*Resolved,*

That, for the purposes of any Act of the present Session relating to finance, it is expedient to authorise the payment out of money provided by Parliament of—

- (a) any expenditure incurred by the Commissioners for His Majesty's Revenue and Customs which is attributable to provision made in relation to Chapter 6A of Part 3 of the Corporation Tax Act 2009,
- (b) any expenditure incurred by the Commissioners for His Majesty's Revenue and Customs which is attributable to provision made in relation to net pay arrangements for pensions in cases where there is no liability to income tax,
- (c) any expenditure incurred by virtue of the Act by the Secretary of State in connection with import duty,
- (d) any expenditure incurred by virtue of the Act by the Secretary of State in connection with HGV road user levy, and
- (e) any expenditure incurred by virtue of the Act by a Minister of the Crown which is attributable to provision made by reference to financial sanctions regulations made under section 1 of the Sanctions and Anti-Money Laundering Act 2018.

*Ordered,*

That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Prime Minister, the Chancellor of the Exchequer, Secretary Grant Shapps, Secretary Michelle Donelan, Secretary Michael Gove, Secretary Mel Stride, John Glen, Victoria Atkins, Andrew Griffith and James Cartlidge bring in the Bill.

## FINANCE (No. 2) BILL

*Presentation and First Reading*

Victoria Atkins accordingly presented a Bill to make provision in connection with finance.

*Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 276) with explanatory notes (Bill 276-EN).*

## Business without Debate

### DELEGATED LEGISLATION

**Mr Deputy Speaker (Mr Nigel Evans):** With the leave of the House, we shall take motions 3 to 6 together.

*Motion made, and Question put forthwith (Standing Order No. 118(6)).*

### TREASURE

That the draft Treasure (Designation) (Amendment) Order 2023, which was laid before this House on 20 February, be approved.

That the draft Treasure Act 1996: Code of Practice (3rd Revision), which was laid before this House on 23 February, be approved.

### ELECTRICITY

That the draft Electricity Supplier Obligations (Excluded Electricity) (Amendment) Regulations 2023, which were laid before this House on 20 February, be approved.

## NATIONAL HEALTH SERVICE

That the draft Health Education England (Transfer of Functions, Abolition and Transitional Provisions) Regulations 2023, which were laid before this House on 20 February, be approved.—(*Andrew Stephenson.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)).*

## CRIMINAL LAW

That the draft Criminal Justice Act 2003 (Home Detention Curfew) Order 2023, which was laid before this House on 8 February, be approved.—(*Andrew Stephenson.*)

*The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until tomorrow (Standing Order No. 41A).*

## ADJOURNMENT (EASTER, CORONATION AND WHITSUN RECESS)

*Motion made, and Question put forthwith (Standing Order No. 25).*

That this House, at its rising on Thursday 30 March 2023, do adjourn until Monday 17 April 2023; at its rising on Thursday 27 April 2023, do adjourn until Tuesday 2 May 2023; at its rising on Wednesday 3 May 2023, do adjourn until Tuesday 9 May 2023; and, at its rising on Thursday 25 May 2023, do adjourn until Monday 5 June 2023.—(*Andrew Stephenson.*)

*Question agreed to.*

## PETITION

### Dangerous driving

7.32 pm

**Preet Kaur Gill** (Birmingham, Edgbaston) (Lab/Co-op): I rise on behalf of the residents of Osmaston Road in Harborne in my constituency to present a petition about dangerous driving. I want to give special thanks to Michael Thompson and Terence Lester, the chief petitioners. The 84 names that they collected for the previous iteration of this petition show the strength of feeling among residents on the road.

The petition states:

The petition of residents of Osmaston Road, Harborne, Birmingham,

Declares that there are serious concerns surrounding speeding on Osmaston Road; further declares that illegally modified motor cars, Quad Bikes, Motor Bikes and Commercial Vans travel on this road at a high speed, which is deeply frightening for residents of the road; notes that the petitioners have repeatedly attempted to engage with the Council on this issue and have not received a response.

The petitioners therefore request that the House of Commons urge the Government to work with Birmingham City Council Highways Department and West Midlands Police to address the concerns of the residents of Osmaston Road to prevent dangerous speeding.

And the petitioners remain, etc.

[P002816]

## Large Solar Farms

*Motion made, and Question proposed,* That this House do now adjourn.—(Andrew Stephenson.)

7.33 pm

**Nigel Adams** (Selby and Ainsty) (Con): I very much welcome the opportunity that this evening's debate gives me to raise the matter of large-scale solar farms. There have been previous debates on the subject in Westminster Hall, and I know that many right hon. and hon. Members have raised concerns about the loss of food production and the planning process. I note that there are one or two colleagues in the Chamber this evening who may want to chip in.

Food security and energy security are competing requirements in our economy, and we must recognise that. No doubt someone listening to this debate—it is usually some sort of blogger on some eco-site—will report that we are all anti-renewable energy, which, of course, is not what the debate is about and could not be further from the truth; it is, in fact, quite the opposite.

Let me start by saying that electricity generation from solar has been a major success, and has come a long way in the last 12 years. Last Sunday at noon, 5.74 GW out of a total of 33.1 GW delivered by the national grid was from solar. Total solar generating capacity is now about 14.6 GW, and the energy strategy objective is to increase that fivefold to 70 GW by 2035. I understand that, by the end of January 2023, there were 1,360 operational solar farms covering about 100,000 acres. It is estimated that a further 160 solar farms have been approved and there are several hundred more planning applications in the pipeline, including at least seven nationally significant infrastructure planning applications which are over 50 MW. That planning and construction pipeline could be equivalent to a further 150,000 acres of solar panels, the majority of which would be ground-mounted on farmland.

To date, this solar expansion has received a good level of public support. In my constituency, the first applications, in 2015, were approved with the benefit of public support. They were typically 5 MW, and located near industrial estates. By 2018, 20 MW applications were coming forward, and by 2020, typical applications were just under 50 MW—the maximum under which the local planning authority was responsible for deciding the applications. Now there is public concern about the increasing number of applications, and the more than tenfold increase in the size of some of them.

**Matt Hancock** (West Suffolk) (Ind): As a supporter of solar energy, I think the central point is that, if there is no local support for projects because they are in the wrong place, that will undermine support for renewable energy. In my constituency, I have supported many solar projects and continue to support them now, but the Sunnica project goes right round villages and destroys local amenity. The consultation has been woeful, and both county and local councils are against the project, as is the Secretary of State for Culture, Media and Sport, whose constituency it also covers. Is not the point that those who support solar should support it in the right place, and not get people's backs up with terrible consultation and projects that should be sent back to the drawing board?

**Nigel Adams:** My right hon. Friend is correct. I know how seriously he takes solar energy in his own constituency, because we have talked about this before. The public must be on board, and it is important for there to be clarity for them in the planning process. I will say more about some of the points he has raised later in my speech.

**Robert Courts** (Witney) (Con): My right hon. Friend has made some excellent points which will certainly have been heard by my constituents in West Oxfordshire who are subject to the Botley West proposal, or, as it has been called locally, the Blenheim power station. He has referred to large-scale solar farms. The one proposed in my constituency is to be the size of Heathrow—the biggest, if allowed, in Europe, and the biggest ever allowed on farmland—and 76% of it will be on green belt land. What he has just said about public support is entirely right. We all support solar energy, but when projects are this size and when they have an irreversible impact on local areas, that will subtract from public support. Does he agree that, as well as protecting power, we must ensure that we protect amenity, farmland, food security and the character of rural areas?

**Nigel Adams:** My hon. Friend is right: we must do all those things and, especially given the conflicts that are taking place around the world, we must ensure that our food security is protected. In my constituency, there are a number of large breweries, which depend heavily on local growers for their supply chains. My hon. Friend has made a brilliant point. He also referred to farmland. As the size of these proposed solar farm increases, so does the amount of productive farmland—

**Jim Shannon** (Strangford) (DUP): Will the right hon. Gentleman give way?

**Nigel Adams:** It would be rude if I did not give way to my very hon. Friend the Member for Strangford (Jim Shannon).

**Jim Shannon:** I thank the right hon. Gentleman for bringing this forward. Where there is agreement with the community, yes we can do this, but where there is not agreement with the community, we should not be doing it. The hon. Member for Witney (Robert Courts) mentioned productive farmland. That is important because at some stage we want to become self-sufficient, but we can only become self-sufficient if we keep the good land for productive purposes. Does the right hon. Gentleman agree that solar farms must be on unproductive land, and not on the productive land that can help us to be self-sufficient and not have to import from the rest of the world?

**Nigel Adams:** My hon. Friend is absolutely spot on.

As I said, as these solar farms increase in size, so will the amount of productive farmland being taken up by them. The description “best and most versatile” farmland is often included in these proposals. I understand that the National Farmers Union says that solar farms should avoid agricultural land of classification 1, 2 and 3A, which is the “best and most versatile” land. The NFU advises that that land should be avoided where practical. It is also my understanding that the new national planning policy framework guidelines may



explicitly state that land used for food production gains additional protection in the planning system. I think that is something that many Members here today would like to see, and so would our constituents. That would also offer absolute clarity for local planning authorities. This is a key question that my constituents and landowners want answers to. So my question to the Minister—there will be one or two more—is, when can we have clear guidance? I appreciate that this might not be a matter for her Department, but it would be most welcome if she could tell us when we are going to get that guidance and the changes to the NPPF.

Developers often state that land under and around solar panels can be used to graze animals. The last time I looked, grass for grazing required sunlight to grow, but the objective of a solar farm is obviously to capture as much sunlight as possible, so I would argue that the grass under solar panels is therefore of very low quality and that the proposition lacks credibility. Also, the requirement for security fencing and CCTV surveillance has increased, because solar farms have suffered thefts of panels and ancillary equipment. In 2021, 220 solar panels were stolen from a farm in Lincolnshire.

The need to locate solar farms as close as possible to a grid connection is leading to clusters of solar farm proposals. In July 2022, a 50 MW solar farm was approved close to Camblesforth, which happens to be the village I grew up and went to school in. It is very close to the Drax power station. The application received only two objections and was supported by the parish council. The same developer has since applied for another 50 MW solar farm to the south of the village, and another developer, Helios, is preparing an application for a 250 MW, 1,850 acre solar farm to the west of the village. Then, just to the east, Boom Power is consulting on a fourth solar farm of 400 MW, which would cover nearly 3,000 acres in the constituency of my right hon. Friend the Member for Haltemprice and Howden (Mr Davis).

**Mr David Davis** (Haltemprice and Howden) (Con): I agree with everything that has been said so far, but it is not just about preserving productive land; it is also about preserving amenity. This 3,000-acre proposal will surround a number of villages in what is currently a beautiful piece of rural English countryside, and the proposal is essentially anti-democratic because it will not be decided by the local council—it will eventually go to the chief inspector. I have asked for the views of all the residents of those villages, and so far 50% have come back, with 78% of them wanting the proposal stopped. However, as it stands, there is no mechanism to do so.

**Nigel Adams:** I agree with my right hon. Friend and neighbour. We need Ministers from, I suspect, several Departments to provide absolute clarity to right hon. and hon. Members on both sides of the House, and to local planning authorities, given the cumulative impact of these large-scale solar farms. My right hon. Friend has a village that, if all these planning applications go ahead, is likely to be surrounded by solar farms, as could the village of Camblesforth. By the way, Camblesforth has approved a solar farm close by, but the cumulative impact of huge solar farms causes understandable concern for residents.

All four solar farms include containers full of batteries on farmland. The land to be used for the proposed Helios farm is almost all “best and most versatile”—category 2 and 3a—land that currently grows cereals and root crops. About 60% of the land in the Boom Power proposal is best and most versatile, as is 58% of the land in the Wade House Lane proposal. In contrast, the three applications submitted in 2015 were all on category 3b land, and therefore not within this classification, hence they did not receive the number of objections that these large-scale proposals have received. With these four solar farms, we are talking about a total of 5,500 acres, or nearly 9 square miles, with a large percentage of it being best and most versatile agricultural land.

**John Howell** (Henley) (Con): The concern of my constituents is precisely that the solar farm described by my hon. Friend the Member for Witney (Robert Courts) is just the tip of the iceberg, and that Oxford colleges will look to have a huge network of solar farms that will blight the Oxfordshire countryside for years to come.

**Nigel Adams:** My hon. Friend makes a good point, as have most colleagues this evening. It would be interesting to know how many people who work at those colleges, which I guess are the developers, would be prepared to live in the middle of the site.

I also note that there is a changing public response to solar farm proposals. There has definitely been an abrupt change in public opinion from support to opposition. There were only two objections to the first solar farm near Camblesforth, but the residents group I met a few weeks ago that opposes the latest proposal has almost 500 members. The most common objection to the project concerns the loss of productive farmland. They say the land for the Helios proposal could grow more than 4,000 tonnes of wheat a year, or 10,000 tonnes of root crops such as carrots or parsnips. They point to brownfield sites, of which there are several in the Selby district, or the roofs of buildings. Crikey, we have a number of ex-coalmine sites in the Selby district, and some large farm buildings have already been fitted with solar panels, which has the added advantage of providing power for energy-intensive operations such as grain drying.

I appreciate that we have only half an hour and the Minister needs to respond, but residents have lots of other considerations when they raise objections to large-scale solar, including the loss of residential amenities, especially where homes are going to be surrounded by solar farms. There are concerns about safety in the light of fires and explosions at large battery storage units.

There is also the fact that applications receive temporary approval. It was initially 25 years, but I understand it is now 40 years. I remember when the Selby coalfield was given approval. That land was supposed to be returned back to farmland when mining stopped but, guess what, that has not happened.

People have these concerns I am outlining. They are concerned about the noise from the switchgear; the visual impact of the fences and the cameras; and the low credibility of some of the biodiversity net gain proposals. I could go on, but I will not, because I know that the Minister is itching to get to her feet to tell us when we are going to have answers to some of the questions colleagues have raised.

[Nigel Adams]

Solar power has reached the point where it makes a significant contribution to our power generation, and it can continue to do so, but we have to make sure it is done sensitively. This is not just about using words; we need clear guidance. I am encouraged by some of the noises made about what could be in the revised wording of the national planning policy framework, but the proposals for solar that are coming forward now are much larger than we have previously seen. We are seeing an increasing level of opposition to them; we do not normally get this many colleagues in the House for an Adjournment debate. If that opposition from communities and Members of Parliament continues, this will impede our progress in getting towards net zero. The points I have raised need to be addressed by the Minister, and I appreciate that input may also be required from Ministers in other Departments.

7.51 pm

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Amanda Solloway):** I thank my right hon. Friend the Member for Selby and Ainsty (Nigel Adams) for securing this important debate on large solar farms. Let me say in advance that if I am unable to answer any of his questions, I will get back to him at a later stage. I also wish to acknowledge all the other contributions from right hon. and hon. Members on this important subject.

Decarbonising and securing the UK's energy supply is one of the biggest challenges facing us today. Two years ago, the Government adopted their sixth carbon budget: the world's most ambitious climate change goal of reducing emissions by 77% by 2035 compared with 1990 levels. Of course, 2035 is not that far away—the clock is ticking—which is why in our net zero strategy the Government committed to securing and fully decarbonising the UK's electricity supply. That will require a sustained increase in deploying low-carbon technologies such as solar, alongside wind, new nuclear, battery storage, and carbon capture utilisation and storage.

The dramatic rise in global energy prices following the covid-19 pandemic and Russia's invasion of Ukraine has only served to emphasise the urgency here and demonstrate how crucial it is that we build a strong, home-grown renewable energy sector to further reduce our reliance on fossil fuels and limit consumer bills. In the British energy security strategy, the Government committed to enabling a fivefold increase in solar deployment of up to 70 GW in capacity by 2035, which will require a step change in deployment. Large-scale solar farms and smaller-scale commercial and domestic rooftop installations are all essential to meeting that commitment.

Solar is a safe, mature, resilient and versatile technology that can be quickly deployed in a range of locations. Its carbon footprint is much lower than that of coal or gas. Solar is key to the Government's strategy to decarbonise the UK's energy supply at low cost. Large-scale solar is one of the UK's cheapest electricity generating technologies. The Government recognise that deploying large solar projects, as with any new infrastructure, will have local impacts. Although Government surveys indicate that solar is one of the most popular renewable energy

sources, we fully appreciate that people living in the vicinity of proposed developments may be concerned about the effects on their local amenity. That point was eloquently explained by my right hon. Friend and it is why solar developments of all sizes are subject to robust planning controls to protect local communities and the environment.

My right hon. Friend will understand that given the Department's statutory responsibility for determining individual planning applications for energy projects, Ministers are unable to comment on the specifics of individual applications. I can set out, however, how the planning controls work for solar in general terms.

Planning applications for projects up to 50 MW capacity in England are determined by local planning authorities. Most solar projects in England fall into that category. Local authorities will consider a range of factors when assessing applications, including environmental impacts. Projects up to 350 MW in Wales are devolved and decisions are made either by local authorities or the Welsh Government. Planning in Scotland and Northern Ireland is fully devolved.

For projects over 50 MW in England and over 350 MW in Wales, planning decisions are made by the Secretary of State for Energy Security and Net Zero through the NSIP—nationally significant infrastructure project—regime, which allows for rigorous scrutiny of such projects.

The planning system sets out how decision makers should consider the impacts on local communities and amenities, particularly where a number of solar projects are deployed in close proximity. If designed carefully, the visual impact of a well-planned and well-screened solar project can be properly addressed within the landscape. Under local and NSIP planning systems, developers must complete considerable community engagement as part of the application process. Members of the public can submit their views to the planning authorities and significant concerns will be taken into account as part of the local decision-making process.

**Mr David Davis:** My hon. Friend used the phrase “if designed carefully”. It is not possible to design carefully a 3,000-acre site that surrounds four or five villages. By definition, that will cause a massive assault on the amenity of individuals living in that area.

**Amanda Solloway:** I thank my right hon. Friend for his intervention; I have taken note of it and will report it back to the relevant Minister.

For NSIP projects, communities can participate in the formal examination process run by the Planning Inspectorate. That gives communities the opportunity to make their views known on and influence projects before decisions are taken.

All large solar developers must complete an environmental statement for any application—

**Matt Hancock:** Before the Minister moves on, will she give way?

**Amanda Solloway:** Of course.

**Matt Hancock:** I am grateful. Does that mean that if a solar farm project is not well designed, it will not be passed? The Sunnica proposal in my West Suffolk constituency is very badly designed. It looks completely nuts from first principles because it is all over the place and around these villages. It damages the amenity of Newmarket and its globally significant racing industry.

Nobody could argue that it is well designed, so will she confirm that that should be at the forefront of the Minister's mind when the statutory decision is taken?

**Amanda Solloway:** I thank my right hon. Friend for the question. He will understand that I do not know the “nuts” project that he is talking about, but again, I will pass that on to the relevant Minister.

All large solar developments must complete an environmental statement, as I was saying. Decision makers will consider a range of factors, such as whether the project proposal allows for continued agricultural use where relevant or encourages biodiversity improvements around the proposed site. Solar farms are temporary in nature and most solar panel components and equipment can be recycled.

**Robert Courts:** Will the Minister give way?

**Amanda Solloway:** I will, but I have only about two minutes left.

**Robert Courts:** I will be quick. The Minister says solar farms are designed to be temporary in nature, but in the case of the Botley West solar farm, the proposal is for about 40 years. That is not temporary but long term, and is it not the case that those areas will never be the same again?

**Amanda Solloway:** Again, with my hon. Friend's permission, I will take that point back to the relevant Minister and get back to him with an answer. I am aware that I only have a few minutes left, so with your permission, Mr Deputy Speaker, I will continue.

Solar projects and agricultural practice can co-exist. Many solar projects are designed to enable continued livestock grazing. There is also a science of agrivoltaics developing, in which solar is integrated with arable

farming in innovative ways. Solar energy can be an important way for farmers to increase their revenue from land less suited to higher-value crop production. There is also evidence that solar can improve biodiversity where it is installed on agricultural land.

Protecting our environment, backing British farmers and delivering long-term energy security with more low-carbon energy are all at the heart of His Majesty's Government's manifesto. It is possible to maintain and increase our food production in a more sustainable way in some areas, and to see land use change occur in others.

Striking the right balance between different land uses is a challenging task and will involve trade-offs. There are many uses of our land that we need to anticipate for the future, such as growing food, hosting low-carbon energy projects, planting trees, building homes, natural habitats, land for infrastructure, and leisure and recreation. In the Government's food strategy we committed to publish a land use framework for England in 2023, which will help to inform how we manage those trade-offs. In terms of the safety of these systems, when installed, maintained and decommissioned correctly, electricity storage poses minimal risks.

To conclude, solar is a UK success story. Over 99% of the UK's solar capacity has been deployed since 2010. The technology's flexibility, low costs and rapid deployment can help us to reach our challenging net zero targets, strengthen our energy security, and bring new green jobs and economic growth. It is clear that that growth must be sustained and enabled by a robust planning system that balances those wider benefits against the local impacts.

*Question put and agreed to.*

8.1 pm

*House adjourned.*





# Westminster Hall

*Tuesday 21 March 2023*

[MR JAMES GRAY *in the Chair*]

## Commonwealth Day

9.30 am

**Sir James Duddridge** (Rochford and Southend East)  
(Con): I beg to move,

That this House has considered Commonwealth Day.

It is a privilege and it gives me extreme pleasure to serve under your esteemed and excellent chairmanship, Mr Gray; I know you will appreciate the sincerity of my words.

I apologise for being here today, not only because of the content of my speech but because you were expecting my right hon. Friend the Member for Basingstoke (Dame Maria Miller), who sadly cannot be here due to a more recent commitment going into her diary urgently. I want to facilitate a wide debate on the Commonwealth while particularly concentrating on the Commonwealth Parliamentary Association's international branch and some technical issues around the branch's status that we are making progress on.

I should not have to remind the House that the second Monday in March is Commonwealth Day—a day of great celebration and a second birthday for parliamentarians across a third of the world. I am pleased to see the Minister in her rightful place; it is a pleasure to work with her in yet another format.

I looked back on previous debates on Commonwealth Day, conscious of vague memories of participating in them as a Back Bencher, as chair of the Commonwealth Parliamentary Association and, in 2021, as the Minister responding to the debate. I started by reading the first paragraph of the 2021 debate in *Hansard*, which was taken up entirely not with Commonwealth matters but with matters to do with covid, including how we were to behave and rules on virtual participation; how far we have moved forward since then. I skipped to the back, which is always the most interesting place, where my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger) was summarising his comments, and something leapt out at me. Not only was there a reference to Emilia Lifaka, who at the time was chair of the Commonwealth Parliamentary Association and Deputy Speaker in Cameroon and has since sadly passed away; there was also a glancing reference to the late Sir David Amess, my parliamentary neighbour. My hon. Friend the Member for Bridgwater and West Somerset, in characteristic form, was praiseful; he said that Sir David made a lot of “good points”. He somewhat undermined that, however, by going on to say that he did not understand a word of what they were.

I leapt forward, ignoring my studies of the Commonwealth to reminisce about Sir David, who rightly started by saying to the Chair:

“Today, I will not be calling for city status for Southend, because I know that will happen in any case, but I will be celebrating with others Commonwealth Day”—[*Official Report*, 16 March 2021; Vol. 691, c. 65WH.]

and he did, drawing on great experience of visits and a relationship with two Commonwealth countries that are slightly off the beaten track. He made very specific points and demonstrated some of the best assets of Members of Parliament getting involved with Commonwealth countries.

While it was sad to see the trees being replaced in Portcullis House last week, it was a pleasure to see the fluttering of 56 flags of the new Commonwealth. It is always a sign that spring is coming and a chance to reflect on our relationships around the world. Of course, the Commonwealth is not a new thing; it has evolved over time. The modern Commonwealth started in 1949, when its head was the King, although the role is not hereditary; it does not move from monarch to monarch. It moved to Her late Majesty the Queen and then to the current King when he was Prince of Wales. He took up the mantle having visited 45 of the 56 Commonwealth countries, and Her Majesty visited 54. I am lagging behind enormously but hope to visit Togo in the next 24 months, having visited Gabon only a few weeks ago with my hon. Friend the Member for South West Hertfordshire (Mr Mohindra)—despite not having my glasses, I think I recognise him sitting at the Parliamentary Private Secretary desk. It was an excellent visit in which we welcomed Gabon's application. In all candour, we were a little uncertain as to whether it would be successful that time around, but we were pleasantly surprised that both it and Tonga were successful. The meeting was interesting.

