

**Tuesday  
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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES  
(HANSARD)**

**Tuesday 23 May 2023**

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# House of Commons

*Tuesday 23 May 2023*

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

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### ENERGY SECURITY AND NET ZERO

*The Secretary of State was asked—*

#### **Nuclear Fusion: Energy Provision**

1. **Bob Blackman** (Harrow East) (Con): What assessment he has made of the potential merits of developing nuclear fusion technology to provide energy. [905069]

6. **James Grundy** (Leigh) (Con): What assessment he has made of the potential merits of developing nuclear fusion technology to provide energy. [905074]

10. **Mark Fletcher** (Bolsover) (Con): What assessment he has made of the potential merits of developing nuclear fusion technology to provide energy. [905078]

14. **Michael Fabricant** (Lichfield) (Con): What assessment he has made of the potential merits of developing nuclear fusion technology to provide energy. [905082]

**The Secretary of State for Energy Security and Net Zero (Grant Shapps):** As set out in the Government's fusion strategy, the environmental and economic impact of fusion energy could be transformational. The Government's programme aims to drive commercialisation of fusion energy by building a prototype fusion energy plant by 2040.

**Bob Blackman:** I thank my right hon. Friend for that answer. When I was studying physics at university more than 40 years ago, fusion was a gleam in our professor's eye. Now we have been able to achieve it, but the key is scalability. What effort is my right hon. Friend making to invest in the research and development that is required to bring this clean, cheap and green energy to fruition?

**Grant Shapps:** As my hon. Friend says, fusion has always been talked about as 20 years hence, but to speed that up we have invested £700 million in fusion in the spending review period. We are working to get the world's first fusion power station connected to the grid by 2040, with works scheduled to start in 2032.

**James Grundy:** The north-west has long been home to a large number of jobs dependent on the nuclear sector. Does my right hon. Friend foresee the potential for future jobs in the north-west as we continue to develop nuclear fusion technology?

**Grant Shapps:** Yes, absolutely. Fusion technology could be fantastic for the north-west and part of a big jobs boost. The UK Atomic Energy Authority believes that around 4,500 suppliers will be involved in that, and many of them will be in the north-west.

**Mark Fletcher:** With the West Burton spherical tokamak for energy production plan, we have the opportunity to further solidify the east midlands as the home of the UK nuclear sector. What assessment has my right hon. Friend made of the economic benefits to the east midlands of that plant?

**Grant Shapps:** My hon. Friend is absolutely right, and the importance of that plant to the east midlands could be tremendous. The spherical tokamak for energy production—STEP—programme could support a large number of jobs. When I launched "Powering up Britain" with the Prime Minister at Culham, we stood next to the tokamak—the hottest place in the solar system. Some might think that that would be the sun, but it is 10 times hotter than the sun. To put that in context, that would be more than all the hot air from the right hon. Member for Doncaster North (Edward Miliband) in an entire year.

**Michael Fabricant:** My right hon. Friend has answered all the questions that I was going to ask. What work is he doing with Manchester University—I have not told him that I was going to ask this—which is also doing research in that area?

**Grant Shapps:** I am going to have to riff this one, since that came out of the blue. The UK Atomic Energy Authority is working across the country, including with Manchester University. Its CEO, Sir Ian Chapman, is very proactive on this issue, and he hopes to work with Manchester University, and other institutions, to ensure that the coal-fired power station that was closed down at the end of March in West Burton is opened as a fusion power station connected to the grid. That will be done with the help of Manchester University and many other institutions.

**Caroline Lucas** (Brighton, Pavilion) (Green): Even nuclear fusion's most ardent advocates admit that it will be decades before an operational power station is built. At the same time, I remind the Secretary of State that his own Government's target for decarbonising the power sector is 2035, so nuclear fusion will be no help in meeting that target. Instead of wasting taxpayers' money on yet another nuclear white elephant, why will the Secretary of State not fully harness the things that we know will work, which means an energy system based on renewables backed up with interconnectors, batteries and storage, unblocking onshore wind and unleashing a rooftop solar revolution? Why is he not doing that, which will make the transition much quicker and much cheaper?

**Grant Shapps:** Well, Mr Speaker, we are! When we came to power in 2010, just 7% of our electricity was coming from renewables. Right now, if I look at renewables plus nuclear—I know the hon. Lady does not like to look at nuclear—that figure was 57% in the last year. The idea that we should ignore technology and take that luddite approach to energy is not the energy security that this Government seek.

**Jim Shannon** (Strangford) (DUP): I have been a supporter of nuclear power and nuclear fusion in particular, and we in Northern Ireland want to take advantage of that, although we have been unable to do so until now. What discussions has the Secretary of State had with the Department for the Economy in Northern Ireland about nuclear technology and creating energy for rural farming, which is a massive industry not just in Northern Ireland but in my constituency of Strangford? We want to be part of this growth. How can that happen?

**Grant Shapps:** I firmly believe that all parts of the United Kingdom should be part of our nuclear revolution to ensure that we can get a quarter of our electricity from nuclear. Small modular reactors could be of tremendous interest in Northern Ireland, providing more localised power to individual communities which previously would not have been up for a gigawatt-style power station.

### Energy Transition Projects: Scotland

2. **Richard Thomson** (Gordon) (SNP): What steps he is taking to support energy transition projects in Scotland. [905070]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** We are supporting Scotland's energy transition through the North sea transition deal. Additionally, 52 of the 178 projects awarded contracts for difference for renewable electricity are in Scotland. We are also supporting the clean technologies of the future with over £80 million-worth of funding through our net zero innovation portfolio to 81 locations within Scotland, including offshore wind, carbon capture, usage and storage, and hydrogen.

**Richard Thomson:** The SNP-led Scottish Government have continued to announce more support for energy transition in Scotland, this month pushing on with investment in green hydrogen that will deliver 5 GW of renewable and low-carbon hydrogen production by 2030. The Minister says that the UK Government are supporting that, but they are certainly not putting any money on the table up front as the Scottish Government have through their £500 million energy transition fund for the north-east of Scotland. When will the UK Government finally put their money where their mouth is and support the energy transition that Scotland desperately needs?

**Andrew Bowie:** I thank the hon. Member for his predictable question. He was obviously not listening to the answer I gave to his first question: 52 of the 178 projects awarded contracts for difference are in Scotland, and we are also supporting green technologies to the value of £80 million. The fact is, the SNP cannot be trusted on energy and cannot be trusted to give us the facts. It is playing politics with people's bills while we are delivering to support households, having paid half of an average household's energy bills this past winter.

**Priti Patel** (Witham) (Con): Energy transition projects affect the entire United Kingdom. I thank the Minister for his engagement with MPs across the east of England on the impact of 100 miles of pylons to connect new offshore renewables to the grid. Will he give my constituents an assurance that the Government are doing everything

possible to look at an offshore grid for the east of England? Of course, that would also benefit the entire United Kingdom, including parts of Scotland.

**Andrew Bowie:** I thank my right hon. Friend for her question. It was a great pleasure to be in East Anglia last week and to engage with community organisations and MPs from that part of the world. I confirm that all options are on the table as we look at what infrastructure we can and need to build to move us forward into our net zero future.

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

**Alan Brown** (Kilmarnock and Loudoun) (SNP): It is nearly 10 years since a £1 billion carrot was dangled for Peterhead carbon capture and storage, which was then withdrawn post-referendum. We are now getting told that the UK Government have £20 billion to spend on carbon capture and storage, but the reality is that not one penny of that is ringfenced for Scotland, and indeed there is not even a budget line for that £20 billion. Instead of another jam tomorrow pledge focusing on nuclear, why does the Minister, who comes from the north-east of Scotland, not focus on getting the Scottish cluster track 2 status so that it can get up and moving?

**Andrew Bowie:** I thank the hon. Member for that question, but frankly I am fed up with the SNP talking Scotland down, and indeed talking the Acorn project down. The UK Government have already spent £40 million supporting the Acorn cluster, which is in a very good position as we proceed with track 2. It would be good if, for once, the SNP was to talk that up and work with us, rather than the opposite.

**Alan Brown:** It would be good if the Minister gave us certainty instead of just blustering.

Energy UK has confirmed that the Brexit trading arrangements are adding more than £1 billion a year to our energy bills and, last year, nearly £5 billion was paid in constraint payments. That is all money that could have been used to upgrade the grid. It could have paid for pumped storage hydro that could have procured a greater level of our world-leading tidal stream technology. It could have funded the Acorn CCS or green hydrogen. Instead of adding £6 billion to our bills, will the Minister tell us how many Scottish jobs have been held back by this lack of investment?

**Andrew Bowie:** When it comes to bluster, SNP Members are certainly subject matter experts. On support for Scottish billpayers, as I said, over the past winter this Government were paying half of everybody's energy bills in this United Kingdom. [Interruption.] The hon. Member says that that is thanks to the North sea, but that is the very North sea industry that he and his partners in the Green party would close down tomorrow. This Government support the oil and gas industry for our whole UK moving forward.

### Green Industries: Jobs

3. **Dan Jarvis** (Barnsley Central) (Lab): What steps he is taking with Cabinet colleagues to help create jobs in green industries. [905071]

12. **Ellie Reeves** (Lewisham West and Penge) (Lab): What steps he is taking with Cabinet colleagues to help create jobs in green industries. [905080]

19. **Mohammad Yasin** (Bedford) (Lab): What steps he is taking with Cabinet colleagues to help create jobs in green industries. [905089]

22. **Chris Elmore** (Ogmore) (Lab): What steps he is taking with Cabinet colleagues to help create jobs in green industries. [905093]

**The Minister for Energy Security and Net Zero (Graham Stuart):** I am pleased to say that the green jobs delivery group is co-ordinating across Government to ensure we maximise the number of jobs in green sectors. The group has wide Government representation, including the Department for Education, the Department for Work and Pensions and the Department for Environment, Food and Rural Affairs, and includes members from Siemens, RenewableUK and the Institute for Apprenticeships and Technical Education.

**Dan Jarvis:** I thank the Minister for that response. He will know that South Yorkshire is fast becoming known for its green energy research. From Sheffield Hallam University's Dext Heat Recovery project to the University of Sheffield's Translational Energy Research Centre, there is huge potential in our region. Will the Minister look at what more he can do to work with and provide support to the South Yorkshire Mayoral Combined Authority, so that our region can become a world-leading energy innovation hub?

**Graham Stuart:** I thank the hon. Gentleman for his question. He is quite right to highlight the need for innovation and for keeping us at the cutting edge of science. We committed £4.2 billion to net zero research and innovation over the period from 2022 to 2025. Just last week it was my privilege to open, up in Blyth, the Digital, Autonomous and Robotics Engineering Centre. In his area, and all over the country, green jobs offer a tremendous opportunity.

**Ellie Reeves:** Last year, I visited a home in Sydenham that has been fully retrofitted. Not only does that save bills and reduce emissions; it also creates jobs. This is something we could be rolling out now, yet the Government have spent less than 40% of the home upgrade funding pledged in 2019 to make homes more energy efficient. Will the Minister commit to actually making retrofitting a national priority, and support Labour's plan to insulate 19 million homes by the end of this decade, creating thousands of jobs along the way?

**Graham Stuart:** I share the hon. Lady's enthusiasm for improving the insulation and energy efficiency of buildings, including homes, around the country. As she will be aware, we have already transformed it for the better from the frankly dismal position in 2010, when 86% of homes—the legacy from the right hon. Member for Doncaster North (Edward Miliband) and the Labour party—were not properly insulated. By the end of this year that will be 50%, but I agree with her that we need to go further and faster, and ensure retrofitting wherever we can.

**Mohammad Yasin:** I recently had a meeting with Cranfield Aerospace Solutions, which is on track to certify a zero-emissions aircraft for passenger flight in 2026. The company is growing and has an ambition to reintroduce whole aircraft manufacturing to the UK, bringing in new jobs. The ATI—Aerospace Technology Institute—investment programme has been important in getting to this point, but, as they go beyond research and development, what more will the Government do to support ambitious companies such as Cranfield Aerospace and Hybrid Air Vehicles to manufacture the technology they have developed in Bedfordshire?

**Graham Stuart:** There are huge opportunities for our world-leading aerospace sector in the move towards sustainable aviation fuels. The Jet Zero Council helps to lead that work. We have set mandates to help drive take-up and ensure we are a world leader.

**Chris Elmore:** The Prime Minister before last, two years ago, told the country that Bridgend was going to be one of the great centres of battery manufacturing in this country, if not the world. Of course he meant Blyth, Mr Speaker, which is nowhere near Bridgend. Two years later, following the closure of the Ford factory, the people who worked in it for more than 40 years are still waiting for the UK Government to deliver on much-needed jobs across the M4 corridor. Will the Minister set out what support the Government will be offering and when they will deliver the long-anticipated battery plant for Bridgend?

**Graham Stuart:** What I can tell the hon. Gentleman is that the Government are working flat out to deliver that. I am looking to ensure that we strengthen the UK automotive industry as we move to zero-emissions vehicles.

**Giles Watling** (Clacton) (Con): Last Friday, I was fortunate enough to visit the outer Greater Gabbard wind farm array with my constituency neighbour, my hon. Friend the Member for Harwich and North Essex (Sir Bernard Jenkin). We sailed right out among the wind turbines. The plan is to bring the power ashore in my constituency of Clacton, but that does not make sense to me. I do not understand why the power cannot be brought ashore to the decommissioned Bradwell nuclear power station on the Dengie peninsular—no need for more pylons or substations; upgrade what is there. Will the Minister ask National Grid why it is insisting on spoiling untouched beautiful countryside in the Tendring peninsular and putting more pylons across the Essex countryside?

**Mr Speaker:** I think there must be a lot of green jobs if you come that way. Try and answer that, Minister.

**Graham Stuart:** Thank you, Mr Speaker. I will ask the Minister who leads on networks, my hon. Friend the Member for West Aberdeenshire and Kincardine (Andrew Bowie), to get in touch with my hon. Friend to discuss that further.

**Stephen Crabb** (Preseli Pembrokeshire) (Con): The Government's plans for strengthening our energy security and reaching net zero have the potential to create tens of thousands of jobs in many of our communities. Does the Minister agree that the further education



sector has a crucial role to play in unlocking new roles in engineering, technical and project management? The list goes on. Will he join me in commending Pembrokeshire College in my constituency, which is already working with floating offshore wind developers who are looking to bring new operations to the Celtic sea? They are showing the way forward in developing those new skills.

**Graham Stuart:** I congratulate Pembrokeshire College. It is so important to have the skills in place. That is what the green jobs delivery group is all about. Industry is working to make sure that we have the data on the forward expectations of need. That way, the Department for Education, through FE colleges and other institutions, can ensure that people have the right skills so that as much of the supply chain as possible for developing sectors such as floating offshore wind is here in the UK.

**Jonathan Gullis** (Stoke-on-Trent North) (Con): Stoke-on-Trent North, Kidsgrove and Talke are proud to be home to one of the largest European deep coalmine sites at Chatterley Whitfield Colliery, which has huge potential in geothermal. That is already being explored at Etruria. Will my hon. Friend meet me, Chatterley Whitfield Colliery Friends, Historic England and Stoke-on-Trent City Council, to see what green jobs can be created at that former colliery site, to bring it back into use with a green future?

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** Go on, go on!

**Graham Stuart:** I am being barracked by my Front-Bench colleagues, which is unusual even for me. I would be delighted to accept my hon. Friend's kind offer.

### Polluter Pays: Policy

4. **David Linden** (Glasgow East) (SNP): What steps his Department is taking to ensure that its policies align with the polluter pays principle agreed at COP27. [905072]

**The Minister for Energy Security and Net Zero (Graham Stuart):** I assume that the hon. Member is referring to the agreement at COP27 to establish funding arrangements for loss and damage under the Paris agreement. The main step that we are taking to help deliver that is the doubling of our climate finance to £11.6 billion between 2021-22 and 2025-26.

**David Linden:** Glasgow has a strong link with Malawi, which is one of the countries that really feels the impact of climate change. The Minister is right to reference that loss and damage fund. Will he go a bit further, as I know Christian Aid would want? Will the UK use its seat on the UN committee to mobilise that funding for loss and damage and make sure that the commitments made at COP27 come good, and countries such as Malawi are not left behind in the fight to net zero?

**Graham Stuart:** The hon. Gentleman is right to highlight that. Those on the frontline suffering the impact of climate change often have done least to contribute to it. It is important that we fulfil the pledges we have made, from Paris to the breakthrough agreement on loss and damage agreed at Sharm last year.

### Fixed-term Energy Contracts: Hospitality Industry

5. **Ruth Cadbury** (Brentford and Isleworth) (Lab): What discussions he has had with Ofgem on the potential impact of fixed-term energy contracts on the hospitality industry. [905073]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Amanda Solloway):** I have had several discussions with the Ofgem CEO and suppliers on businesses and hospitality businesses on high fixed contracts. I am sympathetic to those businesses, but it is a commercial matter.

**Ruth Cadbury:** The Royal Oak in Isleworth is a popular family-run pub. Last autumn it had to sign a fixed-term contract at the highest rates. When I raised this issue in March, just before the end of the energy support scheme, the Minister told me that the Government had met energy suppliers, as the Minister has just confirmed. What else are the Government doing to make sure that no more pubs or other successful and thriving small businesses go under because of crippling energy costs?

**Amanda Solloway:** This Government have been incredibly helpful to all businesses, particularly the hospitality sector. As I mentioned, I am sympathetic to those businesses, but this is a commercial matter. Let me reassure the hon. Lady that I have met stakeholders and suppliers. Today I have written to them again to reiterate that they must be mindful of fixed-term contracts.

**Derek Thomas** (St Ives) (Con): No hotel, pub or guesthouse can do its job without the support of the laundry sector, which is feeling the pain of high energy bills, often fixed at the wrong time. I hear what the Minister says about the commercial element, but will she arrange a meeting with the energy efficiency unit and the laundry sector to see what can be done to reduce demand and get better deals from energy suppliers?

**Amanda Solloway:** I thank my hon. Friend for that question. Of course, I am always delighted to organise those meetings.

### Grid Capacity

7. **Helen Morgan** (North Shropshire) (LD): Whether he is taking steps to increase grid capacity. [905075]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** The Government are working with Ofgem, network companies and others to increase network capacity. This includes Ofgem accelerating strategic transmission projects worth £20 billion and allowing £3.1 billion over the next five years for upgrades to the local distribution network.

**Helen Morgan:** I have been contacted by a number of businesses, mostly farms, that want to install renewable energy in the form of a solar array or a wind turbine, but have been advised that they will have to pay thousands of pounds to help to upgrade the grid in their area, making those projects unaffordable. Along with the commitment to phase out oil-fired boilers, that means that there will be huge demand on rural grid capacity. Will the Minister reassure me that he is taking steps to ensure rural networks will be able to cope with that surge in demand?

**Andrew Bowie:** I am very happy to give the hon. Member that assurance. We are doing everything we can, working with Ofgem, companies, providers and other organisations, to ensure that the grid across the United Kingdom, but in particular in rural locations, where there will be a huge surge in demand, is able to cope and that people have fair and equitable access to that.

**Andrew Jones** (Harrogate and Knaresborough) (Con): A few weeks ago, Knaresborough-based Harmony Energy opened the largest battery farm in Europe. What steps are being taken to allow grid capacity and connections for renewables and storage to be made much more quickly, so that projects such as Harmony's can come on stream, deliver energy resilience and cut carbon emissions?

**Andrew Bowie:** We will jointly publish a connections action plan with Ofgem in the summer, setting out actions by the Government, Ofgem and industry to accelerate connections and reform queue management systems. Network companies are already taking steps to free up network capacity and bring forward connections via shovel-ready renewable and storage projects, ahead of slower moving ones.

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

**Dr Alan Whitehead** (Southampton, Test) (Lab): Will the Minister explain how, on his watch, things have got to such a wretched state with grid development? The grid apparently cannot now connect renewable energy plants to the system until after 2035, the date by which the Government say in the energy security strategy "we will have decarbonised our electricity system".

Presumably they envisage that system will be connected to the grid by that point. Has he been unaware that there is a serious problem, or was he aware, but did nothing about it?

**Andrew Bowie:** My watch began only in February. However, I believe the United Kingdom is a victim of its own success, as this is what happens when new renewable electricity production is developed at such scale and pace. We understand the challenges facing the country and the grid. That is why we are meeting with Ofgem and have commissioned the Winsor review, which we will publish in the summer. We are determined that we will meet that 2035 target.

**Dr Whitehead:** The Minister says that some things are beginning to happen, but does he recognise in this context the figure of £30 billion, which is the investment the energy system operator considers is necessary to make the system fit for offshore wind and other renewables coming on to the system, not by 2035 but by 2030? Is he prepared to commit now to find that amount of investment, one way or another? If he cannot do that, how can we take his assurances on action at all seriously?

**Andrew Bowie:** This Government are determined to face up to the challenges that we have. We have moved forward at such pace, having inherited a disgraceful situation in terms of how much renewable electricity was being produced under the last Labour Government.

That is why the grid is facing such challenges today and why we have commissioned Nick Winsor to produce a review in the summer to see how we can move much faster to achieve our goals. I would welcome the hon. Gentleman and the Labour party being more supportive, talking up this country and our success in developing renewable electricity, and working with us to tackle the challenges that he so rightly brings to the Floor of the House today.

### Oil and Gas Exploration: Subsidies

**8. Jeff Smith** (Manchester, Withington) (Lab): What his Department's policy is on subsidies for new oil and gas exploration. [905076]

**The Minister for Energy Security and Net Zero (Graham Stuart):** The Government do not subsidise fossil fuels exploration, and support international efforts to eradicate inefficient fossil fuel subsidies and deliver net zero objectives. In addition, since 2021 no Government support has been provided to the sector overseas, including from UK Export Finance.

**Jeff Smith:** Really? At COP26 the UK signed up to a pledge to eliminate inefficient fossil fuel subsidies, but now the windfall tax has a super deduction loophole worth £11 billion to oil and gas companies—a benefit enjoyed by no other industry. That money could pay to insulate 4 million homes or build renewable power for millions of homes. This will not reduce bills, and it will drive a coach and horses through our climate commitments. Is it not a terrible way to spend public money as well as breaking our climate obligations?

**Graham Stuart:** Only for Labour Members—and perhaps some other people on the Opposition side of the House—is it possible to have a 75% tax on the sector, with the levy alone bringing in £25.9 billion between 2022-23 and 2027-28, and then talk about subsidy. Tens of billions of pounds come from the oil and gas sector in this country, and it provides energy security, keeps the lights on and keeps people warm. If the hon. Gentleman's party were in power, it would cut off domestic supply, weaken energy security and slow down our transition. In every way, they get it wrong.

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

**Kerry McCarthy** (Bristol East) (Lab): I think the Minister needs to look at the dictionary definition of "subsidy". The approval of the Rosebank oilfield would be an astronomical waste of public money, handing £3.75 billion in subsidy to a Norwegian company in tax breaks and incentives without making any difference to British people's bills. Does he accept that it will not create jobs or solve our energy security needs, and that it will be a backward step for climate targets as it pumps out carbon dioxide equivalent to running 56 coal-fired power stations a year?

**Graham Stuart:** Of course, we are a net importer of oil and gas and, if we do not produce domestic gas, for example, we will have more tankers—[*Interruption.*] We will have more tankers with higher emissions coming into this country. We will undermine a sector—[*Interruption.*] Oil, gas and renewables is effectively one sector—[*Interruption.*] It is very hard to get through my answer with all this enthusiastic barracking. It will

undermine the energy security of this country if we do not produce oil and gas here while we are burning that. Thanks to the legislation of this Government, we can be confident that it is compatible with net zero because we have carbon budgets that are taking us there.

**Kerry McCarthy:** Rosebank is an oilfield and 80% of the fossil fuels produced will be exported. If what the Minister says is true, why has the Government's own net zero tsar said that approving Rosebank would undermine our climate leadership on the world stage and "trash" our net zero pledge? Why are leading scientists warning that

"we already have more than enough coal, oil and gas to overshoot what is deemed our best hope of maintaining a liveable climate"? Why is the Minister right and all the scientists wrong?

**Graham Stuart:** It is quite simple. We are reducing demand for fossil fuels, but we are net importers of them. Producing them here and destruction of demand have to be our focus and that is what the Government are doing. We are getting rid of the power stations burning coal. In 2012, nearly 40% of our electricity came from coal, the most polluting of fossil fuels—that was the legacy of the right hon. Member for Doncaster North (Edward Miliband)—but by next year it will be zero. We have moved from 7% to well over 40% with renewables, as the Secretary of State has said. It is economic insanity for us not to produce the oil and gas that we will need for decades to come when we are a net importer.

### Carbon Capture and Storage

9. **Mr Alistair Carmichael** (Orkney and Shetland) (LD): What recent assessment he has made of the potential role of North sea oil and gas infrastructure in developing carbon capture and underground storage capacity. [905077]

**The Secretary of State for Energy Security and Net Zero (Grant Shapps):** North Sea oil and gas infrastructure can play a crucial role in lowering costs and speeding up deployment if it is repurposed for carbon capture and storage, therefore improving our energy security.

**Mr Carmichael:** The Greensand project in Denmark has proven the concept of carbon capture, usage and storage, but we know that the supply chain in this country is fragile. Indeed, if others go ahead and develop CCUS, that is where they will go. Companies such as EnQuest in Shetland, which operates the Sullom Voe oil terminal, are keen to do exactly what the Secretary of State is talking about. Would he or the Energy Minister agree to meet me and the operators of EnQuest to hear what it needs to get that exciting project across the line for a final investment decision?

**Grant Shapps:** The right hon. Gentleman is absolutely right about this, but the UK is playing a leading role with its recent £20 billion investment in carbon capture, usage and storage. We have sufficient space to store potentially 78 billion tonnes of carbon under the North sea—equivalent, I am told, to the space occupied by over 15.5 billion well-fed elephants. I would be more than happy to meet him to discuss the potential of the field he mentioned.

**David Duguid** (Banff and Buchan) (Con): Unlike the SNP, who continue to talk down the fantastic Acorn project, which by the way has never actually stopped—*[Interruption.]* One of the reasons it has not stopped is because of the over £40 million invested by this Government in the Scottish cluster; £80 million was promised by the SNP but never delivered. What progress has been made to provide access to CO<sub>2</sub> storage sites such as those in the North sea for industrial clusters without direct access to those sites by pipeline—for example, through shipping? What advantage can be taken of existing infrastructure at ports located near storage sites, such as Peterhead in my constituency?

**Grant Shapps:** My hon. Friend is absolutely right about the £40 million that the UK Government have already spent on the Acorn project. We have track 1 expansion later this year and track 2 will be announced later this year for CCUS. We look forward to further developments. He is also right to highlight the importance of the storage and transportation of carbon; in fact, it is a subject being considered today in the Committee on the Energy Bill. By the way, the largest Energy Bill that the House has ever considered is being passed by this Government.

**Mr Speaker:** We come to Question 11. Is anyone from the Government Front Bench going to bother? They are still thinking about the last question, but I would like a Minister to answer.

**Edward Miliband** (Doncaster North) (Lab): They are too busy laughing at their own jokes.

**Grant Shapps:** I was laughing at the right hon. Gentleman, actually.

### Low-carbon Industries: Investment

11. **Justin Madders** (Ellesmere Port and Neston) (Lab): What assessment he has made of the potential impact of the US Inflation Reduction Act on levels of investment in low-carbon industries. [905079]

**The Secretary of State for Energy Security and Net Zero (Grant Shapps):** Nearly £200 billion has been invested in low-carbon sectors since 2010, which is 50% higher than has been invested in the US as a share of GDP.

**Justin Madders:** This is a global race and I fear that, with the US Inflation Reduction Act, we are being left behind. I am sure the Secretary of State will be aware of last week's comments by Stellantis, which owns Vauxhall Ellesmere Port, about the need for urgent investment in the move to electric vehicle production. The Faraday Institution has reported that we need between five and 10 gigafactories in the UK to protect the automotive sector, and at the moment we have one, maybe two, coming on stream. How many does the Secretary of State think we need to save the automotive sector?

**Grant Shapps:** First, it is good news that the US has woken up to the need for this energy transition. I was in the US last week and they were pointing out to me that we had already spent £200 billion on this, with another £100 billion being leveraged in over the next six and half years to 2030. The point is we are ahead of the US,



including on the transition to electric vehicles. The proportion of EVs sold in this country is way in excess of where the US is. By 2030, the US only hopes to get to 50%, whereas we will have ended the sale of pure petrol and diesel vehicles, so in fact we are ahead of the game.

**Mr Speaker:** I call the shadow Secretary of State.

**Edward Miliband** (Doncaster North) (Lab): The US has created almost 10 times more green jobs in the seven months since the passage of the Inflation Reduction Act than the UK has created in the past seven years. That is why British business is deeply worried. Frankly, the Secretary of State is all over the place on this, because his only significant response to IRA, passed last August, was to describe it as “dangerous”. Can he explain why IRA is dangerous? Is not the real danger to Britain a Government who are standing on the sidelines while others win the race for green jobs?

**Grant Shapps:** I take the opportunity to clear this up, because I have heard the right hon. Gentleman mention that quote several times. I actually said that aspects of the way in which some Senators passed the Act were in danger of being protectionist. He refuses to quote in full and he therefore misquotes.

As I discovered when I was in the US just last week, the reality is that the US does not have the world's largest, second largest, third largest or fourth largest offshore wind farm. Do you know why, Mr Speaker? They are all being built here in the UK, where we are decades ahead.

**Edward Miliband:** That is exactly the kind of complacency that is costing jobs. Let us talk about offshore wind. The Kincardine floating wind farm, off the coast of Scotland, is indeed the largest in the world. Its foundations were made in Spain, its turbines were made in Rotterdam, where it was also assembled, and the finished product was simply towed into Scottish waters—jobs that could have come to Britain but did not because we have no industrial strategy and the Government refuse to invest in our ports. Is not the truth that we will never win the global race with this Government because they think that public investment in green industry to bring jobs to Britain is dangerous?

**Grant Shapps:** If there was a failure to develop the supply chain, I wonder whether it could have been anything to do with the former Energy Secretary, who only managed 7% of electricity coming from renewables in Labour's 13 years in office. As I mentioned, we are coming up to 50% of electricity coming from renewables. It is worth mentioning that we had the world's first floating offshore wind farm and the largest floating offshore wind farm. It is also worth mentioning that we have just invested £160 million through FLOWMIS—the floating offshore wind manufacturing investment scheme—and that we have just succeeded in getting a monopiles factory, which will produce up to half of the monopiles for future offshore wind factories.

#### Fixed-term Energy Contracts: SMEs

13. **Alison Thewliss** (Glasgow Central) (SNP): What steps his Department is taking to support small and medium-sized enterprises with fixed-term energy contracts. [905081]

18. **Martyn Day** (Linlithgow and East Falkirk) (SNP): What steps his Department is taking to support small and medium-sized enterprises on fixed-term energy contracts. [905088]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Amanda Solloway):** The energy bill discount scheme will continue to provide a discount to eligible non-domestic customers, including those on fixed-term contracts. I met energy suppliers in March to reiterate my expectation that they must do all they can to support businesses on the highest-priced contracts.

**Alison Thewliss:** The Federation of Small Businesses has found that more than one in 10 small firms fixed their energy prices during the market peak last year, meaning that now 93,000 small businesses across these islands could be forced to downsize, restructure or close their doors altogether. Will the Minister support the FSB's calls for action on this? It is unacceptable that businesses in Glasgow Central and beyond have been marooned on devastatingly high energy contracts.

**Amanda Solloway:** One of the things this Government are committed to do is helping small businesses. Both the Secretary of State and I have met the FSB to discuss this matter and to ensure that we are doing the best thing that we can for those on fixed-term contracts.

**Martyn Day:** That was rather a non-answer. Since the downgrading of the energy bill relief scheme to the mair austere energy bill discount scheme, firms, many of them in my constituency, are paying three to four times the amount they were for energy under the previous scheme. If the Minister does not believe the figures she has just heard from the FSB, how many firms does she think will go to the wall as a result of these higher energy costs?

**Amanda Solloway:** This Government remain committed to supporting all small and medium businesses, and the whole business sector. We did the relief scheme and we now have the discount scheme as well. We are also implementing a high energy-intensive scheme. Both the Secretary of State and I are urging suppliers to have a look at these fixed rates and making sure that we can find a reasonable way forward.

#### Net Zero Goals: Local Authorities

15. **Dr Matthew Offord** (Hendon) (Con): What assessment he has made with Cabinet colleagues of the potential barriers for local authorities in achieving net zero goals. [905085]

**The Minister for Energy Security and Net Zero (Graham Stuart):** As a distinguished member of the Environmental Audit Committee, my hon. Friend has recently returned from the Arctic, where he saw the impacts of climate change. We recognise the importance of enabling local areas to play their part in delivering net zero. The net zero strategy and net zero growth plan set out our commitments on how we would help them to do exactly that.

**Dr Offord:** Local authorities have an overwhelming role in achieving net zero, but in the last hour the National Audit Office has told my office that central Government have not developed overall expectations about local authority roles in achieving net zero. There

is little consistency in local authority reporting on net zero, making it difficult to gauge achievements. Neither the Department for Levelling Up, Housing and Communities nor the Treasury has assessed the totality of funding for local authorities to achieve net zero, with the nature of grant funding hindering value for money. So will the Minister carry out an analysis of local authority funding for net zero to inform the next comprehensive spending review, set up an appropriate review to assess the extent to which local authorities in practice have been able to use wider funding for economic growth and levelling up, and work with local authorities to assess the skills gap?

**Graham Stuart:** The Government invest £5 million a year in the local net zero hub programme. We have established the UK Infrastructure Bank, with an initial £12 billion of capital, for the twin goals of tackling climate change and levelling up, and it includes a specific loan facility for local government to deliver net zero. We are looking at other ways of enabling and encouraging local authorities to do more. The details of a devolution deal for retrofit pilots in Manchester and the west midlands will soon be worked out, and I look forward to that being pioneered.

**Hilary Benn** (Leeds Central) (Lab): One risk to net zero is the delay in grid connections. The Chair of the Environmental Audit Committee wrote to the Secretary of State recently to highlight the problem of speculative applications for connections. These are applications that do not yet have planning permission and many never get it, but are clogging up the queuing system. What can be done to fix that?

**Graham Stuart:** The right hon. Gentleman, as so often, is absolutely right; this is a real issue. We have Nick Winser working on the transmission system and he will report next month. On the distribution level, to which the right hon. Gentleman refers, we will be coming up with a connections plan later this year and working with Ofgem to make sure that we have a system that weeds out projects that are clogging up the system and yet will never be delivered, and make sure that the ones that can be delivered get to the front of the queue.

### Fuel Poverty

16. **Sarah Owen** (Luton North) (Lab): What recent estimate his Department has made of the number of families in fuel poverty. [905086]

20. **Kate Hollern** (Blackburn) (Lab): What recent estimate his Department has made of the number of families in fuel poverty. [905090]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero** (**Amanda Solloway**): In 2022 there were an estimated 3.26 million households—13.4%—in fuel poverty in England. The Government recognise how difficult the increase in fuel bills, caused by Putin's war in Ukraine, has been for households across the country.

**Sarah Owen:** Recent figures show that energy companies such as Shell make £61,000 a minute. Meanwhile, there are families—13,255 families in Luton—living in fuel

poverty. I also have pensioners in Luton suffering from chronic health conditions who are risking their health because they cannot afford to put on the heating. The Minister could take action on fuel prices by extending the windfall tax and closing loopholes, so why has she not done so? We do not want any more flim-flam answers. The public are not buying it, the people in Luton North are not buying it, and I am not buying it.

**Amanda Solloway:** The Government have applied a levy on these energy companies, but the really important thing is the work that we have been doing with those households. We have been giving a lot of support and ensuring that we do the very best for all of those people. In addition, on Thursday 31 May we are launching our "Claim your energy voucher" day, and it is really important that all those on prepayment meters do claim their vouchers.

**Kate Hollern:** The Minister just mentioned the work that the Government have been doing, but the Environmental Audit Committee, in its report in January, criticised the Government's energy efficiency target as "vague" and "unspecific", saying that they had a poor record on energy efficiency. Meanwhile, 16.6% of households in Blackburn are in fuel poverty. Is the truth not that the pace of energy efficiency under this Government is too slow, and it is driving even more families into fuel poverty?

**Amanda Solloway:** Just to reiterate, we have taken decisive action to protect customers this winter. We have paid around half a typical household's energy bill. There are also multiple schemes in place targeted at the most in need, including the social housing decarbonisation fund, the home upgrade grant and the energy company obligation scheme.

### Topical Questions

T1. [905094] **Jill Mortimer** (Hartlepool) (Con): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Energy Security and Net Zero** (**Grant Shapps**): Last week, as I mentioned, I was in the US promoting Britain's ambitious plans for renewables, nuclear and the incredible potential of carbon capture, usage and storage, which could be worth trillions to our economy. By forging those closer links, we are bringing down bills, safeguarding our energy and putting Putin's energy blackmail and ransom on the back foot.

**Jill Mortimer:** Does my right hon. Friend agree that we need to seize the unique opportunity in Hartlepool by commissioning an advanced modular reactor for our soon-to-be decommissioned site, to secure jobs and skills and to make Teesside a world-leading area for green energy?

**Grant Shapps:** First, I am very pleased that the Hartlepool nuclear power station has had its lifetime extended to 2026. Secondly, my hon. Friend is absolutely right to be enthusiastic about advanced nuclear reactors and technologies, some of which have a little way to go yet, but they get full support from this Government, and we will support those coming into use when time allows.

T2. [905095] **Matt Western** (Warwick and Leamington) (Lab): The Minister may be aware of a company called Green Energy Together, used by authorities up and down the country who have paid significant deposits. The company was wound up yesterday, leaving thousands of people across the country, including dozens of my constituents, out of pocket. Will the Minister agree to meet me to discuss this urgent crisis, as many people face significant losses? [R]

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Amanda Solloway):** I thank the hon. Gentleman for bringing the matter to our attention. I would be very happy to meet him to discuss it.

T5. [905098] **Mark Pawsey** (Rugby) (Con): There is no point reducing our emissions in the UK if we simply cause them to be produced elsewhere in the world by importing manufactured goods, often from countries where higher emissions may be embodied. A carbon border adjustment mechanism can allow for that, although here in the UK we are behind Europe, which already has a CBAM in place. What progress is being made to develop and implement a CBAM to address the risks of carbon leakage?

**The Minister for Energy Security and Net Zero (Graham Stuart):** On 30 March the Government launched a consultation to explore potential measures on carbon leakage, including a carbon border adjustment mechanism, mandatory product standards and measures to grow the market for low-carbon products. The consultation closes on 22 June and I hope my hon. Friend will consider contributing to it. It is worth noting that full implementation of the EU CBAM will not begin until 2026.

T3. [905096] **Tonia Antoniazzi** (Gower) (Lab): Tinmasters, an energy-intensive business in my constituency, was told it was not eligible for the energy bills discount scheme because it fixed its existing contract before December 2021. It has since had to sign a “blend and extend” contract, as it was the only option for survival. The Minister has spoken with me, but can she tell me what her Government are doing to ensure that suppliers who offer blend and extend contracts are being fair to their customers and how the Government can support those businesses not eligible for support because of an arbitrary date?

**Amanda Solloway:** I thank the hon. Lady for the meeting we had to discuss the matter, which we are looking into. We must recognise that it is the suppliers and consumers who have entered into a contract. However, my strongest encouragement to suppliers is that they do all they can, and blend and extend is certainly one of the ways we can help on that.

T7. [905101] **John Penrose** (Weston-super-Mare) (Con): Does the Minister agree that rewiring energy markets through REMA, the review of electricity market arrangements, is the fastest and cheapest way to cut bills by uncoupling them from gas prices? Does he therefore agree that we should speed up and that bill payers would be best served by a Government White Paper on that before the summer recess?

**Graham Stuart:** I thank my hon. Friend for separately sharing his detailed thoughts on REMA and its reform. This is a complex area with multiple interrelated

mechanisms; it requires careful consideration to unlock the £280 billion or perhaps £400 billion of investment in generation and flexible assets that could be needed by 2035. While I share his impatience and desire to move fast, it is more important still that we get it right. I aim to publish a second REMA consultation in the autumn, which will narrow the options for reform and detail the direction of travel.

T4. [905097] **Mr Alistair Carmichael** (Orkney and Shetland) (LD): Directors at Ofgem are on the record as saying they are already doing everything that needs to be done to meet the country's net zero targets. I do not know anyone outside Ofgem who sees that as anything other than dangerously complacent. Is it not now time for the Minister to give a direct mandate to Ofgem to include meeting net zero as part of its remit?

**The Parliamentary Under-Secretary of State for Energy Security and Net Zero (Andrew Bowie):** The Government have published a draft strategy and policy statement for energy policy that makes clear Ofgem's role in promoting the UK's net zero targets. However, we are considering the effect of an amendment made in the House of Lords to the Energy Bill currently going through this place on Ofgem's statutory duties in relation to net zero.

**Virginia Crosbie** (Ynys Môn) (Con): Does the Minister agree that the way to get cheaper nuclear projects and cheaper electricity overall is to build a fleet of new nuclear reactors, starting at Wylfa in my constituency of Ynys Môn?

**Andrew Bowie:** Yes, the Government agree that the way to cheaper energy bills and a more secure network is to build new nuclear projects. That is why we have launched Great British Nuclear, why we are working with communities and industry across the country, and why I would be delighted to visit Wylfa soon with my hon. Friend to see the potential that that site has to add to our energy security.

T6. [905099] **Carol Monaghan** (Glasgow North West) (SNP): Ofgem has stated that prepayment meters should not be fitted for anybody over the age of 85. In Glasgow, life expectancy is 76. Will the Minister look at increasing the range of people who are considered vulnerable under this?

**Amanda Solloway:** The arrangements that we have for prepayment meters are incredibly important, and we are working closely with Ofgem to ensure that we tackle this issue. As always, I am happy to meet to discuss these issues.

**Peter Gibson** (Darlington) (Con): Sainsbury's, Morrisons and Asda are charging more for road fuel in my constituency than they are in neighbouring towns. Can my right hon. Friend explain what he is doing to help my hard-working constituents secure cheaper fuel?

**Graham Stuart:** We share my hon. Friend's concerns. That is why we asked the Competition and Markets Authority to investigate. It is doing an inquiry. It came up with an interim report in recent days, and it will come back with a full final report and recommendations for 7 July, addressing the very issue that my hon. Friend rightly brings to us.



T8. [905102] **Mike Amesbury** (Weaver Vale) (Lab): The Aston Grange energy project in my constituency, which intends to provide solar, has been told it cannot connect to the grid until 14 years from now, in 2037. What decisive action are the Government taking to intervene and speed things up?

**Andrew Bowie:** I have already set out exactly what the Government are doing. We are working with Ofgem and others. We commissioned Nick Winser to provide a report on how we can speed up connection times and build our network to the position it needs to be in, but I am happy to meet the hon. Gentleman to speak about the specific project he has raised.

**Priti Patel** (Witham) (Con): The House will be familiar with Wilkin & Sons in my constituency, which makes world-famous jam that I am sure everyone in the House has enjoyed. However, it faces significant increases in its energy costs because it is not eligible for the energy and trade intensive industries scheme, as its industry classification is not within the scope of the scheme. The code is 10.3, and it is for processing and preserving fruit and veg. Will the Minister look into that classification? There is an open invitation to come up to Wilkin & Sons.

**Mr Speaker:** That will be very jammy.

**Amanda Solloway:** I thank my right hon. Friend for that invite, and I would be delighted to go if some of the product was on offer. We are constantly looking at the help we can give. We are giving help across all industries. We are giving universal help through the discount, and we are helping energy and trade intensive industries as well. The classification exists to ensure that we do not have a bias.

T9. [905103] **Anne McLaughlin** (Glasgow North East) (SNP): For seven long years, my SNP colleagues and I have fought for justice for victims of green deal mis-selling. A successful recent test case is now being appealed, and the resolution to this could take many more years. In the meantime, some of my constituents have died—most recently, a lovely woman by the name of May Young. We do not have to keep putting people through this; there is a political resolution. Will the Minister meet me to discuss that?

**Graham Stuart:** I thank the hon. Lady for her question and her years of effort to support constituents in this respect. I would be delighted to meet her.

**David Duguid** (Banff and Buchan) (Con): There has been lots of talk in the Chamber today about green jobs. When I talk to stakeholders in the renewable and low-carbon technology sector, they talk about the need for electrical technicians, mechanical technicians, engineers, instrumentation engineers and all kinds of skills that currently exist in the oil and gas industry. Will my right hon. Friend join me in encouraging young people to consider a career in oil and gas, not just to meet the energy security demands of today but to develop the skills that will be much needed in the future?

**Graham Stuart:** When I recently visited Aberdeen, Inverness, Port of Nigg and Orkney in the constituency of the right hon. Member for Orkney and Shetland (Mr Carmichael), it struck me that nearly all—in fact, I think all—the companies I met were working across

oil, gas and renewables. They are part of one system, whether it is fabrication, subsea engineering or any number of other things. In truth, our energy security is about oil, gas and renewables. We are reducing our use of fossil fuels, but producing it here at home is a noble career for people in my hon. Friend's constituency.

**Daniel Zeichner** (Cambridge) (Lab): In a few months' time, there will be extra checks on food coming into the UK from Europe. That will require extra cold store capacity; it is being built, but the Cold Chain Federation tells me that there is a three-year to four-year wait for connection to the grid. What are the Government going to do to make sure those facilities are up and running in time?

**Andrew Bowie:** Years of world-leading green investment has meant we have connected the second highest amount of renewable electricity in Europe since 2010. That has, of course, put pressure on the electricity network, and reducing connection timescales is a high priority for the Government, as I have already set out multiple times this afternoon.

**Mr Gregory Campbell** (East Londonderry) (DUP): A more rapid escalation towards net zero could be achieved by a significant increase in electric vehicle charging points, particularly in areas where there are very few, such as Portstewart and East Londonderry in my constituency. What meetings will the Minister have, and what pressure will he apply, to try to ensure that there is a significant increase between now and 2030?

**Grant Shapps:** As a former Transport Secretary, I can inform the hon. Gentleman that the UK has more fast charging per mile of road than any other major European economy, but we are always pushing to go further. In particular, we have a very large programme working with local authorities to install more capacity, particularly for the harder-to-reach roads.

**Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): At the moment, many people receive their domestic energy on a commercial contract, either via a landlord or because they live above a shop. This Government put in protections to support them, but they have now been lifted, and those people are of course ineligible for the Ofgem energy price cap. Will the Government review this situation to ensure those residential customers are treated with the residential protections they deserve?

**Amanda Solloway:** This Government have a commitment to ensure that everybody is treated fairly, especially when it comes to the discounts and relief schemes. We have legislated to make sure that landlords pass on the payments they receive; if they do not, there is a way of redressing that by going through gov.uk.

**Wera Hobhouse** (Bath) (LD): ChargePoint, one of the largest UK charging networks, worries that the Government's local EV infrastructure fund will replicate the mistakes of the past, where electric charge points were put into lamp posts and bollards where people with non-electric vehicles park, therefore losing valuable electric charging. Will the Government ensure that the LEVI fund is targeted at local authority assets such as swimming pools and libraries, where people will often go, therefore increasing EV charging capacity?



**Grant Shapps:** The hon. Lady makes a very good point: where charge points are blocked, they become useless for EVs. The LEVI scheme that she references is designed to try to help as many people as possible, and I will certainly ask my right hon. Friend the Transport Secretary to take a closer look at the specific point she raises about those blockages.

**Deidre Brock** (Edinburgh North and Leith) (SNP): Private jets, described as “incredibly carbon-intensive”, have been in the headlines. The recent Department for Transport-commissioned report suggests that the carbon footprint of private jets in the UK is on par with 200,000 people taking a return flight to Hong Kong, and calls for the number of private jet flights to be halved. Will the Secretary of State be having a word with his colleague the Foreign Secretary about that?

**Grant Shapps:** Private jets are in the headlines almost as much as motorhomes. The reality is that to solve this problem, we need sustainable aviation fuel in the shorter

term, which is why the UK has one of the world's leading targets: 10% of SAF in our energy mix for jets in just six and a half years' time.

**Alison Thewliss** (Glasgow Central) (SNP): Some 13,450 energy bills support scheme vouchers have gone unclaimed in my constituency. Given the delays that many of my constituents have experienced in obtaining those vouchers and arguing the case with their energy companies, will the Minister push back the date by which they have to be redeemed, which is currently 30 June?

**Amanda Solloway:** The hon. Member makes an incredibly important point, and gives me the opportunity to make plain that we must make sure all those vouchers are cashed in by 30 June. I encourage every single Member in this place to make sure that their constituents who are on prepayment meters and have not cashed in those vouchers do so.

## Ministerial Code: Investigation of Potential Breach

12.34 pm

**Angela Rayner** (Ashton-under-Lyne) (Lab) (*Urgent Question*): To ask the Chancellor of the Duchy of Lancaster if he will make a statement on the criteria for launching an investigation into a potential breach of the ministerial code.

**The Minister for the Cabinet Office and Paymaster General (Jeremy Quin)**: The ministerial code sets out the standards of conduct expected of Ministers in how they discharge their duties. The code is the Prime Minister's document, but Ministers are personally responsible for deciding how to act and conduct themselves in the light of the code and for justifying their actions and conduct to Parliament and the public. The Prime Minister is the ultimate judge of the standards of behaviour expected of a Minister and of the appropriate consequences of a breach of those standards. Ministers remain in office only for so long as they can retain the confidence of the Prime Minister.

The Independent Adviser on Ministers' Interests is appointed by the Prime Minister to advise on matters relating to the ministerial code and, as hon. Members will be aware, that may include considering matters of ministerial conduct. The independent adviser has published terms of reference, which state that if

"there is an allegation about a breach of the Code, and the Prime Minister, having consulted the Cabinet Secretary, feels that it warrants further investigation, the Prime Minister may ask the Cabinet Office to investigate the facts of the case and/or refer the matter to the independent adviser on Ministers' interests."

With regard to the matter concerning the Home Secretary, which has been the subject of recent coverage, the Prime Minister made it clear to the House yesterday that he is receiving information on the issues raised. Since returning from the G7, the Prime Minister has met both the independent adviser and the Home Secretary and asked for further information. It is right that the Prime Minister, as the head of the Executive and the arbiter of the ministerial code, be allowed time to receive relevant information on this matter. Hon. Members will be updated on this in due course.

**Angela Rayner**: Thank you, Mr Speaker, for granting this urgent question. This is an urgent matter, because our constituents expect those who make the rules to follow the rules, especially the Minister responsible for upholding the law. There are serious questions to answer following reports that the Home Secretary asked civil servants to organise a private speeding course. Will the Minister start by confirming whether the Home Secretary did or did not ask civil servants for help in this matter?

After days of dither and delay, and as the Minister just pointed out again, the Prime Minister still has not decided whether his ethics adviser should investigate. When can we expect to know what the Prime Minister is thinking on this matter? Was the Prime Minister made aware of the issue when he appointed the Home Secretary?

The ministerial code is clear that Ministers must not use their position for personal gain or ask civil servants to help them in a private matter. Does the Minister condone attempts to use the civil service for personal matters, or does he think that any potential breach of

that principle should result in an investigation? Reports suggest that officials raised concerns about the Home Secretary's conduct in emails sent to the Cabinet Office, with the full awareness of the permanent secretary. Officials are said to have been instructed to disregard the request. Was that the case, and if so, on what basis? Furthermore, if the Home Secretary did authorise her special adviser to tell journalists that there was no speeding penalty, that would surely be classified as a Minister asking officials to breach the civil service code. Does the Minister agree that that amounts to the breach of the ministerial code?

As the Minister knows, the Home Secretary already admitted to breaching the code by using personal emails to share sensitive Government information. How many strikes before she is out?

**Jeremy Quin**: The right hon. Lady has made a number of contentions there, and I will not get into speculation about the events in question. She will have heard the Prime Minister being clear yesterday that he was informed of the issue while on the service of the country at the G7 in Japan. He has returned from the G7 and is gathering information, but what we know of the Prime Minister is that he will deal with these issues properly and professionally. The first part of that is to gather the information required on which he can take a view, and that is what he is doing.

**Sir Jeremy Wright** (Kenilworth and Southam) (Con): My right hon. Friend will recall that the Committee on Standards in Public Life, when I was a member of it, recommended that the independent adviser should be able to initiate their own inquiries into breaches of the ministerial code and determine whether there was a breach, leaving sanctions properly for the Prime Minister to determine. That has several advantages. It gives the benefit of a decision being taken at arm's length from Government and, if I may say so to my right hon. Friend, it also means we will have fewer occasions such as this and he will have to answer fewer such urgent questions. [*Interruption.*]

**Jeremy Quin**: What the hon. Member for Aberavon (Stephen Kinnock) says is true: it is always a pleasure to be before the House in any circumstances. To respond to my right hon. and learned Friend the Member for Kenilworth and Southam (Sir Jeremy Wright), I would not wish to detract from the fact that the ministerial code is the Prime Minister's document. It is a code as to how the Prime Minister expects his or her Ministers to behave in a set of circumstances. The Prime Minister is the ultimate judge of the ministerial code. I believe the first independent adviser was appointed in 2006 to have a role supporting the Prime Minister in that function, but we must remind ourselves that the ministerial code is the Prime Minister's document, and he needs to be able to take decisions on the back of it regarding his ministerial team.

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

**Kirsty Blackman** (Aberdeen North) (SNP): This is a descent into absolute farce. Instead of the professionalism, accountability and integrity that the Prime Minister promised when he came into office, we are faced with calamity, chaos and corruption. The right hon. Member

for Uxbridge and South Ruislip (Boris Johnson) continues to be investigated, the right hon. Member for Stratford-on-Avon (Nadhim Zahawi) had to leave Cabinet in disgrace, and we are seeing revelation after revelation about the misdeeds and wrongdoings of the Home Secretary. First there was the request to organise a personal speed awareness course, and today we have the revelation that the Home Secretary did not disclose her extensive work with the Africa Justice Foundation, 19 alumni of which are now in senior positions in the Rwandan Government.

How can the Prime Minister continue to pretend that he is presiding over a Government with anything other than their own personal interests at heart? Is it not the case that the people of Scotland and all the people of these isles would be better served by politicians who understand and stick to the principles of public life in the ministerial code? Will the Prime Minister ensure that an investigation is undertaken into all the alleged ministerial code breaches? What is the point in having a ministerial code if Ministers simply ignore it?

**Jeremy Quin:** As I said earlier, there is information being gathered, and that will be the first point to determine the next steps. It is always interesting to hear from the SNP about farcical situations with ethics. The one advantage of a campervan, I suppose, is that it does not go very fast.

**Sir Julian Lewis** (New Forest East) (Con): I have no first-hand knowledge of this particular case, but does my right hon. Friend the Minister agree that there is and should always be a difference between asking a civil servant to do something that may or may not be wrong and asking a civil servant for advice on whether doing something is or is not likely to be wrong?

**Jeremy Quin:** I of course agree that there is a difference there, but I would not wish to speculate about this particular circumstance, as my right hon. Friend will understand.

**Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): If the Prime Minister is gathering the evidence and asking for more information, what is so wrong with just launching an investigation properly through the correct channels?

**Jeremy Quin:** There is nothing incorrect with the process, which is being conducted properly and professionally. The Prime Minister will gather the information and then decide the next steps. It is very simple.

**Sir Charles Walker** (Broxbourne) (Con): I have an admission to make: the Home Secretary is not on my Christmas card list, and I am certainly not on hers. I hope this is a question and not a statement: I find it hard to get my head around the fact that the BBC sent its political editor halfway across the world, to a G7 summit where energy security, Ukraine and defence were being discussed, to ask our Prime Minister a question about a speed awareness course. This is the question: why?

**Jeremy Quin:** As my hon. Friend is well aware, the BBC is editorially completely independent, but I absolutely hear what he says.

**Ellie Reeves** (Lewisham West and Penge) (Lab): When the Home Secretary was the Attorney General, she tweeted her support for Dominic Cummings driving to Barnard Castle to test his eyesight. When she was Home Secretary under the right hon. Member for South West Norfolk (Elizabeth Truss), she was sacked for sending sensitive Government information from a personal email address. As Home Secretary under the right hon. Member for Richmond (Yorks) (Rishi Sunak), she faces allegations of instructing civil servants to arrange a private speed awareness course. Every step of the way, it is one rule for members of this Government and another for everyone else. What will it finally take to get an investigation?

**Jeremy Quin:** An investigation will be dependent on the information gathered. The Prime Minister will gather that information, and he will take a decision on the back of the information that he has received.

**Miriam Cates** (Penistone and Stocksbridge) (Con): In recent weeks, the Home Secretary has publicly supported the majority view that immigration levels are too high in this country, and she has led the debate on how we can reduce the overall migration numbers. Given that 6,000 people are convicted of speeding every day and that, like the majority of people, the Home Secretary has paid the fine and taken the points, does my right hon. Friend agree with me that this leak is a clear attempt to play the woman, not the ball, and that it is an attempt that undermines our democracy and distracts from the important job of delivering on ordinary people's priorities?

**Jeremy Quin:** The Home Secretary has an incredibly important job to do, and I totally agree with my hon. Friend. *[Interruption.]* I know she is deeply committed, whatever the noise, to get on and deliver on that job for the British people. Obviously, information will be gathered, but I know that the Home Secretary is deeply committed to that task and will continue to do it.

**Ronnie Cowan** (Inverclyde) (SNP): The appointment of the ethics adviser is at the sole discretion of the Prime Minister, the inquiries that are carried out are at the sole discretion of the Prime Minister and the actions taken on the outcome of any report are at the sole discretion of the Prime Minister. Does the Minister think maybe there is a problem with this process?

**Jeremy Quin:** I am certain the hon. Gentleman is aware that an independent adviser can recommend to the Prime Minister that a particular course of action is taken, although ultimately—the hon. Gentleman is right—the ministerial code is a matter for the Prime Minister. It is his code, and he has to determine the standards expected of Ministers in his Government.

**Sir Edward Leigh** (Gainsborough) (Con): What is wrong with this country? We used to have proper scandals about sex or money, or about Prime Ministers invading Iraq on dodgy evidence where hundreds of thousands of people died. Apparently this is a scandal, but all this moral outrage about a Minister who asked her private office about something and took their advice is ludicrous. What has happened to the Osmotherly rules? We all know what this is all about: the Opposition are attacking

[Sir Edward Leigh]

a good Home Secretary, who is trying to attack the real scandal of mass immigration to this country. Give her support!

**Jeremy Quin:** I thank my right hon. Friend for the question, and I understand what he is saying. “Is this all a storm in a teacup?” is the question being asked by my right hon. Friend. The information will be gathered by the Prime Minister. As I said to my hon. Friend the Member for Penistone and Stocksbridge (Miriam Cates), whatever that process, I know that the Home Secretary is deeply committed to continuing to deliver on her incredibly important work of delivering for the British people.

**Dame Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): The Prime Minister promised integrity, professionalism and accountability. I think we can all agree that the first two were shot long ago, even before this latest incident. As for accountability, he has now taken personal responsibility for this, but I am sure the Minister would agree that the real accountability is now down to the British people at the next general election, which needs to come sooner rather than later.

**Jeremy Quin:** The British people will know that the Prime Minister will act in a professional and proper manner. He always does, and he is doing so in these circumstances. I believe that it is not totally unknown for the Labour party to have issues of a disciplinary nature that it needs to look at, and I dare say that it has processes. We too have processes, and the Prime Minister will make certain, having gathered the information, that he does next what he feels is right.

**Danny Kruger** (Devizes) (Con): My hon. Friend the Member for Broxbourne (Sir Charles Walker) makes the right point about the BBC’s political editor, but here we have 50 or so Opposition Members choosing to spend their time debating this question. Does my right hon. Friend think—[*Interruption.*] We are here because we have been called out in defence of the Government. Does the Minister think that their constituents will be proud of the way their representatives are using their time?

**Jeremy Quin:** I have a long memory, and I recall a little while ago an urgent question being asked by a Member of the House, and the right hon. Member for Ashton-under-Lyne (Angela Rayner) coming here to defend the Labour party’s actions on, among other things, the matter of Sue Gray and an appointment. I remember her saying what a complete waste of time it was for this Parliament that we were spending time and wasting our time on these issues. My hon. Friend raises a pertinent point.

**Christine Jardine** (Edinburgh West) (LD): In the time that the Prime Minister is taking to decide what to do about the Home Secretary’s actions, any of us could have taken a speed awareness test 17 times, and counting. Does the Minister agree that to the public that looks like weak leadership, and it leaves the Prime Minister’s commitment to integrity, accountability and professionalism as just an empty promise?

**Jeremy Quin:** The Prime Minister does things properly and professionally, and it is right that he gets the information and bases his decision on that. He does that as Prime Minister on the whole remit of Government policy, and it is right that he should do it in these circumstances.

**Nick Fletcher** (Don Valley) (Con): Does my right hon. Friend agree that once this nonsense has been dealt with, we should ask why, when and how this was leaked, because there is also a civil service code to be adhered to?

**Jeremy Quin:** Right now the focus is on gathering the information that the Prime Minister needs to take a decision on this. I thank my hon. Friend for his question. It is always a matter of concern when information gets out in unauthorised ways and circumstances, but the focus now is just on gathering this information.

**Clive Efford** (Eltham) (Lab): This is not just about a speeding fine; this is about the integrity of the Home Secretary and how she behaved to officials when she received that fine. Did the Cabinet Office inform the Prime Minister about the emails sent to the propriety and ethics team regarding the request for a private speeding course?

**Jeremy Quin:** The Prime Minister is now asking for information that is pertinent to this, and he will take decisions on the basis of the information that he receives.

**Jonathan Gullis** (Stoke-on-Trent North) (Con): The people of Stoke-on-Trent North, Kidsgrove and Talke are more interested in how the Home Secretary will empty the hotels that are being used right now for economic migrants and asylum seekers, undermining £56 million of levelling up funding. They are interested in how to use the 330 brand new police officers that have been recruited to tackle crime and fly-tipping in places such as Cobridge, Tunstall and Smallthorne. They are interested in ensuring that we use the £2 million of Safer Streets funding that we secured to put in new alley gates and additional CCTV. That is what they want to see, not this witch hunt from the Labour party. The Home Secretary has already taken accountability—[*Interruption.*]

**Mr Speaker:** Order. Mr Gullis, when I stand up, you sit down. Once we get that message, we will understand each other. We want to get through, and I think the Minister absolutely got the question.

**Jeremy Quin:** My hon. Friend raises a valuable point. His constituents are worried about the conduct of our policy on a range of issues, including personal security, migration—a whole list. The Home Office has an incredibly important job to do, and I know that my right hon. Friend the Home Secretary is determined to produce those answers for the British people.

**Hywel Williams** (Arfon) (PC): They say that confession is good for the soul, and recently I took a speed awareness course. It was well taught, available at an early hour so that it did not interfere with my work, and available to all equally. Why did the Home Secretary not avail herself of that equal opportunity?



**Jeremy Quin:** I thank the hon. Gentleman. I am better informed about speed awareness courses, but I am not going to comment on the specifics of this circumstance. The Prime Minister is gathering the information, and he will take a decision on the back of that.

**Andrew Gwynne** (Denton and Reddish) (Lab): Can the Minister confirm that civil servants contacted the Cabinet Office's propriety and ethics team about the Home Secretary's request? If so, why does he think the Prime Minister does not have that same integrity to ask his ethics adviser formally to investigate what happened?

**Jeremy Quin:** The Prime Minister is gathering information to ascertain the facts. He will take a decision on the next steps from there.

**Joanna Cherry** (Edinburgh South West) (SNP): Within the last hour, it has been reported by *The Independent* that the Home Secretary stands accused of fresh ministerial code breaches over undisclosed links to the Rwandan Government. As Chair of the Joint Committee on Human Rights, I have been in correspondence with the Home Secretary about well evidenced human rights concerns in Rwanda, and our Committee's concern about plans to send asylum seekers there. The Home Secretary, it is fair to say, seems to take a rather rosy-eyed view of Rwanda's human rights record. Does the Minister think that that has anything to do with her undisclosed links to the Rwandan Government, and will he include that potential breach of the ministerial code in any inquiry?

**Jeremy Quin:** The hon. and learned Lady knows more than me about this subject, because she has read the full article and I just saw the tweet. I cannot really comment on that. I understand it was something that the Home Secretary did with Cherie Blair and others some considerable time ago, a charitable endeavour before she entered Parliament—that is just what I got from the tweet. I cannot comment any more than that, as the hon. and learned Lady will understand.

**Andy McDonald** (Middlesbrough) (Lab): I received a letter from the Under-Secretary of State for Levelling Up, Housing and Communities, the hon. Member for Bishop Auckland (Dehenna Davison), to whom I have given reference that I would raise this matter today, in response to concerns I raised about the activities at Teesworks. She advised me that nothing untoward was at play, although I was not provided—*[Interruption.]*

**Mr Speaker:** Order. I think that might be better asked as a point of order, rather than in the middle of where we are now. Is this about the ministerial code and this particular Minister?

**Andy McDonald:** Exactly, Mr Speaker, because importantly the Under-Secretary of State for Levelling Up, Housing and Communities was the recipient of a properly declared four-figure donation from a party directly connected to those dealings. Surely she should have recused herself, and in failing to do so was in direct contravention of the ministerial code at paragraph 7.1 and onwards. Does the Minister agree?

**Jeremy Quin:** You will appreciate, Mr Speaker, that I am not in any position to comment on the kind of allegations that the hon. Gentleman is making. I am not in a position to make any comment on that whatsoever. That is for another occasion.

**Mr Ben Bradshaw** (Exeter) (Lab): Will the Minister update the House on the status of the special advisers' code, given that the Home Secretary's special adviser apparently lied repeatedly to journalists, in clear breach of the special advisers' code, yet the Prime Minister and the Cabinet Secretary have done absolutely nothing—*[Interruption.]*

**Mr Speaker:** Order. If hon. Members want a conversation, they should please take it outside and not across the Chamber.

**Jeremy Quin:** The right hon. Gentleman will be well aware of the contents of the special advisers' code, which sets out how special advisers should act in these circumstances. I am not in a position to talk about the specifics of this case in these circumstances. These are early days. The Prime Minister is gathering information regarding the overall picture and will take decisions in due course.

**Stephen Morgan** (Portsmouth South) (Lab): Does the Minister believe that the Home Secretary acted entirely within the ministerial code while in office?

**Jeremy Quin:** I think that is for the Home Secretary—*[Interruption.]* As I said right at the start of my statement, the ministerial code is a matter for the Prime Minister. He is the ultimate arbiter on all questions regarding the ministerial code, and it is for individual Ministers to make certain that they adhere to it. Those are the facts of the case.

**Mike Amesbury** (Weaver Vale) (Lab): Why is the Prime Minister so weak and indecisive that he cannot even refer his Home Secretary to his independent ethics adviser? Weak, weak, weak.

**Jeremy Quin:** I do not know whether the hon. Gentleman had a chance to be in his place yesterday for the Prime Minister's statement on the G7. What he would not have found was any suggestion of weakness. We saw a Prime Minister who had just come back from the G7, where he was focused on delivering for the British people. He went through the litany of achievements that we made at that summit. That is a country standing up for itself on the world stage, and that is a Prime Minister who is able to deliver for the people of this country. That is the main event.

**Marion Fellows** (Motherwell and Wishaw) (SNP): I wonder whether the Minister for the Cabinet Office is just a wee bit teed off with the Home Secretary. He came here to defend her and, lo and behold, here is another scandal, as mentioned by my hon. and learned Friend the Member for Edinburgh South West (Joanna Cherry). How many inquiries should the PM's ethics adviser be asked to conduct, or should the Home Secretary just resign and save us all the bother?

**Jeremy Quin:** Whether this is a matter for the independent adviser will be a matter for the Prime Minister to determine. He is going to gather that information, and he will then take the decision on it.

**Jim Shannon** (Strangford) (DUP): The Home Secretary has apologised for the speeding and has fully and willingly complied with the police in paying the fine. Lessons have been learned and punishment given. In the midst of the storm created, hopefully lessons can be learned. Does the Minister agree that we can all learn from the biblical quotation that he or she who is without sin can throw the first stone?

**Jeremy Quin:** If that is my last question, Mr Speaker, I thank the hon. Gentleman, as he makes a good point on which to end.

## Points of Order

1.1 pm

**Ed Davey** (Kingston and Surbiton) (LD): On a point of order, Mr Speaker. At Prime Minister's questions on 19 April, the Prime Minister claimed that last year the number of NHS dentists in England had increased by 500. However, today the British Dental Association has revealed that the number of dentists delivering NHS work fell by almost 700 in the 2022-23 financial year. I am sure that the Prime Minister did not intentionally aim to mislead the House, but have you had any indication from him or his office that he intends to come back to the House to correct the record and give Members the latest information?

**Mr Speaker:** I think that somebody else wants to ask a similar question.

**Mary Kelly Foy** (City of Durham) (Lab): Further to that point of order, Mr Speaker. The Prime Minister may have made several inaccurate statements regarding the number of NHS dentists. Since January, he has said on seven occasions that there are more dentists working in the NHS. On 3 May, in response to me at Prime Minister's questions, he stated that

"there are more than 500 more dentists working in the NHS this year than last year."—[*Official Report*, 3 May 2023; Vol. 732, c. 111.]

However, a freedom of information request obtained by the British Dental Association has thrown his comments into doubt. According to the FOI response, the number of dentists is down by 695 compared with the previous year. There are, in fact, more than 1,100 fewer dentists undertaking NHS work than before the pandemic, which brings the workforce to levels not seen since 2012-13. May I seek your advice on how we might encourage the Prime Minister to correct the record as soon as possible?

**Mr Speaker:** First, I thank the right hon. Member for Kingston and Surbiton (Ed Davey) and the hon. Member for City of Durham (Mary Kelly Foy) for giving notice of their points of order. Although the content of answers to parliamentary questions and contributions is not a matter for the Chair, if an error has been made in this instance, I am sure that the Government will seek to correct it as quickly as possible. If the right hon. Member and the hon. Member wish, I am sure that the Table Office will give advice on ways to pursue the problem.

**Daisy Cooper** (St Albans) (LD): On a point of order, Mr Speaker. Today, it has been revealed that there have been 35,000 cases of sexual misconduct or violence in the NHS in the past five years. Medical colleges and unions are calling for an inquiry over the shocking levels of sexual assault in the NHS. The BBC, *The Guardian*, *The BMJ*, *Byline* and others are now reporting on this issue, but we have heard little from the Government. Will you please advise me whether the Secretary of State for Health and Social Care has given any indication that the Government intend to make a statement on the issue this week? Will you further advise those of us who have been trying to force action on this issue for the best part of a year how we can secure a debate on the Floor of the House?

**Mr Speaker:** I thank the hon. Lady for her point of order. I have had no notification that the Secretary of State plans to make a statement on this matter. I suggest that the hon. Lady visits the Table Office to seek advice on how she might pursue the issue. Those on the Treasury Bench will have taken note of her comments, and I am sure that she knows that there are many means by which she can take this forward, if she wishes.

## Animal Welfare (Responsibility for Dog Attacks)

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

1.4 pm

**Anna Firth** (Southend West) (Con): I beg to move,

That leave be given to bring in a Bill to amend the Animal Welfare Act 2006 to require a person in charge of a dog to take all reasonable steps to ensure that that dog does not fatally injure another dog; and for connected purposes.

Britain is undoubtedly a nation of dog lovers, with recent estimates suggesting that there are 13 million dogs in the UK. In other words, almost half of all households probably have a dog. For many, a dog is not just a pet but a much-loved member of the family. Certainly, my predecessor, Sir David, loved his two pugs, Lily and Bo. My own cavapoochon, Lottie, is a much-loved member of our family.

Research shows that companionship is the most common reason for having a dog. That was absolutely the case for my constituent Michael, who is with us in the Public Gallery. Michael lost his long-standing girlfriend unexpectedly and suddenly to epilepsy, so, after her death, he adopted her beautiful, white, fluffy, bichon frisé bitch Emilie—known affectionately as Millie—both to keep him company and to help him grieve.

Emilie was a wonderful dog. She was gentle, sweet and obedient, and she totally captured Michael's heart. However, 18 months ago, Emilie was savagely attacked by an off-lead, out-of-control dog while on a walk through the rose garden in Chalkwell Park, Leigh-on-Sea. Michael described the attack as like watching a horror movie. The dog came at Emilie like a missile and, although she was on her lead,

“shook her like a rag-doll”.

Michael found himself helpless to stop Emilie being torn apart in front of his eyes. After the attack, he had no option but to carry Emilie, bleeding and with serious open wounds to her abdomen, to the nearest vet, where sadly she was put down. Outrageously, the owner of the dog that attacked Emilie refused to take any responsibility—not even paying the vet's bill for euthanasia.

No dog owner or dog should have to go through what Michael and Emilie experienced. I believe that we would all be devastated if that happened to our own pet dog, but we would be doubly devastated if, on reporting the matter to the police, we were told that there is nothing they could do as it was simply dog on dog. Yet that is exactly what happened to Michael. That is why I am introducing the Bill.

Sadly, Michael's experience is far from unique. Since launching the Bill, I have been inundated with heartbreaking tales from dog owners all around the country. Blue the collie, Beau the Yorkshire terrier, Luath the dachshund and Ozzy the cocker spaniel are just some of the names of beautiful dogs that have been viciously killed by other dogs through no fault of their own or their owners.

The statistics back up the anecdotal evidence. After the incident, I submitted freedom of information requests to all 43 police forces in the UK asking if they record dog-on-dog attacks as a separate offence and, if so, how many they had recorded over the last 5 years. Shockingly,

[Anna Firth]

only 14 police forces currently record a dog-on-dog attack as a separate incident. However, in 2016 those 14 reported and recorded 1,700 dog-on-dog attacks. Since lockdown, with everyone buying their covid-19 pandemic puppies, the numbers have skyrocketed. In 2021, the same 14 police forces recorded 11,559 dog-on-dog attacks—a 700% increase—with a shocking 2,264 in London alone.

The true incidence of dog-on-dog attacks across the country is likely to be far greater, since it would be ridiculous to assume that those attacks occur only in areas where police forces happen to record them. Scaled up, therefore, there could be as many as 35,000 dog-on-dog attacks each year across the UK—and increasing. Pet insurance companies have also reported dog-on-dog attacks to be rising, resulting in vets bills running to many thousands of pounds for affected households.

Laws, both civil and criminal, have been strengthened in recent years to protect the public where a dog presents as a risk to public safety, whether in public or in private, but it remains the case that a dog owner is not liable to any form of criminal prosecution when their dog fatally attacks or seriously injures another dog, unless: the other dog is a guide, assistance or service dog; the dog bites a human; or

“there are grounds for reasonable apprehension that it will injure any person”.

That is, quite simply, not right. Self-evidently, that is frequently not the case with a dog-on-dog attack, where so often a larger dog is making a bee-line for a smaller dog. In Michael’s case, he did not fear any injury to himself, because it was so clear that the dog was going for Emilie. Ironically, if Emilie had been stolen, not attacked, Michael’s legal remedies would have been far greater. For starters, under the Theft Act 1968, the perpetrator could have received up to seven years imprisonment. But because Emilie was brutally torn apart by someone else’s dog, nothing could be done. Not surprisingly, this leaves pet owners feeling powerless and deeply frustrated. It is also no doubt the reason why police forces do not even record such awful incidents.

Plainly, it is not the dogs that are the problem. Dogs have owners and every dog owner has a responsibility to ensure their dog does not fatally attack another one. In addition, there is a growing cohort of evidence that tackling dog-on-dog aggression and dog attacks in particular may well prevent a dog from going on and attacking other animals, adults or even children. As Benjamin Franklin so famously said:

“An ounce of prevention is worth a pound of cure”,

The Bill seeks to address all those issues. First, amending the Animal Welfare Act to criminalise fatal dog-on-dog

attacks would extend the same protection to pet dogs that already exist for service, guide and assistance dogs. Pet dogs are as important to humans as service dogs. Indeed, when it comes to mental health, all dogs are service dogs.

Secondly, Emilie’s law would empower owners to pursue justice if their beloved pet is brutally attacked, while not demonising any particular breed or creating unhelpful stereotypes around certain breeds of dogs.

Thirdly, the Bill would encourage responsible dog ownership and animal welfare. Placing the responsibility for a fatal dog attack fairly and squarely on the person in charge of the dog, and empowering the police to take action, will have a deterrent effect, thus encouraging more responsible dog ownership.

Finally, the Bill would compel local police forces to record dog-on-dog attacks as separate offences, so that, finally, the full scale of these awful offences can be seen and counted. Passing this law would be a significant step in the right direction, but its effectiveness will depend heavily upon enforcement, so we must continue to work closely with the police and law enforcement agencies to ensure offenders are brought to justice.

I am well aware that most private Member’s Bills never make the statute book, but I am hopeful that this one will. It would certainly be extremely popular if it did. Emilie’s law has already garnered a huge amount of public support. However, if the Bill does not make the statute book, I would urge the Government to initiate an immediate review of existing laws regarding dog attacks, with a view to amending the current law to protect pet dogs in a similar way to service, guide and assistance dogs.

The Bill is about protecting the 13 million dogs across the country. Most dog owners are responsible, but there must be consequences for the small minority who are not. This is about dealing with that small minority who irresponsibly allow their dogs to kill other people’s dogs. By passing the Bill, not only will we help to make all dogs more secure, we will also make our parks, our streets, our towns and our cities, especially the new city of Southend, safer places for us all to live, work and visit.

*Question put and agreed to.*

*Ordered,*

That Anna Firth, Wayne David, Elliot Colburn, Henry Smith, Mr Mark Francois, Sir Oliver Heald, Jane Stevenson, Selaine Saxby, Gareth Johnson, Margaret Ferrier, Damian Green and Peter Gibson present the Bill.