Reflecting again on what Members of Parliament do when they go out to countries, I can say that this was a particularly good visit, because we and other parliamentarians went out into the forest, where there is a big issue of carbon sinks, and saw the detail of how illegal and legal logging was being monitored. In fact, we got into canoes in Gabon. That was perhaps one of my parliamentary low points: I was almost eaten by an hippopotamus. However, the hippopotamus's loss is Parliament's gain, as I am still here, Mr Gray.

The Commonwealth accounts for a third of the global population—around 2.5 billion—60% of whom are under the age of 30, which is a particular issue for the Commonwealth. The Commonwealth works across human rights issues. There is also the sports of the Commonwealth. Sadly, in some countries, the Commonwealth is more related to sports than to the broader Commonwealth relationship, thus demonstrating that we have still more work to do.

LGBT issues are always quite prominent in any discussion, as are freedom of expression and the promotion of democracy more generally. However, having elections alone is not enough to provide democracy; it goes much deeper than that. Trade is an increasing issue: 9% of UK trade is with the Commonwealth, but for some Commonwealth members the trade with other Commonwealth countries is even more important. It is very tricky to do a trade deal with Eswatini, where I was a banker, and do that same trade deal with India, which a massive percentage have said to block.

It is great to have welcomed the Francophonie. In fact, Rwanda has headed up both the Francophonie seat and the Commonwealth Heads of Government meeting within the past 12 months, which shows that we can work through French groupings and English-speaking

[Sir James Duddridge]

groupings. Indeed, as well as Rwanda, Togo and Gabon, there is the Lusophone country of Mozambique within the Commonwealth, thus demonstrating that the Commonwealth is growing. There were originally eight members in 1949. By the 1970s, that number had risen to 31, and by 1990, it was 50. I predict that, in another five years, the number will not be 56, but nearer 60, as people want to come together in different ways to work.

We also see the Commonwealth in the City of London. The City of London Corporation is very active through the Commonwealth Enterprise and Investment Council. I praise its work in investment and also in its facilitation of work with the Commonwealth parliamentarians both here in this Parliament and when we have incoming delegations.

As hon. Members know, the CPA UK branch is very active. There have been some excellent chairs, including my right hon. Friend the Member for Basingstoke, my hon. Friend the Member for Bridgwater and West Somerset, and Lord Haselhurst, who also went on to serve internationally. Recently, it held the 71st seminar here in the UK. It has done post-election work in Grenada. Next week, we are sending a delegation to South Africa. Colleagues are going to visit our partners in Canada. There has been work on violence against women and girls, an awful lot of work on modern slavery, working with the Foreign, Commonwealth and Development Office, and also work on the issues around overseas territories, which is a particular passion of mine. There have been election-observing missions in places such as the British Virgin Islands—good work if you can get it, Mr Gray. There is quite a lot of detailed work, particularly on public accounts committees, which are new forms of committees and new ways of working. More recently, I have been involved in trade and scrutiny work.

I said that I wanted to turn to the CPA's international branch, which forms the core of my asks for the Minister today. I spoke this morning to Stephen Twigg, late of this parish, who, I think, was just on the way to bed. He is in Tonga at the moment doing a post-election seminar. He wanted me to thank the Department for its work on the issues of CPA status. The CPA international branch is currently based in the UK, but it has charitable status. That charitable status causes some countries around the world a problem because to a poor, small-island state or a state that is receiving money, giving moneys to a UK charity seems somewhat incongruous. However, there is a massive benefit in the CPA being located here under some such auspice, and it is good that we are working closely with the Foreign, Commonwealth and Development Office around those issues.

I was pleased to see the Bill introduced by my right hon. Friend the Member for Basingstoke being debated on Second Reading. Sadly, it did not go through, but it did provide a place setter. I praise Lord Goldsmith for his engagement on the issue, alongside the Minister. Having been involved in these issues over a number of years—I hate to think how many—let me say that it is quite exceptional for any Foreign Secretary to engage in such detail. Therefore, it was pleasing to see the recent letter from the Foreign Secretary saying that he wanted to help and to resolve the situation to the satisfaction of both CPA international and the FCDO, and it was amazing to read that he had secured Government time

for that. I would appreciate the Minister confirming that that is not just a promise from the Foreign Secretary, but something that is being worked through via the normal channels, so that if we need legislation, the time for it is there.

Time is indeed pressing because the issue is outstanding and because it has caused friction in some countries. A number of countries are looking at the 17 April meeting in Gibraltar of the CPA international executive as a pinch point for a decision. The Foreign Secretary's letter mentions an officials' meeting. May I ask the Minister to commit herself to holding those meetings of officials as soon as she can so we can get the best possible product on 17 April and ensure that CPA international stays in the UK? That presence is of great benefit to the CPA and to UK plc more generally.

I think we have the right people in place. I was pleased to see Jo Lomas of the Foreign Office, whom I worked with a number of times years back. I picked up the phone to her and received in response an international warble. I decided that I had probably phoned her old Burundi or Rwanda mobile and hung up immediately, not wanting to speak to the new Minister, only to find it might have been her current mobile, as she is in Fiji. I am sure that, on her return, this issue will be high up in her in-tray and the in-trays of a number of others. I am sure the work of Jon Davies—again, formerly of the FCDO—will be called upon. No doubt he will be reading *Hansard* closely following the debate. Jon is an excellent individual who has served CPA UK very well, and who is well disposed to help Stephen Twigg and the international branch.

As punishment—in the unlikely event of my right hon. Friend the Member for Basingstoke and my hon. Friend the Member for Bridgwater and West Somerset not being available, although I can promise anything on their behalf, including their dropping everything and cancelling their holidays to attend whatever meeting is needed—I stand ready to serve.

9.43 am

**Navendu Mishra** (Stockport) (Lab): It is a pleasure to serve under your chairship, Mr Gray. Last year, I finished taking part in the armed forces parliamentary scheme. I know you do a lot with the scheme, and I want to draw the attention of the House to the links between people from the Commonwealth and the British armed forces. When I took part in the Royal Air Force segment of the scheme, I saw those links and had the privilege of meeting some of those people.

I thank the hon. Member for Rochford and Southend East (Sir James Duddridge) and the members of the Backbench Business Committee for securing this important debate. I wish there were more speakers from both sides of the House, but I guess I could argue that it is quality rather than quantity that counts.

One of the primary aims of the Commonwealth is to increase trade within the membership, and I understand that we are looking at \$20 trillion of trade among those nations by 2030. The target is ambitious, and our Government should support and work towards it. I get a large amount of constituency correspondence regarding the environment and climate change, and one outcome of the previous Commonwealth Heads of Government meeting, which took place in 2022, was commitments regarding climate change and biodiversity.



Those commitments reaffirmed commitments to the Commonwealth Blue Charter to help to address ocean pollution and to protect marine environments. The combined population of the 56 member nations is about 2.5 billion, so taking action on climate change and protecting our environment would go a long way. In the context of global population, Commonwealth nations have a large footprint, so those are positive developments.

The Commonwealth is not just about trade; it is also about fostering closer cultural and educational links between nations and people. Let us be honest: there is always more to be done. I represent the constituency of Stockport in Greater Manchester, and one of the great things that the Commonwealth organises is the Commonwealth games. The great city of Manchester hosted the Commonwealth games in 2002, which is not that long ago, and they were a massive success. The invitation remains open to Commonwealth delegates to come back to my constituency in Stockport and to the Greater Manchester city region. There is so much more to be done not just on sports, but on cultural and language ties and, of course, food.

I have already mentioned that the organisation has 56 member states and a population of about 2.5 billion people. Of those 2.5 billion, approximately 1.4 billion are Indian nationals—people from the Republic of India—so India makes up a large chunk. The hon. Member for Rochford and Southend East has referred to the trade deal that Britain is negotiating with India, so I take this opportunity to highlight that I have been campaigning for a long time for a direct air service between Manchester airport, which is the third largest airport in Britain, and key cities in India, particularly Mumbai and New Delhi. I mention that because we have tens of thousands of people of Indian heritage in Greater Manchester and the north-west region. Manchester airport is also quite close to Yorkshire, which also has a large community of Indian heritage, so having direct air services between Manchester airport and Mumbai, which is the economic hub of India, and New Delhi, which is the political capital, would be helpful.

It would be helpful not just for trade, but for cultural and educational links. My understanding is that Indian students now make up the largest segment of international students in the UK. It used to be Chinese nationals, but in the past two years, or at least 18 months, Indians have made up the largest segment of international students in the UK. Having that direct flight from Manchester airport to Mumbai and to New Delhi would benefit not only trade, but jobs at Manchester airport, the economy in Greater Manchester and organisations and businesses in the north-west region, and in Yorkshire as well, so I wanted to take the opportunity to highlight that.

I will end on the fact that the Commonwealth is a force for good—it does a lot of good. Of course, there are several issues that need to be addressed in member nations when it comes to equality and, in particular, LGBT+ rights and democratic systems. There are lots of issues that need to be addressed. I welcome this debate and once again thank the hon. Member for Rochford and Southend East for securing it and the Backbench Business Committee for allocating time for it. I hope the Government take forward the work on environmental issues, but also thank our serving soldiers and veterans who come from Commonwealth nations.

That is an important issue. I hope the Minister will use her good office to push forward the flights issue from Manchester airport.

9.48 pm

**Marion Fellows** (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mr Gray, and to follow the hon. Member for Stockport (Navendu Mishra). I do miss the right hon. Member for Basingstoke (Dame Maria Miller), but the hon. Member for Rochford and Southend East (Sir James Duddridge) has stepped admirably into her shoes. I hope they were flat ones.

This year, Commonwealth Day took place on Monday last week. It marked a week of activities and celebrations around the theme of forging a sustainable and peaceful common future, serving as a reminder of the deep ties and shared goals between Commonwealth nations. I think we can all agree with that. The Commonwealth still has a long way to go in adapting to a more socially conscious and multipolar world; however, that must be done in the spirit of equality and mutual benefit.

The Commonwealth must make progress on the charter adopted in 2013. It was full of aspirations for justice, democracy and human rights, and we all want to see those things. The UK Government should formally acknowledge complicity in and make amends for the UK's role in the slave trade and the legacy of colonial atrocities around the world. Scotland is doing that. Work is going on in schools, but more needs to be done across the UK.

There are many deep ties between the UK and the Commonwealth. Despite that, 90% of pensioners affected by the frozen pensions policy live in Commonwealth countries. I am using this debate as an opportunity to highlight the unfair treatment of British pensioners, including veterans and former public servants, and Commonwealth citizens who have contributed to this country, only to be abandoned and forgotten as they face financial hardship. I am grateful to [endfrozenpensions.org](http://endfrozenpensions.org) and the all-party parliamentary group on frozen British pensions for the briefing that I received. I have been talking about this matter since I arrived in Parliament in 2015, and I will continue to do so at every opportunity.

An example of a pensioner affected by the frozen pensions scandal is Anne Puckridge, a 98-year-old world war two veteran who receives a state pension of just £72.50 a week after moving to Canada to be closer to her family. In the coming months, she will be excluded once again from the annual uprating, bringing the total she has lost during her retirement to £41,000. Research by the APPG on frozen British pensions found that half of frozen pensioners receive £65 per week or less, and more than 50% struggle financially because of their frozen pension.

The UK owes a debt of gratitude to the Windrush generation, but the story of Monica Philip, who moved to the UK from Antigua, tells a different story. She worked for 37 years in the UK, including as a civil servant for the City of London social services and the Ministry of Defence. She returned to Antigua to care for her ailing mother and, as a result, receives a frozen UK state pension of just £74 per week.

Reverend Maxwell left for England from Antigua in 1957. He worked in the UK on the railways. Eunice Hughes worked as an NHS Nurse. The couple moved to

[*Marion Fellows*]

Jamaica following a pastoral calling, and the UK Government encouraged the Reverend Maxwell to top up his British pension voluntarily by £3,000 to ensure he had made the full contribution. When they lived in Jamaica, the couple received their full pension uprating every year. However, they have since moved to Antigua, where their pensions are now frozen.

Commonwealth countries such as Canada are ready and willing to work with the UK Government to end this injustice. The Canadian Government's most recent request to negotiate a new reciprocal social security agreement was just last year—the fourth time since 2013—yet the UK Government continually refuse to engage on the issue, leaving nearly half a million British pensioners to face a retirement of poverty.

All UK pensioners with national insurance contributions are entitled to a British state pension regardless of where they live. However, nearly half a million UK pensioners overseas are excluded from annual payment upratings because they live in the wrong country. That means their pension is frozen at the level it was at when they left the UK or first withdrew their pension, and it is falling in real value year on year. Government inaction to address the issue is a stark failure to protect our most vulnerable and is leaving our own citizens in poverty. All it takes to end this injustice—

**James Gray (in the Chair):** Order. I am reluctant to interrupt the hon. Lady. She is making a most interesting speech, but it is quite wide of the subject we are discussing, which is Commonwealth Day. The Minister might find it difficult to reply on a matter that is not her responsibility. The hon. Lady might like to return to the subject of Commonwealth Day and the role of the Commonwealth.

**Marion Fellows:** Mr Gray, if I tell you that 90% of people with frozen pensions live in the Commonwealth, may I continue from that point?

**James Gray (in the Chair):** The subject of the debate is Commonwealth Day and the role of the Commonwealth, rather than people who happen to live in a Commonwealth country. It might be sensible to return to the main topic under discussion.

**Marion Fellows:** I respect your advice as Chair, Mr Gray. I will not continue on this; I believe I have made my point forcefully. I ask the Minister to listen carefully to what I said, because this is an injustice that must end.

9.55 am

**Jim Shannon (Strangford) (DUP):** It is a pleasure to participate in today's debate on Commonwealth Day, and I thank all hon. Members who have made contributions with salient points, as we reflect, celebrate, remember and enjoy the day.

I have great pride in this nation; I love this United Kingdom of Great Britain and Northern Ireland, as we all do. We rejoice in the role it has played in bringing together four nations in this Commonwealth as one. As we look to the coronation of King Charles, it inevitably brings to mind the life and legacy of Elizabeth, the great and faithful. One of her greatest achievements was not only her faith in action that honoured God and inspired nations, but the Commonwealth of nations, which was her pride and ours.

The Commonwealth is a cultural, historical and family organisation, which we love. It is like a gathering of the clans, if that is the right terminology to use, whenever the Commonwealth comes together. What joy it brings to us all that, from this nation of the United Kingdom of Great Britain and Northern Ireland, the Commonwealth grew. The tenets of democracy, liberty, freedom and faith have been espoused by the Commonwealth across the world.

We have heard recent attacks on the legacy of the Commonwealth from sources who should know better, and that wilful misdirection must be challenged. I thank the hon. Member for Rochford and Southend East (Sir James Duddridge) for raising the subject and allowing the opportunity to debate the truth, rather than the devious innuendo that platforms seem able to stream with no impugnement or accountability. I want to put on record the full nature of Her Majesty, who said, when she talked of her duty:

“My whole life, whether it be long or short, shall be devoted to your service and the service of our great imperial family to which we all belong.”

The great family to which she referred was the Commonwealth of nations—a group of 53 distinct and unique nations, whose common ground enabled the fostering of trust and the building of a relationship from which we all benefit.

A glance at the basic Commonwealth statistics online quickly outlines the many benefits. Some are financial benefits, but they are important and maintain the stability of nations. Of the 53 Commonwealth members, 31 are small states, mostly with populations of well under 2 million. Member countries have successfully obtained more than 1.8 million square kilometres of seabed through the United Nations, with our assistance, and more is still to be claimed.

More than 60 countries, including 15 non-Commonwealth countries, have benefited from our debt management programme. Our software helps to manage more than \$2.5 trillion of debt globally. The combined gross domestic product of Commonwealth member countries was estimated to be \$14 trillion by 2020. Trade in goods and services between Commonwealth members is estimated to be more than \$680 billion, and it is predicted to surpass \$1 trillion. The trade, economic ties and benefits from trade and cultural exchanges are important for countries' future.

Commonwealth members' combined exports of goods and services are valued at \$3.4 trillion, which is about 15% of the world's total exports. Intra-Commonwealth flows of remittances are estimated to be \$45 billion, of which \$42 billion went to developing countries. The most innovative economies in sub-Saharan Africa—eight of the top 10—are Commonwealth member countries. Those are all indications of the importance of Commonwealth trading to world exports and trade. Five of the best performing 15 countries in the youth development index are Commonwealth members. It is about that interconnection, that acknowledgment of each other and the fairness that arises from trade within the Commonwealth. That speaks to me not of a boys' club, but of a community engaged in mutually beneficial sharing of information, training and trading. We should be incredibly grateful to Her Majesty for that, and for everything that she did over the years.

The Commonwealth games offer countries such as Northern Ireland, with 1.9 million people, an opportunity to contribute to the Commonwealth medal tally. At the last games, we did so in sports including boxing, bowls and swimming, and some of the winners were people from my constituency. I am thinking of Barry McClements, who won the bronze. That wee boy, who was disabled as a child when he lost his leg from the knee down, managed to achieve a bronze medal in the Paralympics. That has made that young man, and his interaction with other Commonwealth countries is something we cannot ignore. By their very nature, the Commonwealth games bring us together to participate. We are united through the Commonwealth and a love of sport, but the games also give smaller countries, such as mine, the chance to excel—and, boy, did we excel last time, like never before.

Every Commonwealth nation has the ability to leave as they determine; we do not operate like the EU, with rules and penalties for daring to step aside. Yet the fact is that each nation is content. Just as Scripture says that two is better than one, it follows that 53 must be even better.

10.2 am

**Deidre Brock** (Edinburgh North and Leith) (SNP): It is a great pleasure to serve under your chairmanship, Sir James.

**James Gray (in the Chair):** It is certainly not Sir James—  
[HON. MEMBERS: “Not yet!”] Just Mr Gray will be fine.

**Deidre Brock:** Forgive me, Mr Gray. I am sure I have just highlighted something that is missing but will arrive eventually.

First, I pay tribute to the right hon. Member for Basingstoke (Dame Maria Miller) and the hon. Member for Rochford and Southend East (Sir James Duddridge) for securing this debate about Commonwealth Day. This year marked a significant milestone for the Commonwealth and the UK’s international relationships, and a new phase for the UK’s diplomacy and soft power. As we recognise the first Commonwealth Day since Queen Elizabeth’s passing, we have an opportunity to reflect on the impact of the Commonwealth, to acknowledge the damage of British colonial history and, I hope, to begin to forge a path to more conscious, thoughtful and honest relationships with Commonwealth countries.

I want to dwell a little on some of the contributions that have been made. The hon. Member for Rochford and Southend East spoke of the work of Commonwealth Parliamentary Association branches in areas such as election observation and on issues relating to women and girls. The hon. Member for Stockport (Navendu Mishra) highlighted how the Commonwealth can foster closer cultural links, language ties and economic opportunities—and, indeed, transport links between Manchester and Mumbai in the future. He also touched on some of the concerns that I will focus on in my contribution.

My hon. Friend the Member for Motherwell and Wishaw (Marion Fellows) spoke eloquently of the injustice of frozen pensions, which affect many people from Commonwealth countries. She has pursued that matter for some years, and I am sure those people are grateful to her for bringing it up today. The hon. Member for

Strangford (Jim Shannon) described the Commonwealth as a family—indeed, as a “gathering of the clans”. He welcomed the fact that this debate allows us to debate the truth, highlighting the economic and trade benefits. He also mentioned the positivity of the Commonwealth games in bringing nations together in their love of sport, and I very much agree with him. The Commonwealth games in Glasgow were a tremendous occasion for us all in Scotland.

We have witnessed some historic changes across the Commonwealth in the last few years. Barbados became a republic in 2021, and Jamaica has served notice that it intends to do likewise by 2025. In Australia, the arrival of the new young Queen in the ’50s seemed to herald a new start, and the Commonwealth of Nations was a very appealing concept after the misery of two world wars, but the gloss of those early days has faded. Republican voices in Australia, New Zealand and Canada have strengthened, particularly following the increase in the knowledge and understanding of the effects of colonisation on indigenous people. The Jamaican Government have announced plans to seek compensation for an estimated 600,000 Africans who were shipped to the island for the financial benefit of British slaveholders.

There are many now who feel that this reckoning with history should be embraced, paving a new way forward for the Commonwealth based on respect and a real acknowledgement of the past. The SNP’s policy is to join the Commonwealth once Scotland is independent again, because we want to co-operate with the rest of the world, not be apart from it. At the same time, we sincerely wish the Commonwealth to meet this moment of reflection and change positively and constructively.

Although one welcomes the royal family’s attempts to address Britain’s bloody imperial past—King Charles, when he was prince, attended a ceremony in Barbados in 2021 and spoke of the appalling atrocity of slavery, which forever stains British history, and Prince William spoke out against the injustice of the Windrush scandal—there is still a very long way to go to improve relationships and outcomes with Commonwealth countries.

**Navendu Mishra:** The hon. Lady is making an excellent speech and raising important points. On atrocities, the Jallianwala Bagh massacre, which took place in 1919 in Punjab, impacted a lot of people at the time, and there is a justice campaign in this country and India. Does she agree that there should be a formal apology?

**Deidre Brock:** I am not familiar with the complete details of that situation, but those are exactly the sorts of issues that Commonwealth countries should be discussing among themselves. If a country is involved in something that it needs to apologise for, it should absolutely do so.

The UK Government could start by acknowledging Britain’s complicity in historical crimes, and by seeking to make amends for its role in the slave trade and its frankly shameful legacy of many colonial atrocities around the world. The SNP is aware that the UK and Scotland must do more to address our colonial past. We all need to have an open and honest conversation about goods acquired via colonialism, as well as about the systematic and structural issues that perpetuate ongoing inequality.



[Deidre Brock]

Ignoring the crimes of the past undermines our leadership and our ability in the present to ensure the Commonwealth lives up to what are perceived to be shared values. As my hon. Friend the Member for Motherwell and Wishaw said, 10 years ago the Commonwealth adopted a charter full of laudable aspirations—justice, democracy and human rights—but it has much to do to ensure adherence to those principles. For example, in 2013, President Mahinda Rajapaksa of Sri Lanka hosted a Commonwealth summit at a time when his Government stood accused of presiding over war crimes.

The human rights picture across the Commonwealth varies greatly. Most Commonwealth states—32 out of the 56—criminalise same-sex acts between consenting adults. Many such laws were introduced in the colonial era. As of September 2020, only 70% of girls in the Commonwealth attended school. That is a shocking figure, and we must do much more to address it. I hope the hon. Member for Rochford and Southend East will touch on that in his closing remarks. He mentioned the CPA's involvement in that, and I would be interested to hear more about that. Only 20% of parliamentarians across the Commonwealth were female in 2018. Of course, the figure is just 34% in this place, so we do not have much to brag about.

Something else that we cannot brag about is the fact that, regrettably, as Commonwealth chair-in-office between 2018 and 2022, the UK Government wasted a key opportunity to recentre human rights and respect for international law. They refused to make covid-19 vaccines more readily available for the global south by protecting intellectual property barriers, they concluded that there was no evidence of institutional racism in the UK via the Sewell report, and they cut international development spending by at least £4 billion in 2021-22. It seems to me that a nation that genuinely cared about the Commonwealth in the truest sense of the word—the commonweal; the happiness, health and safety of all the people of a community or nation or, in this case, nations—would immediately reverse the damaging cuts, including those inflicted on people living in extreme poverty in Commonwealth countries.

Last year, the UK handed over the Commonwealth chair-in-office role, as I think has been mentioned, to Rwanda, despite some very grave concerns about Rwanda's human rights record, governance structures, reports that the Rwandan Government are arming the M23 militia group—the March 23 Movement—in the Democratic Republic of the Congo, and widespread gender-based violence in those countries. The UK Government introduced the immoral and illegal Rwanda scheme. The SNP opposed the Immigration Bill when it went through Parliament and also opposed the anti-refugee Nationality and Borders Bill, as well as the damaging Rwanda proposal that the Bill would enable. We will do the same with the Illegal Migration Bill. Criminalising people is not the answer. Such policies have no place in a tolerant society that respects international law, particularly one that frequently proclaims itself to be a shining example of such qualities.