Anna Firth accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 24 November, and to be printed ( Bill 312 ).*



# Opposition Day

[16TH ALLOTTED DAY]

## Leasehold Reform

**Mr Speaker** I call the shadow Secretary of State for Levelling Up, Housing and Communities.

1.16 pm

**Lisa Nandy** (Wigan) (Lab): I beg to move,

That this House notes the commitment by the Secretary of State for Levelling Up, Housing and Communities in January 2023 to abolish the feudal leasehold system which he has acknowledged is an unfair form of property ownership; calls on him to keep his promise to the millions of people living in leasehold properties by ending the sale of new private leasehold houses, introducing a workable system to replace private leasehold flats with commonhold and enacting the Law Commission's recommendations on enfranchisement, commonhold and the right to manage in full; and further calls on the Secretary of State to make an oral statement to this House by 23 June 2023 on his plans to reform leasehold.

It is always nice to see the Under-Secretary of State for Levelling Up, Housing and Communities, the hon. Member for North East Derbyshire (Lee Rowley) in his place, but there was a time when the Secretary of State, the right hon. Member for Surrey Heath (Michael Gove) could not resist a housing debate. His appearances in this Chamber are fast becoming rarer than the sight of a Tory councillor in the north of England. I worry that he may be in danger of becoming extinct.

Nothing, as the Minister knows and we know, matters more than a home. Security in your own home, the right to make it your own and the right to live somewhere fit for human habitation are non-negotiable. Housing may be a market, but it is not just a market—it is a fundamental human right. But for so many people in our country, what they thought would be the reward of years of hard work and the realisation of their dreams of home ownership are shattered by the reality of what it means to be a leaseholder.

**Mark Tami** (Alyn and Deeside) (Lab): As my hon. Friend will know, in the north-west of England and north Wales, leasehold houses were sold for many years. People who were told at the time that they would be able to buy the freehold for perhaps a few thousand pounds, are now being asked for £20,000 or £30,000, which they cannot afford. They are finding that selling their house is becoming very difficult. Linked with that are often very high management fees. This is really affecting them and their lives. People tell me that they do not feel that they actually own their house anymore.

**Lisa Nandy**: My right hon. Friend is absolutely right. He has been a tireless campaigner for his constituents affected by this issue, but I fear we will hear so much more of that from all parties in the House today. We have heard it for years that people's homes have become a prison. The shocking lack of information—or in the case he cites, misinformation—just compounds the injustice that is felt by many. So many leaseholders face the daily reality of appalling charges and uncertainty. This issue affects millions of people up and down the country. There are nearly 5 million leasehold homes in England: the majority of flats in the private sector and 8% of all houses in England.

**Catherine West** (Hornsey and Wood Green) (Lab): My constituent has been charged £80,000, on top of really expensive mortgage payments which have gone up since last autumn's disastrous budget. She is in tears and her mental health has collapsed. She is saying, "MP, what should I do?"

**Lisa Nandy**: The reality is that for so many of us—including myself as a constituency MP—there are few options available to people who find themselves in this situation. My own constituency had the 17th highest number of transactions for leasehold houses in the country last year. We are not just failing to solve the problem for people trapped in the situation; we are compounding it and making it worse, because more people are being sucked into this exploitative system.

**Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): As well as concerns for leaseholders, many people who own their homes have problems with management companies, which claim they are charging money for the upkeep of communal areas but increase the charges time after time. No one is regulating those companies; they are accountable to no one. Even as Members of Parliament it is difficult to hold them to account for their bad practice. Does my hon. Friend agree that the use of those appalling companies could be the next big housing scandal?

**Lisa Nandy**: It is already a scandal happening in plain sight. For that reason, I hope that we will hear from the Minister when he responds that the Government will commit to implementing the Lord Best working group recommendations as quickly as possible.

This is a huge problem, but it is almost uniquely ours. Virtually every country in the world apart from England and Wales has either reformed or ended this archaic feudal model. We stand as an outlier. The good news is that we know the answer. It has been clear since we received the Law Commission proposals in 2020 that we need new legislation to end the sale of new private leasehold houses, effective immediately after Royal Assent is given. We need new legislation to replace private leasehold flats with commonhold. Lots of promises have been made to that effect, but there has been little in the way of action.

**Kim Johnson** (Liverpool, Riverside) (Lab) *rose*—

**Lisa Nandy**: I expect we will hear from my hon. Friend exactly what that has meant for her constituents.

**Kim Johnson**: I recently became aware of a situation in my constituency of a freeholder trying to do a lucrative deal to use the block to accommodate people seeking asylum. It tried to evict leaseholders under the pretence of a fire safety eviction plan. The residents rightly say that their sense of security has been fundamentally shaken. What does my hon. Friend think this Government should do to ensure that my constituents and millions of others are not denied the security of their tenures?

**Lisa Nandy**: I agree; if we could just do what we have been promising for a long time, the reality for my hon. Friend's constituents would be transformed from one of insecurity and anxiety to one of security and the foundation of a decent life. They are lucky to have her as their Member of Parliament to fight on their behalf.

[Lisa Nandy]

It was in 2002 that the Labour Government introduced commonhold. There were voices even then—some of them in the Chamber today—who urged us to go further and end the injustice altogether. In the decades since, there has been growing recognition on all sides of the House that action is long overdue. In 2017, the Government said that they would legislate to prohibit the creation of new residential long leases on houses, whether newly built or existing freehold houses, other than in exceptional circumstances. That commitment was repeated in the 2019 manifesto and by the former Secretary of State, the right hon. Member for Newark (Robert Jenrick), yet leaseholders were left waiting.

**Mr Clive Betts** (Sheffield South East) (Lab): We have had a further commitment from the Government along similar lines. In response to a Select Committee report in 2019, the Government said:

“The Government agrees with the Committee that, other than in exceptional circumstances, there is no good reason for houses to be sold on a leasehold basis.”

Four years later, thousands more properties have been sold on an unacceptable basis, and the tenants, effectively, of those properties who have been left to pay exceptional costs are not able to get out of the lease without very high charges.

**Lisa Nandy:** I pay tribute to my hon. Friend for the work that his Committee has done on this issue over a long period of time. As he said, there is no reason that this should continue except for a lack of political will to do what we have all acknowledged is the right thing.

Into this absurd scenario steps the current Secretary of State. I know that the right hon. Gentleman has the right intentions—indeed, his record has been clear. On 9 June last year, he told this place:

“it is absolutely right that we end the absurd, feudal system of leasehold, which restricts people’s rights in a way that is indefensible in the 21st century.”—[*Official Report*, 9 June 2022; Vol. 715, c. 978.]

On 30 January this year, he said in response to a question I posed to him:

“Finally, the hon. Lady asked if we will maintain our commitment to abolish the feudal system of leasehold. We absolutely will. We will bring forward legislation shortly.”—[*Official Report*, 30 January 2023; Vol. 727, c. 49.]

Now, we are told that the Secretary of State was being too maximalist. We have had grumbling from Government Back Benchers that the Secretary of State is being too socialist. Downing Street has stepped in, plans are being rowed back and he is not even able to set foot in the Chamber today. It is a bit of a mess, isn’t it?

In just a few months, the Government’s whole housing policy has completely unravelled. As my hon. Friend the Member for Hornsey and Wood Green (Catherine West) said, they crashed the economy and sent mortgages through the roof. They caved in to their own Back Benchers and, in one stroke, ensured that their own housing targets were not worth the paper they were written on. That led to dozens of councils reducing or halting altogether their house building plans, and a collapse in the projected number of houses built in coming years, in the middle of a housing crisis. The

Home Builders Federation warned earlier this year that new housing supply in England would soon fall to its lowest level since the second world war.

While the Government are locked in internal battles on making basic improvements for renters, their Levelling-up and Regeneration Bill—their flagship legislation that was supposed to reform an archaic planning system—is stuck in the House of Lords, where it is commonly referred to as the Christmas tree Bill, as it has so many amendments attached to it. It does make us wonder what is actually the point of this Government.

The Secretary of State was clear that he would abolish leasehold. No one thought that it would be done overnight. The Law Commission report sets out a clear road map on enfranchisement, commonhold and the right to manage. The major leasehold groups have always recognised that it would take some time to phase out this archaic system, and so have we, but there is no excuse for inaction on the manifesto commitment to end the sale of new private leasehold houses, or for delaying the start of the process of phasing out existing leasehold and making commonhold the default of the future, as my hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook) has often said.

**Andrew Gwynne** (Denton and Reddish) (Lab): My hon. Friend is setting out a compelling case for why leasehold needs to be consigned to the dustbin of history. It is not just the feudal system that needs to go but the sharp practices that go along with it. I have constituents who live in their own home. They do not own the land it is built on—they rent it—but they are not able to make even the most basic alterations to their house without getting the permission of the landowner, who then charges extortionate fees. That is just wrong, isn’t it?

**Lisa Nandy:** My hon. Friend is right. People who have bought their own home should have the right to change their doorbells and make basic alterations without seeking the permission of someone they have never met and will never meet. In many cases, they do not even know who that is. I pay tribute to him for his campaigning on this issue and for standing up for his constituents.

I ask Ministers to take this issue back to the Secretary of State when they next see him. He will know that the delay is a significant setback for leaseholders, who have been left waiting for far too long, and for all of those who have campaigned so hard and for so long and thought they could finally see the light at the end of a very long, very dark tunnel. Let me place on record our thanks to Katie Kendrick at the National Leasehold Campaign and Commonhold Now for all they continue to do. Tireless advocates in this place include my hon. Friends the Members for Weaver Vale (Mike Amesbury) and for Ellesmere Port and Neston (Justin Madders), and the father of the House, the hon. Member for Worthing West (Sir Peter Bottomley).

I hope that the Minister will be keen to talk about legislation that we are told will be forthcoming in the autumn. The Labour party strongly believes that it is a no-brainer to crack down on unfair fees and contract terms, to require transparency on service charges and to give leaseholders the right to challenge rip-off fees and conditions or poor performance, along the lines we have heard about from many Members present.

**Mark Tami:** My hon. Friend is being generous with her time. I have met many people, particularly first-time buyers, who purchased a leasehold property and were offered a discount by the developer selling the house for using its lawyer for the transaction. Surprise, surprise—the fact that it was leasehold and the pitfalls were never pointed out to them. That seems to be a common practice.

**Lisa Nandy:** That story illustrates so well that that form of tenure—that feudal, archaic system—has become home for sharp practice all over the place. We have heard that from hon. Members over and over on both sides of the House, and it is about time we stopped it. We can take important steps forward on ground rent and extending leases that will make life easier for many, but after all that has been promised, leaseholders have the right to expect their Government to go further. Will the Minister give us a cast iron guarantee that the Bill they have promised will bring to an end the sale of new private leasehold houses at the point the Bill comes into force, ensure those provisions are applied retrospectively to December 2017, a promise that has been made repeatedly by this Government, and bring in a workable system to replace private leasehold flats with commonhold?

Back in May 2021, the Government launched the Commonhold Council, an advisory panel of leasehold groups and industry experts to inform the Government on the future of this type of home ownership. Can the Minister update the House on when the Commonhold Council last met and what its recommendations are for bringing in a commonhold system? As he will know, commonhold has been in force since 2004 but has failed to take off for two main reasons: first, conversion from leasehold to commonhold requires unanimity from everyone with an interest in the block, which has proved difficult to achieve, and, secondly, developers have not been persuaded to build new commonhold developments.

Members on both sides of the House are acutely aware of how complex an issue this is to get right, but complexity is not an excuse for inaction. Credit must be given to the three Law Commission reports that represent a detailed, thoughtful road map, which Labour has committed to implement in full. It is only by implementing those proposals in full that the commonhold system will sufficiently improve, so that leaseholders can easily convert to commonhold, gain greater control over their properties and have a greater say in how the costs of running their commonholds are met.

The proposals would go further still to support those on low incomes and those who have found themselves trapped in leasehold by improving mortgage lenders' confidence in commonhold to increase the choice of financing available for homebuyers. They would allow shared ownership leases to be included within commonhold and enable commonhold to be used for larger, mixed-use developments that accommodate not only residential properties, but shops, restaurants and leisure facilities.

We have debated these issues in this Chamber so many times since the appalling tragedy at Grenfell, when a group of people were rendered invisible to decision makers only a few miles away, with the most appalling and tragic consequences. Clearly, the burdens that homeowners have long laboured under, because of the disfunction of the property agent market and the

inherent flaws of the leasehold system, have become more acute over recent years as a result of the building safety crisis and surging inflation.

That combination has already pushed many hard-pressed leaseholders to the brink of financial ruin. How can we accept that these rip-off companies, on behalf of owners we often do not even know—we do not have the right to find out who they are—are allowed to tell people whether they can even change the doorbell on their own home, as my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) said, or make minor changes that would make all the difference to their lives? Who can doubt that a person's home is, in most cases, the biggest investment they will make? So it is simply unacceptable for so many homes to be built on an exploitative and unjust business model.

Levelling up, which is included in the name of the Department, was supposed to answer a clamour for more control and agency, and give people who have a stake in the outcome and skin in the game a greater ability to make decisions about their own lives. As I have said in this place before, that is the legacy that we should seek to build, and we should do so in tribute to the tireless campaigners and in honour of those who lost their lives in Grenfell. We must build a fairer, more just system that is fit for the 21st century.

Everybody, everywhere in the United Kingdom, regardless of the type of tenure that they happen to hold, has the right to a decent, secure, safe home—full stop. We could end these arcane rules and give power back to people over their own homes, lives and communities. Politics is about choices and Labour is clear—we choose to bring this injustice to an end. Change is coming and the Government now have to decide: will they enable that change, or seek to block it? Whose side are they on?

1.34 pm

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley):** A fair housing market that works for everyone is at the heart of this Government's central mission to level up opportunity, prosperity and pride throughout the United Kingdom.

At the end of her speech, the hon. Member for Wigan (Lisa Nandy) said that “politics is about choices.” She is absolutely right. That is why this Government are committed to ensuring safe, decent and secure homes are available to everybody, regardless of tenure, whether through a better deal for tenants in the social and private rented sectors, or through our unashamed support for home ownership, because of the security and freedom it affords to people to make their homes truly their own and to shape their futures.

This Government believe in the moral aim of people owning their own homes and in allowing them to build up capital for themselves, their families and their future. That security and freedom should allow people to make decisions about their own home, including over changes, repairs and improvements that are made or costs that are paid. In reality, the time-limited nature of residential leasehold and the sharing of control with the landlord means a significant imbalance in power. Someone who may not live in the same building or share the same priorities or motivations, as the hon. Member for Wigan outlined, may make decisions affecting someone's home and everyday life.



**Catherine West:** What does the Minister say to leaseholders living in a cost of living crisis, with an increase in service charge that is through the roof, yet, for example, they live in a six-storey building with only one lift that is approaching its eighth week out of service? All hon. Members will have heard similar stories. There is no redress, and the Government are not taking responsibility or pushing the owners to do anything. Does the Minister agree that the situation is now out of control?

**Lee Rowley:** I do not know the detail about the particular situation that the hon. Lady outlined, but I would encourage the leaseholders to use all available avenues. There is redress, although I accept it works in some instances and not in others, but I would say to those residents: change is coming.

We have said that too often leaseholders are being charged exploitative and multiplying ground rents, in exchange for no, few or inadequate services; high charges are being levied in order to respond to simple requests; unaffordable costs to buy out the freeholder or extend the leasehold are being applied; upgrades, such as electrical charging points, to blocks are frustrated by rigid leases; or, as the hon. Member for Hornsey and Wood Green (Catherine West) indicated, urgent repairs to buildings are being neglected. That does not meet the definition of home ownership by anyone, in this Chamber or beyond.

**Several hon. Members** *rose—*

**Lee Rowley:** I will give way in a moment, but will make a bit of progress first. There is broad agreement across the House, and beyond, that the situation needs to change to make home ownership fairer, easier and cheaper. That is why the Government have already taken significant steps to better protect leaseholders from unreasonable costs, and why we are committed to going further and bringing forward further leasehold reforms to strengthen transparency and accountability.

**Mr Betts:** I am pleased that the Government have good intentions, but the Select Committee's 2019 report had 52 recommendations. The Government accepted many of them completely and said they wanted to move towards accepting others and work out how that could be done. Since 2019, which was before the last general election, what have the Government actually done? Would the Minister confirm that all they have done in practice is to bring in measures to ensure that peppercorn ground rents are charged on new leasehold houses? That is the only thing they have done, out of all the recommendations they agreed to accept four years ago.

**Lee Rowley:** I am grateful to my neighbour, the hon. Member for Sheffield South East (Mr Betts). He pre-empted a part of my speech that I will come to in a moment.

The hon. Member for Wigan indicated that we have debated the subject many times in this Chamber. That is true and there will be lots of opportunities to do that again, because we have committed to make it easier and cheaper for leaseholders to extend their lease or to buy their freehold. We will bring forward legislation to ban new residential long leases on houses. While there are still issues, I am pleased to see that the market has already responded, with only 1.4% of houses in England now being built as leasehold, compared with nearly 15% previously.

**Emma Hardy:** The Minister will have heard my intervention earlier. I accept he is talking about leasehold reform, but will he elaborate on management companies, where people own their properties but are charged a management fee for communal areas? Such fees can be increased every year, there are no rules about the extent they can reach, and there is no oversight or regulation of them. Are there any plans for the Government to look at the regulation of such management companies, as some of them—not all—are exploiting people?

**Lee Rowley:** The hon. Lady makes a strong point and I will come to that in a moment. We have shared concerns about specifics, which we have all experienced as constituency MPs—Coppen Estates in North East Derbyshire, I am looking at you—and about the general principle and the broader point, which I will come to in a moment.

We have already taken action. The hon. Member for Sheffield South East has highlighted that we have ended ground rents for most new residential leases. The Leasehold Reform (Ground Rent) Act 2022 came into force last June and prevents landlords under new residential long leases from requiring a leaseholder to pay a financial ground rent. That will ensure that people buying most new leases will not face problems associated with ground rents. However, we remain concerned about the cost of ground rents and, in 2019, we asked the Competition and Markets Authority to investigate abuses in the leasehold sector. Since then, the CMA has secured commitments benefiting over 20,000 leaseholders, including commitments to remove a doubling of ground rent terms and to revert charges to original rates.

We know that there is more to do to tackle unfair practices, however. We know that many leaseholders find the process for extending their lease or buying their freehold prohibitively expensive or complex or lacking transparency. Equally, we understand that many right-to-manage applications fail on technicalities that may be attributed to an over-detailed procedure, and we are committed to improving this by making the process simpler, quicker, more flexible and more effective. That is why, as the hon. Member for Wigan said, we asked the Law Commission to look at the issue, and we are carefully considering the reports that it has since produced on enfranchisement, valuation and the right to manage.

**Mark Tami:** As I mentioned earlier, when many of these leasehold houses were sold, the purchasers were promised that they could purchase the freehold, only to find that that was not an option, the freehold was sold on immediately and freeholds were packaged up; they are financial products. I have spoken to people who get a letter every couple of months informing them that the freehold has been sold on to somebody else. This is their life, this is their property, but they feel that they do not own it because it is being bought and sold on a regular basis.

**Lee Rowley:** The right hon. Gentleman makes a strong point about the importance of reform. This is one of the reasons that we have committed to reform and I hope that we will be able to provide that in the months ahead in the remainder of this Parliament.

We are committed to tackling problems such as these at the root, so we will abolish issues such as marriage value and we will cap ground rents in enfranchisement



calculations so that leaseholders who currently pay onerous ground rents do not also have to pay an onerous premium. To make this process simpler and more transparent, we will introduce an online calculator to help leaseholders to understand what they will pay to extend their lease or to buy it out. These changes should, and will, generate substantial savings for some leaseholders, particularly those with fewer than 80 years left on their lease, and also ensure that landlords are sufficiently compensated in line with their interest. These changes are therefore fair for all concerned.

**Sir Julian Lewis** (New Forest East) (Con): I am grateful to my hon. Friend the Minister, for whom I have a great deal of time and respect, but it seems to me that he is talking about tinkering at the edges and improving a fundamentally unfair system. I would gently remind him of an exchange I had with the Secretary of State on 20 February this year, when I asked if there was going to be fundamental reform and he replied:

“We hope, in the forthcoming King’s Speech, to introduce legislation to fundamentally reform the system. Leaseholders, not just in this case but in so many other cases, are held to ransom by freeholders. We need to end this feudal form of tenure and ensure individuals have the right to enjoy their own property fully.”—[*Official Report*, 20 February 2023; Vol. 728, c. 3.]

Do I detect a basic shift away from this position? I earnestly hope not.

**Lee Rowley:** My right hon. Friend highlights the importance of reform in this area and the cross-party nature of the support for it. I would not read anything into my comments other than that we are committing to reform, we have said we will bring it forward and we will bring it forward. It will happen in the remainder of this Parliament.

Part of that reform will involve reforming unreasonable and excessive service charges. Many landlords and managing agents already demonstrate good practice and provide significant and relevant information to leaseholders, but too many are failing to meet that standard and failing to provide sufficient information or sufficient clarity. We recognise that existing statutory requirements do not go far enough to enable leaseholders to identify and challenge unfair costs. We will therefore act to improve this through better communication around these charges, and a clearer route to challenge or seek redress if things go wrong. That will ensure that leaseholders better understand what they are paying for and can more effectively challenge their landlord if fees are unreasonable, and make it harder for landlords to hide unreasonable or unfair charges.

**Anthony Mangnall** (Totnes) (Con): I hope that my hon. Friend will forgive me for asking this question in this debate, but I wonder whether he might include in the legislation reforms relating to park homes. Many of the issues that he has mentioned are also faced by park homes across the country, including unfair prices and utility prices at very high levels, all of which are totally unacceptable. It is like the wild west for those people.

**Lee Rowley:** My hon. Friend makes an important point. I have hundreds of park homes in my constituency, and I know how important it has been for residents to see progress on those issues over the past decade. I was pleased, as I know my hon. Friend will have been, to see

the changes brought forward in the Bill introduced by my hon. Friend the Member for Christchurch (Sir Christopher Chope) to reform pitch fees from RPI to CPI. That has been welcomed across the park homes sector and I know that the Government will continue to look at what reforms are possible for the sector.

Returning to the specific questions that have been put forward, we are committed to ensuring that when leaseholders challenge their landlord, they are not subject to unjustified legal costs and that they can claim their own legal costs from their landlord. Currently, if permitted by the lease, leaseholders may be liable to pay the legal costs of their landlord regardless of the outcome of the dispute, even if they win their case. The circumstances in which a leaseholder can claim their own legal costs from the landlord are limited. This can lead to leaseholders facing bills that are higher than the charges being challenged in the first place, which can deter leaseholders from taking their concerns to a tribunal. We will act on this and ensure that leaseholders are genuinely free to seek justice and to benefit when their case is proved.

Crucially, we also want to see more leaseholders benefiting from freehold ownership, as set out in the levelling up White Paper, and we recognise that reinvigorating commonhold has a significant part to play in this as a genuine alternative to leaseholds for flats. Some of the failings of the existing leasehold system have been all too evident in the past when seeking to ensure that those responsible for constructing dangerous buildings should be the first to pay for putting them right.

The Building Safety Act 2022, in addition to the existing enforcement powers available through the Regulatory Reform (Fire Safety) Order 2005 and the Housing Act 2004, empowers leaseholders and regulators to compel building owners and landlords to fix—and to pay to fix—their unsafe buildings through remediation orders and remediation contribution orders. The effect of the Building Safety Act is intended to be that building owners and landlords who build defective buildings, or who are associated with those responsible, pay for the remedying of all historical safety defects, both cladding and non-cladding. Landlords who are not associated with developers but can afford to pay are also unable to pass such costs on to qualifying leaseholders.

Similarly, on insurance costs, the Financial Conduct Authority’s latest report into broker insurance revealed that, on average, the premiums paid by leaseholders living in buildings with combustible cladding had tripled. That is unacceptable. Commissions on insurance policies also drive up prices, and in 70% of cases commissions are shared with property managing agents and freeholders by insurance brokers. This is an unfair burden that leaseholders should be relieved of, which is why we have committed to replacing commission pass-throughs from insurance brokers to managing agents, landlords or freeholders with more transparent fees and fair insurance handling costs. We have been clear that this unreasonable practice must end as a matter of urgency, and I regularly meet the relevant trade associations to make progress on this matter.

We have also made progress with a number of banks in recent months on ensuring that the market in leasehold properties affected by cladding starts to become more voluminous, by separating the building safety issues from people’s ability to live their lives.

[*Lee Rowley*]

Whether we are talking about safety or the security and freedom that people rightly expect when they buy a home, this Government are on the side of leaseholders. We are protecting and empowering them to challenge unreasonable charges, making it easier and cheaper for them to extend their lease or buy their freehold, and boosting commonhold as a flexible alternative to take the housing market into the 21st century. Millions will benefit from these reforms, not just in the thousands of pounds saved but in knowing that the homes they have worked so hard to secure are truly their own.

**Several hon. Members** *rose*—

**Mr Deputy Speaker (Mr Nigel Evans):** Eighteen Members are trying to catch my eye, so please keep to seven minutes or so. I want to start the wind-ups no later than 4.10 pm, with 10 minutes each for the Front Benchers.

1.50 pm

**Mr Clive Betts** (Sheffield South East) (Lab): The Minister has spoken of a lot of support and commitment to doing something at some stage in the future. Why is it taking so long? The Select Committee was pleased with the Government's response to our 2019 report. We do not always get a positive response to our reports from the Government, so we welcomed their commitment to doing so many things, without caveat, including their commitment to consider further reforms in due course.

I give credit to the all-party parliamentary group on leasehold and commonhold reform. The Father of the House—the hon. Member for Worthing West (Sir Peter Bottomley)—and my hon. Friends the Members for Ellesmere Port and Neston (Justin Madders) and for Weaver Vale (Mike Amesbury) have done a lot of work to build on that over the years, as has the Select Committee.

Why is leasehold reform taking so long? Yes, it is complicated to legislate on this issue, but in the meantime it is extremely complicated for leaseholders who face so many obstacles, particularly in buying the freehold of their property. Not only is it complicated; it is also expensive. Look at what could have been done. We could have banned leasehold for new houses. That legislation would not have been complicated, and the Government committed to doing it in response to the Select Committee's report. Four years later, why are we still waiting?

The Select Committee also got Government agreement on further restrictions on ground rents for new properties, which was done, but why do we not have simple legislation on service charges, onerous permission rights and other conditions? The Law Commission, the APPG, the Select Committee and others have done enough work to inform the Government on how to go about this. Why has there been no progress on any of these issues?

Enfranchisement is a frustration for so many leaseholders who are trying to buy their property. The Minister mentioned Coppen Estates, which is in my constituency too. I cannot get a response from the company on behalf of my constituents until I write at least two recorded-delivery letters to a post box in a grotty property somewhere—that is how it operates. Coppen Estates does not respond, because it keeps receiving the ground rents in the meantime. Why have such companies not been legislated against so that people can buy their

freehold without having to wait months, or in some cases years? I am currently dealing with dozens of constituents on the Flockton estate, none of whom has had any response from their freeholder. This is simply unacceptable, and it could have been dealt with.

Concerns have been raised with the Select Committee about the European convention on human rights and the right to private property. Very experienced counsel came before the Committee to explain how this could be done in the public interest. I do not believe the complications are so difficult that the Government cannot fix them. Why have they not legislated to give the leaseholders of houses the same right of first refusal as leaseholders of flats? That would be simple legislation. Four years later, why has it not happened? Numerous leaseholders have come to me to say they did not know that their freehold had been sold to another company—it was sold without their knowledge. Why does that happen? Legislation on a right of first refusal could have been introduced very easily.

I accept that flats are more complicated, and that the agreement of current leaseholders would be needed if we wanted to move towards a commonhold system, but the process should be simplified. The process, and commonhold itself, should be made easier. The Government have accepted the need to do that, but they have made no progress at all on commonhold in the past four years. Some cases, such as retirement properties and mixed-use properties, may be more challenging, but commonhold should be the default tenure for new properties. Why have the Government not legislated on that?

In response to our report, the Government accepted that service charges for flats should be regularised. Why do we not have legislation in place on the right to challenge onerous permission rights and other charges? We suggested the idea of a housing court, and the Government suggested bringing in a new homes ombudsman, which they are doing. A housing court could have enabled leaseholders to simply challenge any unfair practices. The current arrangements are far too complicated and expensive for people to undertake themselves.

The Select Committee also suggested a housing court for the Government's private rented sector reforms, but the Government are loth to do this. There are an awful lot of housing problems that need to be addressed by a specialist and simplified procedure, which has not been introduced either. Such a procedure would mean easy redress where things are still going wrong.

I am disappointed. The argument is not about whether we abolish leasehold, although it will be some time before leasehold disappears completely, if it ever does. What the Government could have done in the four years since the last general election, rather than waiting until after the next general election, is take steps to make sure that leasehold is completely abolished for new homes, to protect current leaseholders from unfair service charges and permission rights, and to give leaseholders the right to enfranchise themselves through a simple and reasonably cheap process. Why have the Government simply failed to do any of these things over the past four years?

1.57 pm

**Sir Peter Bottomley** (Worthing West) (Con): I thank the hon. Member for Sheffield South East (Mr Betts) for his contribution. I also thank the Minister.

I am glad that the official Opposition have raised this issue, but if they force this to a non-binding vote, it will show the party politics. That is no criticism of a political party.

The key issue is how soon life can be made better for those who deserve a better life in their own home, and how soon those who are screwing them can be unscrewed.

S. J. McCarthy and others secured an extension for ground rents on retirement homes. I have written to him at Ringwood in Hampshire, asking how many properties the company has sold since 1 April 2022, and how many properties it will sell with leases backdated to before the ban on ground rents. That is the kind of—expletive deleted—behaviour that leaseholders had to put up with for 20 or 30 years.

The days when leasehold charges were low and landlords were decent people went years ago. Governments of all parties should have noticed and acted earlier when house builders in the north-west were building a third of their properties as leasehold.

Those who know the chronology will know that, 12 years ago, a Housing Minister asked people to provide evidence of malpractice and unfairness in the leasehold sector, which apparently was not known to people in Government. It is now 21 years since Parliament and Government thought they had made commonhold viable. The Government did not notice it was not viable because commonhold came under what became the Ministry of Justice, which had no resources. When we told the Government, “Put commonhold and leasehold together under the Department with responsibility for housing”—now the Department for Levelling Up, Housing and Communities—the Department said, “Only if you transfer the resources so we can look after it.” There were no resources, so for three or four years the Government did not do it. That is the sort of thing we would expect “Yes Minister” to come back and have a look at.

So where are we now? If we look at the sales of properties in many London constituencies, we find that 80% to 90% are of leasehold properties. Some constituencies have their figure down at less than 10%, whereas mine is at about 30%.

It is well known, although I will say it again, that I own a leasehold flat in my constituency, where I have never had a problem. We had a decent managing agent and a decent landlord. When the landlord wanted to retire, he offered the freehold to the leaseholders and we bought it. I have also since bought a leasehold property in London, where probably half the flats are owned by people overseas. How on earth, under existing regulations, will there ever be a majority for, let alone unanimity on, making a change to the management or ownership arrangements in that situation? I put it to the Minister that the Government ought to say that anybody not resident in this country does not have a vote on enfranchisement, on taking over control or on an extension. They should be assumed to agree with those who are resident and have an interest while living there or being a small landlord.

The Opposition spokesman, the hon. Member for Wigan (Lisa Nandy), referred to Commonhold Now as the first group in her list, perhaps because it is the most recent. One of the people mentioned as being in Commonhold Now claims the credit for the “People’s Pledge” campaign, set up in 2011, for a vote on whether

we remained in European Union. The organisation folded in 2016 when we had the referendum—well, they did well, didn’t they?

We ought to say to Commonhold Now, “Try to work with the people who have been campaigning for a long time on this, and do not start looking as though the new people on the block are going to be the experts.” Oddly, it has not approached me during its months of existence, and when it put out a press notice the BBC took it as though it was gospel and the Secretary of State had promised to abolish all existing leaseholds in double-quick time. He had not, and no one believed that he had.

If the BBC had had a housing editor for the past 15 or 20 years, we would be further forward and it would not have misled its viewers and listeners with the idea that anyone had suggested it would be possible to transform all leasehold agreements into commonhold ones quickly. However, it needs doing.

One issue that has not been raised yet arises in my constituency. I am grateful to my constituent Francine Stephenson for contacting me to ask whether

“there are any Government Grants or similar for having Solar Panels fitted on our property. We live in a block of flats and are planning to have a new roof fitted next year (money permitting) and wonder if it would be profitable to have Solar Panels fitted at the same time. Due to the expense....we wonder if the Government has or may have any suitable schemes to assist us?”

We know that most leasehold properties are in blocks of flats and that roofs need changing every 25 to 50 years. Why are we not getting on now with a way of making it possible for those involved, with or without unanimity, to have solar panels put on new roofs when they are brought up to a given thermal efficiency?

What are we going to do about decarbonising the heating smaller blocks? The larger ones do not have gas, but the smaller ones may, so what are we going to do about getting that changed so we have a thermally efficient building with a carbon-free system of heating? Had I been writing today’s motion, those are the sorts of issues I would have been adding in, rather than making it appear a bit more about party politics than about real concern for leaseholders.

I do know that people in the Opposition are deeply concerned about this issue, and I pay tribute to Jim Fitzpatrick, the former Member for Poplar and Limehouse, for his remarkable work. I also pay tribute to the leader of the Liberal Democrats, the right hon. Member for Kingston and Surbiton (Ed Davey), for previously co-chairing the all-party group on leasehold and commonhold reform, and the hon. Member for Ellesmere Port and Neston (Justin Madders) for all that he is doing.

The key point is that if we had been listening to those who first started campaigning for justice, we would be further ahead—I think there is all-party agreement on that. When Sebastian O’Kelly, the former property editor of the *Daily Mail*, and Martin Boyd, who had experience at Charter Quay in Richmond, Surrey, took up these issues, they thought it might be possible to achieve results fast—that did not happen. When Gavin Barwell, now Lord Barwell, became the Housing Minister, he said that the Government’s Leasehold Advisory Service would be unequivocally on the side of leaseholders. As far as I know, that organisation never once advised Ministers or their officials of the scandals that people rang it up about every day. That was the failure of the succession of chairs of that organisation—the chief executive could have done better as well.



[*Sir Peter Bottomley*]

I have found that there are a number of crooks in this business, one of whom is Martin Paine—he adds an “e” to the hurt he does. He would take leases that were about to run out and give informal extensions, not resetting the ground rent to zero, but saying that he was doubling ground rent from the time the lease was first given out. Nothing much has happened about this.

Without going through a list of all the other scandals, I ask the Minister: why not have a way of funding some test cases so that the courts can rule that this kind of crookery and thievery ends? We have done it with human rights and with the Equal Opportunities Commission in the past. A few test cases, with substantial resources behind them, would overturn many of these practices. Some of them are criminal and some are just civil, but all need challenging on behalf of the small person.

Let us look at the post-Grenfell consequences on fire safety. Our Fire Safety Act 2021 and Building Safety Act 2022 are imperfect. They have excluded too many small landlords unnecessarily and too many low buildings unnecessarily. That should be reviewed and changed.

So should the scandalous statutory instrument 2020 No. 632, the Town and Country Planning (Permitted Development and Miscellaneous Amendments) (England) (Coronavirus) Regulations 2020. It relates to permitted development rights and building up. Under emergency covid regulations, freeholders have the right in certain properties to stick one or two more floors on top of the building so that those who thought that they had the top-floor flat will find it is a building site for five years. The person who owns the building and tries to use those rights does not even have to inform the leaseholders that they are going to do so. Apparently, local councils have little power to block them.

**Sir Julian Lewis:** I declare an interest, as both a leaseholder and the owner of one buy-to-let flat. I have the direct experience of having had a top-floor flat and having had another floor and a roof garden built above it. After all the faults came about, many of which still persist, guess who had to pay, in one case more than £200,000, for remedying them? It was the leaseholders, not the freeholder.

**Sir Peter Bottomley:** The point is well made. I am sorry to go on for slightly longer than I ought, Mr Deputy Speaker, but I have been fighting on this subject for a long time and there are rare opportunities to get some of these things on the record.

The Minister has rightly talked about the commissions and loadings on insurance and the Competition and Markets Authority has looked at some of the insurance rates. The fact is that post Grenfell, the number of fires has gone down dramatically and it will go on reducing. It is not the high-rise properties that had most fires in any case, but the lower-level ones. We need to make sure that we watch all these issues and that the Government have people whose voices they listen to giving them advice on where action is needed.

We have to look at the Law Commission proposals. I hope that the Government will say in the King's Speech say that they will get those through. When we were waiting for the King to come to Westminster Hall

on the Tuesday before the coronation, I happened to be standing with the Leader of the Opposition and the Prime Minister. I said to the Prime Minister, “We need this legislation. It is going to be complicated in drafting but simple in politics.” I said in front of the Leader of the Opposition, “If you bring forward a Bill, it will not take a long time in this House. There will be detailed discussion but it won't take a long time. No one will try to filibuster. It will have all-party support and we can get it through and change the lives of millions and millions of people.”

Only eight years ago, the Government thought the number of leasehold properties was about 2.5 million, but we now know it is about 6 million. We know that this is the fastest-growing element of the housing market.

**Matt Western** (Warwick and Leamington) (Lab): The hon. Gentleman is an authority on this subject. Is he saying that the reason there is no urgency on this is that the developers are making colossal profits out of it, and that there is a true correlation between their excessive profits and the expansion in leasehold?

**Sir Peter Bottomley:** To a certain extent, I agree with that, but perhaps we can take it up another time or the hon. Gentleman could make his own speech later on if he so chooses.

I was going to make a point about retirement homes and end-of-life homes. We ought to have three times as many as we do. We need to attract people into decent homes, which are probably smaller and more thermally efficient, rather than them living in a cold, draughty place with many rooms that are not needed. I have an uncle who told me that his home in Taunton is so thermally efficient that he has not had to turn the heating on once in the four years that he has lived there.

If we can attract people into those homes with confidence, that will free up many more homes that will go to younger families, who will do up those homes with carbon-free heating, better insulation and all the kinds of things that we went through when we were young in the life cycle of housing, so we will all gain. That will not happen until we have housing providers who can be trusted. Again, I say to Mr McCarthy at Churchill, “I wish I could trust you. Why don't you engage with us and show us that our doubts can be answered and that if your practices are unworthy you will have better ones?”

We had the same thing in the past with McCarthy and Stone—the McCarthys were obviously involved in that as well. Some of the managing agents there—this was when the Tchenguiz interests were involved—were involved in the scandal over call systems. They ran a cartel that saw leaseholders either unnecessarily paying out millions and millions of pounds to replace a system, or being overcharged. When the police came to investigate them, they declared themselves as having a cartel, which meant that they got let off completely free. That should not have happened. The first time that we lay complaints against these people, there should be action. The police need to be involved in these things as well.