The UK Government could follow the lead of the Scottish Government and establish a comprehensive loss and damage policy, prioritising vulnerable regions in the Commonwealth that are already suffering devastating

effects from the climate crisis. It is vital to ensure much greater investment in renewables and to avoid any new fossil fuel projects, which threaten our path to net zero—the precarity is underlined by the fact that 49 out of the 56 Commonwealth countries border the sea. That would demonstrate genuine commitment to the theme of Commonwealth Day 2023, which is to forge

“a sustainable and peaceful common future...especially through climate action”.

Just days ago, the Intergovernmental Panel on Climate Change delivered a “final warning” on the climate emergency with the publication of the final part of its sixth assessment report. A significant proportion of the 3 billion people whom the IPCC says are highly vulnerable to climate breakdown are based in Commonwealth countries. The report shows that the 1.5° limit is still achievable—just—but only if action to address the crisis is fast-tracked by every country and on every timeframe. We need to go further and faster, and the UK needs to take much more of a lead.

King Charles's Commonwealth Day message highlighted the Commonwealth's

“opportunity, and responsibility, to create a...durable future...in harmony with Nature”

to

“secure our unique and only planet for generations to come.”

The IPCC report is a stark reminder—as if one were needed—that this window of opportunity is rapidly closing. I am aware that climate change was on the agenda last week in London at the Commonwealth Foreign Affairs Ministers meeting, with an emphasis on building on the outcomes of COP27, but we know that 1.5° will not be met under the final agreement with no deal on reducing fossil fuel usage. Therefore I urge the UK and the Commonwealth to now recognise the opportunity and responsibility that King Charles mentioned, before it is too late.

10.13 am

**Preet Kaur Gill** (Birmingham, Edgbaston) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Gray. I thank the right hon. Member for Basingstoke (Dame Maria Miller) for securing the debate and I am sorry that she could not be here. She has been a strong advocate for women and girls around the world, and we hope that the UK and all Commonwealth nations can live up to those aspirations.

We have heard much today about the power of the Commonwealth—its strength, size, diversity and vitality. We have also heard great examples, from the hon. Member for Rochford and Southend East (Sir James Duddridge), my hon. Friend the Member for Stockport (Navendu Mishra) and the hon. Member for Strangford (Jim Shannon), of the work and collaboration that the Commonwealth fosters through the Commonwealth Parliamentary Association. Members have made significant contributions on topics including promoting democracy across our Commonwealth nations, economic prosperity, human rights, and connectivity. It is wonderful that my friend the hon. Member for Strangford even mentioned the Commonwealth games.

However, the past year has been another of great disruption and loss. I must start by remarking on the sad death of Her Majesty Queen Elizabeth II. This year has been the first in 70 years that she has not been the

Head of the Commonwealth. During those remarkable 70 years, the Commonwealth has changed beyond all recognition. Then, it was made of only seven members; today, there are 56 members, representing more than 2.5 billion people. Her Majesty will be remembered as a symbol of the links between our many nations. As she put it,

“the Commonwealth is an example of multilateralism at work”.

That is a poignant reminder of the significance of today’s debate. This is not a cosy members’ club, but an important vehicle for global co-operation and change, and that work is not yet done. I take this opportunity to express my welcome to His Majesty the King taking his seat as the new chair of the Commonwealth. I am sure he will carry on his mother’s legacy with distinction.

I consider myself a child of the Commonwealth. To me, nothing serves as a greater reminder of our place in a global community of nations than my own family story and home. Birmingham is a Commonwealth city; the diverse heritage of my constituents span from Pakistan to Sri Lanka and Somalia to India, from where my family came. There are Brummies who can trace their roots to every corner of the Commonwealth. As a city, our diversity is our greatest strength, and that shone through in every moment of the Commonwealth games last summer.

The Birmingham 2022 Commonwealth games were Britain’s most successful ever, beating our previous record medals total in Glasgow 2014 by two. They were also the most streamed games ever, outstripping the previous record sixfold, and represented the character and diversity of our country and Commonwealth tremendously. Our city was proud to have hosted and celebrated a games worthy of Her Majesty. We should not play down the powerful message of inclusion and diversity that the games sent to the millions watching around the world, nor the hundreds of millions in investment they brought to some of the most deprived patches of Birmingham, and the deepened and renewed connections across borders that we helped to forge. It is a great example of the benefits that Commonwealth membership can bring.

This year, Commonwealth Day marks the 10th anniversary of its charter, which gives expression to its defining values: peace and justice; tolerance, respect and solidarity; care for our environment, and for the most vulnerable among us. His Majesty summarised those values perfectly last week, saying:

“In this we are blessed with the ingenuity and imagination of a third of the world’s population”,

and that our shared humanity contains an immensely precious

“diversity of thought, culture, tradition and experience. By listening to each other, we will find so many of the solutions that we seek.”

Nowhere is this more urgent or relevant than in our environment. As I am sure all Members present know from our own constituencies, young people are demanding action on climate change. Across the Commonwealth, the futures of 1.5 billion people under the age of 30 will be defined by this issue. Yesterday, the Intergovernmental Panel on Climate Change issued its synthesis report, which was a warning shot: we can still achieve 1.5° this decade, but humanity is on thin ice. Our sovereign has been a committed advocate for action on climate change for many years, and Labour shares that sense of mission

and common purpose. That is why we have committed to our green prosperity plan to decarbonise electricity by 2030, phase out dirty imported energy and legislate to ensure that climate flows into every aspect of UK development policy and spending, just as gender does. We recognise that this issue that will define this century, and we have only seven short years to take the action needed.

To their credit, the Government reaffirmed their commitment to the 1.5° Paris agreement goals and nationally determined contributions at the Heads of Government meeting last year. However, it is now a matter of delivering. Can the Minister therefore update Members on the progress made to develop an implementation plan for the call to action on living lands that was promised in Kigali last year? Can she update the House on the progress she has made towards delivering the £11.6 billion of international climate finance that the Government have promised? Does she see a greater role for networks such as the Association of Commonwealth Universities in catalysing innovation and collaboration to tackle shared global challenges? I had the pleasure of meeting the ACU last year. With 500 member universities across 50 countries, it is uniquely placed to develop international policy at scale and pace. We have great institutions; we must not forget to nurture and make use of them.

It was fitting that, in Her Majesty’s jubilee year, the Heads of Government meeting was hosted in Africa—the very continent where she became Queen 70 years ago. I was delighted to see Gabon and Togo join the Commonwealth of nations, and Labour welcomes our newest Commonwealth siblings. Their participation shows that our association is based on not only our shared history, but our shared aspirations for a better future. They are both remarkable countries. Gabon is one of the few countries on earth that absorbs more carbon than it emits, owing to its rich ecosystem. The future of Gabon and Togo can be bright, and Commonwealth membership could help in shaping a positive path. Will the Minister say what efforts she is making to support Togo, along with our other Commonwealth partners such as Ghana and Nigeria, in addressing the increasing threats they are facing from instability in the Sahel?

It is a cause for celebration that the Commonwealth continues to grow, because we hold dear its values of human rights, democracy and inclusion. The eligibility criteria for Commonwealth membership states, among other things, that:

“an applicant country must demonstrate commitment to: democracy and democratic processes, including free and fair elections and representative legislatures; the rule of law and independence of the judiciary; good governance, including a well-trained public service and transparent public accounts; and protection of human rights, freedom of expression, and equality of opportunity”.

We hope that Zimbabwe can turn a new page in its history and evidence the progress on the requirements needed to rejoin the Commonwealth soon. I would be grateful if the Minister provided an update on its progress and the role that the UK is playing to support that.

I am sure that Members will join me in celebrating the progress made by Commonwealth countries. In recent years, India has passed legislation on maternity leave, to the benefit of over 600 million women. Last year, four of our fellow members—Antigua and Barbuda, Saint Kitts and Nevis, Barbados and Singapore—repealed

[Preet Kaur Gill]

anti-LGBT legislation. The UK must acknowledge the legacy of discrimination and laws it helped to create in some of those countries. We must do more to support member states wanting to lead reform.

As we see the sad roll-back of rights and norms in many countries around the world, the Commonwealth can provide a leading example. As every member agreed in the joint statement issued before the Human Rights Council in Geneva in 2020,

“the full social, economic and political participation of all...is essential for democracy and sustainable development to thrive.”

Continued progress and practice in support of human rights, democracy and inclusion is a core Commonwealth principle—something that we must all strive to achieve.

I will end with a few remarks on the future of the Commonwealth and the UK's role within it. Our country's ties of history, kinship and commerce with many of the other member states goes very deep. For countries in the global south, many in Africa, the past few years have been an onslaught—covid, climate, conflict and the cost of living. It is essential that the UK plays its full part in supporting them. It is in Britain's interests to support a safer, more stable world. That is why developed countries have been rightly united in opposition to Russia's brutal war on Ukraine; the war has drawn many countries in the west closer together as a result.

At the same time as the world's poorest countries struggle, this Government have given the global south the cold shoulder. Many in the world's poorest countries look at Britain and are losing faith in us as a partner that they can work with and rely on. There has been a damaging departmental merger, as well as promises made and repeatedly not kept, and successive cuts to aid programmes, as the Government divert money to firefight crises of their own making. We ignore the global south at our own cost. Many of those countries have rapidly growing economies, and will be increasingly important in a post-Brexit, multipolar geopolitical era. Together, they are geographically, culturally and economically diverse; the Commonwealth could be one of our most important multilateral institutions, as Her Majesty the Queen said.

Does the Minister think that it right that the Commonwealth received only two passing mentions in the integrated review refresh? Has she given any thought to improving Commonwealth operations out of London, to improve and better reflect the institution's diversity and global representation? Does she agree that the UK should be playing an active and ambitious role in the shared agenda agreed in Kigali last year? Does she share my concern about the disproportionate impact of the aid cuts on Commonwealth partners in the last few years?

There is so much to be proud of in our Commonwealth membership and relationships. It is crucial to our mutual interests in relation to development, trade, security, climate change, human rights and democracy. It is a great institution that has, at times, been neglected when it needed to be nurtured. The past few years is a prime example of that. I hope the Government will act to correct their course; Labour certainly would.

10.24 am

**The Minister of State, Foreign, Commonwealth and Development Office (Anne-Marie Trevelyan):** I am grateful to my hon. Friend the Member for Rochford and Southend East (Sir James Duddridge) for leading the debate, and for his dedication to the Commonwealth, including as a Minister and former chair of the Commonwealth Parliamentary Association. I also thank colleagues for their contributions. Where there are questions that are not within the FCDO purview and for which I am unable to provide a response—some of which you highlighted, Mr Gray—I will ensure that the correct Minister does so in a timely manner.

The Commonwealth is a vibrant and diverse family of nations. It makes up a third of the world's population and around 30% of the votes on the UN, and has a collective GDP of over \$14 trillion. It plays an important role in supporting an open and resilient international order, bringing together states with an interest in promoting democracy, sustaining individual freedoms, driving sustainable development and enabling cross-border trade. In an increasingly turbulent world, where autocracy is on the rise, the Foreign Secretary has renewed the UK's commitment to what he calls “this extraordinary organisation”.

This is an important year for the Commonwealth. On Commonwealth Day, we celebrated the 10th anniversary of the Commonwealth charter, which enshrines our shared values of freedom, peace and democracy. We will also celebrate the coronation of His Majesty the King, the new Head of the Commonwealth, on 6 May. Last week, His Majesty the King and Her Majesty the Queen Consort joined Commonwealth representatives at Westminster Abbey for a service that paid tribute to Her late Majesty the Queen for her tireless dedication to the Commonwealth. I think the hon. Member for Birmingham, Edgbaston (Preet Kaur Gill) speaks for all of us in highlighting how sad we were to lose her last year. However, I think the Queen would have been so pleased that 2023 is also the Commonwealth Year of Youth. Over 60% of the Commonwealth's population is under 30. As the previous Commonwealth chair-in-office, we championed the voice of young people, who will drive future prosperity across some of the world's fastest growing economies.

The UK's commitment to the Commonwealth is unwavering. We provide significant bilateral aid to Commonwealth countries, totalling over £1 billion in 2021, and we fund and support a wide range of Commonwealth initiatives and programmes. As we look towards the Commonwealth Heads of Government meeting in Samoa next year, the UK will work with partner nations to deliver tangible benefits in our three priority areas: trade, climate and values.

First, we need to boost trade and investment between Commonwealth countries. Encompassing over 2.5 billion consumers, the Commonwealth makes an important contribution to the global market network. Our shared language and shared institutions create what we refer to as the Commonwealth advantage, reducing the average cost of trade between members by 21% compared with trade with the rest of the world.

Building on that advantage, the UK has secured trade agreements with 33 Commonwealth countries, including economic partnership agreements covering 27 Commonwealth African, Caribbean and Pacific nations.



However, we need to go further to make sure that all members feel the full benefits of Commonwealth membership, so the UK is working with partners to reduce barriers to intra-Commonwealth trade and to help developing members to attract sustainable inward investment.

The hon. Member for Stockport (Navendu Mishra) raised an important point about flights between the UK and India. He is absolutely right to say that they are a tool that could open up both family and trade opportunities. The UK's airline network is privately owned; different countries run their airlines in different ways. However, I am happy to discuss this issue with him and with colleagues in the Department for Business and Trade, to see how we can encourage the opening of new routes. I have dealt with this issue in relation to other countries, and I am happy to take it up with colleagues.

Secondly, the Commonwealth can drive enhanced action on climate change and the environment, particularly to support its more vulnerable members, including 25 small island developing states. I have had the great privilege personally, both in former ministerial roles and currently as Minister with responsibility for the Indo-Pacific, to visit nearly two dozen of our Commonwealth family countries, and in every one the challenge of climate change—the impact of more extensive and extreme weather events—is a real and present danger to the lives and livelihoods of so many people, their families and their businesses, and to the healthcare and education needs of women and young people most especially.

The UK has committed £11.6 billion to international climate finance, of which £3 billion is being invested in climate change solutions that protect and restore, and provide sustainable solutions to manage nature. The UK will continue to lead globally on this matter, harnessing all our talents, including—as the hon. Member for Birmingham, Edgbaston highlighted—the ACU, in order to help to find long-term solutions. The UK is also committed to supporting Commonwealth members to access climate finance through our funding of the Commonwealth climate finance access hub. Our investment of around £500,000 in the hub has already helped to mobilise \$38 million of climate finance in three Caribbean states. At the last Heads of Government meeting in 2022, the Prime Minister announced further funding, through the new £36 million sustainable blue economies programme, to support small island states to develop sustainable ocean economies.

As Members have noted, the continued commitment by Lord Goldsmith, my FCDO ministerial colleague, has helped to deliver the 30by30 oceans commitment that was announced just a couple of weeks ago, which will afford opportunities to many of our most climate-vulnerable Commonwealth countries and others to support and sustain their ocean economies and protect their livelihoods. These are really important areas of development.

Thirdly, the Commonwealth has the potential to deliver much more on democracy, good governance, human rights and the rule of law. All Commonwealth member states have committed to upholding those shared values enshrined in the Commonwealth charter. The UK has worked with national human rights institutions across the Commonwealth to strengthen human rights and has supported human rights advisers to help small states engage with the Human Rights Council in Geneva.

We are ensuring that more girls are in school, pledging £217 million to support girls' education across the Commonwealth at CHOGM 2022. The funding supports global education data gathering, teacher training in Rwanda and programmes to get girls and vulnerable children into school in Pakistan.

We have also delivered programmes for the promotion and protection of LGBT rights across the Commonwealth. Some £2.7 million of funding will continue to support grassroots organisations, such as the Commonwealth Equality Network, to defend human rights and equality for LGBT+ people. However, much more needs to be done, and we will encourage Commonwealth countries to go further to ensure the full and equal participation of all people in society.

The UK values the work of the Commonwealth Parliamentary Association to strengthen parliamentary oversight and accountability in the Commonwealth, and the FCDO looks forward to continuing to work closely with the association. I thank my hon. Friend the Member for Rochford and Southend East and my right hon. Friend the Member for Basingstoke (Dame Maria Miller) for their consistent and passionate voices on the legal status of the CPA. They will be pleased to know that the Foreign Secretary has tasked FCDO officials with working with the CPA secretariat to find an acceptable solution by legislative means if necessary.

**Sir James Duddridge:** Will the Minister confirm that, as well as the pledge from the Foreign Secretary, normal channels have agreed that time will be found, if needed, for legislation? Secondly, could those meetings with officials happen as soon as possible, so that there is something a little firmer to go back with to individuals at the Commonwealth Parliamentary Association international executive committee meeting on 17 April in Gibraltar?

**Anne-Marie Trevelyan:** I absolutely note my hon. Friend's comment on the need for timeliness in those discussions so that it becomes clear exactly what the right route will be. I will ensure that the Foreign Secretary and his team are fully cognisant of that time pressure so that, whatever the solution is, we can ensure that colleagues on the write-round are able to support it. The Foreign Secretary is clear in his commitment to move forward, but I note that the clock is ticking as regards that meeting.

To drive our three-pronged agenda of trade, climate and values, our mantra needs to be the continuous improvement of Commonwealth institutions, building on the reforms agreed by Heads of Government in Kigali. We will work with the Commonwealth secretariat and members to ensure quick progress ahead of CHOGM 24. In the words of His Majesty the King,

"Let ours be a Commonwealth that not only stands together, but strives together, in restless and practical pursuit of the global common good."

We will do all we can to meet the challenge he has set us, to strengthen the Commonwealth and to ensure that it delivers clear purpose and value for all its members, whether large or small.

10.33 am

**Sir James Duddridge:** What a wonderful flourish to end on—I am only sorry that I have to spoil it with my final comments. It is great that the Minister quoted his Majesty who, as I mentioned, has visited 45 countries,

[Sir James Duddridge]

which is a little better than the two dozen visited by the Minister—not that I have been wasting my time over the weekend, but it is 32 for me, if you are asking, Mr Gray.

However, it has been a great tour de force from the Minister, particularly on small island states, and that is much appreciated by all. I ask her to pass on our collective thanks to the Foreign Secretary, for what is being done and, more generally, for the work he and Lord Goldsmith are doing, which has been exceptional. Getting that commitment on parliamentary time if it is needed, and knowing that the whole Department—from the Foreign Secretary down to the people who do the real work—knows there is that 17 April deadline is absolutely superb. So I thank the Minister for that.

I thank the hon. Member for Stockport (Navendu Mishra) for his comments. I look forward to the Mumbai-Manchester route. I am happy to support that very visibly and vocally if he supports the Manchester-Southend route connecting up with it. The hon. Member for Birmingham, Edgbaston (Preet Kaur Gill) spoke about the impact on constituencies. The Commonwealth games are really passionate, and a lot of people, such as my constituents in Southend, held events involving, for example, children celebrating the Commonwealth. In Southend, the mayor, Kevin Robinson, took part in the celebrations. There is more we can do to celebrate in our constituencies.

The hon. Member for Motherwell and Wishaw (Marion Fellows) spoke passionately about pensions—perhaps stretching your patience with the detail, Mr Gray, although attention to detail is always admirable—and questions were raised about what type of heels I was wearing. I can reassure the House that I will be leaving my feet under the table so as not to embarrass anybody. The hon. Member for Strangford (Jim Shannon), who is always present for debates in this place, made an excellent contribution, particularly on the youth development index, and went through some of the nitty-gritty detail, which we sometimes brush over.

The hon. Member for Edinburgh North and Leith (Deidre Brock) touched on a few subjects on which I disagree with her, although we agree on others. I was present for a debate in the Chamber during which you, Mr Gray, disagreed with Members being allowed to use devices to look at Wikipedia. However, had I not spent a little time googling, I would not know that the hon.

Lady is a product of the Commonwealth and of Australia. I suspect that, while I was at university, I watched her on “Home and Away”. The only characters I can remember are Charlene—for obvious reasons—from the garage, a dog called Bouncer and someone who went on to appear in “Joseph and the Amazing Technicolor Dreamcoat”, whose name I cannot remember.

The hon. Lady urged me to talk about schools. We have done a lot of work on girls’ education through the Department—sorry, the Government have. I am mixing up my roles. She also mentioned COVAX, which was rather curious. She should look back on her comments, because I think she will find that it was my right hon. Friend the Minister who brought in a £420 million facility for covid, called COVAX, before the vaccine even came into place, so we had that funding ready to distribute when a vaccine came forward. At the time, I was a Minister, and I spent hours, which I cannot get back, in covid committees looking at operationalising the vaccine and getting it out to different countries, which was somewhat problematic in a number of cases.

The hon. Member for Birmingham, Edgbaston made an excellent speech, drawing on her constituency experiences. I mused on whether there is a constituency out there containing representatives of all 56 Commonwealth countries, and Birmingham could probably muster those people. Perhaps we could all get together to celebrate the 56 nations. I fully support what was said about LGBT issues. We can both be embarrassed about how we have legislated across the Commonwealth against those communities, but we should also be proud of the progress that has been made, while acknowledging that further progress needs to be made.

There were calls for Zimbabwe to come back to the Commonwealth. Brilliant. Bring it on, Mnangagwa. We are ready for you. You just need to do the right thing. The hon. Member for Birmingham, Edgbaston also discussed whether we make enough of the Commonwealth. We make a lot of it, but we certainly do not make enough of it. It is good to know that not only His Majesty’s Government, but His Majesty’s official Opposition, want to do more with this multilateral institution.

*Question put and agreed to.*

*Resolved,*

That this House has considered Commonwealth Day.

10.38 am

*Sitting suspended.*

## Energy Charter Treaty

11 am

**Chris Skidmore** (Kingswood) (Con): I beg to move,  
That this house has considered the Energy Charter Treaty.

It is a pleasure to serve under your chairmanship, Mr Gray. I am grateful to the Minister responding today. I know he is currently very busy, preparing the finishing touches to the Government's response to the net zero review, which I submitted as the review's independent chair. I hope he will excuse me taking this chance to place on his ministerial desk another precious opportunity for the UK to demonstrate clear and decisive climate leadership.

I know that the Minister is all too aware of the opportunity that net zero and green growth present to the UK: new industries, new jobs and a wall of inward investment ready to be deployed into the UK if we are prepared to take the net zero pathway, rather than taking the risk of not zero and turning our backs on the economic opportunity of this decade, if not the century, that net zero provides.

The new economic narrative for net zero that the "Mission Zero" report outlines clearly demonstrates that the choices that the Minister and the Government will make this month—March 2023—over our future net zero investments and policy certainty will potentially define his place in climate and clean-energy history, if he acts now. The rest of the world is watching and waiting to see whether the UK will continue to show international leadership on climate policy.

I suggest that there is another opportunity to deliver international leadership on climate, which is achievable today, that the Minister and the Government can seize while the rest of the world watches and waits to see whether the UK will demonstrate international leadership. The UK Government can make a clear and public commitment to withdraw from the energy charter treaty. That treaty is an investment agreement dating back to the mid-1990s, when the focus was on access to oil and gas reserves in former Soviet countries, and when work to tackle climate change, and recognition of the opportunities of clean and renewable energy, was negligible. Today, the energy charter treaty acts as a millstone around the necks of all signatories who wish to take their climate obligations seriously.

**Jim Shannon** (Strangford) (DUP): The right hon. Gentleman's interest in Northern Ireland is always significant. When I ask a question, I am always aware he probably knows the answer, for which I thank him. The aim of the energy charter treaty is to promote energy security through open and competitive markets. Although that is great for the English mainland, in Northern Ireland it is restricted to providers, and the competition is diminished. Does the right hon. Gentleman agree that competitive markets must be available across all of the United Kingdom of Great Britain and Northern Ireland so that we can all get the benefit? I know he is saying we should withdraw, but Northern Ireland is already behind the eight ball, as it is.

**Chris Skidmore:** If the hon. Gentleman looks at the details of the treaty, which I will come to, he will see that it does not create a level playing field for competition.