I hope to have another opportunity in this Parliament to raise more of these issues. The key point is, why cannot we have action now on the scandals? Why cannot we frighten people?



On the overall costs of the defects in fire safety—not just cladding, but many others—why do the Government not get in the insurance companies, which covered the liabilities of the developers, the architects, the builders, the sub-contractors and everybody else, and say, “We want to have a few billion pounds from you as well, so that nobody is left in a home that is either unsafe or unsellable”?

We want people to have the confidence to live in their homes. I look forward to seeing what the Government do, and I am grateful to the Opposition for raising the motion, although I shall look down on them with less respect if they force it to a vote.

2.11 pm

**Mr Kevan Jones** (North Durham) (Lab): For most people, buying a house is the single largest investment that they make in their lives. Not only does it provide a home for them and their family, but it is also probably the biggest financial commitment that they have to meet each month. Anyone who has bought a new home knows how stressful and bewildering the process can be, particularly for first-time buyers. The mixture of stress and excitement of owning a new home means that many rely on advice from an array of advisors, including estate agents, lawyers, high-pressure salesmen and developers.

Often, when people are buying a house, they do not look at the issue of freehold and leasehold. They think that leasehold is cheaper, so they think that they will put that all off until the day they can afford to buy the lease. Many are not aware of the feudal nature of the property system in this country. Not only is the system outdated and unfair, but it has been made worse in recent years by the pure greed—it is greed, frankly—of certain house builders and property developers. The number of houses sold as leasehold has more than doubled between 1995 and 2015. The Minister mentioned that the figure has recently gone down. I wonder whether that is because of the scandal to which the Father of the House has just referred.

**Sir Greg Knight** (East Yorkshire) (Con): I am most grateful to the right hon. Gentleman for giving way. He is making a number of very good points. In the light of what he has just said, does he agree that it is essential that anyone taking on an estate in land, whether it be a leasehold or freehold, receives the best possible legal advice before they sign on the dotted line, so that they know precisely what commitments they are taking on? Are not some of these problems related to the fact that that advice is not particularly good?

**Mr Jones:** I will cover that in more detail later, but it was a point that was raised by my right hon. Friend the Member for Alyn and Deeside (Mark Tami). The right hon. Gentleman is right: the one thing that needs outlawing is a developer or an estate agent being able to refer a person to a solicitor who is supposed to be “acting in their best interests”. That should not happen. The legal advice should be completely independent. There is an unhealthy relationship between those people. It is okay saying that we should blame the individual buying the property, but they are often first-time buyers who do not understand the process.

The issue of flats has already been raised. I accept that we deal with flats in a particular way, but there is a perfectly simple system that is not leasehold. What we have seen over the past few years is houses being sold under leasehold arrangements. That is because certain developers have seen it as a way of maximising their profits. They do it in two ways. The first is by passing the charges on to the owners, when traditionally they should have been paid by the developer—I will come on to examples of that in my own constituency in a minute. The second, which was referred to earlier, is the monetarisation of the actual leases, which are not only being sold to individual companies, but, in some case, being put into baskets of leases. It can be bewildering for a person to find out who owns their lease from year to year.

The other scandal, which was raised by my hon. Friend the Member for Wigan (Lisa Nandy), is around minor alterations. We are not talking about the wholesale redevelopment of a property, but, perhaps, a porch being moved or even a Sky dish being added, which have to be charged. It is no wonder that investors have got on to this. They know that the way that these leases have been constructed can mean a profitable business for them. They are not buying out of altruism; they are buying because they know that they can make money, and the people who are suffering are those who bought the leases.

I have already mentioned the issue of legal advice. Clearly, it is an issue that needs to be looked at. In many cases, if a person goes to some major housing developers, they will be told, “These are our recommended solicitors.” I am sorry, but that should be outlawed. The solicitor should be there to represent the buyer’s best interests. As the right hon. Member for East Yorkshire (Sir Greg Knight) has just said, the solicitor should be there saying, “No, don’t sign that, because it is not in your best interests.”

I know that Members will cite many examples in this debate, but I wish to raise just three in my own constituency. Members will not be surprised to hear that they involve a notorious company, Persimmon Homes, which is terrible at dealing with customers. It has made more than £1 billion of profit every year for the past five years, mainly funded by the Government’s Help to Buy scheme. The Government have done nothing to stop Persimmon’s sharp practices. Between 2012 and 2020, Persimmon built Roseberry Park in my constituency. Traditionally, when an estate is finished, the verges and common areas are passed over to the council, once they have been brought up to adoptable standards. But, lo and behold, on this site, they have not. Those areas are part of the lease, which means that the leaseholders have to take responsibility for the maintenance charges, which then go up and up. If buyers are asked whether they knew about this, they say, no, they did not, which gets back to the point about legal advice made by the right hon. Member for East Yorkshire—should they have signed this when they are taking on open-ended commitments. The site was finished in 2020, but the roads have still not been brought up to adoptable standards. It is anything to save money for Persimmon.

The other case involves Urpeth Grange. It is a small development site of 47 houses on a larger estate. Developers refused to pay the 15 years’ maintenance on an area of land and a play area and have passed it on to a management

[Mr Kevan Jones]

company, which is then owned by the leaseholders. Part of the planning permission was to have a play area. Well, if it is a play area, it should have been brought up to standard and passed on to the local authority, but, no, that did not happen. Even though everyone can use this play area, it is still the responsibility of the leaseholders. These sharp practices by Persimmon have been used to make more profit, and they are funded by the Government's Help to Buy scheme.

**Andy Carter** (Warrington South) (Con): The right hon. Gentleman will be aware that the Competition and Markets Authority investigated the practices of Persimmon Homes and reached a settlement with the company. However, it seems to me, and I think he is saying the same, that there are still so many issues that are outstanding with house builders such as Persimmon Homes that either the CMA should go back in there and address those issues, or we should have some form of housing court where we can get those issues resolved, so that individual homeowners are not footing the bill in areas where they should not be.

**Mr Jones:** I totally agree with the hon. Gentleman, and I agreed with the Select Committee's recommendations on those homes.

Murray Park is another development, built in 2011 by Bowey Homes, which went into administration. In 2015, the freeholds were sold to a company called Adriatic Land 3 Ltd, which started charging ground rent. It came to light later that, due to a conveyancing error, Adriatic Land 3 had not bought 11 of the leases on the properties, and with Bowey Homes having gone bust, they were passed to the Duchy of Lancaster.

I would like the Minister's help here, because the way the Duchy is dealing with the situation is frankly scandalous. Despite the error coming to light in 2011 and people wanting to buy the leases, they are being told that they have to pay £1,000 individually for valuations. Moreover, because there are only 80 years left on the leases, the marriage value applies. They are left unable to sell their property and, for some of them, their mortgage providers are questioning the situation.

The Duchy is being legalistic and obstructive in the way it wants to solve the problem. Those individuals found themselves in this position through no fault of their own, and when they got the valuation to try to get the cost of the leases, the comparisons used were in Leeds and York. I must say there is a big difference between York and Leeds, and Stanley in my constituency. If the Government could give any help in making representations to the Duchy, I would appreciate it.

As has been said, reform was promised. I do not know why the delays are ongoing, because this situation is blighting many people's lives. They are hard-working, decent people who in many cases have saved and worked very hard to own their own house, who are proud of what they have achieved, but who have basically been left, in some cases, with assets they cannot sell or the fear that somehow the asset will never be there to be passed on to their loved ones.

I urge the Government to act quickly on leasehold reform. They cannot make the excuse that there is no Government time, because we have had very little business

over the last few months. If it is not in the next King's Speech, it will be one of the top priorities for a Labour Government to deliver in their first term.

2.22 pm

**Wendy Morton** (Aldridge-Brownhills) (Con): I think for many years, many of us thought leasehold was an issue affecting London and other cities across the country, where there are big blocks of flats, mansions and apartments, but that is not the case. In the past 30 or 40 years, many properties have been built on a leasehold basis. In fact, in 2020-21 there were an estimated 4.86 million leasehold dwellings in England, equating to 20% of the English housing stock. Of those 4.86 million, 2.82 million, or 58%, were in the owner-occupied sector and 1.79 million, or 37%, were privately owned and let in the private rented sector. The remainder were owned by social landlords.

That gives an indication of the size of the sector and the number of constituents who could be affected. My office undertook research and found that in the west midlands, 5.7% of houses and 56.4% of flats—or the equivalent of 14.4% of the total dwellings in our region—are leasehold. In my constituency we have many residents and homeowners who have contacted me to raise this issue. One of the things that concerns them most is the uncertainty about what is happening and when. They need some clarity and they need it soon.

I have casework relating to a number of leasehold properties, both apartments and houses. I am sure Ministers will have seen some of my casework of late; I must admit that I regularly put in parliamentary questions asking for an update on the leasehold reform Bill and I will continue to do so. I can see the Ministers on the Front Bench nodding, and I know they take the matter seriously.

In our manifesto, we included a pledge that we would continue our work on reforms to leasehold, including implementing our ban on the sale of new leasehold homes, restricting ground rents to a peppercorn and providing necessary mechanisms of redress for tenants. I welcome the progress to date, particularly the Leasehold Reform (Ground Rent) Act 2022, which put an end to ground rent for most new long residential leasehold properties, but we must keep it going.

My reason for speaking in this debate is to highlight the cases in my constituency, not only so that my constituents know that I am raising those issues in this place, as they would expect me to, but to nudge my right hon. and hon. Friends on the Front Bench to continue to take this issue seriously. We know that the formal process of extending a lease must be made easier and cheaper. I suppose I must declare an interest here, Mr Deputy Speaker, because before coming into this place, I went through the really painful process of trying to extend the leasehold on our apartment. It is not something I would want to go through again in a hurry.

Why do we need to speed up progress? Doing so would help to remove the uncertainty that constituents such as mine face, especially since the problem becomes more and more apparent with every year that goes by. For every extra year that reform takes, more people will face the dilemma: "Should I extend or should I not? Should I wait for action or should I take action now? Will it cost more now or will it cost more later down the track?"

As a lease reduces, there is a question of the impact on sales and mortgages. That is another question I am regularly asked, because the shorter the lease, the more difficult it is to get a mortgage and the more difficult it can be to sell a property. Most lenders will not lend on properties with a lease under 70 years and will want the lease to be extended for at least 40 years after the end of the mortgage term.

As I mentioned earlier, the process of negotiating a leasehold extension and working through the whole process of marriage value is anathema to most people. I had no clue about it until I started going down that track, but people have to engage two sets of solicitors and pay for both of them, and it can be difficult and stressful. Obviously, when they have gone through it, they have the benefit of having extended their lease, but it is time that we continued to make some progress on this issue.

On the broader point, as we have heard from others today, there are questions to be addressed about the need to ensure the independence of legal advice. That is something else that constituents have raised with me, because there are developers who suggest using a certain, supposedly independent, legal adviser. That cannot be right at all.

In short, for too long leaseholders have really felt that they are being held to ransom by freeholders. They are being left to pay unjustifiably high ground rents, exorbitantly high costs for leasehold extensions and management charges that go up and up, and they have very little control over or input into them.

My request in this debate is simple. Can the Minister in her winding-up speech confirm—I believe it is true, but I would like to hear it from the Dispatch Box today—that the Government remain committed to making the leasehold reform changes that constituents such as mine in Aldridge-Brownhills and right across the country so badly need and deserve? Can we get a move on with it, and see some progress this year?

2.29 pm

**Samantha Dixon** (City of Chester) (Lab): Promised, delayed, watered down or undelivered—this seems to be the journey of many of the Government's promised policies, including much-needed reform of the broken leasehold system. Reform is nowhere to be seen. As we see, this is a cross-party issue. Members across the House constantly express the concerns of their constituents, yet despite a 2019 manifesto commitment and promises by successive Housing Secretaries, the Government still will not tackle leasehold.

While the Government drag their feet, people's lives are being seriously adversely affected. The delay and failure to bring forward the reforms the Government promised mean that the prospects of leaseholders selling their properties are blighted, and the value of these properties is going down. It is estimated that there are millions of leasehold homes in England—millions of households—stuck in a system that denies people power, control or even a say over things as fundamental as the safety, security and future of their own homes and communities.

I commend the National Leasehold Campaign and the Leasehold Knowledge Partnership for their brilliant work to keep a spotlight on this issue. Their tenacity is phenomenal. Every single day, the National Leasehold

Campaign receives horror stories from desperate leaseholders who do not know where to turn or what to do for the best. Their dream of home ownership is shattered when they realise that this is not true ownership after all and find themselves entangled in the dark web of leasehold.

The history of leasehold reform over the past 150 years has been one that repeats itself in what can only be described as a feudal groundhog day. I am new to this House, but I can plainly see that across the entire House, there is agreement that we must act to protect people, yet here we are with zero legislation passed to protect existing leaseholders.

Mr Deputy Speaker, I can assure you that the majority of Members across the House will know exactly what we are talking about. Just like the campaign groups, we have been seeing leaseholders' concerns land in our inboxes. One constituent in Chester is dismayed that their ground rent has been increased by more than 130%—they will now pay in excess of £800 for ground rent. That is shameful and a serious burden and worry for people, particularly in the midst of the current cost of living crisis. We simply cannot overestimate the impact that the leasehold scandal is having on people's mental health and wellbeing, as well as their economic security.

I am pleased that Labour has a plan, is taking this issue seriously and has called today's debate. Leaseholders are getting fed up of hearing us stand here and say the same thing without changing anything for them. They remain in limbo, paralysed until this Government bring forward meaningful legislation. No one knows what will be brought forward, and we have not even seen a draft Bill. So many remain trapped in a state of uncertainty, unable to move on with their lives, unable to sell their properties and still faced with escalating charges over which they have little or no control. We need urgent, meaningful change, and Government must not delay.

2.32 pm

**Danny Kruger** (Devizes) (Con): I agree with what the Minister said about the Government's plans. It is good that we have cross-party consensus on the need to radically reform leasehold. I recognise and agree with the points that have been made by Members on both sides of the House. It is a feudal system that ultimately needs to be abolished, in ways that I will come on to describe.

There is a danger, perhaps, that we leap straight from one extreme to another: we Conservatives have a bit of a fetish for property ownership, and there is a small danger of our making a cult of freehold and the principle of owning one's house outright. I understand why we do this—we all want to own our homes, and we believe that a free market will help to grow the supply of new homes that we urgently need—but there is a limit on the supply of new house building, and that limit is land. It is possible to release more land into the market, and we need to do that, but there do need to be limits; I hope that even the most extreme libertarians on the Conservative Benches will recognise that there must be limits to the release of land for house building.

The free market must have some limitations, because without limits, or with limits that companies with deep pockets can game at the expense of local communities, it is not a free market at all; it is a speculator's charter.



[*Danny Kruger*]

We need a system that is both better than the feudalism of leasehold and better than the perversion of capitalism that we sometimes see in our communities.

We need to grow supply, and I recognise that we need more freehold and more traditional ownership, but as I say, land is finite, and the price of a house, which we all worry about, is really the price of the land underneath the house. There are two effects of this. The first is that the building—the bricks and mortar—hardly matters to the house builders. We see the way they knock up buildings without beauty, without quality and without much innovation. I pay tribute to the work that my hon. Friend the Member for South Norfolk (Mr Bacon) has done on self-build and the opportunities for far better innovation, beauty and quality in house building if we recognise that the quality of the structure matters more than the land it is built on.

The second effect of the system we have at the moment, whereby the price of the land is the real factor, is that the overall price of housing rises. We now have the highest house prices in history. That has a reinforcing effect, because it privileges the volume house builders—the speculators in land—who can afford to bid at these auctions and who bet on rising prices, hoard sites and hold back land from development; they game the development system. I mention in passing the egregious five-year land supply rule, which is such a gift to developers, who ride roughshod over local plans and the wishes of local communities. There are a number of cases in my Wiltshire constituency where that is a problem.

**Sir Peter Bottomley:** May I add one point, which I hope my hon. Friend will not regard as discordant? People ought to know the sums that public affairs companies and lobbyists get paid by the developers, those involved in exploiting leaseholders and those who buy freeholds, for lobbying the Prime Minister's office, the Treasury, the Department and the media. If equal resources could be given to the National Leasehold Campaign, the cladding groups and the Leasehold Knowledge Partnership, we would have equality of arms.

**Danny Kruger:** My hon. Friend is right: the way these companies operate is shameful.

The price of land is the issue. There is a way to get through this, and it is along the lines of what we are debating today: not leasehold and not pure freehold, but a form of commonhold. I want to end by mentioning a particular form of commonhold that I would like to see much more of and that we see a little of around the country. My hon. Friend the Member for Worthing West (Sir Peter Bottomley) mentioned the need for housing providers that can be trusted. They do exist, and they exist using leasehold: it is the community land trust model. Community land trusts act as long-term stewards of community housing, and they often use ground rents as a way to finance their work, with the consent of leaseholders.

We need to worry about scrapping leasehold without replacing it; that would be bad. We need to replace it with something along the lines of commonhold. Around the country, we see brilliant innovations of community land trusts in pockets of rural and urban areas. The

Government have indicated in previous debates that any ban on leasehold would include an exemption for community-led housing, and I hope that consideration will be given to ensuring that community-led housing is also protected under any changes to leasehold and any replacement with commonhold.

I pay tribute to the Community Land Trust Network. The Secretary of State came to an event that I hosted in Parliament a few months ago. A number of really inspiring CLT groups came to talk about their experience. I encourage the Government to listen to the Community Land Trust Network and to use the ongoing consultation on the national planning policy framework to make real changes, such as reopening and extending the community housing fund and, crucially, helping local CLT groups and community groups to buy land. At the moment, they find it so difficult to outbid the speculative developers, because they intend to make a large proportion of the housing affordable, and they simply cannot make the numbers add up in the way the speculators can.

We need to find ways to give more land to CLTs, and my suggestion is quite simple: we need to transfer public land quite deliberately to community land trusts. At the moment, legislation states that public landowners who want to divest themselves of those assets need to seek “best consideration”, which local authorities or other public landowners often interpret as simply seeking the highest price. We need to specify that “best consideration” means the objects set out by the Secretary of State, which I suggest should include affordability and community ownership. We also need to enable CLTs to buy private land at agricultural prices, not speculative prices.

I welcome the cross-party consensus on reforming leasehold—I think that is absolutely right. I hope consideration will be given to ensuring that these community-led housing models will also be protected in the new plans and will be able to thrive. I welcome the debate, and I give thanks to the shadow Secretary of State, the hon. Member for Wigan (Lisa Nandy), and to Members on the Opposition Benches who are campaigning alongside Government Members for these sorts of reforms. I also share my hon. Friend the Member for Worthing West's wish that we do not push this rather partisan motion to a vote.

2.40 pm

**Helen Hayes** (Dulwich and West Norwood) (Lab): Tomorrow, I will meet my constituent Luke Thomas, who is attending a drop-in in Parliament to raise awareness about the skin cancer melanoma. Luke first contacted me in 2020. He has stage 4 skin cancer, diagnosed after he had bought his first home, a shared ownership leasehold flat in my constituency. Knowing that his cancer is now incurable, Luke decided that he wanted to move back to Wales, to be able to enjoy more precious time with family and friends and to draw on their support when he needed it.

However, Luke is one of many, many leaseholders to spend years effectively trapped by a system, the deficiencies of which were further compounded by the cladding scandal following the horrific Grenfell Tower fire. Luke's flat has been effectively unsellable, and he faced the dreadful and unacceptable situation of precious, limited time slipping away, unable to move forward with his life. Two and a half years later, Luke's housing association



has finally agreed to an exceptional buyback, but that is not a system, and Luke should never have been placed in that situation.

Luke's story is heartrending, but it is not unique. I have many constituents who are still living with the consequences of the interaction between the feudal leasehold system and the scandal of building safety exposed by the horrific Grenfell Tower fire. Many have been trapped by the inability of their freeholder to undertake intrusive surveys and fire safety works in order to secure an EWS1 certificate, without which their home is effectively worthless. Some constituents, such as Luke, need to move for compassionate reasons; others, because their job has changed. I have constituents who have had a family and are now overcrowded in their leasehold homes, who have been unable to move for many years because of the lack of an EWS1 certificate or the completion of fire safety works. What started as the fulfilment of a dream—the security and stability of their own home, and the first rung on the property ladder—has become a living nightmare.

The Government's delay in bringing forward leasehold reform is inexcusable. I was on the then Housing, Communities and Local Government Select Committee in 2019 when we published the report referred to by my hon. Friend the Member for Sheffield South East (Mr Betts), the Committee's Chair. On a cross-party basis and on the basis of the evidence, that report set out recommendations, including that Government should make commonhold the predominant form of tenure for flats, ban the most egregious practices and introduce some protections against catastrophic costs for leaseholders.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): My hon. Friend is making a very powerful speech, and she speaks passionately about her constituent Luke wanting to move back to Wales. My constituents have faced similarly terrible experiences as a result of the leasehold system. The Welsh Government have taken some important steps in Wales, virtually eliminating new leasehold for houses and reducing ground rents on new leases to a peppercorn, but does my hon. Friend agree that we need to see ambitious reform from the UK Government on an England and Wales basis so that all our constituents can get out of these terrible situations?

**Helen Hayes:** I thank my hon. Friend for his intervention. It is unfathomable that the Government, when faced with the urgency and magnitude of this crisis—affecting not just a few people but thousands across the country—have failed to act with urgency. It is very welcome that the Welsh Government have stepped up to the scale of the challenge.

The Committee's report also included practical measures, such as introducing a standard form for presenting charges for leaseholders so that that information is easy to understand. This is about not just the major, catastrophic problems that leaseholders face, but the day-to-day complexity of a system that is difficult to understand and administer. However, the Government have taken next to no action on those recommendations. I received an email last week from a constituent who has saved for years to buy her first flat in an area that she loves, but has been told by multiple solicitors that they are unable to act in relation to the conveyancing because of the uncertainty created by the Building Safety Act 2022. As

such, I specifically ask the Minister to look urgently at that issue and whether there is a need for further guidance to conveyancing solicitors, because new legislation designed to make building safer should not have the unintended consequence of preventing sales moving forward.

Finally, I want to raise the plight of leaseholders living in flats that have district heating systems. Such leaseholders are liable for a proportion of the costs of the heating of their whole block. They have very little control over the consumption of energy, which is influenced by the age of the communal boiler; the temperature that other residents choose to maintain in their homes; the hot water consumption of their neighbours; and the date on which their landlord chooses to switch the heating on and off each year. Because gas for district heating systems is often purchased in bulk in advance, those leaseholders are only now seeing the sharp increases in bills that other customers experienced last year. Inexplicably, there is no Government support at all for customers of district heating systems, and so many of them are now facing completely unaffordable heating bills in addition to the other, often extortionate costs associated with being a leaseholder. This problem is pushing leaseholders into poverty.

There are many thousands of leaseholders across the country—thousands of families facing the uncertainty and anxiety of extortionate and unpredictable costs, building safety defects and sharp practices. The Government's failure to act with urgency to help them is a complete dereliction of duty. It is time that they stepped aside for a Labour Government who will deliver the reform that leaseholders so desperately need.

2.46 pm

**James Grundy** (Leigh) (Con): With regard to leasehold reform, I will speak briefly, if I may, on how many of the leaseholds in my constituency came about. As many people will know—including the Opposition spokesman, the hon. Member for Wigan (Lisa Nandy)—Leigh was a mining town and a mill town that grew quite large in the 19th century. The terraced houses in the centre of Leigh, which I think are responsible for most of the leaseholds in the town, were originally built mostly on land owned by either the Anglican Church or other Churches and on Lord Lilford's estate.

At the time that that was done, it was quite sensible. The meaning of Leigh is literally “meadow”; the land in what is now the centre of Leigh was in a bit of a depression, so it tended to be quite boggy and was not very good for agriculture. As the coal was found and the cotton came in from Liverpool, all the mills and the terraced houses surrounding them grew up in the town. I think the original intention—although we cannot know, because of course no one from that era is around—was that, while those rents would now be viewed as peppercorns, so many of them were under the same landowner that they were perhaps a replacement for the revenue lost from the somewhat marginal agricultural land that the terraced houses were built on.

However, here we are, a considerable amount of time later. All these rents on leases are now what we would consider peppercorn rents, and many of them have not been collected for decades—as the hon. Member for Wigan said, in some cases, we do not even know who the leaseholds are held by. Recently, a local solicitor

[James Grundy]

with some concern about these issues visited my office to talk through some of them, and I have written to the Minister about the matter with a series of recommendations. I hope she has received my letter; if not, I dare say that I will chase her about it after the debate.

Several things happened far later than we expected after the original leases were put in place. As other Members on both sides of the House have alluded to, what is now happening is that, completely out of the blue, people in some of those terraced houses in Leigh are receiving a letter from a firm of solicitors on behalf of someone who has either found that they own the leasehold or purchased it off someone else. It might have been the hon. Member for Sheffield South East (Mr Betts) who said that, in some cases, these are now being treated as financial products, traded and sold.

People have seen letters arriving, saying, “For the past 50 years, your peppercorn rent has been the modern equivalent of three shillings and sixpence. However, attached to this bill for the peppercorn rent is a multi-thousand pound legal bill for all the work we have had to do to trace back the origin of the last time this peppercorn rent was paid.” What was initially put in place as a sensible arrangement when Queen Victoria was on the throne has decayed into this sort of semi-dodgy business. I understand the complexity, and we have heard from both sides of the House that certain aspects of leasehold reform are more difficult than others.

However, a sharp practice has been allowed to grow up because leases that were put in place so long ago are no longer fit for purpose. The situation has been described, quite rightly, as a semi-feudal system and, just as with all other things feudal that we have seen fall into abeyance and disappear or be reformed over the years, it is time for comprehensive leasehold reform and, in some cases, the outright abolition of the system.

A truism in this country is that an Englishman's home is his castle. We should do as much as we can to ensure that that saying goes from a truism to a truth, and I look forward to Government proposals to address these issues. There is cross-party support for, shall we say, a maximalist position—so as much as can be done within reason on this—and I look forward to a solution that has cross-party support because we need to act. There are things that can be dealt with now, and maybe some things later, but we need to get on with this and the sooner, the better.

2.51 pm

**Ashley Dalton** (West Lancashire) (Lab): Thank you, Mr Deputy Speaker, for the opportunity to speak in this extremely important debate on a topic that has a real impact on our constituents. Leaseholders have been crying out for reform for years, and the Government make promises but seem unwilling to act.

It is simply wrong that the system denies people the right to decide the future of their own home. Being stuck with high service charges while faults and leaks fail to get fixed, and a lack of transparency over what leaseholders are actually paying for, is a familiar story. As mentioned by the shadow Secretary of State, my hon. Friend the Member for Wigan (Lisa Nandy), with the exception of England and Wales, every country in the world has repealed or reformed the archaic leasehold

model. There is cross-party consensus in this place that the current system simply does not work, so why are this Government sitting on their hands while the people out there pay the price?

**Mr Kevan Jones:** Does my hon. Friend agree that it is worse than that? The Government are not just sitting on their hands; they have raised expectations. Some of the comments from the Secretary of State in particular have led people to think that things are going to change quickly, when quite clearly they are not.

**Ashley Dalton:** I absolutely agree. It is an outrage that these promises give people hope, yet they turn into nothing. This is yet another example of the Government not matching the ambition of the British people.

I am sorry to say that the bad news just keeps on coming for leaseholders. As much as the Leasehold Reform (Ground Rent) Act 2022 made meaningful progress in all but abolishing ground rents for leaseholders of newly purchased new builds, reform for existing leaseholders has been kicked into the long grass. The UK housing market risks becoming a two-tier system for leasehold properties. There are 4.8 million existing leasehold properties and, unless reform comes quickly for those homeowners, new build leasehold properties will be seen by prospective buyers as more desirable since they are not subject to the same ground rent charges. That may well benefit developers, but leaves existing leaseholders stuck with unsellable homes and that has an impact on the entire market. An existing leaseholder unable to sell their property is unable to go and buy another, possibly freehold, property. The entire market is stagnating.

The Government keep promising that reform is just around the corner—if leaseholders just keep supporting the Government at another general election, they will really mean it this time and sort the problem out. The reality is that they have had 13 years to clean up this feudal model of home ownership, but they show no signs of doing it soon. We are talking about people's lives. We cannot lose sight of the real consequences for people. As the Government continue to tease reform, some leaseholders who want to extend their leases dare not because they know there is no guarantee that the Government will follow through on their promise of further reform. Every day that the Government delay acting could cost leaseholders more when they do come to extend, pushing them closer to the cliff edge of marriage value having to be paid to extend a lease.

Britain is in the midst of a housing crisis: private renting costs are out of control; the disastrous Tory mini-Budget made it harder for millions to get a mortgage; and the leasehold model is clearly broken. The Government may have run out of ideas, but Labour would not only reform the broken leasehold system, but tackle the supply side of the housing crisis, building new homes and making them more attainable for potential buyers. While this Government make promises, Labour has a plan to deliver. Polling in recent months shows the public trust Labour more than the Tory party with the economy. With this Government's failure to act on leaseholders and Labour's plans to reform the system and support house building, the message is clear: Labour is also the party of home ownership.

There has been consensus across the House about the need to tackle the feudal leasehold system and tackle the exploitative practices that it enables, so what is the hold-up? Why are the Government all talk and no action? Will they please just get on with it?

2.57 pm

**Andy Carter** (Warrington South) (Con): It is a pleasure to follow the hon. Member for West Lancashire (Ashley Dalton), and I am pleased to be able to speak in today's debate because this issue is very relevant for my constituents. However, I am a little sad that this is an Opposition day debate rather than the Second Reading of a Bill that would resolve many of the issues. Lord Greenhalgh, when he was the Minister responsible, made a promising start to the process when he brought in the first stages of leasehold reform to crack down on exploitative freeholders by removing escalating ground rents. Now is the time to ensure that the next stage of reform delivers for those who are currently trapped in a leasehold system.

The north-west has some of the highest proportion of leasehold dwellings in the country. The most recent statistics from 2019-20 put the proportion built at just shy of a third of all homes—the highest outside London. Throughout my time as the Member of Parliament for Warrington South, its residents have raised issues with me regarding leasehold time and again. There are issues in Chapelford, Edgewater Park in Latchford, Chase Meadow in Lymm—I could list endless developments built over the past 20 years under the leasehold system where problems have been raised. In turn, I have raised those problems with a variety of Ministers, all of whom have said, "Reform is coming."

I recognise that there has been some progress from Government. I particularly welcome the work to protect elderly residents by reducing ground rent to zero on all retirement properties. It is also welcome that we are restricting ground rents to zero for new leases to make the process fairer for leaseholders. That will also apply to retirement leasehold properties when homes are built specifically for older people, so purchasers of these homes have the same rights as other homeowners and are protected from uncertainties and rip-off practices, but it needs to go beyond that.

I welcome the Secretary of State's proposals to address the problems associated with leasehold sales, but there is growing worry among many of my constituents that the difficult situation in which they find themselves may not be completely addressed by what we have heard so far. I am afraid that bringing forward plans to give leaseholders the right to extend their leases by up to 990 years, boosting property rights and giving homeowners long-term security and peace of mind do not address all the issues. The constituents I talk to have genuine concerns about the purchases they made 20 years ago and are stuck with problems that are ever-increasing, particularly in relation to service charges, for which they receive little. I urge the Minister to go further in many of the proposals they have put forward.

Colleagues might recall that in a speech in the Christmas Adjournment debate I raised the issue of homes in the Chapelford area of my constituency. I pay tribute to the residents who live there, who first raised their concerns 13 years ago with one of my predecessors. I wrote to the Minister about it recently, and she kindly responded, for which I am grateful. Residents not only have to pay fees, but run into difficulties just trying to get hold of a

freeholder. They are faced with complicated, protracted processes from which they cannot even get information about the leaseholds on their homes. They then have to spend money to get information from those leaseholders. My constituents are trapped in leasehold. It makes it difficult to sell those properties. In fact, I assisted a constituent recently because the plans drawn up in the leasehold were just not correct and the solicitors acting for the new buyer rightly would not proceed with the sale.

A number of solicitors in Warrington approached me to say that they had been asked to act for people buying leasehold properties in the Chapelford area, and they refused to do so, because they were so concerned about the details in the contracts. As a result, when purchasers returned to developers, the developers recommended solicitors who disappeared overnight when the development had finished. The process that the developers had put through to the solicitors ended up going absolutely nowhere, and there is a scandal with how solicitors behaved and disappeared once the process and the development had finished. I raised this matter in the House about six months ago, and the Solicitors Regulation Authority approached me asking for details of the solicitors. Frankly, it is impossible to trace them. They sign their names with a company, and the company dissolves and we cannot trace the individuals involved in any way. The Government need to look much more closely at how the solicitors in these cases have acted.

As I mentioned earlier, the Competition and Markets Authority looked at some of the leasehold situations for two years and made progress with several developers, but it did not resolve all the concerns, particularly in relation to properties in Chapelford. That was a missed opportunity for a deep dive into what is going on and addressing individual problems, rather than just looking at the big picture. Will the Minister ensure that the proposals that the Department brings forward in the next Session will address many of these problems? It is vital that people wanting to get out of leasehold can do so without facing extortionate fees that leave them trapped in a leasehold indefinitely or result in them being short-changed when they have to leave the leasehold system.

**Stephen Doughty:** The hon. Member rightly talks about transparency and the difficulties with contacting freeholders. I have had that experience in my constituency too. Does he agree that there needs to be a lot more transparency and communication among freeholders, managing agents and leaseholders? Often there is not transparency over insurance charges, service charges or who to contact when things are going wrong. I have experienced many frustrations on behalf of constituents in that regard.

**Andy Carter:** The hon. Gentleman reminds me of a recent situation with a development in Lymm, where the constituent asked me if I could contact the freeholder to go through the details of what they were actually paying for, and I have still not had a response. I am not sure the freeholder knows what services are being charged for. I am grateful for the point that the hon. Gentleman raises. Finally, I say to the Minister that this legislation is desperately needed. My constituents and I want to see a solution. I sincerely hope that the Department will take heed of the speeches being made in the House today so that we get the reform needed in the next King's Speech.



3.4 pm

**Mike Amesbury** (Weaver Vale) (Lab): Like many across the Chamber today, I rise to speak on behalf of my constituents in the north-west of England in Weaver Vale and the 4.86 million people trapped in this leasehold system. It is an antiquated and unjust feudal system, as pointed out by my hon. Friend the Member for Wigan (Lisa Nandy) from the Front Bench and by the Minister, the hon. Member for North East Derbyshire (Lee Rowley), who is not in his place at the moment. The system is unique to England and Wales. Ministers are keen to portray the Government as being outriders on a global scale, but maintaining feudalism and serfdom is surely no badge of honour and will have electoral consequences.

In 2017, I was not long elected as a Labour MP and a constituent from Northwich came along to my surgery and informed me about this strange system called leasehold, with ever-increasing ground rents, obscure service charges—also ever-increasing—incomplete unadopted roads, as Members have referred to, and strange administration charges for pets, extensions, alterations and for-sale signs. They could not sell their properties. I literally thought that she was making it up, until I had a conversation with my neighbour, my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders), and others. I soon came to realise that this archaic system of leasehold was allowing developers, freeholders, managing agents, solicitors and insurers to make things up and put things up on an industrial scale.

Talking of an industrial scale, I also discovered that there are solicitors in cahoots with major developers, as has been referred to, offering no real choice and mis-selling leasehold houses as freehold. There is plenty of evidence of that, to which my neighbour the hon. Member for Warrington South (Andy Carter) has referred.

It does not stop. On Friday just gone, my constituent Christine came to see me and put considerable evidence under my nose of the continued legalised crookery—I will use that word that the Father of the House, the hon. Member for Worthing West (Sir Peter Bottomley) used. It is an absolute fraud of a system, with unexplainable and increasing levels of service charge and insurance premiums, dodgy invoices and a plethora of commissions, seemingly for everybody.

Despite a plethora of consultations, grand promises made recently and a short piece of legislation with a narrow scope, new homes to this day are being built and sold as leasehold. The provisions on ground rent going forward are not for the many, just the new. One bad apple was picked from the tree, but the orchard still stares our constituents and residents in the face on a daily basis. The previous Secretary of State promised that legislation was a starter before “the main course”. As shadow Housing Minister at the time, I argued that it was about time to kick this issue into the history books and that leaseholders needed

“an all-you-can-eat buffet of reform”.—[*Official Report*, 24 January 2022; Vol. 707, c. 796.]

They are still waiting and we are still frustrated.

We all know that it is time to put an end to this outdated practice, to usher in a new era of fairness and to protect the rights of every citizen in our great nations

of England and Wales and their aspiration to genuinely own their own home. Leasehold is not home ownership. Let us kick it into the history books.

It is shocking that the Government now seem to be backtracking on their commitment to legislate effectively to put this feudal system into the history books. When I asked the Secretary of State in this very Chamber if he would legislate in the King’s Speech to remove leasehold, he replied, “Yes, that’s the plan.” It looks like that plan has caved in to vested interests. If anybody wants to look at some vested interests, go to the Electoral Commission website and look at where the donations of the governing party come from. I suggest that gives us a little bit of evidence.

This feudal leasehold, a relic of a bygone era, holds its grip on the dreams and aspirations of countless homeowners in England and Wales. It is a system that not only shackles their aspirations, but perpetuates an unjust power dynamic between freeholder landlords and leaseholders. The practice, unique to England and Wales, has no place in a society of modern values such as equality, justice and the empowerment of British citizens—or should I say, of English and Welsh citizens.

This U-turn by the Government is a complete betrayal, and they cannot escape that. Under this feudal leasehold system, homeowners find themselves trapped in a cycle of perpetual dependence, being subject to exorbitant ground rents, unreasonable service charges and ever-increasing lease extension costs. The impact of this feudal leasehold system is not, of course, limited to financial burdens alone. It breeds uncertainty and anxiety among homeowners, who live in constant fear of losing their home or facing arbitrary restrictions imposed on them by landlords. Let us not forget that, despite promises and legislation, the costs of the building safety crisis still fall on the shoulders of leaseholders, who cannot escape that injustice.

The time for change is upon us. We must collectively seize this opportunity to consign this feudal leasehold system to the history books. We have a moral duty to ensure that every citizen gets to own their own home and to control their own home, without fear or undue financial burden. To achieve this, the Government must take bold and decisive action. The Law Commission recommendations should be implemented in full. They should take heed of the Select Committee reports—the successive ones—and they must provide existing leaseholders with a clear pathway to enfranchisement, enabling them to convert their leases into freehold ownership at fair and reasonable prices. Marriage value must be scrapped, and Ministers must place restrictions and limitations on current ground rents and service charges, ensuring that they are reasonable, transparent and reflective of the services provided. As the Chair of the Select Committee, my hon. Friend the Member for Sheffield South East (Mr Betts), has mentioned, how about a housing court to deal with the several issues we have spoken about? Commonhold needs to be powered up to become the default tenure.