It is weighted in favour of fossil fuel interests. He knows full well, given his interest in clean energy, how Northern Ireland could become a future green energy powerhouse. It wants to ensure that it can continue to build onshore wind turbines, with a huge opportunity for providing green hydrogen. The challenge the energy charter treaty provides to the UK, and Northern Ireland as a proud member of the UK, is that it takes those potential clean and renewable investments and weights them disproportionately against existing fossil fuel commitments that no other country wishes to make. That is a challenge that we need to deal with.

The charter is a relic from a bygone age, which should have long been recognised as serving an obsolete purpose that still places its dead hand across all states that signed it three decades ago, preventing climate investments and, worse, prioritising inexcusable investments in oil and gas, even when the countries themselves do not wish to make them. The energy charter treaty has effectively become a Magna Carta for fossil fuels, and it is being weaponised by fossil fuel companies to sue Governments for introducing climate policies.

Recently, Italy was sued for its ban on offshore oil drilling. The Netherlands has been sued for its coal phase-out law. Several companies have taken the Dutch Government to court for their decision to phase out fossil fuels by 2030, claiming damages of €3.5 billion. Slovenia has also been sued for its fracking ban.

**Caroline Lucas** (Brighton, Pavilion) (Green): Does the right hon. Gentleman agree that there is a danger of complacency in the Government's current approach? When I have asked questions on this issue of the investor-state dispute settlement mechanism, the Minister has replied, "Well, there has never been a case against the UK, so it is not a problem." The examples the right hon. Gentleman has just given show why it is such a problem. In the Italian case, the Government were sued for six times the amount the oil company ever invested in the project. Does he agree that there are real risks here and that we should not be complacent just because we have not yet had a UK case?

**Chris Skidmore:** Absolutely. The other risk, which I will come on to in a moment, is the chilling effect. We do not know, or are unable to quantify, the investments that could be coming to the UK but for the fear that the energy charter treaty will again place its dead hand on those investments. Withdrawal from the energy charter treaty provides the certainty, clarity, continuity and consistency—the four Cs—that the net zero review outlined as part of a mission-based approach to long-term certainty. We cannot have long-term certainty for investment in future renewable projects or take decisions potentially shutting our fossil fuel investments unless the energy charter treaty is removed. It is critical that we provide that future certainty if we want those additional investments and the opportunities offered by that inward wall of capital that is waiting to be spent. As the hon. Lady mentioned, an oil company winning £210 million from the Italian Government over their restriction on offshore oil drilling is a perfect example of the risk to which this outdated treaty now exposes the UK. She mentioned that the company won six times the amount it had ever spent on the project, and those winnings are now likely to be fed back into financing new oil exploration.



[Chris Skidmore]

Most worrying are the continued binds that the energy charter treaty places on signatory countries to prioritise and protect private foreign investments ahead of the democratic rights of elected Governments. Through investor-state dispute settlements, Governments who wish to do the right thing by the citizens who elected them and to tackle climate change to meet their net zero commitments are having their hands shackled by the energy charter treaty, imprisoning what should be free nations and leaving them bound by undemocratic regulations that are fought over by fossil fuel lawyers in courts. At a time when the UK should be taking back its sovereignty, and when it is seeking to demonstrate its energy sovereignty, the energy charter treaty, with its use of these unacceptable ISDSs, should be a prime example of legislation that we must recognise as being at the top of any lists of Brexit freedoms. Surely the UK Government should, can and must take action now to restore our energy freedoms.

**Christina Rees** (Neath) (Ind): If the UK follows the International Energy Agency's recommendation and cancels oil and gas projects, it could face legal claims under the ECT of up to £9.4 billion. The most recent Intergovernmental Panel on Climate Change report warns of the risk of regulatory chill—which the right hon. Member has mentioned—causing the UK to delay or to decide against climate action for fear of being sued by large fossil fuel companies using the ISDS mechanism.

**Chris Skidmore**: The hon. Lady is absolutely right. Far more impressive legal minds than mine—who have been working at ClientEarth, Global Justice Now and Green Alliance—have demonstrated that there is a way for us out of this treaty and that we can, potentially, work with our European partners to create an exemption regime for some of the historic investment cases in relation to which we might be under treaty obligations.

**Dame Nia Griffith** (Llanelli) (Lab): I heartily congratulate the right hon. Gentleman on securing this important debate. Does he agree that, given that there could be a 20-year timeframe in which we would still be liable for action and penalties, the sooner we get out of this treaty the better? Moreover, what indications has he had that it may be possible to negotiate and mitigate down those 20 years, especially given the huge interest from other European countries?

**Chris Skidmore**: The hon. Lady is absolutely right: the sooner we get out, the sooner we are not under the cosh. However, when it comes to looking at the mitigation circumstances for the 20-year rule, France, Germany, Italy and the Netherlands have all signalled their intention to withdraw from the energy charter treaty. As I will explain later, the EU as a bloc will now potentially decide to withdraw from the energy charter treaty, although it will obviously take time to gather agreement and the UK can therefore lead on making a concerted effort to get all the countries to withdraw. If they do, that potentially creates a mechanism by which some of the disputes are unable to be taken forward in certain areas, such as the wider European area; there could be an opportunity to demonstrate how the overall potential liability can be cut by over 60%.

As the hon. Member for Llanelli (Dame Nia Griffith) has made clear, the risks of the status quo could hold the UK open to future challenge. The status quo cannot continue, because continued membership of the energy charter treaty risks having a chilling effect if Governments back away from new policies in order to avoid being sued—a danger that UN climate experts specifically warned about in the IPCC report. The UK Government have already recognised the problem, with the then Energy Minister, my right hon. Friend the Member for Chelsea and Fulham, saying:

“The UK cannot support an outdated treaty which holds back investment in clean energy and puts British taxpayers at increased risk from costly legal challenges.”

I hope to see the same clarity from the new Department for Energy Security and Net Zero, as well as from the new, beefed-up Department for Business and Trade.

**Selaine Saxby** (North Devon) (Con): I thank my right hon. Friend for securing today's debate on such an important topic. Does he agree that the creation of a new Department gives us the opportunity to expedite the decisions that we desperately need to take, particularly in the light of yesterday's IPCC report and his own excellent report? We have to work towards net zero; otherwise, we will hit “not zero”.

**Chris Skidmore**: Absolutely. The UK has demonstrated continued leadership time and again, and I was the first Energy Minister to sign net zero into law. We became the first G7 country to do so, beating France by one day. We must collaborate, and I am proud that we have now seen a huge number of countries commit to net zero. I think we are the first country globally to ensure that we have a Department for net zero, which must also be welcomed. I thank the Government for demonstrating leadership on this issue, but let us extend that leadership by not just changing the words on a plaque on a wall in a Department; let us ensure that the new Department can boldly show leadership by coming out and demonstrating to other countries that it is willing to act. Then others will follow.

There are now serious moves, both here in the UK and elsewhere across Europe, to leave the energy charter treaty as a matter of political priority. It is clear that any chance of reforming the treaty is over. The modernisation talks proposed last year have failed, because several European countries, including Germany, France, Spain and the Netherlands, have decided to leave the treaty due to reforms not going far enough to bring it in line with the Paris agreement. Even the European Commission, which previously led the modernisation process, has announced plans for a full EU withdrawal from the treaty.

Without support from the UK's traditional allies in favour of the continuation of the reform process, it will be impossible for the UK to push through reforms on its own against the remaining, less climate-ambitious energy charter treaty countries. The UK's previous position of supporting modernisation is therefore no longer credible. Instead, the UK needs to reach out to like-minded partner countries, such as Germany, France and the Netherlands, to begin the process of co-leading an orderly withdrawal from the treaty.

In February, a group of experts wrote to the Energy and Net Zero Secretary, calling on the UK to quit the energy charter treaty. Today, 15 Members of Parliament

from the all-party parliamentary group for the environment—I see a number of those colleagues in the room, representing four different parties—have written to the Minister for Energy Security and Net Zero, my right hon. Friend the Member for Beverley and Holderness (Graham Stuart), to make it clear that withdrawal from the ECT is now the best option for the UK in the future. The letter states that there is now an overwhelming case for taking action to leave the treaty unilaterally, especially given that many European countries have left and the EU as a bloc has publicly announced its withdrawal.

First, the letter makes it clear that

“The ECT is undermining efforts to achieve net zero due to costly legal action from fossil fuel companies, and the so-called “regulatory chill” effect, which causes governments to refrain from adopting climate policies. This view is supported by the Intergovernmental Panel on Climate Change”.

Secondly,

“The ECT makes the UK less attractive for clean energy investments as instead of serving the interest of clean energy and sustainable technology companies, it creates a policy landscape that is tilted against clean energy, and which exposes UK finances to huge litigation risk.”

Thirdly,

“The Treaty modernisation process has failed, with major signatories like Italy, Germany, and France preferring to leave the Treaty.”

And fourthly,

“The UK can regain control by co-leading a coordinated Treaty exit by working with like-minded partners such as Germany and France. This would help put the UK at the centre of decision-making on the next phase of ECT discussions, rather than waiting for an EU-led strategy to re-emerge.”

Not only is the letter signed by Members from across the House, but the wider principle of leaving the energy charter treaty is backed by climate and clean energy non-governmental organisations. I have already mentioned a number of them, including the Green Alliance, Global Justice Now and ClientEarth. There is also the Aldersgate Group, chaired by the former Prime Minister, my right hon. Friend the Member for Maidenhead (Mrs May).

As the former Energy Minister who signed the UK’s legal commitment to achieve net zero by 2050 into law, I know too well the challenges that the Minister faces, having sat in his position in the past. Politics has always been about priorities, and no doubt he will be told that there are other priorities that the Government must face. Some will seek to delay; others will claim that it is just too difficult. It was no different when I was seeking to persuade other Departments to agree to net zero. History judges us all on the priorities that we make and the future that we seek to create. Sometimes that future is unknown and unknowable, but that should not prevent us from taking action now to achieve it.

If someone had told me back in 2019 that 90% of the world’s GDP would have signed up to a net zero target just three years on, I simply would not have believed it. Change comes at us fast sometimes, and there is no faster change than climate change. I know of no one serious about achieving net zero who would back the UK’s remaining in the energy charter treaty. Indeed, the reality is that continued membership of the ECT and continued commitment to net zero are not compatible. We face a choice between defending our fossil fuel commitments of the past or delivering our net zero commitments for the future. Our continued membership

of the energy charter treaty is not only unsustainable, but simply indefensible. The time has come to pick a side. I urge the Minister to choose net zero and commit to the UK’s withdrawal from the energy charter treaty.

11.18 am

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** It is a pleasure to serve under your chairmanship, Mr Gray, and to respond to my right hon. Friend the Member for Kingswood (Chris Skidmore) on such an important and pertinent topic. Thanks to his work in passing net zero legislation into law, and through his work on the review, the UK is committed to tackling climate change at home and internationally through our ambitious net zero targets and our international climate agreements, including the Paris agreement. I want to assure him of my personal commitment to achieving those goals, which I hope he knows already.

In an earlier intervention, the hon. Member for Strangford (Jim Shannon) raised energy security in Northern Ireland. I urge him to hotfoot it back to this Chamber at 2.30 this afternoon when the hon. Member for Upper Bann (Carla Lockhart) has a debate very much focused on Northern Ireland and energy security for farmers. I look forward to seeing him there and we can continue our discussion.

The energy charter treaty was signed in 1994. It was originally designed to provide stability and certainty for those participating in cross-border trade and investment in the energy sector, particularly for investors operating in states with a less stable rule of law. It currently applies to more than 50 contracting parties. As my right hon. Friend the Member for Kingswood rightly says, the world and the energy sector have changed significantly since 1994, and there is wide recognition that the energy charter treaty has not kept pace.

Britain has long accepted that to remain relevant the energy charter treaty needs to be updated to reflect the current energy landscape. In its unmodernised form, it is focused on trade and investment in fossil fuels. Although renewables are in scope, it does not cover modern energy technologies such as hydrogen or carbon capture and storage. That is exactly why His Majesty’s Government have been such keen supporters of modernising the treaty; I dispute the characterisation from the hon. Member for Brighton, Pavilion (Caroline Lucas) that we are in any way complacent.

We have spent two years negotiating to align the treaty with today’s changing energy priorities and investment treaty practices, as well as international climate commitments, such as the Paris agreement. We took a leading role in pushing for additional safeguards for the sovereign right to introduce measures such as net zero and a flexible mechanism to allow parties to phase out investment protection for fossil fuels. To be clear, there were challenges to overcome in the renegotiation. It is a multilateral treaty across more than 50 states, each with different priorities on energy and climate. The UK was able to secure coverage for modern technologies, and provisions to ensure a stronger environmental, labour and climate focus.

**Chris Skidmore:** This is a factual question: who is the Minister going to negotiate with in a modernisation programme, when none of the European countries, including Germany, France, Spain, the Netherlands

[Chris Skidmore]

and Italy, will be in the room? Logically, there is no opportunity to discuss modernisation, because no one wants to discuss it. The Minister's speech may have been written before the decisions taken by the EU last week or the week before were made public, but it is simply not logically possible to follow the pathway that the Minister is suggesting. It might have been possible last year, but it is certainly not anymore.

**Andrew Bowie:** I was not suggesting a pathway forward; I was giving a brief history of how we have got to the stage we are at. If my right hon. Friend hangs fire for two seconds, I will explain where we are going next.

Despite efforts to update the treaty, which the EU had supported us on, when it came to the final moment the European Union and its member states were unable to endorse adoption of the modernisation at the energy charter conference in November. That was unexpected and a great disappointment to those, including member states and the UK, that were championing modernisation. As such, several EU member states have now announced their intention to withdraw. We expect a decision on modernisation to be rescheduled when enough contracting parties are in a position for a vote to take place.

We must carefully assess the impact of the evolving situation to understand how best to take forward our priorities in relation to the treaty. Since the conference in November, the Government have monitored the public positions of other contracting parties, engaged with official-level negotiators from those parties, conducted further assessment and considered the views from stakeholders across business, civil society and Parliament. We are building all that information, engagement and analysis into an assessment, underway right now, of how the UK should respond to the current situation in the energy charter treaty. We will keep the House informed of any relevant developments as soon as we are able.

Whatever the final decision on our membership or the future of the treaty, the UK remains committed to addressing the urgent need for climate action at home and abroad. As such, I sincerely thank my right hon. Friend the Member for Kingswood for raising the issue.

**Caroline Lucas:** I wonder whether the Minister recognises that there is an urgency to this. I appreciate that he is listening to lots of different voices, but if we are left on our own because all like-minded countries have left, we risk becoming stranded and unable to leave with the protection that would have come from a co-ordinated departure with our EU colleagues. Will the Minister consider that as he plots the way forward?

**Andrew Bowie:** I thank the hon. Lady for her intervention; of course, that is being considered. As I said, an assessment of the UK's position in regard to the treaty is being undertaken right now, and as soon as a decision has been taken we will update the House. The issue is important and pertinent, and I thank my right hon. Friend the Member for Kingswood for bringing it to the Chamber today.

*Question put and agreed to.*

11.24 am

*Sitting suspended.*

## Energy Support for Farms

[Mr Laurence Robertson *in the Chair*]

2.30 pm

**Mr Laurence Robertson (in the Chair):** I remind hon. Members that they need to stand and catch my eye if they wish to speak.

**Carla Lockhart (Upper Bann) (DUP):** I beg to move, That this House has considered energy support for farms.

As a matter of openness and transparency, I declare an interest: I come from a small, family-run farm. Thank you for chairing the debate, Mr Robertson; it is a pleasure to serve under your chairmanship. I thank the Minister for being here and for his prior engagement on the topic. I thank hon. Members from across the House for giving their time to attend this debate on this important issue.

In the constituency that I represent, the agriculture sector is vital to our economic wellbeing. In the wise words of my grandfather, if the farmer is not doing well, no other industry is or will; such is the importance of our agrifood industry. Across the wider Armagh, Banbridge and Craigavon area, we have 3,431 farms. They contribute approximately £376 million in goods value and farm support payments into the local economy. They provide employment in the agriculture sector and in the 265 local agrifood sector businesses that the industry supports. In Northern Ireland, we have 26,000 farming families. The agrifood sector is worth more than £5 billion to the economy, and we feed more than 10 million people with our top-quality produce.

As has been the case for all households and businesses, energy costs on these farms have spiralled since the outbreak of the war in Ukraine. Many farms are unavoidably energy intensive. Take dairy, for instance. Farmers who needed to renew their energy contract last autumn experienced increases of more than 400%. With an electricity price of 37p per kWh, the annual cost to an average-size dairy farm is now approximately £105 per cow. For a 250 cow herd, that adds up to £46,000 a year, which is up by £26,000.

**Wendy Chamberlain (North East Fife) (LD):** I congratulate the hon. Lady on securing this important debate. I absolutely agree with her and want to give my own example. I represent a local seed potato farmer whose costs have increased from £10,000 to £30,000. He has a generator and thinks he may have to come off the grid entirely. He faces an increase not only in energy costs, but in standing charges. Does the hon. Lady agree that farmers face a cliff edge at the end of this month and are disappointed that the Government did not do more to support them through the Budget?

**Carla Lockhart:** I think the hon. Member has been reading my speech. A cliff edge certainly is coming for this important industry, which is the backbone of our economy.

Another example is poultry. There has been an increase of approximately £87 a day, which equates to about £32,000 a year. That is a phenomenal amount, and only so much of that can be passed on.



Ahead of the Chancellor's spring statement last week, our farming unions, alongside Members from across the House, had been lobbying to bring about a change in mindset from the Government in relation to support for farmers with energy costs. The Government must recognise the key role of the agriculture sector in feeding the nation. The industry needs support in the face of energy price pressures.

The current support from the energy bill relief scheme is due to expire at the end of March. It will be replaced by the energy bills discount scheme, which will run for 12 months. That scheme offers far less protection and support to businesses, with the removal of the price cap and its being replaced by a token discount. A pre-defined selection of industries has been identified for additional support under the energy and trade-intensive industries scheme. However, farming sectors have been left off this scheme, leaving them literally out in the cold without support. In the face of that cliff edge, the ask of the Government was straightforward. Our farming unions, on behalf of their members, sought the extension of the energy and trade-intensive industry scheme to include energy-intensive sectors, such as horticulture, poultry and pig production. That was a reasonable ask that the Government should have listened to.

Poultry businesses are reliant on gas and electricity to rear poultry and store fresh produce safely. Without sufficient support, there is no doubt that those farmers will struggle to absorb the huge hikes in energy prices that they will face. The same can be said for pig producers.

**Mr Gregory Campbell** (East Londonderry) (DUP): I congratulate my hon. Friend on securing the debate. As I am sure is the case across the UK, small farm holdings in Northern Ireland have shown great adaptability and diversification over recent years, as times and legislation have changed. Does she agree that the campaign and the pressure she is applying to the Government, to which I hope they will respond positively, needs to get them over the hump of the next 12 months, after which we hope things will improve regarding prices and the war in Ukraine, so that a more normalised structure can return?

**Carla Lockhart:** I absolutely agree with my hon. Friend. The point is well made that there needs to be a short-term injection for those farmers, so that they can continue to produce at the same levels. We will see farming families and farms going out of business, which will not help the overall industry or the nation's requirement for food produced locally.

Horticulture's exposure is significantly greater not just for gas for glasshouse heating but for electricity used for lighting, chilling and storage. Without sufficient support, that sector will be under huge strain to remain viable. Yet the evidence-based appeal was ignored by the Chancellor. That reasonable ask of the farming community to extend the ETII scheme was ignored. There was no extension of ETII to support energy-intensive farms. A range of other industries continue to receive support. High-level energy relief continues to several sectors, including food processing and manufacturing, but the primary producer is forgotten. The Government once more ask the farmer to do more with less, and that is simply not possible.

**Wendy Chamberlain:** I thank the hon. Lady for giving way again. Wholesale energy prices are already falling. The Government have not spent the amount of money that they had expected to spend on their energy-relief schemes. Does she agree that the Government have the headroom to go over and above what they announced in the Budget and to date? They could use those additional funds to support our farmers.

**Carla Lockhart:** I absolutely agree with the hon. Lady. There is the headroom and available money. I encourage the Government to do the right thing by the industry and to support those farmers at this time of need. This decision will have consequences; the cliff edge will be too much for some farmers. They will exit the industry and others will reduce output, unable to absorb the cost of maintaining their current output. Consequently, UK food production will fall, processors and manufacturers in the supply chain will be impacted, food inflation may well increase, and consumers ultimately will end up paying more.

No one wins from this decision. I believe it is still in the interests of the Treasury and the Government as whole, the agrifood industry and consumers that this decision is revisited. I ask the Minister to undertake to explore this comprehensive case once more, and to step up with the support these farms need to face the challenge and conditions they find themselves in. I also invite him to visit my constituency in his ministerial capacity to witness at first hand the value that these farms add to our economy and the pressure that they are currently feeling.

We need to back British farming. The Government demand the highest standards of our farmers and must repay their endeavours to produce world-class produce to the best animal welfare, environmental and sustainability standards with sufficient levels of support to enable them to do just that.

2.40 pm

**Jim Shannon** (Strangford) (DUP): It is indeed a pleasure to serve under your chairmanship, Mr Robertson, and an even greater pleasure to support my hon. Friend the Member for Upper Bann (Carla Lockhart). She has outlined very clearly the problems that her constituents in Upper Bann are having, and I want to reflect on those problems as well.

It is also a pleasure to see the Minister in his place. He reminded me at 11 o'clock that this debate was on—I was already going to come, by the way. It is a real pleasure to be here. I think that he has already told me that whatever I ask for, he will respond in a positive fashion. I am not quite sure how that will work out, but perhaps my hon. Friend the Member for Upper Bann could give me a list of things to ask for. I say that in jest, by the way, but I know that the Minister will reply in a very positive fashion and I appreciate that.

My hon. Friend the Member for Upper Bann is truly an advocate, in every sense of the word, for her constituents. She is also—I say this respectfully—a credit to her constituency and to us as her colleagues. We are very pleased to have her here alongside us today and we are equally pleased to support her.

I declare an interest as a landowner and a farmer, and a member of the Ulster Farmers' Union. As my hon. Friend and I both hail from rural constituencies, we are often of one mind and one voice. Everyone else present

[Jim Shannon]

is also of that one voice because the issue raised by my hon. Friend affects many constituencies across this whole United Kingdom of Great Britain and Northern Ireland.

It is hard to know what more can be added to the comprehensive case that my hon. Friend has made today, but I will certainly do my best to contribute to this debate in a positive fashion. Farmers and farm businesses are heading towards crisis, which will not be a matter of a few “Closed” signs and a closed door; instead, it is a matter of food security, which is of the utmost importance to this House.

I chair the all-party parliamentary group on eggs, pigs and poultry. There is no better APPG to chair, by the way; I love telling people about it. Everybody says, “Well, you’ll have a good breakfast every morning”, and I probably do. I always have two eggs every morning; I do not always have bacon or sausages, but I always have my eggs.

In my constituency of Strangford, the eggs, pigs and poultry sectors have intensive businesses with high energy usage. They have been encouraged to produce more food over the years, and to invest to do so. They have done that. The old saying, “You need to speculate to accumulate”, only really works if someone can speculate in a way whereby they know they will get a return. The problem is that with energy costs being so high, that speculation is now looking rather doubtful for many farmers, which is why we worry.

In my constituency of Strangford, we have the world-famous Comber spud. There is no spud like it; there are no potatoes like it in the whole world. By the way, Europe recognised that and I have to say that I had a small role to play in getting the Comber spud recognised by Europe. My colleague at that time was Simon Hamilton. He and I pursued that objective and the Comber potato is now highly recognised and valued, not only right across the whole of the United Kingdom of Great Britain and Northern Ireland, but as far away as Europe.

The very famous Comber potato is produced by farmers in my area. They are immensely proud of that product, as they rightly should be. In my constituency of Strangford, we are blessed with precisely the right climate to be able to produce three crops of potatoes per year instead of the standard two. As I say, that is due to the climate, but it is also down to the soil. I would say, without fear of being contradicted, that there is no better soil in Northern Ireland to do that. And what a joy it is to represent that constituency, which has, as I say, the best soil there is.

The difficulty for the businesses in my constituency is that the cost of production has risen but the cost to the agrifood industry of converting potatoes into mash pots—which is where nearly all potatoes seem to go now—or whatever form they take, means that they cannot provide as much food as they potentially could. That is due to the rising energy costs.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): I am grateful to the hon. Gentleman for giving way and I remind the House of my entry in the Register of Members’ Financial Interests. He touches on the most important part of the debate. The issue is not just that

farmers face increased energy costs, but that that is part of the overall package. They have labour shortages and are under the cosh in just about every way imaginable. Consequently, if they are not able to meet the demand, other food sources will come through trade deals, and once they fill that gap in the market, we will never get them out.

**Jim Shannon:** The right hon. Gentleman is absolutely right. I will refer to that shortly and give an example. There are many issues with workforce and the supply of products as well. We have had problems over the last year, before and after Christmas, and I wish to refer to them as well.

Over the years, Government have encouraged farms to diversify and modernise, providing grants for new equipment and technology. However, Government have not taken into account the fact that costs have quadrupled in the space of a year for many farmers, and grants and subsidies certainly do not meet those rising costs. When I speak to farmers in my constituency about the possibilities for renewable energy—there are quite a few who are trying to do it—I learn that, unfortunately, they have heard too many stories of fields being used for solar energy with only £100 being saved on the electricity bill. They would be better off renting out their field for a birthday party bouncy castle, which would bring in more revenue than £100. The numbers do not seem to add up for many and that is why we must now step in and sow solutions into the problem. Hopefully, the Minister will give us some ideas about what can be done to assist and help.

The lifeblood of this nation lies in self-sustainability. The right hon. Member for Orkney and Shetland (Mr Carmichael) referred to that. The UK does not produce enough fruit and vegetables for its population to get the recommended five portions a day. Even without taking waste into account, the United Kingdom would need to produce or import 9% more fruit and veg for everyone to be able to eat the recommended amount. That is not possible while farmers do not have the ability to produce and process in profit.

The recent debacle with the fruit and vegetable shortage highlighted a pertinent point: the UK depends on Morocco and Spain for vegetables during the winter. It does not have the workforce to sustain and gather all the fruit and veg in the summer. There are opportunities to do that better and to work ahead. Because of heavy rains and floods, suppliers have been hit by the problem of ferry cancellations, which has, in turn, affected lorry transport. At one stage, the Secretary of State for Environment, Food and Rural Affairs had to reply in the House as to why food was so scarce. To be fair, it was not the Secretary of State’s fault, but ultimately the need to find a solution fell at her feet.

Supermarkets have also had shortages of broccoli and citrus fruits and we were left with rationing. I am not an avocado man, but my wife mentioned that they were in short supply as well. We never eat them, by the way, so I do not know why she told me that. I could not figure it out because it did not really make that much difference. However, farmers know they could fill the breach with other seasonable vegetables if they had the capacity to do so in a profit-making venture. If it comes to speculating, to accumulate we need to encourage the farmers to do just that.

Generations of farmers are prepared to carry on with the family farm and the back-breaking, morale-destroying and socially isolating nature of their work. We may not give farmers enough credit for all they do. They work away. I have always lived in the countryside, so I am aware of that from friends I went to school with and others I know quite well. Also, I live on a farm and my neighbours are all intensive farmers. But they cannot do this without support and the recent payment does not even make a dent in what is needed.

I back my hon. Friend the Member for Upper Bann in her calls for meaningful support. This is not only a matter of saving a job; this is about saving the nation's ability to survive alone, and that is worth any investment in my eyes and hopefully in those of the Minister.

2.49 pm

**Patricia Gibson** (North Ayrshire and Arran) (SNP): I too congratulate and thank the hon. Member for Upper Bann (Carla Lockhart) for securing this debate, in which I am pleased to be participating. It is important that the challenges facing our farming sector are properly aired, and it is a little disappointing that the debate has not attracted more interest from across the House.

Farming that uses more energy—for example, the horticultural and poultry sectors—is not included in the UK Government's definition of energy and trade intensive industries. There will therefore be a reduction in the energy cost support for farms, which has caused understandable and great disquiet.

The omission of horticulture is particularly frustrating. The question posed by the National Farmers Union, to which we would all like an answer, is: why are botanical gardens included in the scheme, but not food grown in greenhouses? That is not to take anything away from botanical gardens, but it seems quite out of kilter and bewildering. European farmers have been supported with a €500 million package to help with production costs, but farmers in Scotland and across the UK feel that the support they have been asking for has not been forthcoming.

As the Minister is aware, it was very much hoped that the Chancellor, in his Budget last week, would extend the definition of energy and trade intensive industries. It is extremely frustrating that that did not happen. As production costs soar, many farmers and food producers face a cliff edge of support. "Cliff edge" is an expression that every speaker in the debate has used. Many producers simply do not know how they will be able to keep going. Where in the Government's priorities does domestic food production come? Unless the definition is extended, there may well be a reduction in production, which will risk longer-running food price inflation for consumers and could negatively impact the thousands of supply chain companies sustained by the farming sector.

Recent weeks have demonstrated how important domestic food production is, but it is energy intensive. We only have to think back to the recent tomato shortage as a prime example of what can go wrong if the farming sector is not supported. The vast majority of UK tomatoes are grown in greenhouses, which is clearly energy intensive. That, alongside the soaring cost of fertiliser, has given farmers cause to review what food they can actually afford to grow. Indeed, many have opted not to grow vegetables this winter, since there is a

genuine lack of confidence that they would be able to cover the costs associated with energy-intensive crops. Cucumbers, which are also energy intensive, are expected to be another casualty. More generally, a shortage of domestic produce right across the board is now expected next year. Farmers cannot be expected to grow produce when they cannot even cover their costs. The reality is that it is simply not viable to grow under glass unless farming is recognised to be an energy-intensive business.

The only way to ensure that we have fresh domestic produce on our shelves is for the UK Government to understand what everyone else understands: that food production is energy intensive. It is bewildering that that argument has to be made. If that is not recognised, a shortage of fresh domestic produce on supermarkets shelves will become a familiar sight. The disruption of international supply chains means that we cannot even have imported fresh produce, as we saw recently with tomatoes. It will not be because of rain in Spain or Moroccan weather changes, as we were told recently when tomatoes became like hens' teeth; it will be because of inaction from this Government.

There can be no doubt that Brexit has posed huge challenges for domestic food production. Farmers were promised a Brexit bonanza, but the reality is that they have been left paying the price for the damage caused by the Brexit adventure. Some people may think, "Well she would say that, wouldn't she?" but the chair of Save British Food has also observed:

"I keep hearing that Spain is being blamed for the food shortages in Britain and this is absolute nonsense. The reason we have food shortages in Britain—and they don't have food shortages in Spain or anywhere else in the EU—is because of Brexit and because of this disastrous Conservative government that have no interest in food production or farming or even food supply. That's why we are in this mess. The Conservatives with their Brexit have messed up our trade and made that very difficult. This has also impacted the labour supply as it ended freedom of movement. It has also removed the cap and food subsidies, then add on top of that the Ukraine war and Covid and all of the inflation. All of this was predicted and predictable."

Those are not my words; they are the words of the chair of Save British Food, who I suspect knows a thing or two about British food. She is now part of a growing chorus of people who have concluded that the only way to fix the problem is to

"get back into the single market and customs union".

The woes are not hard to find; they are piling up for farmers at an alarming rate. The Public Accounts Committee criticised the Department for Environment, Food and Rural Affairs for its "blind optimism" over the implementation of the UK Government's alternative to the EU's common agricultural policy funds, with a lack of detail as to how alternative funding will provide the help needed.

**Mr Laurence Robertson (in the Chair):** Order. I gently remind the hon. Member that the debate is on energy support for farms. It is quite a narrow title.

**Patricia Gibson:** Mr Robertson, you intervened at the right moment. I was setting out the general context for farmers. I have talked about energy support, but I am putting it in the context of the bigger challenges our farming sector faces. I take your point about the title of the debate.



[Patricia Gibson]

We can barely imagine the sense of betrayal and abandonment that farmers feel when they look at their EU counterparts, who have a £500 million support package to help with production costs. That is a lump sum to farmers and agrifood businesses affected by the significant increase in input costs, such as energy, fertiliser and animal feed. All that UK farmers are asking for is similar support. Energy costs are the obstacle that is going to hit domestic food production across the UK—there is no debate about that. On top of energy costs, farmers have to deal with chronic labour shortages, with £22 million of fruit having rotted in the fields because of the labour shortage caused by the end of freedom of movement.

The Scottish Government are doing what they can with their limited powers to support farmers. The Minister does not need me to tell him that energy support is reserved to the UK Government. It is to the UK Government that our farmers are looking and hoping; they are asking and lobbying them to take note of the devastating impact that we will see on the farming sector and domestic food production if farming is not rightly recognised as an energy-intensive business—that should be no surprise to anybody.

When we get down to it, this debate is really about whether domestic food production matters. If it does not matter, then the Government can tell us about that position. I believe, as do many others, that it does matter, and that it requires the support that has been called for today. I hope the Minister will listen, and then go back to his colleagues to make the strong, robust case to include horticulture and poultry in the energy and trade intensive industries scheme. Otherwise, the damage to our farming sector and to domestic food production will be nothing short of catastrophic.

2.59 pm

**Dr Alan Whitehead** (Southampton, Test) (Lab): I congratulate the hon. Member for Upper Bann (Carla Lockhart) on securing the debate. It is on an important and usually forgotten part of our current energy debates. We talk generally about domestic customers and industry and commerce and what they get in the various energy bill support schemes and discount schemes and so on, but we very rarely talk about farming or agriculture.

We tend to think that there is not much energy going into these rural buildings. We completely overlook just how much energy is used by farms, particularly in intensive industries such as poultry farming and horticulture where an enormous amount of energy is used in many parts of the process. It is rather hidden behind the seemingly low-cost, low-energy appearance of the rural environment.

It is important to concentrate on the farming sector's problems with energy costs and what they mean for the ability of such businesses to sustain themselves. We must also think about what that means for the on-costs for everybody else, such as effects on the cost of food production. Many farms are pushed between the prices they are going to get for their end products from further up the chain and their own costs coming in. We must consider how they are going to make a living between those two points.

The hon. Member for Upper Bann gave examples of just how much energy costs have gone up for relatively small farms in her area. Those costs are, of course, replicated across the United Kingdom. She made a strong case for the question of energy support for farms to be looked at with a far wider lens that encompasses not just the small contributions that have been made to farms through the energy bill support scheme and others—though I know Northern Ireland has a slightly different scheme from the rest of the UK, where the payments are lumped together. There has been a considerable debate in Northern Ireland about the extent to which farms that are both domestic properties and farms get the full amount of payment through the scheme. Indeed, I have discussed with Ministers in Delegated Legislation Committee proceedings the rather complicated nature of that process.

The hon. Member for Upper Bann put forward the case that, notwithstanding Northern Ireland's scheme, farms ought to be treated as part of an energy-intensive industry. I am sure hon. Members will be interested to know what actually is classed as an energy-intensive industry. The starting point for being treated as an energy-intensive sector is to fall in the 80th percentile for energy intensity—meaning it must fall in the top 20% for energy intensity across the UK—and the 60th percentile for trade intensity. So there is a formula as to what gets on the list of energy-intensive industries and can then receive additional support from the EBRs and be substantially exempted from environmental levies on the whole industry. The exemption has been 85% for quite a while, and there are discussions about whether it should be increased to 100% in the not-too-distant future. Categorisation as an energy-intensive industry is important, in a number of ways, to getting support with energy.

It is curious that poultry processing, for example, is on the list of energy-intensive sectors, but poultry production is not, and that things relating to ornamental plants are on the list, but horticulture is not. I suspect that may be because of the NACE—nomenclature of economic activities—classes, which define sectors. It may be that what look to us like sectors—poultry and horticulture, for example—are lost in the wider definition of a class such as agriculture and farming.

The Government should review fairly urgently how sectors are defined for energy intensity purposes. Seventy-one sectors come under the definition of energy-intensive industries. Is farming simply losing out because, as the sector is defined, its relatively lower-carbon elements dilute the elements with greater energy intensity? Such a review is well overdue. If the sectors were drawn a bit more closely, I think farming—or at least substantial elements of it, in the way that the hon. Member for Upper Bann described—would come under the definition.

Curiously, coalmining is defined as an energy-intensive industry and therefore 85% exempt from environmental levies, when we might think that that activity has something to do with the raising of those levies in the first place. There may be a wider case for redefining what counts as an energy-intensive industry.

This is a very important issue, and the Government could do something about it, not simply by providing a larger cash amount to farms, but by defining much more clearly what it is to run a farm and how energy use

affects such definitions. The Government can look again at those definitions, and I hope that the Minister will commit to doing just that.

3.9 pm

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** It is an absolute pleasure to serve under your chairmanship, Mr Robertson. I thank all hon. Members for joining us in Westminster Hall for this debate. All of us—especially those of us who represent rural constituencies—are aware of the challenges that farmers are facing at the minute. I wish to express my gratitude to the hon. Member for Upper Bann (Carla Lockhart) for bringing forward this debate and for her dedicated campaign to back British farming.

The Government have implemented several comprehensive support schemes across the UK to assist farmers in coping with energy costs. In particular, I wish to address the support being provided in Northern Ireland, given the vital contribution of farming and agriculture to the economy there.

I understand how fundamental agriculture and the wider agrifood industry is to Northern Ireland, employing more than 50,000 people across 26,000 farms. Northern Ireland is renowned at home for the quality of its produce. Farms are at the heart of the agrifood industry, which contributes £4.5 billion in turnover every year, helping to deliver a stronger, more secure economy in Northern Ireland. Before I go any further, let me say that I would be delighted to take the hon. Lady up on her invitation to visit Upper Bann and see farms operating in her constituency.

Given the industry's importance, it is right that the Government's energy schemes have offered much-needed support to farmers over the winter in the face of high and rising energy costs. On 1 October, we introduced the energy bill relief scheme, which will continue to run until the end of this month. It provides a discount on the wholesale component of gas and electricity bills and has provided protection to farmers from excessively high energy costs over the winter period. Support offered by this package is worth £7.3 billion and it is available across the entire United Kingdom.

Although energy prices are coming down, and it is right that we balance continued support with energy costs with our duty to the taxpayer, we also recognise that prices remain far above historical levels. For that reason, although the energy bill relief scheme is coming to an end, we have pledged to provide further support to non-domestic customers, including our farming industry, from April onwards through the energy bills discount scheme. The EBDS will continue to provide support to eligible non-domestic customers with their energy bills from April this year until the end of March 2024.

It is true that the EBDS baseline support is significantly reduced compared with that of the current energy bill relief scheme. That is to reflect the welcome reduction in wholesale energy prices. The Government make no apology for ensuring that the taxpayer is protected; we need to focus our support where it is most needed. Under the support package, energy and trade-intensive industries will receive a higher level of support than the baseline element. That is essential if those industries are to maintain their competitive edge against their international counterparts as they are less able to pass on increased costs to their consumers.

Before I move on, I wish to address the specific points that were raised. It is a great pleasure to see the hon. Member for Strangford (Jim Shannon) back in the Chamber for the second time today. I am delighted to address his points, although I take issue with his assertion that the Comber spud is the greatest potato in the world. I think a tattie howked from the Howe o' the Mearns is the far superior potato when it comes to international comparisons. None the less, I do take on board all of what he said. I know that, as a diligent Member of Parliament for an incredibly rural constituency, like me, he speaks from his heart when he talks about representing his farming constituents. I associate myself entirely with his comments on the socially isolated nature of farming in the 21st century. We must do all that we can to support farmers in the incredibly important work that they do to support this country and, indeed, to export great British produce around the world.

The shadow Minister, the hon. Member for Southampton, Test (Dr Whitehead), raised eminently sensible and pertinent points. I commit to looking at the definition of an energy-intensive industry, and specifically at his point about how the less carbon-intensive elements of farming may reduce the overall burden of carbon intensity.

Let me turn to the hon. Member for North Ayrshire and Arran (Patricia Gibson), the spokesperson for the Scottish National party. I will not take any lectures from the SNP on supporting Scottish farmers. It is not the Conservative Government, but the SNP Government who have been accused by the National Farmers Union Scotland of leaving farmers to operate in an information void, given the lack of progress on the Scottish post-Brexit farming Bill.

If the hon. Lady really is as passionate as she says she is about supporting domestic food production in Scotland, perhaps she will make the case within the SNP Government that they should get on board and extend the Genetic Technology (Precision Breeding) Bill to Scotland, just as the NFUS has asked them to. That could be a great fillip and a great boost for Scottish farming, given that so much of the technology in that field is being developed in Scotland. Other than that, the hon. Lady did make some important points regarding supporting Scottish farmers, which, of course, I take on board.

I thank the hon. Member for Upper Bann for raising the issue of farms not being eligible for the additional targeted support of the energy and trade-intensive industries scheme. I am aware that the National Farmers Union and the Ulster Farmers Union have raised similar concerns. I want to stress that the energy and trade-intensive industries eligible sectors list is targeted and comprehensive. It was developed to support sectors in the top 20th percentile for energy intensity and the top 40th percentile for trade intensity in the UK, notwithstanding what I said in reply to the hon. Member for Southampton, Test about the carbon intensity of some elements of farming.

Sadly, the farming sector does not meet the ETII eligibility criteria at the minute and is therefore not eligible to receive the targeted support. Although I recognise that the hon. Member for Upper Bann would wish us to go further, I hope she will understand that we have sought to be fair in applying the criteria rigorously and objectively. We do not have plans to extend the scope of eligible sectors to include farms, as confirmed

[Andrew Bowie]

by the Chancellor at the Budget. However, the non-domestic alternative fuel payment offers one-time support of £150 to approximately 76,000 customers in Northern Ireland and 315,000 non-domestic customers without access to mains gas, including some farms, throughout Great Britain. High users of heating oil can apply for a top-up payment based on their usage over the past year.

It is essential that we look at energy bills support for farms and farmers in the round. Although farms will benefit from the EBDS at its base support level, rather than at the enhanced level for energy and trade-intensive industries, they will also benefit from funding available to domestic customers. That includes the energy price guarantee, the alternative fuel payment and the energy bills support scheme. The energy price guarantee reduces electricity and gas costs for domestic customers, aiming to lower annual bills, combat fuel poverty and maintain supplier market stability. The scheme covers approximately 29 million households.

In Northern Ireland, all households are receiving a combined payment of £400 from the energy bills support scheme and a £200 alternative fuel payment, regardless of whether they use alternative fuels or mains gas to heat their homes. That payment has been provided by electricity suppliers to all households with a domestic meter and a contract. That will include farmhouses with a domestic meter. Farms in Northern Ireland with a combined meter are covered by the alternative funding, to which I will turn shortly. Suppliers began making payments on 16 January and have confirmed that all first attempts to reach all customers have been made. Efforts are now ongoing to reach those who encountered challenges in the first pass, such as vouchers addressed to the wrong individual or failed bank transfers. Those who have not yet received their vouchers or a payment into their bank account should immediately contact their electricity supplier.

In Great Britain, the energy bills support scheme is being delivered as a discount on energy bills and provided by suppliers in monthly instalments from October 2022 to March 2023. As we are now approaching the end of the scheme's final month, I urge all hon. Members to join the Government in highlighting to their constituents who use traditional prepayment meters the importance of acting now to redeem their energy bills support scheme vouchers.

**Jim Shannon:** Over the weekend, it was indicated in a newspaper that 20,000 households in Northern Ireland have not received their benefit. Is there any way that the Minister can ascertain who those 20,000 households are? Are some of them farmers? We suspect that they are. There was certainly an issue early on, with some farmhouses not receiving the benefit. Would the Minister be so generous as to find out the answer to that question?

**Andrew Bowie:** Across the entire United Kingdom, 1.9 million vouchers remain unused, which is why I ask all hon. Members to encourage people who have not received their vouchers, or who are not receiving the discount that they should be, to contact their electricity supplier, either directly or through their Member of Parliament. I will find out the fuller answer to the hon. Gentleman's specific question on where those people are.

For those without a domestic energy supply, who were not eligible for automatic support, we have introduced the energy bills support scheme alternative funding in Great Britain and its Northern Ireland counterpart, the energy bills support scheme alternative funding for Northern Ireland. They offer one-off, non-repayable payments of £400 and £600 respectively. In Northern Ireland, applications are processed by our contracted delivery partner, with Government support. The £600 payment in Northern Ireland comprises £400 for energy bills, as in Great Britain, and £200 for alternative fuels, mirroring the payments under the main energy bills support scheme in Northern Ireland.

The Government are committed to providing assistance to farmers, households and businesses affected by high energy costs. The comprehensive schemes that I have outlined have been designed to offer support when it is most needed and alleviate the burden on our citizens and businesses during these challenging times.

I congratulate the hon. Member for Upper Bann on securing this debate on a subject of great importance to many farms, businesses and households. I commit to taking away all that she and others have raised about the high intensity of those businesses. I would be delighted not just to visit her constituency but to work further with her if my Department can provide further assistance to ensure that support reaches all those who need it as swiftly as possible.

3.20 pm

**Carla Lockhart:** I thank everyone who participated in the debate. Farming is clearly the backbone of our economy, and it was important to highlight this issue. I thank my hon. Friend the Member for Strangford (Jim Shannon) for raising food security. His constituency always gets a mention. No one is in any doubt about the importance of Comber spuds.

I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for highlighting not just the energy issue, but labour shortages and the effect of the increase in production on feed and so on. That was an important point.

I thank the hon. Member for North Ayrshire and Arran (Patricia Gibson) for highlighting the lack of support and raising the need to prioritise domestic food production. She digressed slightly with some of her views on Brexit, but her overall point about energy and the need for more support for our farming families was well made.

I thank the shadow Minister, the hon. Member for Southampton, Test (Dr Whitehead), for his contribution. He made the important point that the Government need to look at the definition, and the Minister said he would do just that. The shadow Minister asked whether the definition is being diluted; we need to look at that important point.

I thank the Minister for his comments in this important debate. He highlighted that lots of support has been given out, but it really is a drop in the open. He will understand why I say that I do not believe it goes far enough. I encourage him to look again at the definition and include farming in the intensive industries list. It is intensive, and it needs more support or farming families will be diminished across the United Kingdom. We do not want to see that; we want more food to be produced



in this United Kingdom. We want to serve our communities and produce high-class, quality produce for all to feed on.

*Question put and agreed to.*

*Resolved,*

That this House has considered energy support for farms.

3.23 pm

*Sitting suspended.*

## Altitude Sickness: Travel Advice

4 pm

**Mr Laurence Robertson (in the Chair):** I will call Rob Roberts to move the motion in a moment and then the Minister to respond. As is the convention for 30-minute debates, there will be no opportunity for the Member to make a winding-up speech.

**Rob Roberts (Delyn) (Ind):** I beg to move,

That this House has considered the matter of travel advice on altitude sickness.

It is a pleasure to serve under your chairmanship once again, Mr Robertson. Altitude sickness is something of a blanket term covering a variety of ailments that range from acute mountain sickness to high-altitude pulmonary oedema and high-altitude cerebral oedema. These conditions can be life-threatening, as many people find out each year and, sadly, as my own family recently discovered. I apologise and beg the indulgence of the Chair as some of the comments I will make may be distressing to hear, but it is important to convey the seriousness of the situation.

Altitude sickness is brought on by ascending to a high altitude too quickly or remaining at extreme altitudes for too long. To start with, the common and normal reaction to being at high altitude resembles that of a hangover—something I am sure we have all experienced at least once. It is not pleasant, with a headache being the most reported and common symptom. A few days on, if the headache is still occurring, someone with altitude sickness has what are referred to as category 1 symptoms, which include being out of breath when active, having difficulty sleeping and having a higher than normal heart rate. It is worth mentioning that if people are travelling to places of high altitude and do not know their normal heart rates, both at rest and during activity, they should definitely seek out advice in advance and find them out so that they can judge whether they rise.

The headache and other category 1 symptoms would be annoying or a minor irritation. They may affect the first couple of days of that person's well-earned holiday but will normally be overlooked as just an annoyance. Those early warning signs, which would normally just mean "Drink more water" and "Take it easy on a Sunday morning", should be treated very differently if experienced in unfamiliar conditions, especially at high altitude.