My esteemed colleagues across the House, it is time to end this feudal system. Let us see this piece of legislation in the King’s Speech, and if it does not come, the Government should step aside, and the Labour party will deliver with a Labour Government in charge.

**Mr Deputy Speaker (Mr Nigel Evans):** I call Ruth Cadbury.



3.12 pm

**Ruth Cadbury** (Brentford and Isleworth) (Lab): Thank you, Madam Deputy Speaker—sorry.

**Mr Deputy Speaker:** It has been a long day.

**Ruth Cadbury:** Oh, it has, Mr Deputy Speaker. It has been a long week—and it is only Tuesday.

It is over six years since I first spoke about the issues facing leaseholders in this House, and these issues have only got worse for so many of my constituents. They are compounded, of course, by the consequences of the fire safety scandal that the Grenfell fire exposed. Members on both sides of the House have mentioned many of the issues that provide a significant proportion of our casework and take up the time of our staff. I particularly thank the Leasehold Knowledge Partnership for the advice and support it have given us and our constituents.

Reform is needed because, for so many living in my constituency, leasehold is the only way that most first-time buyers can get a foot on the housing ladder: 50% of all residential property purchases in London in 2021 were leasehold. The huge deposit and mortgage needed for a traditional two-up, two-down house in London, particularly in my west London constituency, coupled with the spike in mortgage costs, have now made it virtually impossible for families to buy a freehold home. This means that middle-income people and even those who many would call high-income people are pushed into buying a leasehold flat. Some young people—including many NHS workers, teachers and many more—can just about afford to go into shared ownership, but in my experience that is a particularly perverse form of leasehold.

Imagine how it must feel for a young couple, who have worked hard and saved up, when they buy their first flat. They get the keys and they are filled with joy, but then the problems first appear. They notice some antisocial behaviour, and they notice the failure of the managing agent to ensure the car park is properly secure. They report it, but nothing happens. Then they get a bill for the service charge, and it has more than doubled, plus it is not itemised. They are already struggling with the cost of the weekly shop, and then they are hit with another charge. They ask why the service charge has gone up, especially when standards in their block remain so low, and they do not get an answer. Then they find out that, in six months' time, their share of the building insurance will go up not by 10% or 50%, but by over 200%. Where are they supposed to find this money? Imagine how it would feel with this constant hammer blow after hammer blow, and the dream of home ownership rapidly turning into a nightmare.

What I have described is one example from my constituency, but the many examples show that the central thread running through the existing leasehold system is the lack of power for leaseholders—the David against Goliath nature of the battle. Just last week, I met leaseholders in Aplin Way in Isleworth, who are facing an astronomical bill to replace the lifts in their block. It is 50 years old, so the lifts do need replacing. They have asked why it is costing so much when cheaper options are available, but they have not had a clear answer from, in this case, the housing association that owns the block. Their ward councillor, Tony Louki, and I have tried to seek answers, but even we have not had

replies to our correspondence. After no response had been received, suddenly last week the contractors appeared on site. The leaseholders know they will soon be forced to pay their share of the astronomical bill, and this is causing particular stress to the many pensioners who own their own home in that block.

Being a leaseholder in this country is increasingly like trying to push an ever larger boulder up an ever steeper hill. The central point of frustration is the fact that leaseholders are being ripped off. They are paying eye-watering amounts every year, yet in many cases they do not know where the money is going. There is no transparency.

One particular case is at APT Parkview in Brentford, where there is a mix of leaseholders and tenants of the building owner. Leaseholders have seen their communal services keep rising in price, but then suddenly stop after they made complaints about their bills. One day there was no concierge, the gym was closed, there was no cleaning of the common parts and no security in the car park, but then there was a sudden extra charge for air conditioning on top of their existing rising energy bills. The case of APT Parkview has also shown the lack of enforcement action available to protect leaseholders. The council could not help, the powers of the ward councillors are limited, and when I wrote letters and raised the issues on the Floor of this House, they were still not resolved. The tenants in the block sought legal advice, and it appears that they have somewhat stronger rights than the leaseholders.

Another frequent offender in my constituency, although it is an issue across the country, has been FirstPort—it has been mentioned today. It regularly hiked up building insurance and service charges while ignoring the complaints and concerns that residents had about communal areas. Often it did not carry out the services for which people were supposed to be paying. Liam Spender, a committed campaigner on leasehold reform, recently took FirstPort to tribunal and won. David beat Goliath, and FirstPort had to pay back at least £479,000 in overpaid service charges to all leaseholders in the block. As my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) said, such problems have been compounded by the fallout from the Grenfell fire and the Government's foot-dragging on that issue.

With leasehold, one never owns one's own home but merely has the right to occupy it, and to sell that right for the remainder of the lease. It is not ideal, but historically it was a stable, normal type of home ownership that provided homes for many millions of people. Over the last no more than 20 years, we have seen the growth of what can only be called scams on the leasehold system, effectively monetising that system for profit, often offshore profit. Such scams include the extensive sale of freehold houses, extortionate service charges, the ground rent scandal, and developers selling the freehold from under leasehold flat owners, who were promised when they bought the lease that they would have the chance to buy that freehold. Then there are the close and unethical links between developers, freeholders, solicitors and managing agents. Scammers held conferences to network and share best—perhaps I should say worst—practice on how to exploit the glaring gaps in our leasehold system. We can plug some of the gaps, particularly for the benefit of existing leaseholders, but the only way to stop future exploitation is to replace private leasehold with commonhold.

[*Ruth Cadbury*]

The Secretary of State promised to reform leasehold and called it an

“unfair form of property ownership”.

Those of us speaking today agree with that, but where are the widespread reforms? Have plans been watered down by the Prime Minister? If so, that is no surprise from a Prime Minister who is out of touch with the reality facing leaseholders across the country, who does not understand the strain and stresses facing ordinary hard-working people who are trying to keep their home, and who is out of touch about the very country he is apparently running.

I am pleased that my hon. Friends the Members for Wigan (Lisa Nandy) and for Greenwich and Woolwich (Matthew Pennycook) have committed that a Labour Government would do what the Conservatives are too weak and out of touch to do, which is end the sale of new private leasehold houses, grant residents greater power over the management of their own home, and crack down on unfair fees, with the right to challenge those rip-off fees. I am pleased that Labour has committed to the Law Commission's recommendations to make it easier to convert leasehold to commonhold, because for so many of my constituents, leasehold has turned into fleecehold.

3.21 pm

**Kate Hollern** (Blackburn) (Lab): It has been evident for years that the current leasehold system is failing. Indeed, it was the subject of one of the first pieces of casework raised with me in 2015, but the fundamental reforms that people have been crying out for have not been implemented. The Government's failure to act means that far too many people continue to be denied power, control or even a say over things as fundamental as safety, security, and the future of their homes and communities.

We have heard that across parties everyone is committed to reform, but I remind the House that in 2019, the Government gave a commitment in their manifesto, and there were promises by successive Housing Secretaries in 2021, 2022 and 2023. Now the Government are rowing back on their commitment to end the sale of leasehold on new builds and introduce a system of commonhold as the default for the future. The watered-down commitments are simply not good enough, and given that the Leasehold Reform (Ground Rent) Act 2022 does not apply retrospectively, it affords no comfort or protection to those already bound to an existing agreement. The people who campaigned and eventually got us to this stage have been disappointed yet again.

Leasehold is disproportionately prevalent in the north-west, as I am sure you know, Mr Deputy Speaker. In 2021, 35% of transactions there were leasehold, which was second only to London at 50%. At 27% the north-west also has a particularly high level of leasehold house sales, while across the rest of England and Wales, proportions range from 1% to 6%. The Minister boasted about that 1%, but he was obviously not looking at the north-west—why would that surprise me? On at least one housing development in my constituency properties were sold as leasehold, and the developer subsequently sold on the freehold to another company with increased

ground rent. There was no consultation with the homeowners, who had no say and no option to purchase it themselves. Worse than that, the increases were much higher than inflation. I have made numerous representations over many years to housing developers and the company that now owns the freehold on behalf of my constituents, but disappointingly I, like many others, have had little to no response.

Many of my constituents are trapped by this unfair system, forced to contend with high service charges, a lack of transparency over charges, freeholders who block attempts to exercise the right to manage, excessive administration charges, and charges for applications to extend lease agreements. It is outrageous. There is a lack of knowledge among people of developers' rights and obligations to them.

I am pleased that the shadow Secretary of State, my hon. Friend the Member for Wigan (Lisa Nandy), recognises the need for fundamental leasehold reform. She has proposed five key measures to be included in a leaseholder reform Bill, with each aimed at protecting the rights and interests of leaseholders and ensuring a more equitable housing system. First, we need an end to the sale of new private leasehold houses—and that must be immediate. That will ensure that future homeowners are not burdened by leasehold arrangements but can instead own their home outright.

Additionally, private leasehold flats must be replaced with commonhold, a more workable and fair system that provides greater control and security for residents, with the recommendations of the Law Commission's three 2020 reports implemented in full. In the interim, residents should be granted greater powers over the management of their homes, including the right of flat owners to form residents associations, empowering them to have a collective voice in decision-making processes. We must also simplify the right to manage, making it more accessible to leaseholders so that they can take control of the management of their properties.

Leaseholders should also have the right to extend their leases to 990 years with zero ground rent at any time. Alternatively, a cap on ground rent should be implemented at a maximum of 0.1% of the freehold value up to a limit of £250 a year. Those measures would provide leaseholders with greater security and affordability in extending their leases.

Enfranchisement valuation for leaseholders must also be reformed. By streamlining and clarifying the valuation process, we can ensure that leaseholders are treated fairly and not subjected to unreasonable costs.

Lastly, to crack down on unfair fees and contract terms, we propose the publication of a reference list of reasonable charges, ensuring transparency on service charges. Leaseholders should have the right to challenge excessive fees and conditions or poor performance from service companies. By holding those companies to account, we can protect leaseholders from rip-off charges and sub-par services.

**Mike Amesbury:** Will my hon. Friend pay homage to the National Leasehold Campaign and the Leasehold Knowledge Partnership? I know that they have been helpful to all of us.

**Kate Hollern:** I thank my hon. Friend for that.

People have worked so hard, only to be disappointed after such a long time. At the same time, with every delay, more and more people are getting trapped in these situations. Almost every country in the world apart from Britain has either reformed or abolished this archaic feudal model, but the Conservative party is not delivering. People should not have to wait any longer for basic rights over their own homes. I hope that the Government and Conservative Members will today stand up for their promise, recommit to it—they claim that everyone is committed to it—and do so with speed.

3.28 pm

**Ms Marie Rimmer** (St Helens South and Whiston) (Lab): The Levelling Up Secretary described leasehold as “feudal” and in need of reform. I am sure that every Member on the Opposition Benches—along with millions of exploited leaseholders—agrees with him, and there is huge cross-party support. Let us not forget the impact of increased interest rates on mortgage repayments. How many of the same people are also affected by leasehold?

It has been said numerous times today, but almost every country in the world apart from Britain has either reformed or abolished this archaic model. There are estimated to be almost 6 million leasehold homes in the UK. It is a system that denies millions of people true home ownership. Some have to pay a couple of hundred pounds for the right to change the curtains or a carpet, and, if they receive permission, have to notify the freeholder so they can be inspected. Can you believe that? In your own home! We pride ourselves as a nation of homeowners and aspirational homeowners, yet leaseholds deny people the ability to fully complete that ambition.

The question is this: why have the Government not done more? Who owns the land and these properties? Who do leasehold payments go to and who are they donating to? It is about time that that was investigated. We do not need to wait. Let us start investigating what is going on and why the Government are not doing anything.

As a representative of a constituency with many new houses, I am concerned that the proportion of new build houses sold as leasehold rose from 7% in 1995 to a peak of 15% in 2016. Thousands more people have been trapped in leasehold arrangements over the past two decades. Those arrangements are often mis-sold: developers recommend solicitors to speed up the process and they do it at a discount. But where were the mortgage lenders? What were they doing? Where was their duty of care in passing loans to buy such properties? Did they not know it was a risk, or do they have something to gain from that risk if there is a mortgage foreclosure? How much is going on to look into why that happened, where it happened and who was involved? People are now denied basic rights over their own homes.

Despite the changes in July 2022 to restrict ground rents on new houses and flats to a peppercorn rate, the Government ignored Labour calls to extend the protections to existing leasehold properties. Leaseholds should not be sold anymore. They are absolutely not fit for purpose. Legislating for new houses is of course essential, yet just as essential is legislating retrospectively to help people

already caught up in the leasehold scandal. Many people buying their homes in St Helens and Knowsley have been caught up in this scandal—many people. In 2017, the Government said they would work with the Law Commission to support existing leaseholders. The Government committed to making extending the leasehold “easier, faster, fairer and cheaper.”

Only in January this year, the Levelling Up Secretary claimed that the commitment to abolish the “feudal system” of leaseholds still stood, yet neither of those things happened.

The Law Commission proposals would give people the right to extend their lease to 990 years, with zero ground rent at any time. That would place the vast majority of a home’s value in the hands of a leaseholder. That was considered to be a fair outcome in a country such as ours that wants to inspire homeownership, so why has the Secretary of State suddenly changed his mind and decided that people should no longer have the right to fully own their own home? Why?

The Prime Minister often says that it is not words, but outcomes that matter. Well, leasehold is causing millions of families unnecessary stress and hardship. The Government have promised for years to solve this crisis and even made a manifesto commitment to do so. I urge the Levelling Up Secretary and the Government to stick by their promise. Get rid of these feudal laws and bring British home ownership into the 21st century. I also remind the Prime Minister of his commitment to a Government of honesty, transparency and integrity. Well, let us see that outcomes matter. Let us start by finding the truth behind this scandal that affects so many millions of families. It is about time for honesty, transparency and integrity. Outcomes matter, Prime Minister.

3.34 pm

**Helen Morgan** (North Shropshire) (LD): The last Liberal Prime Minister, David Lloyd George, launched a campaign against leasehold in 1909, describing the leasehold system as blackmail, not business. In 2023, it is unacceptable that, despite campaigning by the Liberal Democrats and right hon. and hon. Members on both sides of the House—and some truly excellent speeches today—we are in the same position.

The Leasehold Reform (Ground Rent) Act 2022 was a necessary small step in the right direction to protect leaseholders from exploitation, but it is extremely disappointing that the next steps of the Act have once again been delayed, despite the Secretary of State admitting that the system is feudal in nature. He is, of course, right. Being unable to control the amount of ground rent paid each year is a relic of the feudal system, and is why pretty much every other country apart from Australia has abolished it and replaced it with some form of commonhold tenure.

It is also not right that homeowners should have to pay tens of thousands of pounds to renew their lease and remain in their own home when it ends, often having seen very little—if any—of their landlord during the period of ownership. Hon. Members have already made excellent speeches about the unfairness of this outdated system. Like them, I have casework from residents frustrated by extortionate ground rents and management fees.



[Helen Morgan]

I would like to reflect a little more on the management fees, which are becoming a scourge not only in traditional leasehold arrangements but in many new developments, where shared management companies for the areas outside the bricks and mortar of the owner's home are exhibiting many of the characteristics of the landlord in a leasehold arrangement. These are known colloquially as "fleecehold" arrangements, and are as much of a problem as the traditional leasehold charges that we have been discussing at length.

Across North Shropshire there are several new developments, built by both large well-known developers—Persimmon has been mentioned, which I have dealt with—and smaller rogue developments, where the council have rightly required shared space as part of the planning conditions. But the developer has made no provision for those shared areas and the roads, street lights, pavements and play facilities to be adopted by the local authority. Instead, the shared areas are maintained by a management company and all the homeowners of the new development, who are the freeholders of their own homes, must share the costs of maintenance. The commercial substance of that arrangement is a leasehold.

Homeowners have come to me, fleeced by their management company and unable to force the directors of those management companies to hold annual general meetings or provide proper accounts. They do not want me to name their developments because that will reduce their ability to sell a home that they desperately want to leave and are completely trapped in.

The companies share similar features. They are often non-profit-making, simply passing on the costs of maintenance to the owners of homes on the development. But there is a catch: they are controlled by the original developer and they outsource the maintenance work to a connected business—often run by the original developer—which charges an exorbitant fee to the maintenance company. That way, the developer can fleece the people who bought their homes in good faith, and who cannot exit the arrangement. More importantly, having just taken on a mortgage for the most important purchase of their life, they do not have the resources to take the company to court, or to force it to hold meetings or get competitive quotes for the work required.

As Members have pointed out, there is often no point turning to the conveyancing solicitor for help with faulty conveyancing, because the solicitor was recommended by the developer, which offered a discount to use them. Quite how those solicitors get around conflict of interest laws I am not sure, but the result is that the homeowner is left with nowhere to turn.

It is important to emphasise that these people do not get a reduction in their council tax, often while suffering unfinished roads, inadequate lighting and wasteland that should be some sort of park or recreation area. If the council enforces the conditions of the planning permission—to tidy up and landscape the shared areas for example—the costs are passed on to the residents, who have no choice but to pay. I have a case where a large national developer—Persimmon—requires the permission of the management company to allow someone to sell their freehold. That is leasehold in all but name, and it needs reforming along with the feudal arrangement that we all agree needs getting rid of.

There is one development that I can name because it has already been made public, and I described it in some detail in an Adjournment debate last year. The Brambles in Whitchurch was set up under one of these arrangements but, catastrophically, the developer went bust before the estate was finished. The homeowners are liable for the maintenance of the shared areas, which includes their sewerage connection. But it was not completed properly, and they have faced exorbitant costs of over £1 million between 14 homes to get their foul waste connected to the mains sewers and their roads surfaced. That is very similar to the situation in which some leaseholders found themselves after the disastrous Grenfell fire, when they discovered they were living in buildings covered with dangerous cladding, but there is no equivalent of the Building Safety Act 2022 to protect the homeowners in my constituency who have no sewerage connection.

In a second case, a developer charges astronomical fees for the maintenance of a shared ground source heat pump, but keeps the renewable heat incentive payment, paid by the Government, to himself, in his own, separate company.

In a third case, the management company is connected to the maintenance outsource provider and passes on astronomical costs to the residents. There is no mechanism to help these people; indeed, the practice is becoming the norm. Local authorities are not incentivised to adopt shared areas when they can charge full council tax and effectively dodge the maintenance costs that come with the new dwellings.

When the legislation to deal with our outdated leasehold system is finally brought before the House, I urge the Minister to consider measures to deal with the outrageous practice of fleeceholds, which is being exploited by sharp practice at best and possible criminality at worst, and to ensure that people who have already been subjected to those arrangements can take more control of their situation.

Many people have already entered into fleecehold or leasehold arrangements, before any legislation to protect them has been implemented. For example, nobody should feel pressured to renew their lease before the Leasehold Reform (Ground Rent) Act 2022 is implemented. To this end, I am happy that Liberal Democrat peer, Lord Stunell, introduced amendment 9 to that Act in the other place, to protect people who need to renew their leases by creating a duty to inform leaseholders of the contents of the Act before negotiating or renegotiating a lease extension. Unfortunately, the Government removed the amendment when the Bill returned to this place.

When people buy a home, it is often the biggest and most important purchase of their lives—it is a dream realised. They are often promised reasonable-sounding ground rents and maintenance fees, but when they find themselves tied into a cycle of rapidly increasing costs, beyond their control, that dream turns into a nightmare.

We have the means to prevent that happening and we should stop delaying. We should act now to protect them. The Liberal Democrats will support the motion today. I urge the Minister to do so, and to consider the additional problem of fleecehold arrangements when she brings leasehold reform to the House.

3.41 pm

**Justin Madders** (Ellesmere Port and Neston) (Lab): I would like to start by taking the House back to 2012, when the right hon. Member for Welwyn Hatfield (Grant Shapps) was Housing Minister and appeared on Channel 4 to speak about leasehold, and said that only a “tiny, tiny, tiny” number of landlords caused problems. Since then, the Leasehold Knowledge Partnership, with Martin Boyd and Sebastian O’Kelly, along with the hon. Member for Worthing West (Sir Peter Bottomley), Jim Fitzpatrick, when he was a Member of this place, and the National Leasehold Campaign, have proved that analysis to be completely wrong. Let us be clear: those are the people who have contributed time and again to make this the issue that has led us to the debate today.

I got involved in the issue shortly after I was elected to this place. I remind the House of my opening comments in a debate that took place in this Chamber on leasehold:

“What we are discussing today is nothing short of a national scandal. It is the payment protection insurance of the house building industry. Every now and again a sharp practice comes to light which is totally unconscionable and of which every reasonable person would say, “We cannot allow this to continue. Parliament must act.” This is one such occasion.”—[*Official Report*, 20 December 2016; Vol. 618, c. 1342.]

I believe those sentiments have become widely shared by Members across this House, as details of the leasehold scandal have come to light. Indeed, those words could have been easily spoken by any number of Members, on either side, speaking today. But when did I actually say those words? 2016, some seven years ago. It is seven years since the sickness at the heart of our housing system was exposed, but for those who have been victims of the scandal, it seems very little has changed. They remain victims to this day. We cannot allow that to continue.

It is worth reminding ourselves why the issue has come up the political agenda. For me, the lightbulb moment came after I was approached by a couple of constituents who were concerned about having to pay ground rent on their newly purchased home—a home that was the sort of standard new-build construction that can be found anywhere in the country. Why were those properties leasehold at all? There were no common parts or complicated land ownership. The only reason these properties were leasehold was greed. That greed enabled a whole host of fees to be artificially generated, ensuring that every homeowner would be paying far more than they should, for each and every generation to come. What is the justification for those fees, except that it is what people have been signed up to, unwittingly and with poor legal advice? Well, we know what the CMA thinks about that argument. Prices quoted by the developer to purchase the freehold when the property was initially sold rose four, five or even 10 times higher once the developer had sold their interest on. Hundreds of pounds were being demanded for minor alterations to the property and thousands requested if planning permission was sought. Their home, the biggest single purchase most people will ever make in their life, had been turned into a cash converter for the anonymous freeholder.

Then there was the biggest insult of the lot: the ground rent. Initially, it was a modest fee, but a price escalator was hidden away in the small print. Sometimes it would double after 10 years, then double again after

another 10 years, and so on. For some leaseholders, in a relatively short period their property became unsellable. The linking of ground rents to RPI is becoming a real issue with inflation so high, even making some of the outrageous doubling ground rent clauses seem reasonable in comparison. That is putting people in hardship, and it is the biggest insult of the lot because ground rent is, literally, money for nothing. Its payment is a complete legal nonsense that does not stand up to even the smallest amount of scrutiny. I do not give Vauxhall another £100 every time I drive in my Astra. If someone buys a home, that should be it; it should be theirs. It should not be a virtually unregulated income stream for an offshore investor who sees that home as just another number on the balance sheet.

As we have seen reported in the *Financial Times* last week, throughout history the cost of leasehold and freehold homes has generally moved in lockstep, but over the last five years the price of freehold properties has continued to rise but leasehold homes have not kept pace. There is no doubt that the Grenfell tragedy has played a huge part in that, as the inadequacies of the building safety regime have been laid bare, but I also believe that the general toxicity of leasehold as a form of housing tenure, with people unable to sell their homes, has played its part. Leasehold has clearly had its day, but we need the Government to finally consign it to the history books. The pieces are all in place. The knotty legal issues have been untangled and the argument that leasehold has had its day has been won. What is missing is the political will to get that change over the line.

In particular we need to see greater powers for residents over the management of their homes, with new rights for flat owners to form residents’ associations and a simplification of the right to manage. We need leaseholders to have the right to extend a lease to 990 years with zero ground rent at any time, and we need to bring forward reform to the process of enfranchisement valuation for leaseholders, including on marriage values, and prescribing rates for the calculations of the premium. We need a crackdown on unfair fees and contract terms through the publication of a list of reasonable charges, requiring transparency on service charges and giving leaseholders a right to challenge rip-off fees and conditions or poor performance from service companies. We must end the right of third-party landlords to build on other people’s homes without considering their interests, their safety or the quality of their homes. We need to squeeze the freeholders until the pips squeak.

This debate is, at its root, about power, who holds it and how it is exercised. Who owns the land holds the power. That has always been true in this country, but we have moved on from the barons and the lords of the manor to the offshore private equity companies—a 21st-century update of the feudal arrangements that have for so long held this country back. It is an arrangement that no other country in the world has sought to replicate. We know that this Government are not keen on international comparisons but perhaps that ought to tell us something. It is clear from this debate that just about everyone agrees that something needs to change, but I am not confident that we will see change any time soon. I thought the Government were all about taking back control. Do they not realise that a leaseholder does not have control? How can they have control if someone is trying to use their home as a cash cow?

[Justin Madders]

It is a shame that the Secretary of State is not here today to hear this debate. Perhaps he is interviewing the next Housing Minister, given that we have one every couple of months. He is probably the most able member of the Cabinet. Maybe the competition is not up to much, but I believe that he has the cognitive skills to recognise that leasehold as a form of tenure is an intellectual dead end for the freeholders, for his party and for anyone who tries to defend it.

The Law Commission has given us the route out of this mess and the case has been made, but what is lacking is leadership from the very top and the courage to say that this is a priority and this injustice has to come to an end. I believe that all those on the Government Front Bench should go back to the Prime Minister and deliver the simple message that if his party does not want to deal with this issue, it should stand aside and make way for one that does.

3.49 pm

**Matt Western** (Warwick and Leamington) (Lab): I recall, back in the 1980s, the scandal of endowment mortgages. Over the years, I have also owned leasehold properties and had my fingers badly burned, so I understand many of the issues that so many people across the country must be facing.

The public rightly want reform. When people, particularly first-time buyers, look to buy a property, they are not made aware of what they are entering into, particularly with leasehold agreements. They think they are buying a home, so they think they will own the home. Of course, they then discover that they have actually bought high ground rents and extortionate service charges, often for services that are promised but not delivered, such as the maintenance of green space. Homeowners are paying full council tax, yet they are having to pay perhaps another £300 to maintain the verges and parks around these new estates. Some developers promise a council tax discount, despite paying additional amounts to companies such as Greenbelt, which I believe is associated with Persimmon Homes.

The scale of this is extraordinary. I understand there are about 5 million leasehold homes in England, including 8% of houses, and I know just how prohibitively expensive this can be. The absence of sinking funds, the lack of management reporting, the extortionate insurance payments, the charges for permission to make changes, the fact people cannot have bicycles on their property, the fact they cannot fit an electric vehicle charging point, and other ridiculous things—the list goes on.

**Sir Peter Bottomley:** In addition, the people who manage even large blocks need no qualifications, and there is no full protection for leaseholders' money.

**Matt Western:** The Father of the House is absolutely right. In one of the properties in which I was a leaseholder, we set up as directors and took control of the property. We appointed our own management company, at significantly lower cost, to address some of the massive overcharges we faced.

In 2014, the Competition and Markets Authority estimated that the average service charge amounted to just over £1,100 a year, suggesting that service charges could total between £2.4 billion and £3.5 billion a year.

My hon. Friend the Member for Sheffield South East (Mr Betts) highlighted the 2019 Select Committee report—I was privileged to sit on that Select Committee—which identified that, too often, leaseholders, particularly in new-build properties, have been treated by developers, freeholders and management agents not as homeowners or customers but as a source of steady profit. We concluded by urging the Government to ensure that commonhold became the primary ownership model for flats in England and Wales, as it is in many other countries. Of course, that has not been adopted.

**Stephen Doughty:** Does my hon. Friend share the frustration that many of my constituents face? When they try to set up “right to manage” companies, and to move towards taking over their freehold, the process and the disputes about which buildings and outhouses constitute part of their property make it extraordinarily complex, and often expensive, to take control of management accounts.

**Matt Western:** My hon. Friend is absolutely right. It is incredibly complex and extremely expensive to go through that process.

The last Labour Government's Commonhold and Leasehold Reform Act 2002 introduced commonhold as a new tenure, which this Government should have pursued over the past 13 years. Progress was not made for two reasons: the conversion from leasehold to commonhold requires consent from everyone with an interest in the property, as my hon. Friend just said; and developers do not want to build new commonhold developments because there is no incentive and no financial upside, as my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders) highlighted. This Government have ignored these exploitative practices, and the ever-louder calls from the public to end them, for 13 years. They launched the Commonhold Council two years ago, so will the Minister update us on what has happened with that? It appears to be nothing.

The public are aware of the Conservative Government's broken promises. Their 2019 manifesto promised to address this issue by implementing a “ban on the sale of new leasehold homes”.

That has not happened. Even the Housing Secretary admitted that they should end this “absurd, feudal” system, but we are 13 years on from the last Labour Government and nothing has happened. This Government have let down the public. I appreciate that there is a high incidence of these cases in the north-west England, but there are also some in my constituency. Groups of residents across my local towns are keen to take control of the development of their blocks, but it is too expensive and complicated to do so, as many Members have been saying. In one block of 70 flats, the residents have managed to take that on, but the previous managing agent took £76,000 from the residents' account and they have not been able to recover the money. The residents are keen to ensure that managing agents are better regulated in any proposed legislation.

As my right hon. Friend the Member for North Durham (Mr Jones) said, there is so much sharp practice out there. That is why Labour would implement the three Law Commission 2020 reports in full. They included measures designed to make it easier for leaseholders to convert to commonhold; to allow shared ownership leases to be included within commonhold; to give owners



a greater say over how the costs of running their commonhold are met; and to ensure that they have sufficient funds for future repairs and emergency works.

**Andrew Gwynne:** My hon. Friend mentioned sharp practices, which I mentioned to those on the Labour Front Bench at this debate's opening. I can give many examples from my constituency, but one of the latest involves leasehold companies, or their agents, sending out innocuous questionnaires to people about improvements they may have had done to their homes. People are filling those in and sending them back in good faith, and then getting a bill for the privilege.

**Matt Western:** My hon. Friend is absolutely right about that, and I have examples of that in my constituency; letters will suddenly appear demanding, let us say, £13,000 from each and every resident for changes that have been made and claims of service.

For some time, Labour has been pressing the Government to bring forward the promised leasehold reform part 2 Bill and to ensure it contains those recommendations set out in the Law Commission reports of 2020. As I mentioned at the outset, we have had so many scandals associated with property and mis-selling over the years, including endowment mortgages. There is now an entire parasitic industry surrounding home ownership in this country and it needs to be addressed. The situation is so much better in other countries around the world.

Twenty-one years ago, Labour introduced the Commonhold and Leasehold Reform Act 2002. For the past 13 years, the Government have not seen this issue as a priority. The developers are profiteering and there is a correlation between the profits being made by those companies and the exploitative practices that go on around leasehold developments. This is a scandal and Labour in government will bring an end to it.

3.58 pm

**James Murray** (Ealing North) (Lab/Co-op): For nearly a decade before I was elected as the MP for Ealing North, I had the honour of serving in local and city-wide government in the capital, working every day to tackle the housing crisis. If my memory serves me correctly, when I was working for the Mayor of London, as his deputy mayor for housing, he responded to a Government consultation back in 2017 entitled "Tackling unfair practices in the leasehold market". I looked at that consultation document this morning and noticed that its introduction cited the right hon. Member for Bromsgrove (Sajid Javid), the then Secretary of State for Communities and Local Government, as having said:

"I don't see how we can look the other way while these practically feudal practices persist".

Two years later, following more consultation, the 2019 Conservative manifesto included a commitment to continue reform of the leasehold system. Three years after that, the latest Housing Secretary said that he would

"end the absurd, feudal system of leasehold, which restricts people's rights".—[*Official Report*, 9 June 2022; Vol. 715, c. 978.]

The current Secretary of State for Housing, Communities and Local Government seemed finally to be on course to do something at the start of this year, confirming that the Government would "absolutely" abolish the feudal system of leasehold and bring forward legislation

shortly. Yet here we are, in May 2023, with the Conservatives apparently abandoning their promises to leaseholders. That is why, today, we will be voting to make the Secretary of State keep his promise.

I know the impact that the current system of leasehold can have on people, both as a former leaseholder myself and, crucially, from the experiences of the people I represent. Since I was first elected in 2019, I have been contacted by email, phone, in my advice surgery and on the street by leaseholders from all parts of my constituency to talk about the challenges they face. Let me mention just a few of my constituents here today. I draw the Minister's attention to leaseholders at Oaklands on Argyle Road. They are facing the prospect of the freeholder adding another storey to their building without any meaningful consultation and despite issues of subsidence in the block.

Meanwhile, leaseholders at Chartwell Close in Greenford have reported great difficulties, costs and a lack of information from the freeholder when trying to exercise their right to manage. Leaseholders at Bridgepoint House, right opposite my constituency office, continue to face a very challenging time with all those involved in owning, building and managing their block as they try to remedy fire safety concerns.

Those are just a few examples of the many people I represent who live in private leasehold flats, and who far too often lack control over, or even a say in, what happens to the place in which they live. That is why I will be glad to vote for our motion today, to press the Government to end the sale of new private leasehold houses, to introduce a workable system to replace private leasehold flats with commonhold, and to enact the Law Commission's recommendations on enfranchisement, commonhold and the right to manage in full.

The truth is that having security in our own home is a fundamental need for people and families in whatever tenure they live. The impact of leasehold means that, even when people are able to buy a home, which should bring that security, that basic desire for real security is often stymied by a feudal system of ownership. We might have thought—as, indeed, leaseholders across the country might have thought—that when Conservative Ministers said that they did not see how

"we can look the other way while these practically feudal practices persist",

change was coming. We might have thought that change was coming when Conservative Ministers said that we should, "end the absurd, feudal system of leasehold, which restricts people's rights". But after years of opportunities to act, they have proven themselves simply unable to tackle the long-term challenges we face.

The truth is that the Conservatives in Government cannot tackle the long-term challenges we face; they have become a long-term challenge themselves. It is time to do the right thing, to follow Labour's lead and to give people the security that they need and deserve.

**Madam Deputy Speaker (Dame Rosie Winterton):** We now come to the wind-ups. I am sure that Members who have spoken in the debate will be arriving in the Chamber any minute now. As we have said on a number of occasions, it is important for them to be here for the wind-ups of both the Opposition and the Minister. I call the shadow Minister.

4.2 pm

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): Thank you, Madam Deputy Speaker. It is a pleasure to close for the Opposition. I start by declaring an interest: my wife is the joint chief executive of the Law Commission, whose work I intend to cite in my remarks.

This has been an excellent debate, featuring a great many thoughtful and informed contributions, and I thank all those hon. Members who have taken part in it. In particular, I commend the remarks made by my hon. Friend the Member for Sheffield South East (Mr Betts), my right hon. Friend the Member for North Durham (Mr Jones), and my hon. Friends the Members for City of Chester (Samantha Dixon), for Dulwich and West Norwood (Helen Hayes), for West Lancashire (Ashley Dalton), for Weaver Vale (Mike Amesbury), for Brentford and Isleworth (Ruth Cadbury), for Blackburn (Kate Hollern), for St Helens South and Whiston (Ms Rimmer), for Ellesmere Port and Neston (Justin Madders), for Warwick and Leamington (Matt Western) and for Ealing North (James Murray). Together, they brought to life the plight of leaseholders across the country and powerfully reinforced the case for bold and urgent reform.

The sense of satisfaction, pride and security that is felt when someone completes the purchase of their first home and the keys are finally handed over is something that millions of homeowners across the country will recognise and remember with fondness. Given a free choice, an overwhelming majority of families would prefer to own their own home, and home ownership remains indelibly associated in the minds of many with security, control, freedom and hope.

Yet, as we have heard, for far too many leaseholders, the reality of home ownership has fallen woefully short of the dream, their lives marked by an intermittent, if not constant, struggle with punitive and escalating ground rents, unjustified permissions and administration fees, with unreasonable or extortionate charges, and with onerous conditions imposed with little or no consultation. For all those leaseholders also affected by the building safety crisis, particularly all those non-qualifying leaseholders who the Government have chosen to exclude from protections in the Building Safety Act 2022, that dream has not just fallen short; it has become a living nightmare.

This is not what home ownership should entail. Under successive Conservative-led Governments, the dream of owning their own home has slipped away for far too many families. Labour is committed to addressing that failure and reviving the dream of home ownership for current and future generations, but we are equally determined to reform the leasehold system fundamentally and comprehensively, by addressing the historical inequity on which it rests and making sure it works in the interests of leaseholders.

The Government ostensibly agree with us on the need to overhaul the entire leasehold system. In 2017 they asked the Law Commission to suggest improvements to both the leasehold and commonhold systems and, once the recommendations were published in July 2020, they made it clear that they were considering how to implement all of them. In 2021 they established the Commonhold Council to prepare the ground for widespread take-up of a collective form of home ownership that is the norm in many other parts of the world.

In 2022 the Government passed, with our support, the Leasehold Reform (Ground Rent) Act, which set ground rents on newly created leases to zero. Ministers assured us, as my hon. Friend the Member for Weaver Vale pointed out, that that legislation was merely the first part of a two-part seminal programme to implement reform in this Parliament. In January this year, in an interview with *The Sunday Times*, the present Secretary of State went further and unambiguously announced his intention to abolish the leasehold system in its entirety—raising expectations, as my right hon. Friend the Member for North Durham pointed out, among leaseholders across the country.

Yet not only are leaseholders still waiting for the publication of the leasehold reform (part 2) Bill, but, according to recent reports, the Government's commitment to legislate for fundamental and comprehensive leasehold reform through that Bill looks set to be abandoned after the Secretary of State was overruled by Downing Street. If the substance of those reports is true, it will represent the latest broken promise in 13 years of Conservative failure. The media reports in question indicated that we will see a second leasehold reform Bill in the King's Speech later this year, but they suggested that No. 10 will only allow the Secretary of State a limited one.

We are told that the Bill in question might include a cap on ground rents, more powers for tenants to choose their own property management company and a ban on building owners' forcing leaseholders to pay to the other side any legal costs incurred as part of a dispute. However, it is still not clear whether that is the sum total of the measures leaseholders can now expect, or whether Downing Street might give the Secretary of State permission for a little more.

When the Minister closes the debate, will she therefore tell the House, and all the leaseholders across the country who are listening very carefully to what is being said here today, not just what the Government are committed to implementing at some point in the future, but what the major provisions in that forthcoming leasehold reform Bill will now be? Will they be limited to the three measures I just mentioned, or can leaseholders expect more—perhaps a prescribed formula for valuation in standard cases, or, as I believe the Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities, the hon. Member for North East Derbyshire (Lee Rowley), implied but did not explicitly confirm, improvements to freehold service charge protection?

If the Minister is not prepared to tell leaseholders what all the major provisions in that forthcoming Bill are likely to be, or if the Government have still not made up their mind after all this time, she owes it to leaseholders at least to clarify whether the Government remain committed to that Bill's containing all those specific measures relating to enfranchisement, valuation and lease extensions that the right hon. Member for Newark (Robert Jenrick) committed to implementing when he was Secretary of State.