We then have what are deemed category 2 symptoms, which occur predominately when no action is taken to relieve the category 1 symptoms. They indicate that something much more significant may be happening and that individuals should seek immediate medical advice. The symptoms may include loss of appetite or nausea, weakness, dizziness or light-headedness, and ongoing fatigue. Category 3 symptoms are the most severe of all and are deemed immediately life-threatening when the aforementioned ailments start to occur.

High-altitude pulmonary oedema is just a fancy way of saying that someone has fluid on their lungs. It is often identified by symptoms such as persistently coughing or bringing up a white frothy liquid that may be tinged with blood. A person with high-altitude pulmonary oedema is deemed to be drowning from the inside, with

[Rob Roberts]

their chest congesting, and they make abnormal sounds. They will likely experience extreme confusion, slurred speech and a cold, clammy skin. They should not lie down as that can make the situation worse, as I will discuss later.

High-altitude cerebral oedema is a fancy way of saying that someone has fluid and swelling on the brain. Cerebral oedema can be immediately recognised in someone being extremely confused, having blurred vision, being sensitive to light, having the inability to co-ordinate, walk or talk, and if their skin is turning grey.

Altitude sickness typically occurs only above 2,500 metres, or 8,000 feet, although some people are affected at lower altitudes. Risk factors include a prior episode of altitude sickness, a high degree of activity or a rapid increase in elevation. Acute mountain sickness, cerebral oedema and pulmonary oedema are all diagnosed based on clinical findings, and their severity is determined subjectively by the intensity of the symptoms that the individual reports.

Altitude sickness occurs in around 20% of people after rapidly going to 2,500 metres, and in 40% of people going to 3,000 metres. Although AMS and cerebral oedema occur equally frequently in both males and females, pulmonary oedema seems to occur more often in males. Being physically fit does not decrease the risk.

Ascending slowly is the best way to avoid altitude sickness. Avoiding strenuous activity such as skiing or hiking in the first 24 hours at high altitude may reduce symptoms. Alcohol and sleeping pills are respiratory depressants—they slow down the acclimatisation process—so should be avoided. Alcohol also tends to cause dehydration and exacerbate AMS, so the avoidance of alcohol consumption in the first 24 to 48 hours at a higher altitude is optimal.

Travel to high-altitude regions and mountainous areas has become increasingly popular for tourism, recreation, adventure activities and sometimes rescue missions. One study in America in 2018 estimated that 30 million people each year travel to mountainous regions of the western United States. That is just one part of one country.

Let me touch on pulmonary oedema in more detail. As I mentioned, my family and I have come to experience this condition at first hand. My sister-in-law, Lorraine Roberts, recently died from pulmonary oedema while on her dream holiday with her partner, visiting Machu Picchu in Peru. It had been on her bucket list for years. She followed the guidance of gradual ascent. She had rest days and did everything that she thought was right, but she was not feeling great. It was nothing too serious: she just felt generally under the weather and a bit sick, with almost hangover-type symptoms. It was nothing that would normally stop anybody who was on their holiday of a lifetime.

On the evening of 31 August, seven days before just her 52nd birthday, Lorraine went to bed at the end of an amazing day, and never woke up. Her symptoms were a sign of altitude sickness which, left untreated, turned into pulmonary oedema as she slept. It was nobody's fault. The devastating news that took away Gill and Pete's daughter, Dawn and Gareth's sister, and Hannah and Joe's mum, was a complete accident.

A similar fate befell legendary Wales rugby No. 8, and then journalist and commentator, Eddie Butler. He died in his sleep at altitude in Peru on 15 September last year, as he was taking part in one of his many fundraising efforts for the cancer charity Prostate Cymru. He was 65 years old. The condolences of the House go out to his wife and children for their loss.

Despite years of careful research, the exact causes of high-altitude pulmonary oedema remain relatively poorly understood. As I mentioned, fluid has been shown to fill up in the air pockets in the lungs, preventing oxygen from getting into the blood and causing the vicious circle of events that can kill people. As with many biological processes, many factors play a role in the disease. There is good evidence to support several theories about how the fluid gets there, but that is not the purpose of today's debate or my remarks.

Let me move on to my call to action. On the gov.uk website, each country has travel advice, which is published and provided by the Foreign, Commonwealth and Development Office. There is a section on health for them all. On the Peru page, a number of things are listed. Regarding altitude sickness, it simply says:

"Altitude sickness is a risk in parts of Peru (including Cusco, Puno, the Colca Canyon and Kuelap)."

Then there is a link to another website for more information. It is the 11th link on the Peru health section.

It is my belief that that one line, with a link to another site, simply does not give sufficient prominence to the dangers of altitude sickness, which can prove fatal if left untreated. Plenty of studies show that the number of people who click on links on websites is nowhere even close to 100%, especially when the link in question is the 11th on a particular page. It is highly likely that the reader will have lost patience, given up clicking links or been taken off in some other direction well before that point.

I do not ask a lot of the Government—perhaps for a little more consideration with levelling-up fund bids, or a new train station in my constituency—but this request has to be one of the simplest of all for the Minister to grant. Will he please look at all the countries for which travel advice exists and make the wording much stronger for all those where there is the potential for altitude sickness, thereby giving people a much greater warning about the dangers of this condition without their having to click on a link? Tell them, in the body of the FCDO travel advice, that altitude sickness can prove fatal if untreated. Put it in capital letters.

I am not asking for a massive awareness campaign or a big marketing budget; it is of zero cost to the Government just to add a couple of lines of strongly worded text to a website. That is the only thing that I am asking for. If one person takes that advice and is saved from suffering the same wholly avoidable fate, Lorraine's legacy will be secured.

4.10 pm

**The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (David Rutley):** It is a pleasure to serve with you in the Chair, Mr Robertson.

I congratulate my hon. Friend the Member for Delyn (Rob Roberts) on securing this debate on altitude sickness travel advice. His constituency is beautiful: I see the Clwydian hills from Macclesfield on the other side of

the Cheshire plain and have spent great times there. It is stunning and helps to remind us of the beauty of mountains, and how they attract us to their presence and make us want to spend time in them. However, he is also right to highlight concerns about altitude sickness. I hope he will recognise the sincere condolences that I extend to him and his family for the sad and tragic death of his sister-in-law Lorraine, which he spoke about so powerfully today. I am sure his family will be proud of what he has said and the request that he has made of the Government.

I also extend my condolences to other families who have been bereaved through altitude sickness, including the family of Eddie Butler, who was well known in Wales and will be sorely missed, not least, of course, by his family. Having spent time in some mountains at high altitude, I know that this is a really serious issue.

Supporting British nationals overseas remains the Foreign, Commonwealth and Development Office's central public service. Since 1990, that service has included our travel advice on 226 countries and territories globally. Millions of people access the advice every year. We regularly review and improve our travel advice to ensure that it helps British people who are living or travelling abroad to take responsibility for their safety. The content reflects our latest assessment of risks to British people—"risks" being the important word there.

FCDO travel advice aims to help UK nationals to make better-informed decisions about international travel and to avoid trouble. The safety of British nationals is our overriding concern and our travel advice is based on an objective assessment of the risks. Multiple sources of information feed into that travel advice, including information from British embassies and high commissions around the world, from foreign Governments, from our expert staff in London and, where relevant, from the intelligence services as well.

All travel advice includes information on entry requirements such as passports and visas, and we also provide relevant information and advice on risks. The risks include safety and security matters, such as protests and demonstrations, or natural disasters, such as in areas susceptible to tropical cyclones, earthquakes and flooding. In compiling our travel advice, we work closely with our closest international partners in Australia, Canada, New Zealand and the United States.

The FCDO has a long-standing approach to travel advice about health risks that has been tried and tested in recent outbreaks of diseases such as Ebola, Zika and, of course, covid-19. We provide health information that is up to date and that draws on specialist medical expertise, including advice from the FCDO's chief medical officer, and it includes directing British people towards reliable sources of expert information and advice.

All our travel advice pages provide links to expert health guidance and country-specific information from the National Travel Health Network and Centre, the acronym for which—NaTHNaC—is sometimes difficult to say. The centre is commissioned by the UK Health Security Agency to provide travel health advice to the British public and the health professionals who advise them. That health advice complements our FCDO travel advice for each country.

Individuals can visit NaTHNaC's TravelHealthPro website for information on vaccine recommendations, current health risks and outbreaks, and factsheets about

staying healthy abroad. Rightly, it is for individuals to decide whether to travel. Health risks vary considerably, depending on an individual's personal circumstances. Some people may be at greater health risk in certain locations if they have a pre-existing health condition.

Members will appreciate that the Government cannot, and should not, make decisions about travel for individuals. We encourage British people to check relevant travel information for their destination at least two months before they travel. That gives them the time to make any preparations needed for their trip. Some travellers might want to consult their doctor or pharmacy on advice for preventing illness or managing a health condition overseas.

**Rob Roberts:** I thank the Minister for his thorough answer. I have no doubt that the TravelHealthPro website from the organisation with the complicated acronym is very good—I have read through it in great detail with regard to this issue—but my fundamental point is that the route to get there is more convoluted than necessary. Even if someone needs to follow that route, we need to highlight it.

Rather than the FCDO website just saying that altitude sickness might be an issue, people need to be told why it might be an issue and how dangerous it might be, in order to force them down that route. Obviously, there is a lot of information and it cannot all fit on the FCDO website, but let us make more of a drive for people to click that link, which is way down the page, to force them towards that information and ensure that they do not miss anything.

**David Rutley:** I understand the point my hon. Friend makes and will come to address specific points on that, if he can bear with me. I want to highlight the broader context, because there will be others listening to this debate, but he can be assured that I will get to his specific points.

As I said, it is important to seek advice from doctors or pharmacies. Alongside that, whatever their health preparations, all travellers should ensure that they have adequate health and travel insurance, to ensure that if they have a health emergency while travelling, they receive the right treatment and support.

**Rob Roberts:** Will the Minister give way?

**David Rutley:** I will; it is my hon. Friend's debate after all.

**Rob Roberts:** I am very grateful. Does the Minister agree with me, as someone who used to work in financial advice, on how important it is, when filling out applications for health insurance, to disclose all previous medical conditions? People complain about insurances all the time, but one of the biggest reasons for not being able to claim is not putting down pre-existing conditions and things that might make a claim fall out. That is an aside to the issue at hand, which is the importance of disclosing everything in one's medical history in an insurance form.

**David Rutley:** I completely agree that disclosure is vital to ensure that the cover is valid. To build on what my hon. Friend said, as someone who enjoys outdoor recreation when I travel, it is important for me to check



[David Rutley]

that the activity is covered by the policy. People should make clear pre-existing conditions and also be clear about activities to ensure that they have the proper cover. That particularly relates to altitude, because not every travel insurance policy covers that. I am sure my hon. Friend will agree with that.

We apply the same logic to Government advice on altitude sickness. We know that travelling to high altitudes can have health impacts. In the worst and most extreme cases, such as that of my hon. Friend's sister-in-law Lorraine, altitude sickness may tragically result in an individual's death. For countries where altitude sickness may present a particularly high risk—Nepal, Ecuador or China, for example—we include that information in our travel advice. We may point to specific regions that are higher in altitude, particularly if we know that they are a popular tourist or travel destination. For instance, our travel advice for Nepal mentions the risk of altitude sickness on Annapurna, Langtang and Everest base camp treks. As my hon. Friend pointed out, in our advice on Peru, we flag Cusco, Puno, the Colca canyon and Kuélap. In most cases, we point readers to NaTHNaC's factsheet on altitude sickness. This resource lays out the key facts and symptoms, and gives advice on how travellers can reduce the risk of altitude sickness, and on what they can do if they develop symptoms.

The House will be aware that, ultimately, travel advice is just that: advice. Only travellers can decide whether to travel. It is their responsibility to plan for a safe trip, and to take sensible precautions, including when it comes to their health. The Government's travel advice is intended to be just one source of information that can help British people to make informed decisions about where and how to travel. My hon. Friend has made a powerful argument for more information about altitude sickness in travel advice. I have listened to his concerns, both outside this Chamber and in his powerful speech today. I understand his desire to ensure that British people are better informed of the risks of high-altitude travel. I also recognise and appreciate, as I am sure he will, the desire for an ever-greater number of risks to be clearly outlined in the FCDO travel advice. I assure colleagues that we will always consider these arguments on their merits. However, we must make judgments and consider all risks in proportion. When other organisations have the necessary expertise, it is right to point British nationals in the direction of their detailed advice; in this case, we point them to NaTHNaC.

I remind the House that there is lots of information already available, through links and other sources, on our travel advice pages. I strongly encourage those travelling to click through, and to take the time to absorb all the relevant information available to them. I assure my hon. Friend that I will come the point that he raised; I ask him to bear with me.

We are always looking to improve our consular services, including our travel advice. We welcome any and all feedback, including the feedback that he has provided today, and we use it to improve our services and the information that we provide. Following a surge in demand for clear travel advice during the pandemic, and in line with our commitment to providing accessible, easy-to-use digital services, FCDO reviewed its approach to travel

advice, design and content. Our aim is to improve the presentation and format of our travel advice pages, so that it is easier for the public to find the information that they need when travelling.

I recognise the strength of feeling from my hon. Friend—and others, no doubt—on the issue. We will consider his proposal very carefully. Officials have already updated the Peru travel advice to better highlight the risk of altitude sickness, which my hon. Friend set out today. Previously, the Peru travel advice stated that Peru had areas of high altitude; now we highlight the risk of altitude sickness. That is a step on. I have also asked officials responsible for travel advice to review the advice on other countries where altitude sickness is a risk, to ensure that we are clear about the risk that it presents. We will review opportunities to state more clearly what we are linking to, as that is best practice, and will redouble efforts to proactively encourage people to seek expert advice from NaTHNaC as an essential part of preparing for any trip.

I would be pleased to discuss the matter more fully with my hon. Friend in due course. We are on a journey. He has highlighted a key issue, and I am keen to ensure that we take further steps in making the risks more readily identifiable to people on the FCDO travel advice pages. However, when we highlight a risk, there is a responsibility on the individual to take the extra step of looking to the bodies that can provide detailed advice and information on how to prepare if they are not used to being at altitude.

**Rob Roberts:** I thank the Minister for giving way again, and I appreciate everything he has said. People do not know what they do not know. The words that I am particularly interested in inserting in the FCDO guidance are: “can prove fatal if left untreated.” It is as simple as that. That would be an extra incentive for people to click the link. It would be saying, “I know there are a lot of links on the page, but you should really click this one, because it is important.” It would highlight the gravity of this issue.

**David Rutley:** I have noted my hon. Friend's request. He made it at the beginning of his speech and has reiterated it. I understand the points he has made. As I say, we have taken a step forward today. The key thing is to highlight not just the fact that places are at high altitude, but that there is a risk of altitude sickness. Then we can look at the other points. I am more than willing to meet once we have had a chance to review our travel advice across multiple countries, because this matter affects not just Peru, but other areas in the world. He has highlighted an important point, and I hope he recognises that we will review the matter in more detail.

In conclusion, I reiterate our commitment to providing clear, accessible and up-to-date travel advice that highlights key risks. We keep it under constant review and ensure that it reflects the latest assessment of the risks to British nationals. I welcome my hon. Friend's suggestions for improving our advice on the risks of altitude sickness. I share his interest—both personally and as a Government Minister—in ensuring that our travel advice helps British nationals to make more informed decisions, particularly in high-altitude areas.

*Question put and agreed to.*

## Social Mobility

4.27 pm

**Mr Laurence Robertson (in the Chair):** As the mover of the motion and the Minister are present, we can start slightly earlier. We can run on until the end of the debate's allotted time. I call Sir David Evennett.

**Sir David Evennett (Bexleyheath and Crayford) (Con):** I beg to move,

That this House has considered social mobility.

It is a pleasure to serve under your chairmanship, Mr Robertson, and to be able to raise the important issue of social mobility. I am absolutely delighted to see that the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Mid Sussex (Mims Davies), will respond to the debate.

This matter has interested and concerned me for many years. Having been so fortunate as to be a product of social mobility, as are my family, I am keen to see it advanced. My family originated in the east end of London, in Bow and Poplar. Through education, hard work, opportunity, determination and good fortune, my grandfather, Thomas Evennett, and my father, Norman Evennett, were able to progress during their lives. I too have had many opportunities to work in careers that I have loved so much, including as Member of Parliament for Bexleyheath and Crayford, and before that, for Erith and Crayford.

Social mobility is about every single person having the opportunity to succeed. It is the link between our starting point in life and where we end up. If where we begin strongly determines where we end up, mobility is low, but if everyone has a good chance of achieving any outcome, regardless of their background, mobility is high, and that is what all of us here want. The Conservative Government are determined to ensure that work is a route out of poverty and into a future where individuals can achieve their ambitions, irrespective of their situation or origin.

Social mobility is one of the key reasons why Britain has been so successful in channelling the talents of all sections of our country, to their own benefit and that of the whole nation. Social mobility is good not just from a moral perspective; it has a huge impact economically. By ensuring talent is harvested from across the whole social spectrum, we can boost productivity and our GDP.

The Social Mobility Commission notes:

“the popular narrative of worsening mobility prospects for young people in the UK is not supported when we take a careful look at a range of outcomes across education and employment.”

That is positive news, because although talent in Britain is spread evenly across the country, regrettably, opportunity is not always. Every individual should have a fair chance of reaching their full potential, so we must ensure that everyone has the opportunity to build a good life for themselves, irrespective of their background.

In the latest “State of the Nation” report from June 2022, almost every gap in the intermediate outcomes between young people from higher and lower socioeconomic backgrounds has narrowed in the past decade. However, there are still disparities, but there has been progress across all measures. Intermediate outcomes in education

and work have been trending in a positive direction. Educational attainment gaps between people from higher and lower socioeconomic backgrounds have narrowed, especially at key stages 2 and 4.

The gaps between those from professional and working-class backgrounds for both university participation and degree attainment have also narrowed, although I only have figures from the Sutton Trust, which are rather out of date now. However, there is still a long way to go. On early careers, the gap between people from professional and working-class backgrounds has decreased for most of the occupational and economic outcomes since 2014. However, it is noted that the full effects of the covid-19 pandemic are still unlikely to be shown in any data.

Although positive progress has been made, research undertaken by Professor Steve Strand from the University of Oxford found that there are still vast inequalities in educational achievement at the age of 16. I am particularly concerned about the fact that British white and British black Caribbean male attainment falls well below the average for all students of that age, and scores the lowest across all socioeconomic groups, particularly for the working class.

The variations in attainment are particularly pronounced in the lowest socioeconomic groups, with black Caribbean males achieving an average score of -0.77, and British white males achieving a score of -0.68, compared with Bangladeshi boys achieving a score of 0.07 and those in other Asian male groups scoring -0.11. There are also significant disparities between the attainment of boys and girls in these groups. White British girls and girls of black Caribbean origin score significantly higher across the socioeconomic levels than their male counterparts. Girls from black Caribbean origins from an average socioeconomic group scored 0.01, whereas boys scored -0.41. British white girls from the same socioeconomic group scored 0.09, while British white boys scored -0.22.

This data is concerning as educational achievement has such a significant impact on socioeconomic attainment in later life. Our priority must be to create an even playing field, so that everyone has the opportunity to excel and achieve, wherever their ambitions take them. Even before the pandemic started in 2020, there were already many challenges facing our country, but the past three years have added many global challenges outside of the Government's control—not just the devastating pandemic, but the ongoing war in Europe and the rise in the cost of living. These have all had an impact on social mobility. That is why it is more important than ever that the Government's levelling-up agenda should remain at the heart of all that we do. The Government have an important role to play—they can lead—but others need to take up the issue and give it support, be they businesses, professions, families or communities.

The covid-19 pandemic was hopefully a once-in-a-generation crisis. It will have an impact on the world's social mobility for years to come. It was entirely out of the Government's control. It is important to remember that the historic vaccination programme enabled us to be one of the first western democracies to restore people's freedoms and open our economy. The Government also delivered more than £400 billion-worth of unprecedented support during the pandemic. It was one of the most generous economic support packages anywhere in the world. It supported more than 14.5 million jobs and

[*Sir David Evennett*]

provided almost £80 billion in business grants and loans. However, the covid-19 pandemic has impacted particularly harshly on young people from poorer backgrounds. It is likely to have long-term consequences, in education and work, for that cohort. In the short term, we can expect there to be an adverse effect on social mobility, particularly for young people entering the labour market.

It is more important than ever that we provide support that can lift everyone, irrespective of who they are, where they live and where they come from. We cannot accept a country where people have different ladders to climb. People must be encouraged to engage with education and understand its long-term benefits. The recovery programmes that have been introduced, such as the recovery premium and the national tutoring programme, are vital in helping the most disadvantaged. I also welcome the Lifelong Learning (Higher Education Fee Limits) Bill, which is proceeding through Parliament. It will enable people to get education and training throughout their life, so that they can skill and upskill, from school age up to the age of 60. That is a really positive movement.

**Jim Shannon** (Strangford) (DUP): I commend the right hon. Gentleman for what he says. I am very aware that those with educational attainment can move on to employment that reflects that. People move from one job to another, but not every person can achieve educational attainment. I am not decrying anybody, by the way; it is just a fact of life. For those who cannot achieve educational attainment, their jobs may be on a building site or a farm, but we should never decry them. The right hon. Gentleman has mentioned opportunity three or four times. Does he agree that we need to make sure that a young boy or girl who is trying to achieve something moves in the direction that they need to?

**Sir David Evennett:** The hon. Gentleman is absolutely right. Of course, the whole thing about the Lifelong Learning (Higher Education Fee Limits) Bill is that it offers skills, training and opportunities. If people did not succeed at school, they can come back and get skills, training or qualifications later. That is a really positive thing that the Government are doing.

I have worked as a college lecturer, teaching women returners to the workplace after career breaks, the unemployed and those who needed additional qualifications to advance in their careers, or to change career. Unfortunately, too much of the education in colleges and universities has been for young people only, but I taught people who are older—those who would benefit from what the Government are doing with the lifelong loan entitlement. It will improve access to education and training, and accelerate the Government's levelling-up agenda.

Providing people with opportunities to acquire skills will help them to obtain work, or to advance their careers. That is particularly important in the technological age we live in, where the need to learn new skills never stops. All of us are always learning. Lifelong learning has become a reality, as I am sure you will agree, Mr Robertson. Education played a vital part in my life, and I am grateful to teachers, employers and my family

for support and encouragement. We should accentuate the positives and say thanks to the teachers and lecturers at colleges and universities, as well as businesses and industries that invest in their staff and help them to advance in their careers.

I recognise that education alone will not be enough to transform social mobility; nor are the Government's actions alone. As we continue our recovery from covid, the Government are spending record sums on apprenticeships, which play a key role in boosting social mobility, improving people's skills, and increasing earnings and opportunities.

**Dr Dan Poulter** (Central Suffolk and North Ipswich) (Con): I congratulate my right hon. Friend on securing the debate. He rightly highlighted the challenges faced in raising educational attainment for white working-class boys and Caribbean boys. Under the coalition Government, many of the initiatives that he outlined were started, and they are beginning to bear fruit. There was also a Cabinet Sub-Committee, chaired by Deputy Prime Minister Nick Clegg, focusing on social mobility and how we could target groups who had fallen behind. Would my right hon. Friend recommend that to the Minister as something that could be taken forward? If we want to get real impetus behind improving social mobility, there needs to be much more focus centrally, and a Cabinet Sub-Committee is a good way of doing that.

**Sir David Evennett:** My hon. Friend makes a very good point, which I know the Minister will have noted. This focus is so important. We had it, but we have slightly stalled, which is why I sought this debate.

We need to see even more young people from disadvantaged backgrounds accessing higher and degree level apprenticeships, and to ensure that all young people have an understanding of the many and varied options available to them. Careers advice in schools, colleges and universities is vital to let individuals know what is out there and what their potential could lead them to. Additional funding is being provided to employers and training providers who take on apprentices aged 16 to 18, and apprentices aged 19 to 24 who have an education, health and care plan or have been in care. This targeted support incentivises employers to provide high-quality apprenticeships across all sections in disadvantaged areas. However, according to the latest figures, the share of apprenticeships in the most deprived areas has fallen from 26% in 2015 to 20% in 2020. That is why it is vital that everyone—in our constituencies, across Government and so forth—publicises the excellent opportunities that are available.

I have long advocated for more collaboration between businesses and education. Businesses should look to partner schools or colleges in their local area to provide more careers advice, work experience and support to pupils from disadvantaged backgrounds. This would improve social mobility and help to ensure that pupils obtain the skills necessary to succeed in the world of work. All children must be nurtured, valued, enthused and inspired by their schools, and although all children should study the basic curriculum, there should be the opportunity to have a curriculum with more relevance to their future life chances; there needs to be more focus on career opportunities, and it is important that students are shown the full range of opportunities that they may



be able to pursue. Successive Governments have tried to improve the careers advice on offer, but unfortunately it still varies widely across the country, which is why the involvement of businesses is vital, as is the provision of advice and role models. Role models are so good to give people an idea of what they could become via training, skills and education.

A particular campaign that I have been very supportive of and promoted is the Social Mobility Pledge, which was founded by my friend, former parliamentary colleague and former Education Secretary, the right hon. Justine Greening, alongside entrepreneur David Harrison, who are both passionate about improving opportunities for all. Some 700 organisations have made the social mobility pledge, with 5 million employees and 2 million students covered by it globally. It encourages organisations to be a force for good by putting social mobility at the heart of their purpose. The pledge recognises that it is more important than ever for organisations to take steps to boost opportunity and social mobility, as we face the challenges of a growing opportunity gap post covid.

We all want Britain to be a country where all can get on in life, regardless of our background. Talent is spread across our country, and businesses, with the prosperity and careers they create for people, are key to improving social mobility locally and nationally. There are three parts to the pledge. The first is getting businesses to partner directly with schools or colleges

“to provide coaching through quality careers advice, enrichment experience and mentoring to people from disadvantaged backgrounds or circumstances.”

The second is access:

“providing structured work, experience and apprenticeship opportunities to people from disadvantaged backgrounds”.

The third is the adoption of more

“open employee recruitment practices which promote a level playing field for people from disadvantaged backgrounds or circumstances”.

with things like “name blind” and contextual recruitment. Businesses that are prepared to take those simple steps show their commitment to levelling the playing field of opportunity for everyone.

I was delighted that the Chancellor’s Budget last week recognised the need for further investment in removing barriers to work—in particular, by investing £485 million in support for unemployed people and those on universal credit working part-time. Assigning a work coach to those people will support them in obtaining full-time work. Supporting people into work is important, but we should also strive to support people into higher-paying jobs, as that is critical for social mobility. The Government’s job support initiative provides more than 120,000 low-income workers with tailored support and guidance so they can earn more and progress their careers. The Government’s various skills initiatives provide excellent opportunities to gain key skills such as numeracy and digital, but it is more important than ever—essential, in fact—that everyone is encouraged to take up those opportunities.

Our defining challenge in Britain is to level up opportunity and make sure everyone gets the chance to go as far as their talents or ambitions take them. Ultimately, it is about delivering generational change. That means looking right across people’s lives from childhood to adulthood. We cannot afford to leave any section of our

population behind; otherwise, there will be discontent and disillusionment, which is terrible for individuals and frankly very bad for our nation. Aspiration, opportunity and achievement are the goals that we should be aiming for. In so many fields, we have entrepreneurs with business success, scientists, lawyers, clinicians—high achievers, all of whom need to be role models. The Government have a mission, but employers need to raise their own game and rise to the challenge. Britain remains a great country, but with a more skilled, enthused and aspirational workforce that is socially mobile, I believe we can be an even better one.

**Several hon. Members** *rose*—

**Mr Laurence Robertson (in the Chair):** Order. A number of Members are trying to get in. If they can limit themselves to roughly five minutes or so each, we should be able to manage that.

4.46 pm

**Jon Trickett (Hemsworth) (Lab):** It is a pleasure to serve under your chairmanship, Mr Robertson. It was interesting to listen to the speech of the right hon. Member for Bexleyheath and Crayford (Sir David Evennett). He is right to emphasise social mobility, and I was very interested to hear him describe his background.

It is probably worth referring to my background. I was more or less told to leave school when I was 15. I left with no meaningful qualifications and I went to work as a manual worker in the building industry. I was encouraged by my grandfather to try to understand why the system had failed me or why I had failed the system. I became very curious about it, and eventually I went to a further education college. The right hon. Gentleman said he had been a college teacher, so no doubt he helped many people in my position. I eventually finished up at university.

My first reflection is this: the stepping stones that were available to me are no longer available to the same extent to the current generation. Further education has been cut to the bone and is simply not available at the scale that it was when I was younger, when I basically left school in some disgrace. The university system is now really a commodified form of education. I voted against the original idea to charge student fees—it was a mistake. I did it because I was thinking about people from my background. My grandad said to me, “The system doesn’t work for people like us.” That is a profound thing to have said, and I have spent almost all my life trying to understand what it is about “people like us” and why the system is not working properly for them.

The right hon. Gentleman has an optimistic view of social mobility in our society, perhaps because his constituency is the 51st most socially mobile in the whole country. There are 533 constituencies in England, and mine is the 529th most socially mobile, so he and I inhabit almost two different worlds. He is right to be passionate about this subject, but the truth of the matter is that the Conservative idea that there is real social mobility available for all who are able to make use of it is simply an ideological myth designed to gloss over the fact that our social structures are ossified and it is almost impossible to break through.

[Jon Trickett]

The right hon. Gentleman mentioned the Sutton Trust. The trust identified, out of the 60-odd million of us in this country, 6,000 people who run it; and two fifths of them went to public school, which is five times as many as average. I accept the right hon. Member did not go to public school; I do not know why I am looking at him—I will draw my attention elsewhere. The people who run this country, including this Parliament, tend to come from very privileged backgrounds. Not so many years ago, there were 100 manual workers in Parliament; now there are only seven of us left. There are 200 people with a business background in the House of Commons. If we look at almost every power structure in our society, the same thing applies—other than in professional sports, where more people from working-class backgrounds have access.

I will cut to the chase. There are 440,000 children living in poverty, despite that fact that their parents are working full-time, and yet Government Members and Ministers continually tell us that work is the way to opportunity in life. I believe in work. I am a member of a party called Labour; the Labour party is about work. We believe in work and want people to be at work. But do not tell me or my constituents that work is a route out of poverty. It is a route into poverty as much as any other system in our country.

In my constituency, there has been a 50% increase in the number of children in poverty since 2015. That is in one constituency. My constituency is also in the lowest 20% for young people's educational attainment. Given the low levels of social mobility, and the levels of poverty and education in my constituency, it is impossible to imagine, how—without dramatic social and economic change—a child born there today can expect to do anything other than die younger than normal and in poverty. The whole idea of social mobility is a myth, unless it is combined with massive structural and transformative change. With that, I will take the hint that I have had my five minutes.

4.52 pm

**David Johnston** (Wantage) (Con): It is a pleasure to serve under your chairmanship, Mr Robertson. I congratulate my right hon. Friend the Member for Bexleyheath and Crayford (Sir David Evennett) on securing the debate. I have heard him talk many times about how important social mobility is to him, and we have had conversations about it. He is right that we have slightly lost focus on the issue in recent years.

Social mobility has been very important to my own personal and professional life. I ran three charities for disadvantaged young people, the last of which was called the Social Mobility Foundation. I was on the original Social Mobility and Child Poverty Commission, when Alan Milburn was the chair. I chair the social mobility all-party parliamentary group. The two words “social mobility” have been very important in both my personal and professional life.

If there is one key point in what I will say, it is that it is everybody's responsibility to make social mobility happen. On the commission, we used to say that we can get into a situation where employers blame universities, which blame schools, which blame families—and everybody

blames the Government—and that, actually, if at each stage of people's life cycles things were done slightly differently, obstacles that are in the way of social mobility would be removed.

Starting with the early years is very important, but it should not be an obsession. It does not necessarily provide what Geoffrey Canada of Harlem Children's Zone calls the escape velocity that will take someone through the rest of their life—even though we might hope it does. Some academics would say that about 80% of our outcomes are about what happens in the home rather than in school. We focus on school in this place. That is why things like family hubs are so important; every parent wants to be able to do the right thing, but they do not necessarily get the right advice and guidance about what to do. Being school-ready at age five is so important to how children then access school as they move through their lives. That is one big area that is not within the Government's control, but it is important that we encourage the right things.

Then there is school. The Prime Minister said that education is the closest thing to a silver bullet that we have for social mobility.

**Dr Poulter:** Before my hon. Friend moves on to school-age children, there are things the Government can do to support disadvantaged and vulnerable children at an early age to improve not only educational attainment, but many aspects of their lives. We can look at longitudinal studies of schemes like the Family Nurse Partnership, which targets vulnerable and poorer families, provides targeted support for new mums and dads, and helps children be school-ready. Will he briefly comment on that, because that is something the Government could put money towards?

**David Johnston:** My hon. Friend is absolutely right. We have to talk more about this because too often in politics people on the left fear they will demonise parents and on the right they fear they will appear to be the nanny state if they talk about it, but politicians and commentators who say those things are doing exactly the right things for their children. He is absolutely right about the Family Nurse Partnership and a whole range of other things, including family hubs.

The schools system is the easiest lever for politicians to pull, and we have seen huge increases in attainment through academies, free schools and various other initiatives. We have seen London state schools go from being the worst to the best, but we still have parts of the country where the standard of education is not good enough. We have a gender gap in education where girls do better than boys, and an ethnicity gap where certain ethnic groups do better than others, but the biggest gap in education is between children who have free school meals and those who do not. Although we have been making progress—albeit slow—covid has made that situation a lot worse, and has destroyed a lot of the progress we have made. As my right hon. Friend the Member for Bexleyheath and Crayford says, the national tutoring programme is important, but we have to do more to focus on that.

Let me quickly canter through some other areas. This is about further education colleges and ensuring that the courses they provide will help people in the employment market, which is what we were trying to get to with the

Skills and Post-16 Education Act 2022. When it comes to universities, the success they often trumpet about the percentage of state school students they have masks the fact that a huge proportion of them went to selective state schools—grammar schools—and that the proportion of comprehensive school entry pupils is still low. There is more for them to do, particularly at the most elite universities.

Finally, on professions, Members will have heard me say previously that someone is 24 times more likely to become a doctor if their parent is a doctor; only 6% of doctors are from a working-class background. Again, that is not in the Government's control. Employers have to do something about that. Some people will say that social mobility is not about people leaving their home area, going to a Russell Group university and getting a middle-class job, but show me someone who says that, and nine times out of 10 they will have done exactly that in their own life. That does not invalidate the point—we need to have both, and to move jobs and investment to those areas—but do not tell me that we should not be trying to get more people into those universities and professions, because they are controlling the country. If we are to get to a position where talent and opportunity is everywhere, everybody has to play their part.

**Mr Laurence Robertson (in the Chair):** I have to ask Members to please stick to four minutes now.

4.57 pm

**Stephanie Peacock (Barnsley East) (Lab):** It is a pleasure to speak under your chairmanship, Mr Robertson. I congratulate the right hon. Member for Bexleyheath and Crayford (Sir David Evennett) on securing and leading this important debate. A gap between aspiration and opportunity exists in some parts of the country, and that should not be the case. I am in a similar position to my hon. Friend the Member for Hemsworth (Jon Trickett); if we look at the list of constituencies and the ranking of social mobility, Barnsley East is 430 out of 533 constituencies in England. That is different from constituencies of—not exclusively, but generally—Conservative MPs.

Former coalfields like Barnsley East tend to have fewer good jobs, which obviously has a knock-on effect on the number of schools and transport infrastructure in the area. Among other factors, this has led to a significant geographical divide between the north and the south. For example, life expectancy in Barnsley for both men and women is approximately two years less than the national average and five years less than more affluent areas of Surrey. More than 6,300 children across Barnsley East alone—that is just my constituency, not the borough of Barnsley—live in child poverty. A third of Barnsley residents now live in fuel poverty, and the Office for National Statistics found that 12.4% of those eligible to work in Barnsley do not have any qualifications. That is in stark contrast with London, where the number of people with no qualifications sits at just 6.6%.

All these factors obviously have an impact on children's and young people's life chances. Accessible vocational education is an important part of overcoming disadvantage, giving young people the tools and employment experience to get on in life. My constituency of Barnsley East does not have a sixth form college, so when students finish

their GCSEs at one of the secondary schools, they have to travel into the town centre and go to Barnsley College. That is not to take away from the fantastic work that the college does; it is an excellent college and it really supports people. I know from being a teacher that for some children and young people, not having to take that step of leaving their supportive school environment would encourage them to stay on and think about further education.

We need long-term, sustained investment in our schools. Investment has been cut over the last decade. We also need investment in industry so that young people and children have as much chance to succeed as they would in other parts of the country. We need to think about young people's experience at school. As a former teacher, I have seen at first hand that if they turn up to school hungry, it affects their ability to learn and to do well.

We must also think about young people's access to extracurricular and cultural activities. Parents may be doing the best they can, but, as my hon. Friend the Member for Hemsworth said, being in work does not necessarily mean they are not in poverty. A good example of encouraging kids to do a cultural activity is the fantastic, world-class Barnsley Youth Choir, which provides choral training regardless of financial or social background. It is an amazing programme that has done so much for Barnsley, and I am pleased to support it.

My final point on education relates to the point that the previous speaker, the hon. Member for Wantage (David Johnston), made about the impact of covid. There was a huge disparity between the learning experiences of working-class kids and middle-class kids during the pandemic. Using predicted grades for people's A-level results also had a hugely disproportionate effect on areas such as Barnsley, and that will have a huge impact going forward.

Social mobility is really about this generation doing better than the generation before, and we are falling behind on that. The Government can, and should, do better to support working-class communities such as Barnsley, by investing in both people and local economies. I am sure that the Labour spokesperson, my hon. Friend the Member for Wirral South (Alison McGovern), will touch on some of this, but a future Labour Government have pledged to do just that.

We will invest in the skills of our workforce, including a shift of resources to local communities to help people back into work. We will help more people into high-skilled and better-paid jobs, and implement a new taskforce—Skills England—to link local people with local businesses to grow skills and the economy across the whole country. It is about ensuring that kids have the best education, and that they can get qualifications and good jobs. Where someone is born should not limit their opportunities or their chances. It currently does, and that must change.

5.2 pm

**Peter Gibson (Darlington) (Con):** It is a pleasure to serve under your chairmanship, Mr Robertson. I congratulate my right hon. Friend the Member for Bexleyheath and Crayford (Sir David Evennett) on securing this important debate, and I am delighted to see the Minister for Social Mobility, Youth and Progression responding to it.



[Peter Gibson]

Levelling up is not just about dishing out money to parts of the north that have been ignored by Governments of all colours. Righting that wrong is part of my motivation for being here, and it is about delivering on the core missions of the levelling-up agenda. Social mobility goes to the heart of those missions, particularly education and skills. We all know that there are only two real-terms solutions to solving poverty—work and education. Providing opportunity, aspiration and inspiration to the next generation is critical to delivering social mobility. We all have a part to play in that.

For the record, Darlington is ranked 120 out of 533 English constituencies on the social mobility index, so Conservative Members are representing every type of constituency out there. There is already a vast swathe of new opportunities for local people in Darlington, which will enable them to fully reach their potential and find good, well-paid and secure employment into the future. Just this weekend, the brand new engineering block, the Ingenium Centre, opened at Darlington College. The centre has been delivered with £2.96 million from the towns fund, and it will house the college's T-level students.

I commend the Government for introducing T-levels, and for providing an innovative educational route for people to gain the skills they need to prosper and fully meet their potential. I simply do not recognise the picture painted by the hon. Member for Hemsworth (Jon Trickett).

Literacy and reading is a great ladder for opportunity, and we know that wider reading broadens aspirations. I take this opportunity to highlight and pay tribute to Skerne Park Academy and its reading lobster scheme, which was introduced after the children said they did not have someone to read aloud to at home. They now each have their own reading lobster, a buddy for life to listen to their stories. The scheme is proving hugely successful and is promoting a lifelong love of reading in these children. Indeed, Seb, my own lobster, has met Mr Speaker, the Prime Minister and the Chancellor. The scheme is going down very well in Skerne Park in Darlington. We know that children who read for pleasure go further in life, and I ask the Minister what the Government are doing to ensure that we encourage wider reading.

This debate seemed a perfect opportunity to highlight the work of the Purpose Coalition and the Social Mobility Pledge, but my right hon. Friend the Member for Bexleyheath and Crayford has already done that, so I want to put on record my thanks to Justine Greening and David Harrison for their incredible work on the Social Mobility Pledge. Through the Harrison Foundation, which David heads up, the Social Mobility Pledge has contributed over £50,000 to First Stop Darlington, which is helping people get on in life.

In conclusion, the investment that Darlington has received from the Government has helped to galvanise organisations that work with local people to ensure their true potential is not wasted. But we can go further, and I urge the Minister to do so. Many of us in this place can be examples to our communities of what can be achieved. I am thinking in particular about those of us who went to state schools and were the first in our families to go to university, or indeed did not go at all.

5.6 pm

**Justin Madders** (Ellesmere Port and Neston) (Lab): Social mobility ought to concern us all. I am not comfortable living in a country where the chances of success are heavily influenced by where someone is born and who they are to. The Sutton Trust's report "Elites in the UK: Pulling Away?" found that one in five men in professional occupations who were born between 1955 and 1961 became socially mobile, but the figure drops to one in eight for those born between 1975 and 1981. In other words, as generations go by, we are becoming a less mobile nation.

When I was chair of the all-party parliamentary group on social mobility, we did a report on access to professions, including medicine, law, politics, media and art. Those are the areas where the lack of opportunity is most prevalent. Three quarters of senior judges, more than half the top 100 news journalists, more than half the Cabinet and two thirds of British Oscar winners are privately educated. We have already heard the statistic that someone is 24 times more likely to be in medicine if their parents are already in it.

Our report is six years old but just as relevant today. I would really like to see some of the practical recommendations in it implemented, such as a ban on unpaid internships, which really take the ladder away from many who are trying to get on the first rung. Exploitation is taking place at entry level.

Drama is one area where opportunities are limited. I should point out, for the record, that my son is an aspiring actor and uses some of the services I am about to mention. I mention them because they are a new way of exploiting young people's ambitions. Most acting jobs now are hidden behind paywalls, costing anywhere from £15 and £19 a month to access. What kind of world do we live in where someone has to pay a subscription just to see whether there are any jobs they might want to apply for?

There are three companies that seem to operate in this way: Spotlight, Mandy and StarNow, which I see regularly advertising on social media. I say three companies advisedly, because Backstage and StarNow seem to have almost identical websites, and Mandy and StarNow have the same registered office and similar directors. Perhaps I am missing something about why I need to have three separate subscriptions. In their defence, they say:

"Having memberships to the multiple platforms will give you access to the most job opportunities and increase your visibility to casting".

That sounds reasonable enough, but I suggest it would also be reasonable to put all the jobs on one site and not charge at all. We can debate the morality of this business model another time, but I wonder whether the Minister thinks it is right for a profession that is notoriously difficult to access to be exploiting people and charging them just to look at what jobs are available.

I conclude by asking the Minister another question about where social mobility lies in the Government's list of priorities. As we have heard, if social mobility is to be tackled properly, we need to tackle more than just access to work. It is about tax, welfare, housing, transport and health. At the very least, it should not be the remit of just one Minister in one Department; it should be a central mission across all Departments. If the Government are serious about tackling injustice and widening opportunity, it must be driven from the very top.

5.9 pm

**Marion Fellows** (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mr Robertson. I congratulate the right hon. Member for Bexleyheath and Crayford (Sir David Evennett), but I also want to chastise him because he has taken some of my best lines.

I, too, am a product of social mobility. My father was a co-operative milkman and my mother was a cleaner. They both left school at 14, but they were determined to give me the chances that they never had. I was the first in my entire family to go to university in the days when many folk considered educating girls to be just a waste of time—she would only get married and have weans. I did both, and now I am here.

I also taught in further education. I know that times have changed, but social mobility is a real issue. Those in poverty cannot be socially mobile. Those who are hungry cannot learn. When fees are a barrier, many cannot access higher education. That is why children in Scotland are lucky. The Scottish Government take their duties to the next generation seriously, and they have introduced many measures to tackle child poverty. The latest iteration is “Best Start, Bright Futures”, which looks at long-term parental employment support, increased social security and measures to reduce household costs. The recent Institute for Fiscal Studies analysis of Scottish tax and benefit reform found that the lowest-income families in Scotland are significantly better off as a result of the Scottish Government’s tax regime.

Among the poorest 30% of households, those with children will see their incomes boosted by a sizeable £2,000 a year on average, driven by higher benefits for families with children. Perhaps the Minister would consider that in relation to the UK. The Scottish child payment has recently been increased immensely. It is now up to £25 a week—the Scottish Government are providing an extra £2.6 million this year—and it is being extended to children up to the age of 16.

Other small independent countries do much better on social mobility. I am thinking of Nordic countries, such as Denmark. According to OECD figures, it takes two generations to increase social mobility in Denmark, but it takes five generations in the United Kingdom. We must look at that.

I do not want to, and cannot, mention everyone, but the hon. Member for Hemsworth (Jon Trickett) caught my attention when he talked about Conservative Members saying that the only way out of poverty is work. That is not the case for those on a zero-hours contract and minimum wage. The living wage, as it is described by the Tory Government, is not enough to live on. That is why many working parents are still getting universal credit. There is something wrong with a system where both parents are working and children, who are our future, will never be able to be socially mobile. They will not know how, because they are being held back by poverty. Will the Minister also look at introducing a minimum support payment for the Child Maintenance Service if parents refuse to pay? I have already spoken to her about this.

Social mobility is important. Social mobility actually works. Social mobility means that we will prosper, right across the UK. Countries, such as Norway, which give their citizens high social benefits, are not poor countries.

They make people’s lives better and therefore increase social mobility. I will sit down now, because I am really interested in what the Minister and the Opposition have to say.

**Mr Laurence Robertson (in the Chair):** I call Alison McGovern, who also has five minutes.

5.14 pm

**Alison McGovern** (Wirral South) (Lab): Thank you for calling me to speak, Mr Robertson. I will try to be swift.

I obviously thank the right hon. Member for Bexleyheath and Crayford (Sir David Evennett) for securing this timely debate, and I thank all the Members who have spoken. The right hon. Member began by mentioning the 2022 report of the Social Mobility Commission. However, since its publication the chair of the commission has given up her role and it is unclear what the future holds.

I am here on behalf of the shadow Department for Work and Pensions team, and the Minister is here representing DWP. Responsibility for social mobility has been passed from Education to Equalities and now to DWP. Over the past couple of years, that has suggested that it is an unloved policy area for which nobody really wants to take responsibility.

**The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies):** I really wanted it!

**Alison McGovern:** I am sure the Minister did. But what exactly is going on? Part 1 of the Equalities Act 2010, which Parliament passed all those years ago, set out a public sector duty regarding socioeconomic inequalities that would have tackled, in a cross-cutting way, as ably described by my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders), all the issues that Members have mentioned today. That is its objective. Amazingly, the Conservative-Lib Dem Government and subsequent Conservative Governments have never brought that duty into force. We are left asking why.

However, as we are here with a DWP Minister and her shadow, I will just raise some points about the Department’s own policy areas. If it had that overarching duty to tackle socioeconomic inequality, it might not have adopted, as it has done for many years now, the policy of any job, better job, career. That policy has shaped the Department’s approach and has resulted in people being told to get any job, as if that was a route up or a route out of poverty. As we have heard from Member after Member today, it is simply no longer the case that work, by definition, provides a route out of poverty. It is also true, and the Government themselves know this from their own pay progression report, that getting any job is not a route to better pay.

We need new principles and new policies, not least because of the geographical impact of this issue. We know from the House of Commons Library’s analysis of the Social Mobility Commission’s previous rankings that 77% of constituencies in London are in the top 20% of social mobility constituencies by metric, whereas the corresponding figure for the west midlands falls to 14%, for the east midlands 9%, for the north-west 8%,

[Alison McGovern]

for Yorkshire and the Humber 7%, and for the south-west just 2%. Of the top-ranking areas for social mobility, 77% are London constituencies and just 2% are in the south-west. Geography is at the heart of this.