As set out in a written ministerial statement of 11 January 2021, those specific commitments included the abolition of marriage value, capping the treatment of ground rents on all existing residential leases at 0.1% of freehold value and prescribing rates for the calculations at market value, a right for those with existing long leases to buy out the ground rent without the need to extend their term of lease, and the right for all leaseholders to extend their lease as often as they wish, at zero ground

rent, for a term of 990 years. The Parliamentary Under-Secretary of State earlier mentioned several of those commitments, but again he was less than explicit that they would definitely be in the legislation. Will the Minister of State tell the House whether the forthcoming Bill will include them all?

But whether it ultimately includes merely a handful of worthy measures or all those explicitly committed to by the right hon. Member for Newark during the period he led the Department, what now looks certain is that the scaled-back leasehold reform Bill that the Government are finalising will be a far cry from what successive Ministers—and, in particular, the present Secretary of State—have led leaseholders across the country to believe would be enacted by this Government in this Parliament. When she closes the debate, the least the Minister can do is to be honest with leaseholders about what they should no longer expect from this Government in the way of leasehold reform, and make it clear, if that is indeed the case, that Ministers do not now intend in this Parliament to enact all the recommendations on enfranchisement, commonhold and the right to manage made in the Law Commission's three reports of 2020.

As well as that honest admission, leaseholders deserve an explanation as to why the Government are seemingly not now prepared to implement those sensible and proportionate recommendations in full. Finding adequate parliamentary time cannot be the reason, given that the Law Commission parliamentary procedure would reduce the time any such legislation would spend on the Floor of the House and enable the Government to complete the process before a general election. The House, as well as all those organisations that have been campaigning for so long on behalf of exploited leaseholders, deserve a clear answer today about the real reason leaseholders look set to be fobbed off with just a limited Bill.

To conclude, nearly 5 million households in England are trapped in an archaic system of home ownership that has its roots in 11th-century English property law. This House has legislated to give leaseholders more rights in the past, but none of those previous efforts fundamentally disturbed the historic inequity on which the system rests, and as a result, leaseholders remain at the mercy of arcane and discriminatory practices, to their detriment and to the benefit of freeholders.

I end by saying this directly to any leaseholders watching our proceedings today. Labour recognises that you have waited long enough for this House of Commons to truly deliver for you. We are determined to fundamentally and comprehensively reform the current system, overhauling leasehold to your lasting benefit and reinvigorating commonhold to such an extent that it will become the default and render leasehold obsolete. If the Government abide by the spirit of the motion tabled today and honour their commitments to you in full, we will work with them constructively to improve your lives, but rest assured that if they do not, a Labour Government will finish the job.

**Madam Deputy Speaker (Dame Rosie Winterton):** Now that we are all back, I want to reiterate once again how important it is for those who have contributed to the debate to get back to hear not only the Opposition's but the Minister's winding-up speeches. One way to ensure that that happens is to actually stay in the debate and hear what other people have to say—a novel idea, I know, but it can be well worth it.

4.12 pm

**The Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean):** It is a pleasure to wind up this wide-ranging and impassioned debate on behalf of the Government. We have heard from Members across the House of the challenges inherent in the leasehold system—challenges that we are determined to tackle through further reforms in this Parliament. I am grateful to hon. Members on both sides of the House who have given powerful examples from their constituencies of leaseholders who have been hit with unfair and unreasonable costs. I pay tribute to the Father of the House, my hon. Friend the Member for Worthing West (Sir Peter Bottomley), who set out how he believes life can be made better for people in their homes. I thank him for his considerable and extensive work alongside the Leasehold Knowledge Partnership and as co-chair of the APPG on leasehold and commonhold reform. I also thank my right hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) and my hon. Friend the Member for Leigh (James Grundy) for their contributions.

The examples set out by Members across the House only underscore the importance of our work to reform the leasehold sector for good and move towards a simpler, fairer, more equitable commonhold system for flats—a system that, as my hon. Friend the Minister for Local Government and Building Safety rightly asserted in opening the debate, is common around much of the rest of the world.

**Stephen Doughty:** Will the Minister give way?

**Rachel Maclean:** I do not have much time, and I have a lot to get through, so I hope the hon. Gentleman will allow me to answer the questions asked by him and his colleagues.

The first point to address is one of timing. In a sense, this debate hinges somewhat on a false premise. It hinges on media speculation—

**Matthew Pennycook:** A false promise!

**Rachel Maclean:** A false premise. It hinges on media speculation, as the hon. Member for Greenwich and Woolwich (Matthew Pennycook) set out. I want to be very clear that there has been no U-turn, as some have tried to characterise it. This is about timing. As hon. Members will know, it is a long-standing tradition of this House that Ministers cannot comment on precise timescales and details of forthcoming legislation, but I can reassure the House today that officials in my Department are working flat out to bring forward further leasehold reform.

**Several hon. Members** *rose*—

**Rachel Maclean:** Perhaps hon. Members would like to listen to the remarks I am about to make, because I am sure I will answer their questions.

The hon. Member for Wigan (Lisa Nandy), when she opened the debate, said that it will “take some time to phase out this archaic system.” She said—these were the words from the Opposition Front Bencher—that Labour recognises how complex this is. I think it is right



[*Rachel Maclean*]

to draw the House's attention to the Labour party's record when it was in office. I am holding a document from 1995 in which Labour promised to outlaw the feudal leasehold system, but it did nothing while it was in office. Labour has left it to the Conservative Government to fix these issues.

As hon. Members will know, in January, my right hon. Friend the Secretary of State set out his intention to bring the "outdated and feudal" leasehold system to an end. To deliver that intention, and in line with our manifesto commitments, we have embarked on a significant programme of reform to give people real control over their homes and their lives. [*Interruption.*] It is entirely wrong to say, as Members are chuntering from sedentary positions instead of actually listening to what is being said, that no action is being taken. Perhaps they would like to pay attention.

**Mr Kevan Jones:** On a point of order, Madam Deputy Speaker. I might be old-fashioned, but I thought that when Ministers came to the Chamber to reply, they had to reply to the debate. The Minister has thanked Members from her own Benches who have spoken, but detailed questions were asked by Members from across the House. All we are getting is a speech written by civil servants, not a response to the debate, and she is quite clearly refusing to take any interventions from my hon. Friends.

**Madam Deputy Speaker (Dame Rosie Winterton):** I thank the right hon. Gentleman for his point of order. Obviously I am not responsible for the Minister's speech, but I am sure she will be referring to the contributions made by others during her winding-up speech—she is perhaps coming to that now.

I am also checking to make sure that the other Minister, the hon. Member for North East Derbyshire (Lee Rowley), will be coming back to the Chamber. I am not sure that he gave apologies for not being here for the wind-ups, but we are just checking.

**Rachel Maclean:** I wanted to thank my colleagues on the Government Benches—it is a courtesy of the House that we do so, and unfortunately, they were not thanked by the hon. Member for Greenwich and Woolwich (Matthew Pennycook). I am very grateful for all Members' contributions, and if they will allow me, I will come on to answering their questions.

As I was saying, it is our manifesto commitment to bring to an end the outdated and feudal leasehold system. That is why we have embarked on a significant programme of reform. One issue that has been repeatedly raised in today's debate is escalating ground rents. The Government have tackled that issue head on through our Leasehold Reform (Ground Rent) Act 2022, ensuring that people buying most new leases will not have to pay a penny in ground rents. For existing leaseholders who have already been saddled with unjustified rent hikes, we have asked the CMA to investigate such unfair terms. The CMA has secured commitments benefiting over 20,000 leaseholders, including the removal of terms that allow for the doubling of ground rents, with the charges instead reverting to original rates.

In 2021, commitments were secured from Aviva, Countryside Properties and Taylor Wimpey to return doubling ground rent terms to original rates, and from Persimmon to support leasehold house owners to buy their freehold at the original price quoted. Last year, similar commitments were secured from 15 landlords who bought freeholds from Countryside Properties, and nine companies that bought freeholds from Taylor Wimpey. A further four national developers—Crest Nicholson, Redrow, Miller Homes and Vistry—

**Several hon. Members rose—**

**Rachel Maclean:** If Members will forgive me, I am attempting to answer the questions they have already asked me, but I will give way briefly to the hon. Member for Ellesmere Port and Neston (Justin Madders).

**Justin Madders:** In her opening comments, the Minister referred to the reason why this motion has been tabled, which is media speculation that there is some backtracking from the Government's commitments on this issue. The motion very clearly says that the Secretary of State should give an oral statement in one month's time, and the fact that he is not here today sends a terrible message about his and the Government's priorities. Surely, in the absence of the Secretary of State, the answer is to support the motion.

**Rachel Maclean:** If the hon. Member will allow me to answer the questions I have been asked, I will come to his points in my remarks.

We are making significant progress to afford real relief to leaseholders, which everyone in the Chamber is calling for, while reforming the system for the better. However, the questions facing leasehold tenure are not simply about money—important though those are—but also include, "Who decides?" For people living in a leasehold home today, we are going to make it easier and cheaper for them to take charge of their building, whether by taking advantage of our reforms to the right to manage or by going all the way and buying out their freeholds following our planned enfranchisement reforms. Both offer to put owners in the driving seat over the decisions that affect them.

In the case of new homes, our ground rent Act has cut off a key source of revenue for freehold landlords. Without strong economic reasons for developers to hold on to, or sell on, the freeholds of other people's homes, we have created a powerful incentive for builders to put buyers in charge of their new homes from the outset. We know there is more to be done, which is why we are taking two key further steps on new homes.

First, we have made great strides in tackling the needless practice of selling new houses as leasehold. Our actions, including prohibiting Government programmes such as Help to Buy from funding new leasehold houses, have seen the share of new houses sold as leasehold cut from over 15% in 2016 to less than 2% today. But we are clear in our intention to go even further, which means that soon, other than in the most exceptional of circumstances, the selling of new leasehold houses will be banned altogether.

**Mr Betts:** The Minister has just made two commitments. One is banning the sale of new leasehold homes, and the other is bringing in a new process for enfranchisement.

Is that a commitment to have both of those in the Bill that will be presented in this Parliament?

**Rachel Maclean:** It is a commitment that I have made from this Dispatch Box, and the hon. Gentleman has heard me say it clearly. He is an extremely experienced Member of Parliament, and he knows that it is not possible for any Minister to commit to the details of what will be in a future Bill or King's Speech, but I am making commitments about the measures that we intend to enact.

For buyers of new flats—[*Interruption.*] Perhaps hon. Members would like to hear some further commitments. For buyers of new flats, we will also bring forward much-needed reforms to the commonhold system, so that flat owners and developers will finally have access to a viable alternative to leasehold. It was this Conservative Government that set up the Commonhold Council, and it has met regularly and we are working closely with it.

Several hon. Members spoke about recent reports from the Law Commission, and it is worth saying that we have been working in lockstep with the commission to ensure that our reforms are workable and deliver the outcomes we all want to see. Indeed, I take this opportunity to thank the commission for all its work in this area. It has made more than 300 recommendations for improving the leaseholder system across enfranchisement, including how valuation operates, commonhold, and the right to manage. I have no doubt that hon. Members appreciate the complexity of the reforms in this fiendishly complicated area, and it is absolutely right that we take the necessary time to ensure that they are done properly. We are unapologetic about saying that, for the sake of the owners of 5 million leasehold homes, we have to get this right, and that is what we are committed to do.

**Stephen Doughty:** I thank the Minister for giving way; she is being generous. I asked a specific question about Wales, and it is the preference of the Welsh Government that reform is brought forward on an England and Wales basis. Will she commit to doing that? Her predecessor, the right hon. and learned Member for South East Cambridgeshire (Lucy Frazer), promised that change would be coming “soon”, so why are the Government dragging their heels?

**Rachel Maclean:** I thank the hon. Gentleman for his question. He will know that we work closely with all the devolved Administrations when we bring forward legislation, and that is the right thing to do.

As hon. Members will know, it is not only leaseholders who are too often subject to unfair or outrageous practices. We should not forget the plight of freehold homeowners who pay towards shared services, such as unadopted roads, but have few rights. The Government remain committed to making estate management companies more accountable to the homeowners for whom they provide services. When parliamentary time allows, we intend to legislate to deliver these commitments, including measures that will allow homeowners the right to challenge the reasonableness of costs they have to pay. We will give them the ability to apply to the first-tier tribunal to appoint a manager to manage the provision of services.

In all aspects of this ambitious programme of reform, the Government are committed to rebalancing what has historically been a largely one-sided relationship between

homeowner and landowner. We are affording peace of mind to those who have realised the dream of home ownership—something we on the Government Benches strongly support—giving them much greater control of the place where they and their loved ones sleep at night. Crucially, we are pursuing this agenda in the right way, working hand in hand with the Law Commission, the CMA and our partners across the housing sector.

**Matthew Pennycook:** I think the House is still somewhat confused as to what the Government's position is. The Minister says there has been no U-turn, so can she confirm that it is the Government's intention to legislate for all the recommendations that the Law Commission made in its three reports in the forthcoming leasehold reform part 2 Bill?

**Rachel Maclean:** I refer the shadow Minister to the remarks I have literally just made on that point. I repeat that we are committed to moving to a fairer, simpler and more equitable system. We are committed to the promises in our manifesto, as the Under-Secretary of State for Levelling Up, Housing and Communities, my hon. Friend the Member for North East Derbyshire (Lee Rowley), set out in his opening remarks. These promises have been repeated by previous Secretaries of State with responsibility for housing. That is our ambition, and we will work tirelessly with Members from all parts of the House to make it a reality.

**Madam Deputy Speaker (Dame Rosie Winterton):** Before I put the Question, I am sure that the Whips Office and those on the Treasury Bench will appreciate that concern has been expressed that the Minister who opened the debate is not here for the closing speeches, and I believe attempts are being made to find out what has happened. I assure colleagues that that will be pursued. I just give a reminder for those who wish to participate in the next debate that it is important to get back in good time for the Opposition wind-up as well as for the Minister's wind-up, and one way to achieve that is to stay for most of the debate, rather than disappearing off for long periods.

*Question put.*

*The House divided: Ayes 174, Noes 0.*

**Division No. 239]**

**[4.27 pm]**

#### AYES

Abbott, rh Ms Diane (*Proxy vote cast by Bell Ribeiro-Addy*)  
 Abrahams, Debbie  
 Amesbury, Mike  
 Anderson, Fleur  
 Antoniazzi, Tonia  
 Ashworth, rh Jonathan  
 Beckett, rh Margaret  
 Begum, Apsana  
 Benn, rh Hilary  
 Betts, Mr Clive  
 Blake, Olivia  
 Blomfield, Paul  
 Bradshaw, rh Mr Ben  
 Brown, Ms Lyn  
 Brown, rh Mr Nicholas  
 Buck, Ms Karen  
 Burgon, Richard

Butler, Dawn  
 Byrne, Ian  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Campbell, rh Sir Alan  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Chamberlain, Wendy  
 Champion, Sarah  
 Charalambous, Bambos  
 Clark, Feryal (*Proxy vote cast by Chris Elmore*)  
 Cooper, Daisy  
 Cooper, rh Yvette  
 Coyle, Neil  
 Creasy, Stella  
 Cryer, John  
 Daby, Janet  
 Dalton, Ashley

Davey, rh Ed  
 Davies-Jones, Alex  
 De Cordova, Marsha  
 Debbonaire, Thangam  
 Dhesi, Mr Tanmanjeet Singh  
 Dixon, Samantha  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Eagle, rh Maria  
 Edwards, Jonathan  
 Elliott, Julie  
 Elmore, Chris  
 Eshalomi, Florence  
 Esterson, Bill  
 Evans, Chris  
 Farron, Tim  
 Fletcher, Colleen  
 Foord, Richard  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Foy, Mary Kelly  
 Furniss, Gill  
 Gardiner, Barry  
 Gill, Preet Kaur  
 Green, Sarah  
 Greenwood, Margaret  
 Griffith, Dame Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Hayes, Helen  
 Hendrick, Sir Mark  
 Hobhouse, Wera  
 Hollern, Kate  
 Hopkins, Rachel  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, Kim  
 Jones, Darren  
 Jones, rh Mr Kevan  
 Jones, Ruth  
 Kane, Mike

Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Kinnock, Stephen  
 Kyle, Peter  
 Lake, Ben  
 Lammy, rh Mr David  
 Lavery, Ian  
 Leadbeater, Kim  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lightwood, Simon  
 Lloyd, Tony (*Proxy vote cast by Chris Elmore*)  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 Madders, Justin  
 Malhotra, Seema  
 Maskell, Rachael  
 McCabe, Steve  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, rh John  
 McMorris, Anna  
 Mearns, Ian  
 Moran, Layla  
 Morden, Jessica  
 Morgan, Helen  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Murray, James  
 Nandy, Lisa  
 Nichols, Charlotte  
 Norris, Alex  
 Olney, Sarah  
 Oppong-Asare, Abena  
 Osamor, Kate  
 Osborne, Kate  
 Owatemi, Taiwo  
 Owen, Sarah  
 Peacock, Stephanie  
 Pennycook, Matthew  
 Perkins, Mr Toby

Phillips, Jess  
 Phillipson, Bridget  
 Pollard, Luke  
 Powell, Lucy  
 Qureshi, Yasmin  
 Reed, Steve  
 Rees, Christina  
 Reeves, Ellie  
 Ribeiro-Addy, Bell  
 Rimmer, Ms Marie  
 Russell-Moyle, Lloyd  
 Saville Roberts, rh Liz  
 Shah, Naz  
 Shannon, Jim  
 Sharma, Mr Virendra  
 Siddiq, Tulip  
 Slaughter, Andy  
 Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smyth, Karin  
 Sobel, Alex  
 Stevens, Jo  
 Stone, Jamie  
 Streeting, Wes

Stringer, Graham  
 Sultana, Zarah  
 Tami, rh Mark  
 Tarry, Sam  
 Thomas, Gareth  
 Thomas-Symonds, rh Nick  
 Thornberry, rh Emily  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Derek  
 Vaz, rh Valerie  
 Wakeford, Christian  
 West, Catherine  
 Western, Andrew  
 Western, Matt  
 Whitehead, Dr Alan  
 Whittome, Nadia  
 Williams, Hywel  
 Wilson, Munira  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Ayes:**  
 Navendu Mishra and  
 Mary Glindon

#### NOES

**Tellers for the Noes:**

Lilian Greenwood and  
 Liz Twist

*Question accordingly agreed to.*

*Resolved,*

That this House notes the commitment by the Secretary of State for Levelling Up, Housing and Communities in January 2023 to abolish the feudal leasehold system which he has acknowledged is an unfair form of property ownership; calls on him to keep his promise to the millions of people living in leasehold properties by ending the sale of new private leasehold houses, introducing a workable system to replace private leasehold flats with commonhold and enacting the Law Commission's recommendations on enfranchisement, commonhold and the right to manage in full; and further calls on the Secretary of State to make an oral statement to this House by 23 June 2023 on his plans to reform leasehold.



## Safety of School Buildings

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

4.40 pm

**Bridget Phillipson** (Houghton and Sunderland South) (Lab): I beg to move,

That an humble address be presented to His Majesty, that he will be graciously pleased to give directions that there will be laid before this House by 5 June 2023 a document or dataset containing the detailed school level data, including condition grades for individual building elements for all schools, from the latest Condition of School Buildings Survey.

This debate is taking place just over a year since the public, parents, school staff and children learned—not from a ministerial statement in this House but from a document leaked to *The Observer*—that many school buildings in England are in such a state of disrepair that they are a risk to life. It has been a full year and still the Government have not shared information with parents and the wider public about which schools, which buildings, and how much of a risk to life. Labour has tabled this motion to require Ministers finally to be up front with school staff, parents and pupils about the true state of our school buildings, the extent of disrepair, and their neglect over the last 13 years. Conservative MPs will have the opportunity to vote with Labour in the public interest and to do what is right by their constituents.

I am sure that the Minister will point to the condition improvement fund announced yesterday. At the third time of asking, a school in my constituency has finally received some funding so that it can at least comply with legal requirements on the boiler and the drains. Enabling schools to comply with legal requirements that the Government set out should be an absolute basic, but it has taken three rounds of bidding to get to that stage. I know that Members on both sides of the House will have had exactly the same experience.

The parlous state of school buildings is a national disgrace. It is shameful, and it comes from a Government and a Department who have given up on ambition for our children. They have given up on openness, given up on accountability, given up on standards and given up on improvement. It comes from a Government whose failed Schools Bill had little to offer schools other than ridiculous micromanagement from Whitehall. A Government who are out of ideas and short on ambition. A Government whose poverty of ambition has been failing our children for 13 long years. That poverty of ambition stretches far beyond the buildings themselves and right across our country, right over the course of lives and right over the whole of our education system.

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): I spoke to Jim Roebuck, the deputy headteacher of West Hampstead Primary School in my constituency. He told me that the school's roof is in dire need of repair, the tarmac on the playground is dangerously uneven and a lot of the windows will not open properly, so the school has spent thousands of pounds buying fans for the summer months. He is clear that he is grateful for the investment that Camden Council has put into the school, but the reality is that if all of the repairs were to be addressed, that would cost thousands of pounds that

the council does not have and the school does not have. The school is rated “good” and the teachers are excellent, but does my hon. Friend believe that children are fulfilling their full potential if there is no capital funding from the Government?

**Bridget Phillipson:** I am grateful to my hon. Friend, who makes a powerful case on behalf of her constituents and the school concerned. I have heard stories like that right across the country. The difficulty we have is that we do not know the full scale of the challenge because Ministers refuse to publish the data. What we do know, however, is that the Government have a sticking-plaster approach, patching up problems and not seriously addressing the challenges that we face. We cannot even be confident that the money is being spent in the areas of greatest need, because the Government will not be transparent about that.

**Catherine West** (Hornsey and Wood Green) (Lab): The shadow Secretary of State is making an excellent speech. The gymnasium of Highgate Wood School is being patched up endlessly. Does she agree that it is financially illiterate to continue to patch up when a new build would be so easy and much, much cheaper to put in place?

**Bridget Phillipson:** Like my hon. Friend, I have seen countless examples across the country of the short-term approach the Government are taking. It is our children, parents and school staff who lose out. I am sure we will hear a lot more examples, including from those on the Government Benches, during the course of today's debate.

**Shaun Bailey** (West Bromwich West) (Con): One of my schools in Tipton is built under a PFI—private finance initiative—contract. I am sure the hon. Lady remembers those. Between the £40,000 bill for standard repairs or buying school books, what would she advise them to do?

**Bridget Phillipson:** My suggestion and the advice I would offer to the hon. Gentleman is to ask the Minister exactly what the state of school funding has been like over the last 13 years. His Government have been in power now for longer than the last Labour Government. He ought to take some responsibility for the state of schools in our country, not to blame others and not to deflect.

**Imran Hussain** (Bradford East) (Lab): My hon. Friend is, in her usual fashion, making an excellent speech. Does she agree with me that one of the reasons Government Members will not release the data is that they know that over the last decade 50% of the capital budget has been cut through their ideological austerity agenda?

**Bridget Phillipson:** I think we probably all have reasons to reflect on why the Government will not be upfront about that. There are many reasons why that might be the case, but we have the Minister with us today. He can tell us why he said previously that he would publish this and why he has now changed his mind. I look forward to hearing him set out that case during the debate.

The lack of ambition is there for our children in their earliest years. The vision of childcare is little wider than a way of keeping parents economically active. There is nothing on the start we should give our children—the

[Bridget Phillipson]

best start they deserve—or on the power of early intervention to change lives for the better and the difference that early years education makes in building a brighter future and a better Britain. There is nothing to close the attainment gaps that were already opening up and widening as our children arrived at school long before the pandemic even hit. And the answer to the childcare workforce challenge is as bleak as it is simple: to spread existing staff more thinly, to pile demand on to a system that they know fails providers, parents, families and, above all, our children.

The lack of ambition is there for our schools, too.

**Alex Sobel** (Leeds North West) (Lab/Co-op): The Headingley Children's Centre building in my constituency recently closed due to roof disrepair rendering it condemned. The staff are still working in temporary accommodation, but the building closure has had a devastating effect on the excellent services provided by the centre, particularly for vulnerable children of trafficked women seeking asylum. It is the Government's lack of investment that has led to the closure. Leeds City Council's commitment to children has been exemplary. It made a significant commitment to funding another joint initiative with Public Health England to ensure that health visitors and midwives will be able to work from the new centre. Without a building, however, they will not be able to do that. Should the Government not come forward with capital funding for a new building?

**Bridget Phillipson:** My hon. Friend makes a powerful case for the impact we can all see in our communities when we bring together services to support children and families. We, all of us, know the difference the last Labour Government made around the Sure Start programme in making sure all our children got the best possible start in life, and the evidence around that is even clearer now than it was then.

**Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): I think it was last week that the figures came out on children's reading and it was discovered, on international assessment, that our young children are the best readers in the western world. Does the hon. Lady welcome that news?

**Bridget Phillipson:** I looked very carefully at all the data that was published, and I pay tribute to our amazing teachers and school support staff who have been involved in making sure that our children get the best possible start in life. I will always be led by the evidence on what is right for children and what is best for their futures. The one area that, I have to say, did slightly trouble me was that, sadly, we see too few of our children enjoying reading. I think all of us want to ensure that as well as getting that really strong foundation, all our children leave school with a love of reading too. There is much there we can welcome and much to praise when it comes to the amazing staff in our schools, but I do not think any of us can be complacent, coming out of the pandemic, about the scale of the challenge that so many of our children and young people are facing.

There is a real lack of ambition for our schools. While the crumbling structures of too many of our schools are all too real, they double as a metaphor for wider problems. Our schools face a recruitment and

retention crisis, as teachers and school staff leave the profession in their droves. At the same time, initial teacher training—the pipeline for newly qualified teachers into the classroom—fails to meet recruitment targets in key subjects year after year. It would be laughable were it not so tragic that the Prime Minister believes that ever more children can be taught maths for longer, with even fewer maths teachers. Perhaps the Minister can answer a question on that: if the Government are responsible for the education system, one in 10 maths lessons is already taught by teachers with no relevant post-18 qualification, they want every young person to learn maths until they are 18 and they have no plan to attract more maths teachers, how many more of our young people will end up being taught maths by non-specialist teachers?

It is not just maths. Too many young people face a narrow curriculum, missing out on creative and enriching opportunities. Too many leave school neither ready for work nor ready for life, but why? Because the wider school system is not delivering for our children. We have an accountability system that simply is not delivering the high and rising standards our children need. It is a system that tells us that almost four in five of our schools are good or outstanding according to Ofsted, in a country where tens of thousands of our children do not get the qualifications they need to succeed.

Either the Government have the wrong idea of what good looks like, or the system they have built is not working to deliver it. Some of our children get good schools, great teachers, rewarding opportunities, the opportunity to achieve, the chance to thrive and the knowledge that success is for them, but too many of our children do not get that start. Labour is determined to change that. Excellence must be for everyone—every child in every school, in every corner of our country.

Although the strengths and weaknesses of our schools are at least public, sadly, the state of their buildings is not. The strengths and weaknesses of so much of what goes on in our schools tend to be clear to parents. They can see when teachers keep leaving. They know when their children no longer get to go on trips to museums and when they are asked to pay for stationery or books. They can see that there are almost no music lessons. They know that their kids do not get the same chances for drama as others. But the fabric of the buildings is something that they generally do not see, because the Government are determined to shroud it in darkness. That cannot be right.

It is 13 years since the Government, led by the Conservative party, cancelled the ambitious programme of the last Labour Government to deliver modern, first-class schools for all our children. In those 13 years, not once has capital spending for the Department of Education matched in real terms the level that it was when the Government entered office. But the test is not the money that the Government put in but the state of the buildings in which our children learn. That tells its own story of how unwilling the Government have become to come clean on that.

**Peter Dowd** (Bootle) (Lab): My hon. Friend makes an excellent point. In my constituency, under the last Labour Government, Springwell Park Community Primary School, Rimrose Hope C of E Primary School, All Saints Catholic Primary School, Litherland High School and South Sefton further education college were all built,

and we got rid of all of the temporary portacabin classrooms. All that was in addition to all the other significant investment by the Labour Government. Does my hon. Friend agree that Labour delivers—we do not just have words?

**Bridget Phillipson:** Like my hon. Friend, I saw the difference that a Labour Government made in transforming life chances through the fabric of our buildings with the transformation of the schools estate across our country, but not just that: lifting children out of poverty; more teachers in our classrooms; children better supported; and Sure Start programmes. That is the difference that the Labour Government made, and it is the difference that we will make once again.

It was in late October 2021 when the now Prime Minister announced as part of his spending review no fresh money for school maintenance and rebuilding, reaffirming 13 long years of continued underfunding of school capital costs. A decision not to fund is a decision to bear the risk. Although Ministers make the decisions, they do not bear the risks—it is not Conservative MPs or any of us in this Chamber. It is the children, their parents and school staff.

When things are not mended, they break; when buildings break, they cause damage. Of course, they do not need to collapse to cause damage. By the Department's 2019 estimate, over 80% of England's schools contain at least some asbestos. More than one in six schools complies with the law on asbestos, but not with the Department's guidance. Almost 700 schools were reported by the Department to the Health and Safety Executive. These are Government estimates and Government decisions. The trade union Unison estimates that at current funding rates, it will take hundreds of years to fully remove dangerous asbestos from the schools estate. How on earth is that good enough?

It is not just asbestos. It is becoming clearer and clearer that there is a problem right across the schools estate, just as there is across the NHS estate, with reinforced autoclaved aerated concrete, which the Government describes as a “crumbly type of concrete” that is “liable to collapse”. In 2018, we saw exactly that, when the roof of Singwell Primary School in Kent collapsed without notice, fortunately at the weekend. In the intervening five years, have we seen decisive action from the Government? Have they got a grip of the scale of the problem? Have they set out a timetable by which they will deal with these challenges, to protect children, parents and school staff? Of course they have not. They have circulated a survey, and that is it.

The Government could be matching the ambition of the last Labour Government by rebuilding schools the length and breadth of the country; modernising school buildings, so that they are fit for children to learn in and for staff to work in; raising aspirations and standards for every child, in every community; and giving children the first-class facilities and education that they deserve. Instead, the now Secretary of State for Levelling Up, Housing and Communities, the right hon. Member for Surrey Heath (Michael Gove), cancelled Labour's Building Schools for the Future programme, a botched decision about which even he now admits that mistakes were made. Since then, the revolving door of Education Secretaries have failed to get a grip on the condition of our schools estate, allowing too many buildings and schools to fall into the state of disrepair we see today.

Our motion today is simple, but it is extraordinary that we have to bring it to the House in this form. In May 2021, the key findings of the Government's condition survey revealed the alarming state of school buildings. In May 2022, an internal Government document was leaked to *The Observer* newspaper. It revealed that many school buildings in England were already in such disrepair that they were a “risk to life”.

In July 2022, over a year after the summary report, the Minister said in answer to a parliamentary question that the Department was still not committing to a date for publishing the underlying buildings condition survey data. Later in 2022, Ministers had changed their minds. They said it would be published “later this year”. In December 2022, the Minister for Schools said it would be published “by the end” of the year.

Buried in the Department for Education's annual report, published in December, we read that a revision of the departmental risk register has moved the risk level of school building collapses to “critical: very likely”, after an increase in serious structural issues being reported. The information was not published by the end of 2022, nor was it published in January 2023. February 2023 came and went: nothing. March 2023 came, and again Ministers were not coming clean. April 2023: again, nothing. And here we are in May, two years on from the summary data being published, and there is nothing at once public and specific about the risks and needs of individual schools. What is there to hide? Why will they not come clean with parents and the public?

Concern about the state of school buildings is not limited to Opposition Members but shared across the House. Conservative Members have pressed their concerns, not merely privately but in the Chamber, directly with Ministers, about schools in Norfolk, Dorset, Lancashire, Stoke-on-Trent and Essex. Across our country, schools are crumbling. Some of them are dilapidated, some are rat-infested, and the Government will not tell parents where they are, how bad they are or how bad the issue has become.

**Valerie Vaz (Walsall South) (Lab):** Does my hon. Friend agree that it is a waste of school resources to have to keep bidding for funds for important things such as central heating? The Joseph Leckie Academy in my constituency was allocated funds under Building Schools for the Future but it has to keep rebidding for them.

**Bridget Phillipson:** My right hon. Friend makes an important point about how we spend public money and how we spend it wisely. Sadly, what we have seen all too often is a sticking plaster approach, as she says, where short-term measures are taken even though in the long run the schools are sometimes beyond repair. Expecting schools to go through this process all the time is not an effective use of public money, but alongside that, we cannot be confident that the money is always spent in the best possible place or where there is the greatest need because Ministers will not tell us where the problems are.

I know that the Minister wants to talk about the schools in which the Government have invested, not those they have not; about the few repairs that they have done, not the many that they have not; and about the announcement that they made yesterday, not the one that we need today. Let me remind Members on both



[Bridget Phillipson]

sides of the House of what Geoff Barton, the general secretary of the Association of School and College Leaders, has said:

“This is money allocated through an annual bidding programme to address significant needs in terms of the condition of school and college buildings and is most certainly not an example of government largesse.”

He went on:

“It is the bare minimum and nowhere near enough to meet the cost of remedial work to repair or replace all defective elements in the school estate in England”.

Rather than telling parents to be grateful, the Minister should come clean about the schools that are not being repaired, the buildings that are failing, the risks to our children, parents and school staff and the delays that they are enduring while the Government drag their feet. So far this year, the Department has published a list of 1,033 successful bids, which is 375 fewer than in 2022-23. I am always glad when a school gets the repairs it needs, but the story is not the schools that have been repaired; it is the ones that have not—or that have, but after goodness knows how long.

The wording of the motion presents Conservative Members with a simple choice: between their constituents and their Government; between openness and secrecy; and above all, between party and country. The choice is simple: a vote, in the public interest, to tell parents, young people and school staff what the Government know about the safety of their schools; or a vote with Ministers to keep that information hidden. I commend the motion to the House.

**Madam Deputy Speaker (Dame Rosie Winterton):** As I am sure colleagues can see, this is a well-subscribed debate so I might have to put on a time limit. I would like to advise that it would be worth aiming for a maximum of six minutes to start with. Depending on the opening speech from the Minister, I might have to put an actual time limit on, but my advice at the moment is to start at six minutes.

5.2 pm

**The Minister for Schools (Nick Gibb):** Let us not forget that under the last Labour Government, this country was falling in the international league tables on education standards in our schools. This Government, by contrast, are committed to making sure that every child in this country gets a first-class education and every opportunity to make the most of their abilities. If the hon. Member for Houghton and Sunderland South (Bridget Phillipson) looked at international education surveys such as last week’s Progress in International Reading Literacy Study—PIRLS—on the reading ability of nine-year-olds, she would see that education standards in this country continue to rise under this Government and thanks to the hard work of hundreds of thousands of teachers and teaching assistants in this country.

**Jonathan Gullis (Stoke-on-Trent North) (Con):** My right hon. Friend is right to praise the hard-working teachers in places such as Stoke-on-Trent North, Kidsgrove and Talke, but he too deserves praise for being brave enough to be led by the evidence on phonics, as was mentioned by the shadow Education Secretary. Without

his early intervention, despite opposition from Labour, we would not have seen that massive climb, and I congratulate him on ensuring that children had the best opportunities and the best start in life.

**Nick Gibb:** It is very kind of my hon. Friend to say that. I believe that that was due to the hard work of our teachers and the fact that the Government challenged some of the prevailing orthodoxies that were failing too many of our children. That is why we came fourth in the world out of 43 countries that tested children of the same age. I do not believe that any Labour Government would have the guts to challenge those orthodoxies, because they are so close to, and in hock to, the unions.

**Gareth Thomas (Harrow West) (Lab/Co-op):** Can the Minister give a simple answer to a simple question? How many school buildings do the Government consider to be posing a risk to the life and safety of children in my constituency and across the country?

**Nick Gibb:** If the hon. Gentleman had asked that question when he and his party were in government, he could not have been answered because there were no comprehensive surveys of the standard of our school estate, whereas this Government have conducted two full surveys and are in the process of conducting a third.

**Several hon. Members rose—**

**Nick Gibb:** If hon. Members will forgive me, I want to set the scene before giving way.

Nothing is more important than the safety of pupils and of those who work in our schools. School buildings that are well maintained and safe are an essential part of delivering a high-quality education. Despite the shadow Minister’s grudging mention of a successful bid to the £450 million condition improvement fund announced yesterday, I congratulate Farringdon Community Academy in her constituency on its successful £1.5 million bid.<sup>1</sup>

There are a number of ways in which we help schools to manage their estates. We do this mainly by providing capital funding, delivering major rebuilding programmes and offering guidance and support. Responsibility for keeping buildings safe, well maintained and compliant with relevant regulations lies with schools and the relevant local authority, academy trust or voluntary aided school body. Their local knowledge of their buildings means they are best placed to identify and prioritise issues so that schools are kept safe and in good working condition. Nevertheless, we gather data about the school estate to understand how the condition of school buildings changes over time, to make sure funding and support are effectively allocated, and to make sure we identify risks.

The Government carried out a major review of the school estate in 2014, since when we have completed one of the largest surveys in the UK public sector, in which we reviewed nearly every state school in the country, and we are undertaking a further major survey. To address the challenges in the school estate, we first needed a true understanding of its condition, which is why it is so disappointing that, over the 13 years of the last Labour Government, there was not a single comprehensive review of the condition of the school estate. We had a lot of work to do when we came into office in 2010, but now we have the full data.

1.[Official Report, 7 June 2023, Vol. 733, c. 9MC.]

**Imran Hussain:** I have had many conversations with the Minister over the years, and I respect him. Frankly, many of us in the Chamber today do not know whether the schools in our constituencies are safe, because the Government will not release the data. That is the central question we want addressing. The Minister in the other place wrote this week to tell me that three schools in my constituency will benefit from the condition improvement fund. Should I take it that those schools are currently unsafe for pupils?

**Nick Gibb:** No. The hon. Gentleman can take it that those three schools are receiving significant sums of capital funding to put right problems on their estate. Our surveys enabled us to identify those problems and to allocate significant sums of capital funding—£15 billion since 2015—fairly and appropriately.

**Catherine West:** I thank the Minister for giving way. He is generous with his time.

How far up the priority list is the problem of asbestos? I have been raising Fortismere School in this House since three Prime Ministers ago, and the right hon. Gentleman was the Minister for a bit, then he was not and now he is again. My schools have seen quite a few Ministers and Prime Ministers come and go, yet the asbestos is still there. When will Fortismere School have its asbestos removed?

**Nick Gibb:** Asbestos management in schools and other buildings is regulated by the Health and Safety Executive, as the hon. Lady will know. As part of that, the Department has published bespoke guidance on asbestos management. The “Asbestos management assurance process” was a survey launched in 2018 to understand the steps that schools are taking to manage asbestos. The DFE published a report of the overall findings in 2019, which showed that there are no systemic issues with schools’ management of asbestos. The HSE advises that as long as asbestos-containing materials are in good condition, well-protected and unlikely to be damaged or disturbed, it is usually safer to manage them in situ. But where they are dangerous, they of course take priority in all the capital bids that schools make.