Exactly what steps is DWP going to take to clarify the role of the Social Mobility Commission? What data will be made available to this House and when on the current state of social mobility in this country? Precisely what targets are the Government now setting? What is the future for the commission's metrics—it seems to have veered between different ones—and its report? And what action will DWP take immediately to stop forcing people to take jobs that, as several Members have said, are likely to make them struggle with social mobility and not achieve their ambitions?

Social mobility cannot just be a talking point for us politicians; it has to be about genuine hard work to shift the opportunities in our countries. I am afraid that the Tories and the Lib Dems saw this as a way out in 2011: they wanted to end the child poverty goal and to put something fluffy about social mobility in its place. But passing a non-specific goal from Department to Department is kidology—it will never work. We need a real effort for change. My hon. Friend the Member for Ellesmere Port and Neston has already said how the Labour party will do that. The first thing that we will do is to enact part 1 of the Equalities Act 2010 and take real action against class discrimination and put in place policies to bring it to an end.

5.19 pm

**The Parliamentary Under-Secretary of State for Work and Pensions (Mims Davies):** I start by congratulating my right hon. Friend the Member for Bexleyheath and Crayford (Sir David Evennett) on securing this important debate and on his excellent, thoughtful and wide-ranging speech on social mobility. It has also been a pleasure to serve under your chairmanship, Mr Robertson, and I thank all Members who have contributed to this excellent debate.

I reassure Members of all parties that as the Minister for Social Mobility, Youth and Progression in the Department for Work and Pensions, this is a topic that I am particularly passionate about. In response to my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), I am absolutely committed to working across Government and keeping a focus on this issue. I absolutely agree with the point about role models: you simply can't be it if you can't see it.

On Single Parents' Day, and as a single mum, it is an honour and still a surprise to serve in this House. I was the first uni student in my family, with many of my relatives still thriving in trades as manual workers with a farming background. My father left school at 14 with no qualifications and a substantial dyslexia challenge, so our family is absolutely a product of social mobility. I understand the strong views expressed by the hon. Member for Hemsworth (Jon Trickett). I take a different view, but I am very proud and pleased that we all share our own experiences in this House, and how we learn from our experiences helps with the role model piece.

I agree with my right hon. Friend the Member for Bexleyheath and Crayford and many colleagues about the commitments that we make in this House by continuing

through, and this is a great opportunity to move the levelling-up conversation into the social mobility conversation. Social mobility is absolutely about every single person having the chance and opportunity to succeed, no matter their background or postcode.

**Peter Gibson:** The Minister may not be aware that Darlington is home to one of the largest settled Gypsy, Roma and Traveller communities in the country. I am particularly keen to hear her views—if not today, by following up in writing—on what the Government are doing specifically in respect of them.

**Mims Davies:** The support for all groups, no matter their background or where they are, is exemplified by hon. Friend pointing out that particular group. I am happy to come forward with further information on that, including cross-Government work.

The Government remain committed to all aspects of life, from education to work and later life, and to having a comprehensive suite of measures in place to achieve social mobility. The challenges laid down today are very welcome, because we have heard about different experiences in the different corners of Britain. Yesterday I visited Sandwell, West Bromwich, Wolverhampton and central Birmingham to discuss how our DWP support, youth offer and work with the third sector and local partnerships is making a difference in our communities.

I do not agree with the hon. Member for Wirral South (Alison McGovern) on the ABC—any job, better job, career—approach. Throughout the engagement that I had yesterday, it was consistently said to me that the skills, confidence and network that that gives people are transformative. As we have all spoken about today, you have to start somewhere.

**Alison McGovern:** It is great to hear the Minister's contribution, and I know she cares deeply about this issue. If she has evidence of the efficacy of that policy approach, will she place it in the Library of the House of Commons?

**Mims Davies:** We are doing some work on the impact of the kickstart scheme and how getting a job and progressing is leading young people to stay in work. There will be further information coming, and I will always share that with the hon. Lady.

In my conversations yesterday, I heard how adverse childhood experiences such as bereavement, poor attainment at school and other issues have impacted on young people's confidence and opportunities, and on their experiences in adulthood. It demonstrates the critical point made in the Chamber this afternoon about the importance of getting education right and, above all, getting the Government's lifetime skills guarantee right. As my right hon. Friend the Member for Bexleyheath and Crayford rightly said, education and skills have a massive impact. I absolutely agree that local colleges are among the most socially mobile and able connectors in terms of what they achieve, and I applaud the work that goes on in colleges. Spreading opportunity for every child and young person is a top priority, because their talent should contribute to where they end up.

I am concerned by the point made by the hon. Member for Ellesmere Port and Neston (Justin Madders) about job opportunities being hidden behind paywalls. As the former Employment Minister, and as the Minister for Youth, I worry about those opportunities. I thank



him for raising that point. I ask those sectors that often approach the Government about being more socially mobile and more open to look at themselves. This is not a finger-pointing exercise, but those that continue to recruit in the same way often end up with the same people around the table. If that is excluding people, let us look at those recruitment basics.

The Government are investing in 55 education investment areas where outcomes in literacy and numeracy are the poorest, including £86 million in trust capacity funding to support and expand areas of improvement. That will help my hon. Friend the Member for Darlington (Peter Gibson) in terms of his reading ask. I will meet my parliamentary neighbour, the Minister for Children, Families and Wellbeing, my hon. Friend the Member for East Surrey (Claire Coutinho), shortly and will raise the issue of reading confidence. I was delighted to hear my hon. Friend the Member for Darlington use the O-word—opportunities. We are absolutely trying to spread opportunities.

The Department for Education is delivering a clearer skills system that is employer focused, high quality and fit for the future, which is what my right hon. Friend the Member for Bexleyheath and Crayford, who set up the debate so well, asked for. If only we had had time for a longer debate. We should get this subject into the main Chamber and spend more time on it. I would be very happy to respond to it—that is another commitment from me today.

The Social Mobility Commission has said that apprenticeships are among the best mechanisms to help employers build that diverse, talented, wide-ranging workforce, as well as to tackle the skills shortage. Many apprentices earn more than graduates five years after completion. Average graduate earnings five years after graduation are £28,200, compared with £30,900 for level 4 apprentices five years after completion. That is a lesson to us all to promote filling the skills gaps with apprenticeships.

DWP has progression leads in our jobcentres to help people. I recognise that some people work all the hours God sends but still find it difficult to make ends meet. Our progression leads work with our claimants, partner organisations, local authorities, local employers and small and medium-sized enterprises, to make sure that people are able to progress in work.

I had a very engaging meeting with leading employers during the week of International Women's Day, to talk about the barriers and to focus on interventions. I will

meet the Social Mobility Pledge team, including our former parliamentary colleague, Justine Greening, to discuss her mission. She is doing a brilliant job. DWP also has the social mobility commitment, pledge and consortium, of which 60 employers are a part.

It has been such a pleasure to respond to today's debate, because this week is the DWP's inaugural social mobility week—a week of action and engagement in our Department, with colleagues across the country working out how to tackle any barriers and to focus on social mobility. That includes being a national employer and giving our customers aspirations and goals. We are looking at things such as caring responsibilities, and I will host a session on Thursday. We are also looking at subjects such as accent bias and recruitment bias. I hope that reassures the hon. Member for Wirral South.

Throughout the debate, we have seen that social mobility is a key priority and I hope I have shown my passion for it. We will break down the barriers. No matter what someone's background is, we can cater for every single circumstance. Everybody, like us, should have the opportunities to succeed.

5.29 pm

**Sir David Evennett:** I thank the Minister for her response and thank everyone who has participated. We should be working together as much as we can. I do not agree with the hon. Member for Hemsworth (Jon Trickett), but I hope we can have a chat over a cup of tea.

This is a very important issue. We have had a very constructive debate. We have lots of ideas and we want to make progress. Those of us who come from very ordinary backgrounds want other people to be able to do the same and make something of their lives—I think we can all agree on that. This is a very important issue. I do not want to make it party political, because I think it is much bigger than that. There should be a national approach to get the very best for all of our people, so that they can progress to what they want to and really can be.

*Question put and agreed to.*

*Resolved,*

That this House has considered social mobility.

5.30 pm

*Sitting adjourned.*



# Written Statements

*Tuesday 21 March 2023*

## CABINET OFFICE

### Fraud Landscape Report 2020-21

**The Minister for the Cabinet Office and Paymaster General (Jeremy Quin):** Today the Government are publishing the 2020-21 fraud landscape report. This follows the establishment of the new Public Sector Fraud Authority (PSFA) in August last year to raise the Government's ambition across the public sector in understanding risks and reducing fraud.

The report continues to push the Government's transparency agenda by publishing data on the level of detected and estimated fraud and error in the public sector. The report estimates fraud and error losses for central Government—excluding those relating to tax and welfare, which are published separately by His Majesty's Revenue and Customs and the Department for Work and Pensions.

In 2020-21, fraud detection figures grew by 7% on the previous year, with Departments and public bodies detecting £243 million of fraud, in line with the Government's objective of continuing to focus on identifying and reducing fraud. These figures include fraud related to schemes in support of the pandemic.

The report shows how the Government adjusted the counter-fraud function to focus on fraud around the covid-19 schemes. This was achieved by establishing a covid-19 intelligence hotline, utilising data analytics and assessing the levels of fraud in all covid-19 schemes, so that the centre of expertise was able to co-ordinate a unified approach to countering fraud.

The Government have continued to develop their capability to take action on fraud. There are now 7,011 individuals, from 35 organisations, who are members of the world's first counter-fraud profession meeting our target.

In 2020-21, an additional 99 counter-fraud colleagues from across Government were trained in the new discipline of fraud risk assessment. This has helped us to better understand fraud at the commencement of Government initiatives—a particularly helpful skill in the wake of the pandemic.

This Government attach importance to transparency and the improvements they can bring in fraud detection and prevention right across the public sector. While efforts to support Departments and public bodies during the pandemic delayed work on this report, the PSFA intends to publish a bulletin with the data from 2021-22 in the first half of 2023.

[HCWS657]

### Procurement Exclusion Update: Bain & Company

**The Minister for the Cabinet Office and Paymaster General (Jeremy Quin):** In August 2022, Bain & Company and its global affiliates were excluded from bidding for UK Government business. Following the decision,

Bain & Company has co-operated with our investigations and provided considerable additional information on its self-cleansing actions. It has also agreed to a period of rigorous monitoring for a minimum of two years, during which its continued compliance will be assessed. Given the progress made since the exclusion, we can confirm that although Bain & Company South Africa Inc. will remain excluded from UK Government business, Bain & Company Inc. and its affiliates outside South Africa are no longer excluded from bidding for Government work.

Following robust and intensive dialogue with Bain & Company since the exclusion decision was made in August, which has received the full co-operation from the company, we have concluded that Bain & Company Inc. and its affiliates outside South Africa, including both Bain & Company Inc. United Kingdom and BuyingTeam Ltd—trading as Proxima—can bid for UK Government work.

Since the exclusion decision in August 2022, Bain & Company has responded by producing detailed evidence of the measures it has taken internally—including related to the way Bain & Company handles bids for UK Government work—which was not available to the Cabinet Office previously.

This decision is subject to a regular and thorough period of close monitoring, for a minimum of two years, so that we can be satisfied that the company continues to uphold the measures it has now put in place.

During the monitoring period, Bain & Company has agreed that it will engage further with the Cabinet Office to provide evidence that its governance, organisation and internal processes are now working, and will continue to work, as they should do to prevent anything similar happening again.

Bain & Company South Africa Inc. remains excluded from bidding for UK Government procurements until 4 January 2025, given the findings of the Zondo Commission on its prior involvement with the South African Revenue Service. Bain & Company South Africa has acknowledged that it did not fully clarify the facts and circumstances regarding its work for the South African Revenue Service in a comprehensive manner.

Bain & Company has previously apologised for the fact that Bain & Company South Africa's work in South Africa contributed to damaging a critical public institution and acknowledged that its co-operation with investigating authorities fell short.

We will review any new information that comes to light, including as a result of any potential reconsideration by the South African Government of their decision to ban Bain & Company South Africa.

Bain & Company has welcomed this robust external challenge, to help ensure that going forward its governance is of a consistently high standard, that the self-cleansing actions put in place are operational and that any new issues arising are being managed and communicated transparently.

We strongly condemn corporate malpractice and will not hesitate to exclude suppliers should they be found not to be upholding the highest standards.

[HCWS658]



## CULTURE, MEDIA AND SPORT

### Tourism Recovery Plan Update Report

**The Minister of State, Department for Culture, Media and Sport (Julia Lopez):** I am pleased to publish today an update report on progress made against the objectives set out in the Government's tourism recovery plan.

Tourism is a significant economic, cultural and social asset to the UK. The sector is a powerful engine for economic growth and job creation in every part of the UK. Pre-pandemic, it directly employed 1.7 million people, supported 230,000 small and medium-sized enterprises, and contributed £74 billion in gross value added—4% of the UK's total. As an industry with long-term growth prospects (forecast at 3% a year globally to 2030), international reach and a presence in every constituency, tourism has a major role to play in the Government's wider Union, levelling-up and global Britain agendas.

The tourism recovery plan was published in 2021 in recognition of the significant impact of the covid-19 pandemic on the UK's visitor economy. The plan set out a framework for joint Government and sector development. In the short to medium term, it set out the ambition to recover pre-pandemic levels of domestic and international visitor volume and spending. In the medium to long term, the remaining objectives focused on supporting the growth of a productive, innovative, resilient, sustainable and accessible visitor economy that benefits every nation and region of the UK.

We are now three years on from the beginning of the covid-19 pandemic, the first national lockdown and the start of Government support for businesses affected by closures and social distancing measures.

This update report sets out the progress made against the plan's six objectives, highlights ongoing work and sets out the future actions that the Government will take to continue supporting the sector as it not only recovers from the covid-19 pandemic but faces the economic challenges that have arisen since publication of the plan in 2021.

The report sets out the mixed picture of recovery in the sector. In total, over £37 billion in support through grants, tax relief and loans was provided to the hospitality, leisure and tourism sectors to help them survive through the long periods of uncertainty and adversity. The sector is, however, still facing economic challenges. Domestic tourism is recovering well, but international tourism is lagging behind the targets set in the plan. Behind this mixed picture of recovery, there is huge long-term potential for economic growth, which is why the Government re-commit in this report to support the sector through the framework of the tourism recovery plan—to help it grow, thrive and, in turn, boost the UK economy. More broadly, the Prime Minister has promised to halve inflation this year and grow the economy, both of which will support the sector.

Overall, the report indicates that good progress has been made against the objectives of the tourism recovery plan. It acknowledges that there is further to go to support the full recovery of the visitor economy in the short term and to work with industry to deliver on the medium to long-term ambition to build a more resilient, innovative, sustainable and inclusive sector that benefits every corner of the UK.

A copy of the update report on the tourism recovery plan will be placed in the Libraries of both Houses.

[HCWS656]

## HEALTH AND SOCIAL CARE

### Clinical Trials Consultation Response

**The Minister for Health and Secondary Care (Will Quince):** The Government have announced plans to overhaul the legislation that governs clinical trials, to introduce a series of measures to make it faster and easier to run clinical trials in the UK. These changes will help speed up clinical trials, without compromising on safety, and encourage the development of new and better medicines for patients. They come after the Government announced an extra £10 million of additional funding for the Medicines and Healthcare products Regulatory Agency (MHRA) to accelerate the delivery of cutting-edge treatments, including cancer vaccines.

Leaving the European Union has provided a unique opportunity for the United Kingdom to improve regulatory regimes for healthcare products and exercise our new powers as a sovereign regulator. The Medicines and Medical Devices Act 2021 allows us to update the current legislation for clinical trials, creating a world-leading regime that prioritises patient safety while enabling and encouraging innovation within the clinical research environment.

To deliver this ambition and gather views of patients, industry and academia, we published a consultation on the future of UK regulations for clinical trials—“Consultation on proposals for legislative changes for clinical trials” [www.gov.uk](http://www.gov.uk) on 17 January 2022.

We received 2,138 responses and I am grateful to all those who have taken the time to respond to the consultation.

Officials at the MHRA, in collaboration with the Health Research Authority (HRA), have analysed the consultation responses and have worked with officials within my Department and the Office of Life Sciences to develop the Government response. The response outlines changes that will support innovation within the UK's life sciences sector and patient access to potentially life-saving medicines, for example through enhancing the transparency of clinical trials; enabling greater proportionality and streamlining the approvals process.

We are removing granular and duplicative regulatory requirements, moving away from ‘one size fits all’ regulation and embedding principles of proportionality. Ensuring that the regulatory requirements expected are more flexible to match the risk that a trial presents, will result in a regulatory framework that is responsive to all kinds of trials and adaptable to innovative research.

The changes also formalise the combined review process in legislation, ensuring research teams receive a single decision from both regulatory and ethical reviews, done in parallel between the MHRA and HRA. This reflects the UK Government's intention to embrace innovation in clinical trials and accelerate the evaluation and implementation of advances in medical interventions to the benefit of UK patients everywhere.

The legislative changes outlined in the consultation response provide firm foundation for and align with the review of clinical trials led by Lord O'Shaughnessy and

work undertaken by Sir Patrick Vallance, to ensure a pro-innovation regulatory environment. Through this collective work we will cement our status as a science superpower by making the UK the best place in the world to conduct fast, efficient and cutting-edge clinical research.

The Government's response to the consultation will be published on [www.gov.uk](http://www.gov.uk) today.

[HCWS659]

## TRANSPORT

### Great British Railways Headquarters

#### **The Secretary of State for Transport (Mr Mark Harper):**

Today, I am pleased to provide an update on this Government's plans to reform our railways. I am announcing the location chosen to be the national headquarters of Great British Railways (GBR), providing further detail on GBR's regionalised approach including how GBR will benefit the whole of Great Britain, as well as offering more detail on the role of GBR.

From a shortlist of six locations announced last summer, Derby has been chosen as the city to be the future headquarters of GBR.

Among an exceptional list of shortlisted applicants, Derby scored highest in the expression of interest stage of the competition, which analysed its suitability against six published criteria: levelling up, connectivity, opportunities for GBR, value for money, heritage and public support. It also scored highest in the six-week public vote, attracting 45,600 votes, more than 5,000 ahead of the second placed location in a total vote of 205,000.

Derby will become the heart of Great Britain's rail industry, bringing together track and train, as well as revenue and cost. This means we will finally treat the railway as the whole system it should be rather than the web of disparate interests that it has become. Passengers will no longer face the excuse-making and blame-shifting of years past. Instead, GBR will be wholeheartedly customer-focused, serving as the single point of accountability for the performance of the railway. The rail campus, led by GBR HQ, will help position the industry to achieve this.

GBR will put customers at the heart of its reforms. It will reinvigorate the role of the private sector to help drive innovation with an unrelenting focus on quality, customer service and experience. Under GBR, rail journeys, buying tickets and ticket prices will be easier, simpler and fairer.

While GBR's headquarters will be in Derby, other towns and cities will also benefit from hosting empowered regional GBR hubs equipped with decision making and investment powers aimed at benefiting their local communities. GBR will support jobs spanning across Great Britain including the north, south-east, south-west and London. The GBR HQ will share learning, partnerships, connections and opportunities across these centres of excellence.

GBR's Transition Team will now work with Derby to identify the site for the HQ within the city, which will represent value for money for the taxpayer. The Midlands is already a transport supercluster for Britain: with DfT and HS2 based in Birmingham, bringing GBR HQ to Derby represents a further boost to the region's transport sector and demonstrates our commitment to levelling up the country.

[HCWS655]





# Petition

*Tuesday 21 March 2023*

## OBSERVATIONS

### LEVELLING UP, HOUSING AND COMMUNITIES

#### Pitch Fees for Park Homes

The petition of the Park Owners Justice Campaign,

Declares that the Retail Price Index is no longer fit for purpose as the measure by which to uprate pitch fees for park homes

The petitioners therefore request that the House of Commons urges the Government to ensure that the Consumer Price Index is used as the basis for the annual pitch fee of park homes.

And the petitioners remain, etc.—[*Presented by Esther McVey, Official Report, 2 November 2022; Vol. 721, c. 980.*]

[P002778]

*Observations from the Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean):*

This Government are committed to reforming the mobile homes sector and giving better protection to all park home residents.

In November 2022, the Government supported the Mobile Homes (Pitch Fees) Bill, a Private Members' Bill introduced in the Commons by my hon. Friend the Member for Christchurch (Sir Christopher Chope), which will change the Retail Price Index (RPI) to the lower the Consumer Price Index (CPI).

The Bill passed all its Commons stages on 18 November 2022 and will have its Third Reading in the Lords on 24 March 2023. The changes will come into force two months after the Bill receives Royal Assent.

The Government will continue with the reforms to the sector that they have committed to introduce, to improve the lives of residents.



# Ministerial Corrections

Tuesday 21 March 2023

## BUSINESS AND TRADE

### Draft National Minimum Wage (Amendment) Regulations 2023

*The following is an extract from the opening speech by the Under-Secretary of State for Business and Trade, the hon. Member for Thirsk and Malton (Kevin Hollinrake), in the debate on the draft National Minimum Wage (Amendment) Regulations 2023 in the Second Delegated Legislation Committee on Monday 6 March 2023.*

**Kevin Hollinrake:** The Government have continued to take action to fulfil their manifesto commitment to enhance the rights of workers and support people to stay in work. We are backing six private Members' Bills in this Session to deliver on our commitments. Once passed, those measures will ensure that all tips, gratuities and service charges are allocated to workers; create a statutory entitlement to neonatal care leave for workers with caring responsibilities; protect workers from redundancy during or after maternity; and grant workers the right to request flexible working from day one.

*[Official Report, Second Delegated Legislation Committee, 6 March 2023, Vol. 729, c. 4.]*

*Letter of correction from the Under-Secretary of State for Business and Trade, the hon. Member for Thirsk and Malton (Kevin Hollinrake).*

An error has been identified in my speech.

The correct information should have been:

**Kevin Hollinrake:** The Government have continued to take action to fulfil their manifesto commitment to enhance the rights of workers and support people to

stay in work. We are backing six private Members' Bills in this Session to deliver on our commitments. Once passed, those measures will ensure that all tips, gratuities and service charges are allocated to workers; create a statutory entitlement to **leave and pay for employees with responsibility for children receiving neonatal care**; protect workers from redundancy during or after maternity, **adoption and shared parental leave**; and grant workers the right to request flexible working from day one.

*The following is an extract from the winding-up speech by the Under-Secretary of State for Business and Trade, the hon. Member for Thirsk and Malton (Kevin Hollinrake), in the debate on the draft National Minimum Wage (Amendment) Regulations 2023 in the Second Delegated Legislation Committee on Monday 6 March 2023.*

**Kevin Hollinrake:** Only 3% of the population is on a zero-hours contract. Sixty-four per cent. of those people do not want more hours, so the contracts kind of work for both sides, but we recognise that there is an issue with exploitation in some situations and we are trying to create the conditions for a conversation between employers and employees while not putting too great a burden on employers. That is why we are legislating for a right to request predictable hours.

*[Official Report, Second Delegated Legislation Committee, 6 March 2023, Vol. 729, c. 13.]*

*Letter of correction from the Under-Secretary of State for Business and Trade, the hon. Member for Thirsk and Malton (Kevin Hollinrake).*

An error has been identified in my speech.

The correct information should have been:

**Kevin Hollinrake:** Only 3% of the population is on a zero-hours contract. Sixty-four per cent. of those people do not want more hours, so the contracts kind of work for both sides, but we recognise that there is an issue with exploitation in some situations and we are trying to create the conditions for a conversation between employers and employees while not putting too great a burden on employers. That is why we are legislating for a right to request a **predictable working pattern**.





# ORAL ANSWERS

Tuesday 21 March 2023

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Tuesday 21 March 2023

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# MINISTERIAL CORRECTION

Tuesday 21 March 2023

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No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned - and *must be received in the Editor's Room, House of Commons*,

**not later than  
Tuesday 28 March 2023**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE  
PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.



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