The condition of buildings and premises is dynamic. We know that buildings need looking after and maintaining, which is why we have allocated more than £15 billion to improve the condition of schools since 2015, including £1.8 billion committed in this financial year. We allocate funding by taking into account the data we have on the condition of schools, so that schools in relatively poorer condition attract more funding. In December, we also made an additional £500 million of capital funding available to improve buildings and facilities, prioritising energy-efficiency. In addition to providing annual capital funding, our 10-year school rebuilding programme is committed to rebuilding or refurbishing school buildings in poor condition across England. We pledged to upgrade 500 schools in this programme, and we have already announced 400, including 239 in December, reserving some places for the future.

**Richard Foord** (Tiverton and Honiton) (LD): I am impressed that the Minister manages to maintain a relaxed, calm tone when talking about this, because Councillor Jess Bailey, from my part of Devon, has said:

“I have witnessed children as young as four and five practising their escape drill with a rope across the road to prevent children being swept away in the rising waters.”

Tipton St John Church of England Primary School, which she is describing, has been identified to join the school rebuilding programme, but my concern is that such schools are being rebuilt at a rate of 50 per year—projects are commencing at that rate. Yesterday, I learned that the west country received the lowest allocation in respect of condition improvement fund bids in the country. I question whether the west country is being looked after by this Department.

**Nick Gibb:** The hon. Gentleman almost answered his own question, because I understand that the school he referred to was successful in the school rebuilding programme. It is difficult to respond to hon. Members’ questions and concerns when they highlight the fact that schools are rebuilt and that where there are serious problems with them, capital funding is available under a range of funds that schools bid into.

To qualify for the school rebuilding programme, schools such as the one the hon. Gentleman mentioned were assessed on their condition. Nominations for inclusion in the programme could involve including evidence of buildings in exceptionally poor condition or of potential safety issues. The bids were robustly evaluated by specialists and in the latest round all nominated schools with verified structural issues that met the programme’s criteria were included in the programme.

**Andrew Gwynne** (Denton and Reddish) (Lab): The right hon. Gentleman will know that I have raised the issue of Russell Scott Primary School in Denton on multiple occasions. He lays great weight on the survey that the DFE does, but in 2018 that school passed that survey with flying colours, even though the headteacher knew that it should not have done. It is now in the Government’s rebuilding programme because it is falling down. Will he look again at the survey data and the quality of that collection to make sure that such schools do not fall through the net?

**Nick Gibb:** Yes. That is another intervention criticising us for another success, where a school is being rebuilt. We do keep updating these surveys, which is why we had the initial survey and then the condition data collection, CDC1, which is what this debate is about. We have already commenced CDC2, which will report by 2026, I believe. This is about making sure that we keep that information up to date and relevant to all the schools.

Last December, I had the chance to visit Guiseley School in Yorkshire, where I saw for myself the transformative effect that the new, modern buildings being provided will make to the entire school community. That was under the school rebuilding programme. Littleborough Primary School in Rochdale celebrated the handover of its new buildings in March, the first school to do so under the programme. I am pleased to say that a further three schools—Whitworth Community High School, Lytham St Annes High School and Tarleton Academy—are also now using their new buildings, which were refurbished or rebuilt under the school rebuilding programme.<sup>1</sup>

**Munira Wilson** (Twickenham) (LD): The Minister has said that he either cannot or will not publish the data from CDC1, but on 21 February, in response to a written question from me, the Minister confirmed that 39 schools have been either partially or fully closed

1. [Official Report, 7 June 2023, Vol. 733, c. 10MC.]

[Munira Wilson]

since the last general election because they were deemed unsafe. He refused to name those schools or say how many were in each region in subsequent written questions from me, and his Department is now late in responding to a freedom of information request from my team asking for that data. Will he commit today to publish which schools were affected before the House rises for recess? If he will not do so, will he say why not?

**Nick Gibb:** I ask the hon. Member to hold off, because I am trying to create a sense of anticipation for the answer to this debate. We will come to the point that she has made on CDC1 later in my speech. May I also mention that her local authority received almost £1.2 million in school condition allocation for 2023-24 to address these very issues in her local authority area?

It is not just the school community that benefits from this capital spending. Construction projects support jobs and create apprenticeships and T-level placements. The Department is using its experience with innovative methods of construction to support more highly skilled jobs and improve productivity. Our procurement frameworks provide opportunities across the industry and enable small and medium-sized enterprises to benefit from the opportunities that a long pipeline of projects brings.

Furthermore, the earlier priority school building programme has handed over new buildings at more than 500 schools, as part of its commitment to delivering 532 projects overall. We are now building schools more quickly, more efficiently and better targeted on need than ever before. Since 2010, we have reformed our capital programme to bring down the cost of school building. The James Review of Education Capital in 2011 had found that the Building Schools for the Future programme was overly bureaucratic and did not deliver cost-efficient buildings of consistent quality.

**Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): I thank my right hon. Friend for giving way. I welcome the money announced yesterday for St George's Academy and for North Kesteven Academy in my constituency, which will be very welcome. I was also very excited last Thursday to go to the Sir William Robertson Academy, also in my constituency, which has been part of the school rebuilding programme. It is very excited about the project, but there are some technical issues that need to be addressed, and I wonder whether he will meet me to discuss them.

**Nick Gibb:** I will be delighted to discuss those technical issues with my hon. Friend. It is interesting because, again, she cites more successful bids under the various capital funds that we are allocating to make sure that schools are properly repaired, but she had the good grace to thank the taxpayer for that funding for her schools.

**Liz Twist** (Blaydon) (Lab): I thank the Minister for giving way. He was talking about anticipation. There is a lot of anticipation from schools on the rebuilding programme in my constituency, given the rate at which schools are being rebuilt. I am pleased to see them on the list, but it is really difficult for people to continue to work in those schools when they have been identified as needing to be rebuilt.

**Nick Gibb:** Yes, again, the hon. Lady is pleased to see those schools on the list. With approximately 22,000 schools and sixth-form colleges and 64,000 blocks, our school estate is huge, and it is inevitable that some of it is ageing, with more buildings reaching the end of their life. That is why we have a 10-year rebuilding programme, and why we allocate capital funding every year. It is true that we have raised our assessment of the level of risk in the estate and the Department is helping the sector to manage that risk. The risk rating, which the shadow Secretary of State referred to in her opening speech, reflects the overall age of buildings in the estate and that we have worked with schools to resolve more issues with their buildings.

Although we cannot turn back the clock on age—as we all know—or on design, we can improve the effective life expectancy of individual buildings through regular inspections, maintenance and upgrades over time. I can assure the House that, once the Department is made aware of a building that poses risks, immediate action is taken, including closing buildings where necessary.

The shadow Secretary of State raised the important issue of reinforced autoclaved aerated concrete in some schools. The Department is urgently working to identify which schools have RAAC and to provide them with support. In March 2022 we sent a questionnaire to all bodies responsible for school buildings, asking them to provide information on whether RAAC is present in any of their schools. Last October, my noble Friend the Minister for the School System wrote to responsible bodies that were yet to respond, as well as to council leaders, highlighting the importance the Department placed on identifying RAAC in schools.

We follow up individually every school that reports it might have RAAC, sending a technical adviser to confirm its presence and assess its condition. If RAAC is confirmed, we then ensure that appropriate and rapid action is taken to address any immediate risk, based on professional advice. We also provide additional support as and when it is needed. In that way, we try to ensure that closures are only ever a last resort and any disruption is kept to a minimum.

Funding should not be a barrier to safety, and any academy trust, local authority or voluntary aided school body that has identified a serious issue with its buildings that it cannot manage should contact the Department for advice. Where RAAC is confirmed, we will support schools and colleges in England and fund capital measures, such as temporary buildings, that are required to ensure that it does not pose any immediate risk. We will support affected schools and colleges through that process.

I mentioned data earlier; let me now expand on that. We have significantly improved our understanding of the condition of the school estate through our condition data collection programmes, which provide us with robust evidence for distributing capital funding fairly to where it is most needed.

The first comprehensive review of the condition of the school estate was the property data survey, carried out from 2012 to 2014. It was followed by the CDC programme from 2017 to 2019, which was one of the largest data collections of its kind and covered the condition of almost all 22,000 schools and 260 further education colleges in England. It was carried out by



qualified building surveyors and mechanical engineers to provide a picture of the condition of our school and college buildings on a consistent basis.

Its successor programme, condition data collection 2, is now underway and will be completed by 2026. It will update the CDC1 assessments of all Government-funded schools and further education colleges in England. Individual CDC reports were shared with every school, academy trust, local authority and voluntary aided body responsible for those schools immediately after its survey was completed, to help inform its investment plans alongside its own more detailed condition surveys and safety checks.

We are also committed to publishing more detailed data as soon as possible. It is an extremely large dataset, with 1.2 billion data points, and it is taking some time to prepare it for publication in a useful format, but we are none the less preparing it, and I can give a commitment that we will publish as soon as possible, and certainly before the summer recess.

The condition data collection has given us a vital snapshot of the overall condition of the school estate. Positive early indications from our CDC2 data collection and feedback from responsible bodies show that in almost every case where a D grade was identified in the CDC1 report, it has since been addressed.

The CDC is a visual survey, primarily used to help us ensure that funds go where they are most needed. It provides a condition grade from A, meaning good, to D, for life expired, for all school building elements. Where there are different grades of condition apparent across a building component, a percentage grade is applied. A condition grade, for example, can be 95% A and 5% D for a building component. That is not a substitute for more detailed specialist reports or checks that might be commissioned by academy trusts or local authorities, or for ongoing monitoring of buildings by those who use or work in them.

**Valerie Vaz:** The Minister has been very kind in meeting with me and heads of schools in my constituency. I know he takes this seriously, but how confident is he that all these assessments are correct? David Smith, who is the head of Blue Coat Church of England Academy in my constituency, has said that there are material errors in some of the assessments that have been made, and that is why the school has been turned down.

**Nick Gibb:** As I said, this is a visual survey of the condition of schools. I am always happy to meet not only hon. Members but headteachers, and we can have officials who specialise in this area present to explain why a particular school did not meet the conditions in a bid.

There are many aspects of estate management that need the input of qualified professionals, including when specific issues arise. Those might include fire safety, asbestos or structural surveys, for example, as well as regular gas, electrical and water safety checks. We are clear that those risks need to be assessed and managed at a local level, taking into account how buildings are used and underpinned by professional advice. The most effective way of doing that is for those with day-to-day control of sites to manage their buildings well. Only they have direct knowledge of the buildings, changes in their condition and how they are used.

I can assure the House that the safety of everyone in our schools, whether they are studying, supporting or teaching, is paramount. We are investing billions of pounds in renewing buildings and providing academy trusts, local authorities and schools with the right support and guidance they need to manage the school and college estate effectively. We are committed to publishing data we have collected through the condition data collection programme and to supporting schools across the country, and for that reason, I urge all colleagues to vote against the motion this evening.

**Several hon. Members rose—**

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. I have 16 speakers to get in, so while I said that speeches would have to be a maximum of six minutes, it is probably more like five minutes.

5.26 pm

**Julie Elliott (Sunderland Central) (Lab):** I am pleased to be able to contribute to this debate on the critical issue of the safety of school buildings. Today I want to talk about Grange Park Primary School in my constituency, which provides an excellent education for the pupils that attend it, in spite of the appalling condition of the building. It is truly a credit to the pupils, parents, teachers and the school community that they make it such a great place to learn in such circumstances.

The school was built in 1931. My own father attended the school in the '30s, in a building that was at that time, almost 100 years ago, fit for purpose. Now, sadly, it is anything but. Grange Park Primary School was recently omitted from the school rebuilding programme, despite a number of capital failures in the building affecting walls, roofs, windows and mechanical and electrical services. I could provide the Minister with the images now. It has cracks in the internal and external brickwork over 1 cm wide—in a number of cases, wide enough to fit a pen in. It has huge cracks going up to the roof and over the roof to the chimney. There is damage to important structural elements above the windows, and it has widespread damp due to roof failures, broken windows and building movement, yet it does not qualify for funds.

I ask the Minister, why? After the CDC survey, his own DFE officials contacted the local authority to warn of the alarming condition the building was in. Would he be comfortable sending children to learn in those conditions? Does he deem this building a safe place to learn in? I would like to ask the Minister why this school building in my constituency, which so obviously needs a huge amount of investment, care and attention at the minimum, and in all likelihood a rebuild, has been omitted from the school rebuilding programme. The parents, teachers and pupils of Grange Park Primary School deserve answers, so I hope the Minister can provide them today.

When we talk about the safety of school buildings, we are talking about the very minimum that is required for a child to learn, and we are talking about the simple things that we as a country should expect from our education system and its infrastructure and from our Government. How are our young people supposed to learn and fulfil their potential when their school buildings are not fit for purpose or their school environment is

[Julie Elliott]

crumbling around them? It is not conducive to encouraging hope and opportunity, and it does not show belief from this Government in our young people.

It is clear that the Conservatives' mismanagement of the education system has become a hallmark of this Conservative Government over their 13 years in power, and that a lack of care and attention to our education sector is having a real effect on our children's future. That is reflected in the alarming numbers involved: between 2009 and 2022, the Department's capital spending declined by over a third in cash terms and by a half in real terms. These are not small numbers or negligible figures, but huge reductions in capital spending on the vital infrastructure that our schools and, indirectly, our young people need. Hiding these problems will only make them worse.

As such, I want to use this opportunity to ask the Minister how many schools in Sunderland and the wider north-east pose a risk to life. Can he really confirm today that every school building in Sunderland, including Grange Park Primary, and in the wider north-east is safe for our young people to enter and learn in? These are simple but important questions that the Government need to answer, and the longer they put this off and hide the scale of the problem, the greater an issue it will become. That is unfortunately what you get after 13 years of Conservative Government: buildings crumbling because the Conservatives will not invest in them, teachers striking because the Conservatives do not value them, and facts hidden because the Conservatives do not like them. First, we need to truly understand the scale of the problems caused by 13 years of Conservative government.

I will finish with one more question: if the evidence at Grange Park Primary is not enough to warrant funding from the school rebuilding programme, what state does a school have to be in to get this Government to invest and rebuild it? It is shameful.

**Mr Deputy Speaker (Sir Roger Gale):** I call the Chair of the Select Committee on Education.

5.31 pm

**Mr Robin Walker (Worcester) (Con):** I welcome today's debate as an opportunity to discuss the very important subject of school capital funding and the safety of our school buildings, and I welcome the detail that my right hon. Friend the Minister has provided about important issues such as reinforced autoclaved aerated concrete.

I congratulate the Opposition Front Bencher, the hon. Member for Houghton and Sunderland South (Bridget Phillipson), on highlighting this issue, but I will not be supporting the Opposition's call for a Humble Address. That is partly because, as my right hon. Friend made clear, it is unnecessary, as the information will be coming forward very shortly, but it is also because I suspect the Opposition's motive in bringing today's debate is more about creating fear and trying to paint the Government as not caring about school safety than it is about actual transparency. I echo my right hon. Friend's comments: the Government do take school safety extremely seriously, and always have done. That is borne out by the very small number of necessary school closures that have been required, the billions invested in school facilities through both local authorities

and the condition improvement fund, and the very fact that school safety features so highly on the Department's own public risk register.

I expect the Government to communicate clearly and efficiently with Members across the House when it comes to concerns that relate to the safety, capacity or quality of facilities in their schools. In that regard, I welcome my right hon. Friend's reassurance that the data from reports has already been shared with schools and the people who run them, and his promise that more information will be published before the summer recess. Speaking from my experience as a Minister, I pay tribute to the dedicated officials at the Department for Education who work in this area for what they do to secure funding every year from the Treasury, highlighting both risks and opportunities to Ministers.

I also pay tribute to my noble Friend Baroness Barran, who has led for the Government in this area over the past few years. The fact that it is a Lords Minister who has responsibility for schools capital has some advantages for the Department as a corporate entity, as it avoids that individual coming under undue pressure from colleagues in this House to put individual local interests ahead of more fundamental considerations such as safety. However, it is also sometimes a challenge for Members of this House in getting their legitimate concerns heard.

I have no doubt whatsoever about the rigour and impartiality of the Department's decision-making process when it comes to allocating funds to schools, but Members of this House may sometimes feel a legitimate desire for more accountability. The fact that my excellent right hon. Friend the Minister for Schools opened the debate and my right hon. Friend the Minister for Skills, Apprenticeships and Higher Education will be responding to it, neither of whom has any direct responsibility for schools capital, does rather illustrate the point. I know that during my time as Minister for School Standards, I had more questions relating to capital and school rebuilding than any other subject, yet I had no policy responsibility for that subject. I will leave it to others to determine whether that situation should change, but we might build more trust in the process for allocating capital to schools if Members had more opportunity to engage directly with the Minister responsible for it.

We will hear much discussion about the merits and demerits of the school rebuilding programme, the priority school rebuilding programme, and the schools that might benefit from them. For my part, it is a matter of some regret that Worcester has not so far benefited from the programmes, but there have been benefits in my constituency: over £100 million of basic need funding over the period in which I have been MP, numerous condition improvement fund allocations, a brand new alternative provision free school, a new primary free school in north Worcester, where there was desperate need for new places, the complete rebuilding of the Tudor Grange Academy, and significant expansion and investment at both my colleges, the Worcester Sixth Form College and Heart of Worcestershire College.

We heard this week about new allocations from the condition improvement fund, and I understand that more than £1 million will be coming to Worcester schools in this year's allocation alone, including the Christopher Whitehead Language College, Hollymount School, where I used to work as a volunteer, Nunnery Wood Primary School, which I visited last week, and Honeywell

Primary School. Over the past few years, we have also seen CIF grants to Stanley Road Primary School in central Worcester, Bishop Perowne C of E College, Northwick Manor Primary School, Newbridge Short Stay School, and Regency High School, our secondary special school.

I welcome the Government's targeted funding towards the expansion of special school places, and the Education Committee heard this morning from the Under-Secretary of State for Education, my hon. Friend the Member for East Surrey (Claire Coutinho), about the desperate need for that capacity. One of the difficult decisions taken during my time in the Department was that the £2.6 billion funding for special school places needed to be put in front of some of the mainstream sector's needs. I know that the funding is to be divided between additional capacity in the specialist sector and some for places in the mainstream sector, but I urge Ministers to consider the case for urgently expanding the primary special school provision in Worcester.

I do not have the time to say all the things I would like to have said in this debate, but I urge Ministers to consider a temporary building replacement fund. It would save schools money on their running costs, replace temporary buildings that may have been left in place for too long, and improve the environmental performance and sustainability of the school estate. It would be a small intervention that could make a big difference.

**Several hon. Members** *rose—*

**Mr Deputy Speaker (Sir Roger Gale):** Order. To ensure that the Front-Bench spokespeople have time to respond—that time being only eight minutes each—I will put in place an immediate time limit of four minutes per speech. I am sorry about that, but it is a question of getting everybody in, which I know is desirable.

5.36 pm

**Simon Lightwood** (Wakefield) (Lab/Co-op): I will try to speak quickly, Mr Deputy Speaker. In this place, we all want to ensure that children get the best start in life, and a key part of that is their education at school. That is why I am pleased that Labour has brought this motion forward today. Indeed, one of the most rewarding parts of being an MP is visiting our schools and colleges. I enjoy meeting students and their teachers to hear about the achievements of our fantastic local schools in Wakefield, Horbury and Ossett, but the same issue is raised with me time and again: the state of their buildings.

Earlier this year, I visited Highfield School in Ossett, which provides specialist education for pupils from 11 to 19 with severe learning needs. They do a fantastic job in difficult circumstances, but the conversation quickly drifted on to their dilapidated school buildings, including the cost of removing asbestos, with staff describing the school as “riddled” with it, the inability to attach things to a wall for the fear of releasing asbestos fibres, and rising energy and equipment costs because of poor insulation. An assistant headteacher, Mrs Hickey, described numerous occasions on which water has seeped into the roof space, causing ceilings to collapse. With the roof leaking, and no spare classrooms available, some children had to be sent home for the day.

Every day of learning lost has consequences, especially for those with special educational needs. The Department for Education's May 2021 condition of school buildings

survey revealed that it would cost £11.4 billion to replace and repair all the damage in our schools—a figure that must have risen since. NASUWT research shows that at current funding rates, it would take over 400 years to fully remove asbestos from our schools, never mind tackling the countless other structural issues. That is damning.

By some strange coincidence, the Government yesterday released the details of the new round of the condition improvement fund, which will provide £456 million this year, but it is a drop in the ocean and simply offers too little, too late. While I am grateful that four schools in my constituency will receive some limited funding, mainly to replace leaking and damaged roofs, it is far from the long-term solution we need.

I notice, too, that half of my wards—Wakefield East, North and West, which are some of our most deprived communities—will not receive a penny of this money. In fact, over the past three funding rounds, only one school in the inner-city wards has received any funding at all.

This matter is not party political; the Department for Education was the one to sound the alarm bells. In its own annual report, it said:

“There is a risk of collapse...in some schools which are at or approaching the end of their designed life-expectancy”.

The risk level for potential collapse had been escalated to “critical—very likely”. Let me repeat that: the Government judge that it is “very likely” that some blocks in some schools could collapse. That is not all: the Department will not even tell us which schools are at risk of collapse. Is it not right that parents, pupils and teachers should know whether the school is safe for children to learn in? Should that not be a bare minimum? Anticipation was not, I am afraid, the emotion I was feeling during the Minister's speech—I was angry, concerned and exasperated. As a parent, I want to know whether my school is safe, as do parents across the country.

It has taken this debate, brought by the Labour party, to call on the Government to let us know which schools are at risk of falling down. I cannot believe I am having to say that. Schools need serious investment, just like they received under the last Labour Government. In contrast, only one school out of 47 in my constituency is on the Government's school rebuilding programme. Capital funding in education in real terms is now half what it was when Labour left office. That was clear in December, when the Tories identified just 400 schools for rebuilding work out of more than 24,000 schools in England.

**Mr Deputy Speaker (Sir Roger Gale):** Order.

5.41 pm

**David Johnston** (Wantage) (Con): The condition of school buildings is important. It affects learning and it is very much why the Government are funding more than 1,000 school improvement programmes through a £1.8 billion investment. That is part of a much wider amount of money being put into schools, with £58.8 billion to come in 2024-25. That will be the largest amount going into schools that there has ever been. My constituency, which runs from Wallingford to Shrivenham, has benefited from that. Schools from Wallingford to Shrivenham have benefited in particular from the condition improvement fund. Nine schools have benefited so far, including Wallingford School and St John's Primary School yesterday.



[David Johnston]

While the condition of the building is important, what goes on inside the building is also important. I will never tire of reminding Opposition Members that in 2019 they stood on a manifesto to abolish SATs, Ofsted and academy schools. I would very much like to hear what they think about the fact that we came fourth in the global rankings for reading last week. I would like to hear what they think about their friends at the National Education Union who keep calling strikes in the run-up to exams for children who missed so much school time during covid. What would their approach be to these unions were they in government? Would it be beer and sandwiches? The NEU runs statements every day welcoming whatever Labour says. It runs paid-for social media ads against Conservative colleagues. The NEU clearly thinks it will get a better deal from the Labour party, so what will it be?

I like counting things, and Members will know that the last time we had an education debate, I counted how many times the Leader of the Opposition talked about education in his speech setting out his vision for the country. It was zero. I counted how many policies the Labour party has on education, and there are two. The first is breakfast clubs, a policy Labour likes so much that it has announced it twice, in March 2021 and then again 18 months later. I am afraid that does not count as an additional policy; it is just the same policy being repeated. The other is VAT on private schools, which few people believe would raise any money. It is small fry for the whole of the education system.

What we find over and over again is this sort of student union vibe of bringing motions on education. We have had eight Opposition day motions on education from the Labour party since the general election. The Leader of the Opposition has mentioned it zero times, Labour has two policies on it, but we have had eight debates. Today's motion is a classic example of that, because there is no policy in it. It does not say whether we are spending too much or too little. It does not say what Labour would do or how it would pay for it. It is just another attempt, as the Chair of the Select Committee, my hon. Friend the Member for Worcester (Mr Walker) said, to try to strike fear into people about what is going on in our schools.

**Layla Moran** (Oxford West and Abingdon) (LD): I am extremely grateful to my Oxfordshire colleague for giving way, and I too have some of our county's secondary schools. I am curious about whether he has had the same representations as I have had from heads in Oxfordshire, who are desperate for their buildings to be improved. I have one school where the toilets have become such no-go areas that a child said they no longer drink when they are at school because they are scared to go into them. This is a great school—it is outstanding—and what goes on in it is fantastic, but surely he would agree that improvement can be made to school buildings and that the Government need to help.

**David Johnston:** I said at the start that the condition of school buildings is very important, and as my right hon. Friend the Minister set out, lots of these schools are being rebuilt as part of this. As I said, I have nine that are being rebuilt. To go back to the Labour party, as it is Labour's motion, if we look at what has happened

in Wales, where it is in charge, there has been no audit of schools' conditions since 2017. Again, it is a case of "Do as we say, not do as we do".

The Labour party is currently into setting missions. We do not have a lot of policy, but we are told that the shadow Chancellor is stopping a lot of policy because she does not want to make unfunded spending commitments. I do not think it can be that, because we are already up to £90 billion of unfunded spending commitments. It is just that we do not seem to have many in education. However, Labour is into setting missions, which seem to be big statements with no detail about how it will achieve them. Surprise, surprise, but we have not yet had one for education, so I have a suggestion. Let us have a mission for this area, and let us have the Labour party have a big five-year mission to find some education policy.

5.46 pm

**Mohammad Yasin** (Bedford) (Lab): For years, the Bedford Inclusive Learning and Training Trust has raised concerns about insufficient funding for its three special educational needs schools in Kempston—St John's School, Grange Academy and Greys Education Centre. Yesterday, they heard that they were successful in their most recent condition improvement funding bids to pay for heating, safeguarding and flat roof covering. Obviously, they will be relieved to hear that the begging bowl will not come back empty this year, but what a waste of precious time, energy and resources for schools to have to jump through these ludicrous hoops for vital, and what should be routine, repairs.

In 2019, I received a heartfelt plea from a dedicated headteacher, who was distraught that her pupils, some of the most vulnerable in society, were being taught in dilapidated classrooms. Over the years, Grange Academy had been forced to continually invest in patching up the seriously deteriorating buildings and 40-year-old portacabin classrooms, which were only ever meant to exist as a temporary measure. Despite the obvious need for investment, the school had just lost its first bid for capital funding. I learned that the school had failed in its funding application because it did not score enough points. Schools and colleges can increase their marks, I was told, if they are able to make a significant contribution towards the proposed project. How was a school already underfunded by the Government, with no reserves, expected to take out a loan even to qualify for funding to fix dilapidated classrooms?

After years of trying, I am pleased to say that there was a happy ending. It was a joy to attend the opening of the £2 million teaching block at Grange Academy in Kempston last September. The lesson I learned is that schools should not be pitted against each other to compete, or have to feel so humbly grateful to receive piecemeal funding to cover the basic costs of running a school in a safe and suitable environment. What do we get back these days for paying the highest tax in 70 years? Schools are now counting the cost of a decade of under-investment and the Government's reckless decision to abandon the Building Schools for the Future programme.

If the Government will not listen to the unions—a number of unions have written to the Government, but I am sure they will ignore their requests—how about listening to the Royal Institute of British Architects? RIBA has called for any school buildings with structural

safety risks to be immediately assessed, with interim safety measures put in place and all necessary works scheduled in an urgent programme. Ministers and the Department for Education must heed these warnings, take action to secure the safety of the school estate now and stop this ridiculously time-consuming bidding for funds system that introduces pointless bureaucracy and unnecessary costs.

5.49 pm

**Shaun Bailey** (West Bromwich West) (Con): It has certainly been an interesting debate so far, and first we should look at the points that we all agree on across the House, which is that having a safe and secure place where a child can be educated is fundamental to their achievements and ability to progress. I welcome the announcement yesterday that two schools in my constituency, Silvertrees Academy and Ocker Hill Academy, both in Tipton, have received funding as part of the condition improvement fund. That is welcome because we see the tangible benefits of that funding. Part of that will go to ensure a much needed and long overdue boiler upgrade in the school. Things like that—tangible things on the ground—are important.

I have been trying to get across a point about the tone of the debate, and the criticisms from Labour Members about capital investment in schools. When I sit with schools, and they tell me how the legacy of the private finance initiative means that they have to choose between resourcing the education of children or doing basic maintenance—I am sorry, but it is laughable. I sit with headteachers who are pleading with me and going, “Shaun, I don’t know what to do”, and they have 300-page contracts—that is the legacy of PFI. I am sure Labour Members are proud of that legacy—they are very muted, so I am assuming maybe not.

We all agree that capital investment in the safety of our schools is important. As the Minister said, it is important that we get localised data in the right way, and ensure that that comes from the front line. Gathering that local data, and having people understand where it has come from, is important to gain a fuller picture. We also agree that it is important to try to find alternate ways to do that data collection quickly and in a way that is accessible. I know the Minister is keen on that broader point of accessibility and stakeholder engagement, and perhaps it is something we might discuss at some point.

**Paul Howell** (Sedgefield) (Con): Does my hon. Friend agree that the best way to understand things is to go and look and to see? I understand that the shadow Education Secretary will be visiting my Sedgefield constituency soon. Will she visit the schools that are getting rebuilt at the moment, such as Ferryhill Station School, Greenfield Community College, Woodham Academy and so on, or will she go somewhere else and make a political point?

**Shaun Bailey**: I cannot second guess what the hon. Member for Houghton and Sunderland South (Bridget Phillipson) will do, but there is a broader point here. The shadow Secretary of State talked about education outcomes. I was a product of the education system under the new Labour Government, and I remember having to be taught in portacabins, roofs nearly falling in, and leaking buildings. The land of milk and honey that Labour Members portray—I’m sorry but I lived through it. I do not know what history they were living

in at the time. We also saw that in our educational attainment levels: English, down from 8th to 25th, maths down, science down—that is the legacy of Labour in government and their educational attainment rate. Low ambition Labour, it is as simple as that. Indeed, my communities in Sandwell have suffered from 50 years of low ambition Labour, with attainment rates in secondary schools some of the lowest in the country. Labour Members can talk about 13 years of this or that, but we have had half a century of them, and unfortunately our outcomes have tanked through the floor. That is the legacy of the Labour party.

Let us look at this in a broader way. We all agree that we need capital investment and to ensure that that is based on facts and data that we can analyse. In an intervention on the shadow Secretary of State, the right hon. Member for Walsall South (Valerie Vaz) talked about the bidding process. I appreciate that this is a point of contention, but perhaps when the shadow Minister responds to the debate he could outline whether it is Labour’s policy completely to abolish bidding in any capital investment and how that would work. More importantly, we would all love to know how Labour will pay for it. Will we all just go, “Yeah, great, here we go, crack on”?

When it comes to Labour’s record on capital investment in our school system, the truth is that it is all on tick or on the slate—it is as simple as that. When I asked the shadow Secretary of State to respond to those teachers living under Labour’s PFI legacy, she said, “The Government should give them more money.” That is not a response. I hope that she will apologise to them for the legacy of PFI. It is a simple choice: Government Members, who are pushing ambition, pushing hope and pushing optimism; or low-ambition Labour.

5.55 pm

**Olivia Blake** (Sheffield, Hallam) (Lab): I am obviously pleased that two schools in my area are to receive funding, announced yesterday, for urgent safeguarding interventions, fire safety compliance and urgent drainage interventions, but I raise to speak not about those schools that received funding but an incident earlier this year where my constituent Carla suffered a serious head injury while dropping off her children at school. With your permission, Mr Deputy Speaker, I will share Carla’s message to the House. She said:

“I have two boys, aged 9 and 10, at primary school in Sheffield. On the 12th of January a large strip of board around 15 ft long fell off the school and hit me in the face. I had a significant black eye and needed 3 weeks off work as I had no ability to concentrate. I have been left with headaches, minor scarring around my eye and I am still waiting for an ENT referral for intrusive tinnitus.

I know this accident could have been prevented and it was pure luck that no one died: 10 minutes after the accident, a classroom of children were filing out from where I had just been injured. We can’t wait until the inevitable happens before meaningful action is taken. Steps need to be taken now to ensure the safety of all children, teachers and staff.”

Clearly my constituent has had to go through a lot, and it should shame us all. It is horrifying that we have got to this point. Our children’s school buildings are literally falling apart and, as Carla said, it is surely only a matter of time before something even worse happens.

Carla is also right that this could have been prevented. Thirteen years of reckless Conservative cuts have left us with capital spending on schools cut by 50% in real

[*Olivia Blake*]

terms between 2010 and 2022. Despite promises to end austerity in our schools, new capital spending pledges are a drop in the ocean. In my city, 153 of 163 schools face cuts in 2023-24 and are set collectively to lose about £7.7 million. What is worse is that Ministers are keeping parents in the dark about how bad the situation is.

This is not about sowing fear; it is about sowing facts and informing people about what is happening in our education system. For more than a year, Ministers have known that school buildings have posed a risk to life, yet still the Government refuse to tell parents or the public where these dangerous school buildings are. How can Members hold the Government to account on the money they are giving to schools, where that is being directed, and whether those are the correct places? How can we have confidence in the surveys that we have?

Parents have a right to know whether the school they send their children to is safe, and teachers have a right to know whether their workplace is at serious risk of collapse. I hope that the Minister will outline what immediate steps are being taken to ensure that the whole school estate is safe, commit to publishing that condition survey of schools and pledge finally to end austerity in our schools so that students in all our constituencies can receive the good-quality education they deserve in—importantly—a safe and supportive environment. Anything less is a complete dereliction of duty. What happened to Carla is yet another warning sign. I really hope that that warning and her message are not ignored.

5.58 pm

**Mr Louie French** (Old Bexley and Sidcup) (Con): I must say how interesting it has been to listen to Opposition Members in the debate. As an MP who proudly represents my home area, I always find it fascinating to visit my old schools, which under the last Labour Government were in special measures or saw students being taught in old huts and portacabins—or they still have legacy PFI financing structures that cause headaches for school governors and headteachers alike. So forgive me for not taking lessons from Labour, especially when many of Bexley's brilliant schools now have modern facilities that my generation could only have dreamed of.

I want to place on record my thanks to the Department for Education, which this week granted funding for four bids from schools in Old Bexley and Sidcup. That will help to improve learning facilities at Hurst Primary School, Sherwood Park Primary School, Holy Trinity Lamorbey Primary School and Blackfen School for Girls. That funding follows seven successful bids from Bexley schools in previous funding rounds, which I was happy to support. I would be delighted to welcome the Minister to visit one of those projects, perhaps the brilliant new sixth form block at Christ the King, Sidcup or perhaps the new sixth form block that will be built shortly at Beths Grammar School. Once it is completed, he will be most welcome to join me in Old Bexley and Sidcup.

The Government have also supported the vital expansion of special educational needs and disabilities provision in Bexley, which includes millions for new school places and £30 million to help Bexley expand its support for local children with SEND. That money is extremely

vital and will go a long way to help local parents. Bexley's share of the £2 billion additional funding for schools will also see £2.5 million of extra investment in local school budgets to help teachers to continue to deliver the education outcomes in Bexley that our borough is rightly proud of.

Bexley's schools are one of the main reasons why my parents left a Labour-run area many years ago to move to Conservative-run Bexley. Many parents continue to make the same journey today, because they want the excellent schools that Bexley offers but neighbouring Labour boroughs sadly do not. That is why we often see champagne socialist parents sending their children across into Bexley and taking up vital school places—even in some grammar schools and, dare I say, some of the private schools, which are not the Etons described by those on the Labour Benches. Children are sent to them by champagne socialist parents and Labour would put them at risk. It will be interesting to see how they vote if that is in Labour's manifesto next year.

In summing up, we have a world-leading education system. We need world-class facilities to match, so that pupils can study effectively in the best environment possible to help them succeed. Every school should have access to high-quality facilities. Investment by our Government will deliver that, so pupils can gain the skills they need for their careers and our economy. And like our schools this week, our economy is on the upgrade.

6.1 pm

**Cat Smith** (Lancaster and Fleetwood) (Lab): For over a year now, Ministers have known that school buildings posed “a risk to life”, and it has been more than a year since the Department for Education escalated the risk of building collapse to “very likely”, yet the Government will still not tell parents, teachers or pupils where those dangerous school buildings are. That is why this motion, which I support today, seeks to answer this question: where are our school buildings that are in dangerous condition and how severe is the disrepair of those buildings? Ministers know that buildings are at risk of collapse, yet they are still hiding the reality of this Conservative-made crisis from the public they supposedly serve.

After the upheaval of the pandemic, crumbling school buildings neglected by the Conservatives could see even more disruption to our children's learning and education. Education is one of the most precious gifts we give our children. At the very least, parents expect it to be delivered in a safe school building, and I think most would expect to see it delivered in buildings fit for the 21st century. How can we tell our children and young people that we value their education, when we offer them education in substandard buildings? I heard from one Lancaster primary school headteacher this week who told me:

“We have, and continue to, really struggle to access any funding to refurbish our toilets, which are in a very poor state. It is really frustrating as we are not asking for luxury items—access to toilets which are fit for purpose is a basic need!”

It is not just the roofs at risk of collapse, buckets in corridors and peeling paint that are the outward display of the lack of value the Government place on our children's education. It is, frankly, even the state of the toilets, with all the health implications of that. The Secretary of State must publish detailed school-level data from the latest condition of school buildings survey.



The challenge faced by small rural schools is exacerbated. A rural primary school headteacher from a school in Wyre told me today:

“We can’t afford to employ a site supervisor for our federation of two small village schools. This means that we pay massively over the odds when we need repairs doing. Recently, we have appealed to parents who are plumbers/electricians/carpenters to make repairs for us to save money.”

That is certainly a big step up from most parent teacher associations.

Many schools are not fit for the future. Teachers cannot focus on education if they are having to manage inadequate facilities. Labour’s Building Schools for the Future programme, which ramped up capital funding in the late 2000s, was scrapped by this Government in 2010. Thirteen years later, we now have an entire generation of children who have seen nothing but decline in our school buildings. Does the Minister agree that it is impossible to give children a first-class education in second-class school buildings? Does he agree with the shadow Secretary of State, my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson), that parents worried about the state of their children’s school buildings have a right to know the scale of the problem?

If Conservative MPs vote today to keep parents in the dark about the condition of school buildings, that means that in Lancashire, despite 236 buildings being categorised as bad and in urgent need of repair, those parents are being let down. Their children’s future is being let down. One of the greatest privileges of being a Member of Parliament is the opportunity to visit schools and see the amazing work that our teachers do. Often, it is also an opportunity to see the state of the buildings that teachers are working in, children are learning in and, as my hon. Friend the Member for Sheffield, Hallam (Olivia Blake) pointed out, parents are accessing—putting their health at risk, too.

6.6 pm

**Rachel Hopkins** (Luton South) (Lab): Every child deserves to be able to learn in a safe, secure environment that is conducive to learning. Not every child has the luxury of an expensive private education with state-of-the-art facilities and equipment, but every child has the right to receive a first-rate education delivered by the state. Sadly, that is not always the case. Crumbling school buildings neglected by the Conservatives cause disruption to children’s learning, yet the Government will still not tell parents or the public where dangerous school buildings are. That is despite the Department for Education having escalated the risk of building collapse to “very likely”. The Government’s own officials stated that it may even pose a “risk to life”, according to a leaked document from a year ago.

The record is shameful. Capital spending by the Department for Education was around £4.9 billion in the last financial year—the lowest amount recorded since 2009-10 in real-terms prices. Overall, between 2009-10 and 2021-22, the Department’s capital spending declined by 50% in real terms. The Government announced a new 10-year school rebuilding programme in 2020, with a focus on replacing poor condition and ageing school buildings with modern, energy-efficient designs. But by December last year, a total of 400 schools had been identified for rebuilding work under the programme,

out of a total of 500 due to receive funding. To put that in context, there are over 24,000 schools in England. We are seeing more sticking-plaster politics from this Government.

In Luton, 68 schools have been identified as having at least one instance of a grade C—or poor—construction condition issue. Some 28 schools have one instance of a grade D—bad—construction condition issue. It is shocking that this has been allowed to carry on. Parents and guardians deserve action. The Government need to recognise that many schools are not fit for the future, and teachers cannot focus on education if they are having to manage inadequate facilities. Let me take this opportunity to thank heads, school teachers and support staff in Luton South and others up and down the country who go above and beyond, overcoming the barriers and difficulties created by this Conservative Government to ensure that students receive the best possible education.

I support Labour’s motion today. The Secretary of State must publish detailed school-level data from the latest condition of school buildings survey, which must include conditions of individual building elements for all schools, and must ensure that they are urgently being made safe. The public has a right to know the scale of the problem, and our children deserve better.

6.9 pm

**Kim Johnson** (Liverpool, Riverside) (Lab): I thank all the hard-working teaching and support staff in my Liverpool, Riverside constituency. I welcome the fact that St Silas, The Belvedere Academy, St Margaret’s, Liverpool College and Bellerive have been allocated condition improvement funding, yet the stark reality is that we are facing the very real prospect of school buildings collapsing in this country. The consequences of such a disaster are almost unthinkable.

Crumbling schools have now become commonplace. Hundreds of schools across the country are now unsafe, let alone fit for purpose. In February this year, the Government admitted that at least 39 state schools in England have been forced to close, either partially or entirely, in the past three years, because one or more buildings have been deemed to be unsafe.

Between 2009-10 and 2021-22, overall capital spending on school buildings declined by almost 37% in cash terms, and by half in real terms. Given the crisis of inflation over which this Government are now presiding, the current funding commitments will barely scratch the surface and only paper over the cracks. At this rate, it will take over 400 years to fully remove dangerous asbestos from the school estate.

As a result, seven major trade unions organising in schools across the country are calling for urgent action to be taken now. They point to the two minor school collapses in England that have already happened—thankfully, no one was hurt. My good friend, my hon. Friend the Member for Sheffield, Hallam (Olivia Blake), pointed out the serious accident that took place in her constituency. Just imagine if that had hurt a child.

The school rebuilding programme has identified 400 schools to be rebuilt. Some 13 years of Conservative cuts to school budgets have left us with a crumbling and dangerous estate. On top of that, a lack of investment in new schools is impacting our children’s education

[Kim Johnson]

and safety, but today I discovered from the Minister for Children, Families and Wellbeing, the hon. Member for East Surrey (Claire Coutinho), that the Government plan to build 98 new special schools, with a further 39 in the pipeline. Can the Minister clarify if those will be free schools or operated by the private sector?

Nelson Mandela said:

“Education is the most powerful weapon you can use to change the world.”

Teachers cannot focus on education if they have to manage in inadequate facilities. Does the Minister honestly believe, hand on heart, that it is safe to send children and staff into school buildings in England? If not, why will the Government not publish the data to show children, parents and staff where they are at risk?

6.12 pm

**Ian Lavery** (Wansbeck) (Lab): I place on record my sincere thanks to every school governor, headteacher, teacher, member of the support staff and teaching assistant, as well as everyone who works on the school estate in my constituency. They do a fantastic job under very trying circumstances.

Those who have preceded me have eloquently explained the perilous state of the school estate across our country. In my constituency of Wansbeck, it is no different. While a few schools have been replaced or renovated, many children are taught in classrooms not in keeping with the modern age. My own high school has a new facade, but behind that there are the same classrooms that I was taught in 40 years ago—they were not new at that time either. I ask the Minister, what is there to hide? What is he afraid might come forward with the data for each and every school in this country?

The idea that schools could collapse is terrifying; that they could collapse releasing clouds of asbestos is shudderingly worrying. I want to focus on asbestos for a moment, and the fact that asbestos in schools is still killing teachers. Mesothelioma is the dreaded disease caused by asbestos. The Government are fully aware of the situation with mesothelioma and what is happening in our schools. I could focus on a range of health and safety issues regarding schools, but let us just focus on asbestos.

A staggering 87% of schools are reported to have asbestos in at least one of their buildings. The idea that that stuff is safe in situ, and that it is fine if it is not moved, is a convenient and dangerous lie from a Government that want to wish yet another major issue away.

The Government might be disturbingly surprised to hear that many school teaching professionals are now dying of mesothelioma, at an average of 21 per year—up three per year since 1980—yet they persist in burying their head in the sand. I invite the Minister to come to the schools in my constituency that have been in desperate need of repair or, in many cases, complete replacement for years. I invite him to join me, because I am not sure how some of those buildings are still standing—mebbe he could come and have a look for himself.

Getting back to the innocent people working in the schools, getting back to the kids and getting back to the teachers, I have to tell the Minister that people are dying because of asbestos in schools. Mesothelioma is a disease

with a latency period of 10, 20, 30 or 40 years, and there are still people dying as a result of asbestos in schools. He must do something about it. It is not good enough to continue to say that as long as we do not touch it, it will be fine, because people—teachers and kids—are dying as a result of mesothelioma. We need the data; we need the information. Parents have a right to know if our schools are safe and if their kids are safe when they leave their door in the morning and go into the educational environment.

6.16 pm

**Munira Wilson** (Twickenham) (LD): So far, we have heard a lot about what we do not know, but I want to remind the House about what we do know about the results of the last condition data collection survey, completed in 2019. Over 7,000 schools contained a building component deemed to be life-expired or at serious risk of imminent failure. Almost nine in 10 schools in England had at least one component with “major defects” or “not operating as intended”. Overall, more than 240,000 items across the school estate—from doors to electrics to light fittings—were defective.

We know this not because the Department published the information itself but because of a series of written questions that I tabled last year. I am grateful to those on the Labour Front Bench for drawing attention to them. However, one fact that the Government did publish is that under the Conservatives the overall condition of the school estate has tanked. In 2014, the cost of the total maintenance backlog stood at £6.7 billion. It now stands at a whopping £11.4 billion. I have heard of “a stitch in time saves nine”, but the Conservatives have lost the repair kit and cost the taxpayer billions of pounds.

There is still much about the survey that we do not know. We do not know which schools received what grading for each of their components, and we do not know how much the total repair bill is in each council area or constituency. We have been told by the Minister that the data is forthcoming and that he needs more time to process it, but this survey is now four years old. How much longer must parents wait to see if their child’s school is safe and fit for purpose?

**Layla Moran**: My hon. Friend is making a powerful speech. A headteacher I spoke to this week said that he spends his whole time just keeping his students safe, warm and dry, when what he wants to do is create an inspirational space in which they can learn. Does my hon. Friend agree that this Government seem to want us to be grateful for the very lowest levels, when instead we should be focused on having a great school for every child in this country?

**Munira Wilson**: I could not agree with my hon. Friend more. I regularly hear from teachers that they are doing so much outside their core remit of teaching in order to support our students, and buildings are another example. A teacher from St Mary’s and St Peter’s School in Teddington came to visit me recently. She told me that she had had a bucket in her classroom for two years because the school could not afford the maintenance to fix it. Not repairing those sorts of things now will cost a hell of a lot more further down the line.

We know that some of the stats I have just quoted represent the tip of the iceberg, because the condition data collection survey is based purely on a visual inspection of school sites, meaning that latent problems in the school estate are going undetected. Thanks to an investigation by “ITV News”, we know that 68 schools contain reinforced autoclaved aerated concrete, a building material likened to an Aero chocolate bar, which even the Office of Government Property has described as “life-expired and liable to collapse”.

Yet thousands more schools do not know whether their site contains RAAC, because it cannot be identified on a visual inspection.

Every shut classroom, leaky roof and cold sports hall stands as a concrete sign of the Government’s neglect in investing in our schools and colleges. Parents, carers and communities are fed up of being let down and taken for granted, and there are few more concrete signs of a community being neglected than a crumbling school or hospital building. The Conservatives are learning the hard way, as the amazing by-election victory of my hon. Friend the Member for Tiverton and Honiton (Richard Foord) shows. He ran a fantastic campaign on rebuilding Tiverton High School, and it took that by-election win and a question to the Prime Minister in the leadership hustings finally to get a promise of money for the school, yet we still have no start date for shovels in the ground.

Communities across this country are feeling let down. In my borough, two schools that applied to the school rebuilding programme last year had their application rejected. Twenty-three of 25 schools in Surrey met the same fate, as did six of seven schools in East Sussex. People are fed up and angry, and they want to make their voice heard. The Liberal Democrats believe that education is an investment in our children’s future. Spending on human capital generates returns for generations to come. It is absurd that the Treasury will predict that a new rail line will generate returns worth multiple times its initial cost while predicting that capital investment in schools returns just a fraction of the amount. How can that make sense?

The Government must invest to clear the backlog of repairs to school and college buildings. Parents deserve to know their children are being sent to schools that are safe and fit for purpose. They expect their Government to be transparent and they expect their community not to be taken for granted, yet the state of their local school often suggests otherwise. Neglecting school and college buildings endangers our children and may well contribute to this Government’s downfall.

6.21 pm

**Andrew Gwynne** (Denton and Reddish) (Lab): Russell Scott Primary School in Denton, Tameside has around 460 students. It opened in 1882 and moved to its current building in 1981. For full transparency, I attended both buildings between 1978 and 1983. Sadly, the school has been described by the national media as:

“Britain’s worst built school where pupils paddle in sewage and get sick from toxic fumes”.

This follows a large-scale refurbishment by Carillion in 2015.

Following concerns about the quality of the building work, an independent defect report commissioned by Tameside Metropolitan Borough Council was completed

in August 2017 and found the building to have severe structural issues. The remedial obligation fell to Carillion, which subsequently went bust.

If the Minister agrees, I would like to meet him to talk about the Tameside local education partnership. I have concerns about the LEP, not least its involvement in the Russell Scott issue with Carillion. Also, a £12 million special school is now being built, and it is £10 million over budget. And the governors of Aldwyn Primary School in my constituency have severe concerns about the work carried out by the LEP.

Russell Scott Primary School has significant structural damage: the roof is basically held up by thin air, the foundations are shot to pieces, the drainage is inadequate, sewage floods into classrooms and the fire doors and windows do not meet any modern safety standards. The defects are so structurally embedded that it would be cheaper to rebuild the school.

I have met Education Ministers on several occasions in recent years, most recently Baroness Barran in June, and they have all been very sympathetic and very helpful. When the Government published their 2022-23 school rebuilding programme, Russell Scott was not included. However, it was included in the 2023-24 school rebuilding programme, in a major victory for the staff who had been calling for action for nearly eight years. However, since that announcement there has been little movement on rebuilding the school. In a response to my written question in April, the Minister said that the school rebuilding programme

“will start delivery at a rate of approximately 50 per year, over a five-year period.”

That is fine, but it does not tell me when Russell Scott school will be rebuilt. The delays to the start of the building work are concerning, particularly given that the DFE’s own surveyors assigned the build to their urgent projects team as they have also seen that there are inherent faults at the school.

I understand that when I intervened the Minister did not have this background information to hand, and it was almost as though we should be grateful to be on the list. I am delighted that we are in the programme, do not get me wrong, but I want an actual school, not a piece of paper. For now, a start date will suffice.

6.25 pm

**Grahame Morris** (Easington) (Lab): Thank you very much, Mr Deputy Speaker, for giving me the opportunity to speak in this debate. Many colleagues have made eloquent points advocating support for the motion, and I, too, support it. Education is undoubtedly the most vital public service and one of the most important investments our country makes. I tend to agree with one of the earlier contributors that we need to look at cost-benefit analysis. Investment in education extends life opportunities and enables young people to achieve their aspirations. Our schools should be considered educational beacons of opportunity. Our teachers should be valued and held in high esteem. However, the Government are falling short on ensuring adequate funding for our schools.

I want to commend the exceptional teaching staff in my constituency, but I also wish to highlight a problem at the Seaham Trinity Primary School in Princess Road in my constituency. The school is only 15 years old and



[Grahame Morris]

it was funded by the council's own capital resources, not through a private finance initiative scheme. I am concerned because this relatively new building shows significant problems: rising damp; black mould in the resource cupboards; dampness in the toilet cubicles, which makes them challenging to clean; lifting floors and carpet tiles; and deterioration in the roof to such an extent that it requires a complete replacement.

I have raised my concerns with Durham County Council, which is, sadly, now led by a Conservative-Lib Dem coalition. Its only response is to highlight the unfortunate reality that the contractors are often reluctant to address latent defects for which they are liable, an issue raised by my hon. Friend the Member for Denton and Reddish (Andrew Gwynne). In the case of Trinity Primary, a company called Surgo Construction was involved, and I believe it should be held accountable.

It is in the public interest that crucial infrastructure, including school buildings, is constructed to high or even exceptional standards, not merely a standard deemed "acceptable". I ask the Minister and the Department: what power and resources does he have to hold powerful interests to account for the public good? Does the DFE, led by the Schools Minister and the Secretary of State, have any powers in that regard? If it does not, should we not be introducing legislation that ensures that companies such as Surgo Construction cannot renege on their responsibilities to taxpayers, staff and students in schools such as Trinity Primary in Seaham?

I would not expect a building that is only 15 years old to be plagued with dampness, mould and a deteriorating roof, and I am sure nobody else would. If I were Surgo, I would be ashamed to have delivered a building that has fallen into such a state of disrepair within such a short period. I urge support for the motion, and I want to ensure that my constituents have the very best standards of school buildings in which to deliver an education.

6.29 pm

**Liz Twist** (Blaydon) (Lab): It is natural for parents to worry about their children, but, over the past few years, they have had quite a lot to worry about: the pandemic causing disruption to education; the risks posed by online harms; and the challenges posed to families now by the cost of living crisis. Those are all issues that we hear about time and again from constituents who are doing their best to bring up their children in these difficult times.

One place where parents expect their children to be kept safe is at school, and they would surely expect that, if there were a risk to their children's safety, they might be informed about it. As things stand, though, many parents are not even aware that their children are attending schools in which the buildings have reached such a state of disrepair that there is a significant risk of collapse. For more than a year, Conservative Ministers have known that some of these buildings have posed a risk to life, but the Government will still not be transparent about the condition of all of those schools and the danger that children may face.

My hon. Friend the Member for Wansbeck (Ian Lavery) talked earlier about the issue of asbestos in schools, and I can only reiterate the concerns that he raised. The condition of buildings continues to worsen. In 2017,

the National Audit Office reported that it would cost £6.7 billion to return all school buildings to a satisfactory or a better condition. It also said that there was significant risk that further deterioration would increase these costs, with the DFE estimating that the cost of returning to schools to a satisfactory condition would double between the financial years of 2015-16 and 2020-21.

Indeed, by 2021 the DFE reported a repair bill of more than £11 billion. Its survey shone a light on crumbling buildings and leaking facilities, schools still using ancient "temporary" portacabins, and, in some cases, buildings riddled with asbestos. This picture suggests that the Government have failed to get to grips with the problem that they themselves had previously identified. It was also perhaps the inevitable outcome of a halving in real-terms capital spending on schools and other educational establishments between 2009-10 and 2020-21. The lack of public data on the condition of school buildings has meant that we are not even able to properly see what the impact of this decline looks like.

As of the end of last year, the Government's school rebuilding programme has identified 400 schools for rebuilding work. I am happy, as I said earlier, that some schools in my constituency are on that list, but they cannot keep waiting. I want to see schools, not promises. The work is urgent. According to the DFE's own data, my local authority of Gateshead has 43 schools that have received the worst rating for at least one aspect of their buildings.

The Prime Minister has said that he sees no reason why the UK cannot rival the best education systems in the world, and we all want that, but is he really content to let children sit between crumbling walls and under collapsing roofs, with parents and staff not alerted to the risks? In the schools that I visit every week, teachers, students and in some cases parents do a great job to make schools look cheerful, colourful and vibrant, whatever their condition, but surely they deserve to know the condition of their school, and we all need to know that information, so I hope the Minister will respond by agreeing to publish it.

**Mr Deputy Speaker (Sir Roger Gale):** Order. Just before I call the Front-Bench speakers, I place on record the fact that the Chair of the Education Committee has indicated to those on the Front Bench and to the Chair that he has had to absent himself for urgent personal reasons, which we understand.

6.33 pm

**Stephen Morgan** (Portsmouth South) (Lab): It is a pleasure to conclude this important debate in support of the motion in my name and that of the Leader of the Opposition.

Following a decade of neglect by the Conservatives of our country's school estate, children across England face disruption to learning as well as direct threats to their safety. Yet today, parents are still in the dark about the scale of the problem. Two years ago, the condition of school buildings survey revealed alarming problems within the school estate. Since then, Labour has been calling on the Government to be transparent with parents and to tell them whether their child's school poses a risk to life; but instead of being transparent, the Government have chosen to continue pulling the wool over parents' eyes.

That is why Labour is giving Conservative MPs a choice tonight. They can show they are on the side of parents who want answers today, or they can show that they are on the side of the Government, who want to keep parents in the dark. My hon. Friends the Members for Sunderland Central (Julie Elliott), for Wakefield (Simon Lightwood), for Bedford (Mohammad Yasin), for Sheffield, Hallam (Olivia Blake), for Lancaster and Fleetwood (Cat Smith), for Luton South (Rachel Hopkins), for Wansbeck (Ian Lavery), for Denton and Reddish (Andrew Gwynne), for Easington (Grahame Morris) and for Blaydon (Liz Twist) have all articulated the importance of this debate for parents in their areas with helpful speeches and interventions, and made a powerful case for schools in their constituencies.

My hon. Friend the shadow Secretary of State opened the debate by outlining how, in 13 years of Conservative government, not once has capital spending for the Department for Education matched in real terms the level it was at when this Government entered office. However, as she said, the test is not just the money the Government put in, but the state of the buildings in which our children learn, and that tells its own story. As she said:

“When people don’t mend things, they break; when buildings break, they cause damage.”

As I stated, it has been two years since the condition of school buildings survey revealed alarming problems within the school estate. It has been one year since a leaked Government report revealed that school buildings in England are now in such disrepair that they pose a risk to life. It has been six months since the Department for Education raised the risk of school buildings collapsing from “critical” to “critical—very likely” in its annual report.

Yet despite those repeated warnings, there is no urgency from Government to fix the problem or to address the concerns of parents—and not for want of trying by Labour. We have repeatedly asked the Government to identify which buildings are most affected. In December, the Schools Minister said he would publish the data on these dangerous buildings by the end of the year. In January he said the data would be “published shortly”. In February we heard nothing, in March we heard nothing and in April—you may have guessed it, Mr Deputy Speaker—we heard nothing. We are now in May, and parents, staff and pupils still do not know whether their school is “very likely” to collapse.

That begs the question why this Government are so determined to keep parents in the dark on this. The Opposition welcome the Minister’s latest promise to publish the data before the House rises this summer, but we have heard this all before. We heard it last year. We do not want any more broken promises. We will not believe the Government until they publish the data. One thing that is clear is that the Government are not going to disclose that information of their own volition, which is why we have tabled this motion.

Whether on lockdown parties, speeding tickets or school buildings, this is a Government incapable of transparency. That is why we must force them to be transparent and to come clean to parents regarding the condition and location of crumbling school buildings. It is parents, children and school staff whose lives will be at risk—not my words, Mr Deputy Speaker, but the

words of senior officials in the Department for Education. Those officials are seriously worried at data showing that one third of school buildings pose a “serious risk of imminent failure”.

That is more than 7,000 school buildings across England.

Conservative Members may wish to ignore the problem, but they really should not, because those schools include 23 in Chichester, seven in Bognor Regis, seven in Stoke-on-Trent North and 21 in Richmond, Yorkshire. All but two councils in England have at least four schools requiring urgent work.

It is no wonder that our nation’s school buildings are in their current state. Between 2010 and 2022, overall capital spending on England’s state school estate fell by about 50% in real terms.

The Minister will point to the funding announcement in March, but after a decade of neglect, that will barely scratch the surface of what is needed. The DFE itself has admitted that the true cost of repair will be over 10 times what the Government announced, at £11.4 billion. The Minister will also point to the condition improvement funding announcement yesterday, but as sector experts pointed out, this money is the bare minimum and not close to the amount needed to repair or replace faulty elements in the school estate.

It is becoming clearer by the day that after 13 years of dysfunction, we are now approaching the end of the road for this Tory Government. For our school estate, this has been 13 years of cut-price, sticking plaster solutions and inefficient repairs, when green rebuilds and long-term plans were required. The result of that is evident, and from visiting schools up and down the country, I have seen it all at first hand—ageing buildings, many of which were built decades, if not a century ago, with unmet repairs, cracked walls, asbestos, buckets placed across classrooms catching leaks and crumbling roofs. The Government’s complacency on this is inexcusable, given the scale of the problem.

I have heard from teachers and school leaders of a number of near misses, and too often we have seen stories of injuries to adults caused by faulty school buildings that would have been much more tragic had a child been standing in the same place. My hon. Friend the Member for Sheffield, Hallam told the House last month of a parent in her constituency who was injured after a piece of cladding fell on her, and I thank her for telling Carla’s story again today.

A recent freedom of information request from *Schools Week* found that a teacher was reportedly admitted to hospital after they were hit by a falling ceiling tile at a school in Bradford, forcing temporary closure and repairs. A school in Birmingham also temporarily closed after a concrete ceiling panel fell on a desk during the holidays. I cannot bear to think about what could have happened in those instances had they happened on a different day, week or hour. We must realise that these near misses will not continue forever, and that is why the Government cannot continue to bury their head in the sand.

The last Labour Government transformed our children’s schools and our school estate. Widespread modern rebuilds led to improvements in standards and behaviour and made school a place for children to learn. It only took the current Levelling Up Secretary six years to admit he regretted scrapping the Building Schools for the Future programme, which caused over 700 school

[Stephen Morgan]

building projects to be cancelled, including the secondary school I attended in Portsmouth, which was an old Victorian building then and is still an old Victorian building now. It seems that the lessons learned by the Levelling Up Secretary still have not been passed on to his colleagues.

It will therefore be up to the next Labour Government to make our school estate one to be proud of once again and to make sure that every child in every corner of our country can go to an excellent local school. Until that day, it is all MPs' duty to ensure that all children go to a school that is safe, that all teachers and all school staff are not at risk when they go to work, and that all parents know the real state of children's school buildings.

For over a decade, Conservatives neglected that duty, but fortunately today, all Members, including those on the Government Benches, have a choice. They can show that they are on the side of parents by publishing long-overdue data revealing the condition and location of the buildings that the Government have admitted are very likely to collapse. They can shed a light on an issue that the Government are determined to keep hidden in the dark. We can choose to tell parents the truth. Government Members can show that they are willing to put the wellbeing and safety of children above party loyalty. The other choice is to side with the Government, to keep parents in the dark, to keep hoping for near misses and to continue allowing the Government to bury their head in the sand.

I know which side Labour will be on: we will be on the side of teachers and school support staff, on the side of parents and on the side of children. I look forward to seeing which side Government Members choose.

6.44 pm

**The Minister for Skills, Apprenticeships and Higher Education (Robert Halfon):** I welcome the opportunity to respond on behalf of the Government. Of course, I start by thanking all the teachers and support staff in schools in my constituency of Harlow and across the country who do so much to look after our children and learners.

I want to thank the many hon. Members who have spoken today, and comment on some of the things that have been said. The hon. Member for Sunderland Central (Julie Elliott) talked about her school, Grange Park; I am sure that one of the schools Ministers will be pleased to meet her to discuss it, and I am sure she will be pleased that she is getting £1.5 million in capital for her schools in 2023-24. As always, the Chair of the Education Select Committee, my hon. Friend the Member for Worcester (Mr Walker)—who is no longer in his place—was very thoughtful. He acknowledged what the Minister for Schools, my right hon. Friend the Member for Bognor Regis and Littlehampton (Nick Gibb) has said: that the publication of this data will come by the summer recess. He also mentioned the benefit of funding for schools that he has seen in his own constituency.

The hon. Member for Wakefield (Simon Lightwood) will be pleased to know that there is a capital allocation of £2.7 million to invest in his schools, hopefully including the schools that he mentioned. My hon. Friend the Member for Wantage (David Johnston) highlighted the significant amount invested in his constituency area,

but also reminded us that it was the Labour party's manifesto at the last election to abolish Ofsted and SATs. He rightly reminded us of the work we have done to improve reading, thanks to all the hard work of the Schools Minister. The hon. Member for Bedford (Mohammad Yasin) talked about capital funding in his area; he will be pleased to know that there is £1.8 million in 2023-24 to invest in maintained schools.

My hon. Friend the Member for West Bromwich West (Shaun Bailey) highlighted the significant amount of capital funding in a number of schools in his constituency, and rightly talked about the problems of private finance initiatives under the last Government. The hon. Member for Sheffield, Hallam (Olivia Blake) talked about her constituent. I wish her constituent better, and I am sorry—

**Shaun Bailey:** Will my right hon. Friend give way?

**Robert Halfon:** Just very briefly, because I have a lot to get through.

**Shaun Bailey:** I do appreciate that—my intervention is a very quick one. We have been talking about transparency today. Would my right hon. Friend, in his good office, perhaps look at ways in which we could examine the impact that PFI has had on schools' ability to keep up capital maintenance? That might be something that he and I could have a discussion about after the debate.

**Robert Halfon:** I am sure that that point has been heard by the Schools Minister and by the school system Minister, who is watching the debate. I thank my hon. Friend for his question.

My hon. Friend the Member for Old Bexley and Sidcup (Mr French) talked about all the funding that has gone to four successful bids in his constituency and a previous seven bids, which shows that money is going to our schools. The hon. Member for Lancaster and Fleetwood (Cat Smith) talked about what is happening in our schools; I gently remind her that whatever has gone on in terms of capital funding, 68% of schools were good or outstanding in 2010, and now 88% of schools are. The hon. Member for Luton South (Rachel Hopkins) will be pleased to know that there is more capital funding—£3.6 million, I think—going to her schools. She talked about the money that went in previously; it is worth noting to Members who have talked about that issue that the previous Building Schools for the Future programme was seen by the James review as bureaucratic and not as effective as it could have been.

In answer to the question asked by my former colleague on the Education Select Committee, the hon. Member for Liverpool, Riverside (Kim Johnson), those schools will be free schools. The hon. Member for Wansbeck (Ian Lavery) will be getting £3.9 million in capital funding in his area for 2023-24, and the issue of asbestos was dealt with very nobly by my right hon. Friend the Schools Minister. The hon. Member for Twickenham (Munira Wilson), the Lib Dem spokesman, talked about our capital spending programme. I think it is important to remind people that—as has been said—we have allocated over £15 billion for improving the condition of the school estate since 2015, including £1.8 billion this financial year. In addition, the school rebuilding programme will transform the condition of buildings at 500 schools; 400 schools are now in the programme,



including 239 announced in December 2022. We have allocated a further £500 million in capital funding in 2022-23, so the funding is there, the survey and the data are there, and there is guidance, a toolkit and support for schools as well.

**Munira Wilson:** Will the Minister give way?

**Robert Halfon:** I just want to finish this point. I spoke to the Schools Minister as the hon. Member for Denton and Reddish (Andrew Gwynne) was speaking, and I am sure that he or the school system Minister will be pleased to meet the hon. Gentleman to discuss the issues with his school that he raised.

The hon. Member for Easington (Grahame Morris) talked about problems with a fairly new school. Again, the Schools Minister will have heard him, and I am sure there can be a meeting or some correspondence to discuss that important issue.

I can also confirm that the constituency of the hon. Member for Blaydon (Liz Twist) will be getting £1.8 million. Turning to—*[Interruption.]* Do not worry; I have not forgotten the hon. Member for Twickenham. The hon. Member for Blaydon also asked about the CDC condition grades, and the number of D grades quoted is correct, but they make up less than 1% of all condition grades, with the vast majority being As and Bs.<sup>1</sup>

**Munira Wilson:** I am grateful to the Minister for giving way. During the Schools Minister's opening speech, I asked whether he would commit to publishing the details of the 39 schools that have partially or fully closed since 2019 because they were deemed unsafe. He suggested that I was interfering with the build-up of anticipation in his speech, but he reached the crescendo without giving us an answer. I therefore ask the Skills Minister to commit to publishing the details of those 39 schools that have shut.

**Robert Halfon:** My right hon. Friend the Schools Minister has already made it clear that that information will be published by the summer.

I have tried to answer as many points as possible, and I want to re-emphasise that there are no open areas within school or college buildings where we know of an imminent risk to the safety of pupils and staff. If the Department is made aware of buildings that pose such a risk, immediate action is taken.

Since 2015, as I mentioned a moment ago, over £15 billion—no mean sum—has been spent to improve the condition of school buildings, including the £1.8 billion committed this year, and that spending is informed by consistent data on the condition of schools. As part of that, only yesterday we announced over £450 million in capital funding through the condition improvement fund. This will support over 1,000 projects to improve buildings at academies and other schools, including 23 projects at 16-to-19 academies and sixth-form colleges. That comes on top of the school rebuilding programme, which is meeting our commitment to transform buildings in poor condition at 500 schools and sixth-form colleges, and its predecessor, the priority school building programme.

In my area of skills, we are also investing over £2.8 billion of capital in skills to improve the FE estate, to develop new places in post-16 education, to provide specialist equipment and facilities for T-levels, and to deliver 20 institutes of technology across England. We are

meeting our manifesto commitment by investing over £1.5 billion in upgrading and transforming the FE college estate through the FE capital transformation programme. All colleges have had funding through the programme, but we have directed funding towards addressing the worst conditions in the estate.

The Department is working with 16 colleges with some of the worst condition sites in the country to design and deliver their capital projects, and some 77 further projects are being pursued by colleges themselves with grant funding from the programme. I was pleased to announce at the end of March that a further £286 million would be allocated to 181 colleges with remaining poor conditions. Colleges are currently developing their plans for how to most effectively use this funding over the next two years to address condition improvement of their estate. Of course, that comes on top of additional allocations of capital funding provided to colleges in December—£53 million to support capital projects, particularly energy support measures—and £150 million provided in April to support funding gaps resulting from reclassification of the sector.

As mentioned earlier, we take RAAC particularly seriously and are committed to working with the sector to address any safety risk it poses. We are working proactively with responsible bodies to help with identification and management of RAAC across the school estate and have asked them to inform us of any schools and colleges that may have it. We individually follow up every report of a school that has RAAC, sending a technical adviser to verify its presence and assess its condition. If RAAC is confirmed, we then ensure appropriate and rapid action is taken to address any immediate risk, based on professional advice. More broadly, any academy trust or local authority with a serious issue with its buildings that it cannot address from its existing resources can come to the Department. We will work with those schools to find a solution and provide additional support as needed.

As my right hon. Friend the Minister for Schools outlined earlier, we commissioned the condition data collection to provide us with robust evidence for distributing capital funding fairly to where it is most needed. We have shared a report with detailed data on each school with every single school during the programme, as well as with the academy trusts, dioceses and local authorities responsible for those schools. We published the overall findings of the condition data collection two years ago, and we plan to publish more detailed data at school level as soon as possible. Its successor programme, CDC2, is now under way and will complete by 2026. Where our surveyors see issues that cause them concern, they inform the school and the Department. My right hon. Friend and I take these issues extremely seriously. We are monitoring developments and progress constantly.

**Andrew Gwynne:** On a point of order, Mr Deputy Speaker, is it in order for Members in the No Lobby to be so noisy and disrespectful to the debate in this Chamber?

**Mr Deputy Speaker (Sir Roger Gale):** I must be going deaf; I did not hear them.

**Robert Halfon:** As I was saying, the Minister for Schools and I are monitoring developments and progress constantly. Schools and colleges are critical to the country's

1. *[Official Report, 7 June 2023, Vol. 733, c. 10MC.]*

[Robert Halfon]

economy. We continue to invest in their estates, prioritising safety. That is vital to supporting pupils and students to gain the knowledge and skills they need to provide them with the ladder of opportunity to fulfil their potential, whether through good jobs or additional education.

*Question put.*

*The House divided: Ayes 171, Noes 296.*

## Division No. 240]

[6.56 pm

### AYES

Abbott, rh Ms Diane ( <i>Proxy vote cast by Bell Ribeiro-Addy</i> )	Fovargue, Yvonne
Abrahams, Debbie	Foxcroft, Vicky
Amesbury, Mike	Foy, Mary Kelly
Anderson, Fleur	Furniss, Gill
Antoniazzi, Tonia	Gardiner, Barry
Ashworth, rh Jonathan	Gill, Preet Kaur
Beckett, rh Margaret	Green, Sarah
Begum, Apsana	Greenwood, Lilian
Benn, rh Hilary	Greenwood, Margaret
Betts, Mr Clive	Griffith, Dame Nia
Blake, Olivia	Gwynne, Andrew
Blomfield, Paul	Haigh, Louise
Bradshaw, rh Mr Ben	Hamilton, Fabian
Brown, Ms Lyn	Hardy, Emma
Brown, rh Mr Nicholas	Harman, rh Ms Harriet
Buck, Ms Karen	Hayes, Helen
Burgon, Richard	Hendrick, Sir Mark
Butler, Dawn	Hobhouse, Wera
Byrne, Ian	Hodge, rh Dame Margaret
Byrne, rh Liam	Hollern, Kate
Campbell, rh Sir Alan	Hopkins, Rachel
Carden, Dan	Hussain, Imran
Carmichael, rh Mr Alistair	Jardine, Christine
Chamberlain, Wendy	Jarvis, Dan
Champion, Sarah	Johnson, Kim
Charalambous, Bambos	Jones, Darren
Clark, Feryal ( <i>Proxy vote cast by Chris Elmore</i> )	Jones, rh Mr Kevan
Cooper, Daisy	Jones, Ruth
Cooper, rh Yvette	Kane, Mike
Corbyn, rh Jeremy	Kendall, Liz
Coyle, Neil	Khan, Afzal
Creasy, Stella	Kinnock, Stephen
Cryer, John	Kyle, Peter
Cummins, Judith	Lavery, Ian
Daby, Janet	Leadbeater, Kim
Dalton, Ashley	Lewell-Buck, Mrs Emma
Davey, rh Ed	Lewis, Clive
Davies-Jones, Alex	Lightwood, Simon
De Cordova, Marsha	Lloyd, Tony ( <i>Proxy vote cast by Chris Elmore</i> )
Debbonaire, Thangam	Long Bailey, Rebecca
Dhesi, Mr Tanmanjeet Singh	Lucas, Caroline
Dixon, Samantha	Lynch, Holly
Dodds, Anneliese	Madders, Justin
Doughty, Stephen	Maskell, Rachael
Dowd, Peter	McCabe, Steve
Eagle, rh Maria	McCarthy, Kerry
Edwards, Jonathan	McDonagh, Siobhain
Elliott, Julie	McDonald, Andy
Elmore, Chris	McDonnell, rh John
Eshalomi, Florence	McFadden, rh Mr Pat
Esterson, Bill	McMorrin, Anna
Evans, Chris	Mearns, Ian
Farron, Tim	Mishra, Navendu
Fletcher, Colleen	Moran, Layla
Foord, Richard	Morden, Jessica
	Morgan, Helen
	Morgan, Stephen

Morris, Grahame  
Murray, Ian  
Murray, James  
Nandy, Lisa  
Nichols, Charlotte  
Norris, Alex  
Olney, Sarah  
Oppong-Asare, Abena  
Osamor, Kate  
Osborne, Kate  
Owatemi, Taiwo  
Owen, Sarah  
Peacock, Stephanie  
Pennycook, Matthew  
Perkins, Mr Toby  
Phillips, Jess  
Phillipson, Bridget  
Pollard, Luke  
Powell, Lucy  
Qureshi, Yasmin  
Reed, Steve  
Rees, Christina  
Reeves, Ellie  
Ribeiro-Addy, Bell  
Rimmer, Ms Marie  
Russell-Moyle, Lloyd  
Shah, Naz  
Sharma, Mr Virendra  
Siddiq, Tulip  
Slaughter, Andy

Smith, Cat  
Smith, Jeff  
Smyth, Karin  
Sobel, Alex  
Stevens, Jo  
Stone, Jamie  
Streeter, Wes  
Stringer, Graham  
Sultana, Zarah  
Tami, rh Mark  
Tarry, Sam  
Thomas, Gareth  
Thomas-Symonds, rh Nick  
Thornberry, rh Emily  
Trickett, Jon  
Turner, Karl  
Twigg, Derek  
Twist, Liz  
Vaz, rh Valerie  
West, Catherine  
Western, Andrew  
Western, Matt  
Whitehead, Dr Alan  
Whittome, Nadia  
Wilson, Munira  
Yasin, Mohammad  
Zeichner, Daniel

### Tellers for the Ayes:

Christian Wakeford and  
Mary Glindon

### NOES

Adams, rh Nigel  
Afolami, Bim  
Afriyie, Adam  
Aiken, Nickie  
Aldous, Peter  
Anderson, Stuart  
Andrew, rh Stuart  
Argar, rh Edward  
Atherton, Sarah  
Atkins, Victoria  
Bacon, Gareth  
Bacon, Mr Richard  
Bailey, Shaun  
Baillie, Siobhan  
Baker, Duncan  
Baker, Mr Steve  
Barclay, rh Steve  
Baynes, Simon  
Bell, Aaron  
Benton, Scott  
Beresford, Sir Paul  
Bhatti, Saqib  
Blackman, Bob  
Blunt, Crispin  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Brereton, Jack  
Brine, Steve  
Bristow, Paul  
Britcliffe, Sara  
Browne, Anthony  
Bruce, Fiona  
Buchan, Felicity  
Burghart, Alex  
Butler, Rob  
Campbell, Mr Gregory  
Carter, Andy  
Cartlidge, James  
Cates, Miriam  
Caulfield, Maria  
Chalk, rh Alex  
Chishti, Rehman  
Churchill, Jo  
Clark, rh Greg  
Clarke, rh Mr Simon  
Clarke, Theo (*Proxy vote cast by Mr Marcus Jones*)  
Clarke-Smith, Brendan  
Clarkson, Chris  
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  
Dinenage, Dame Caroline  
Djanogly, Mr Jonathan  
Donaldson, rh Sir Jeffrey M.  
Donelan, rh Michelle (*Proxy vote cast by Mr Marcus Jones*)  
Dowden, rh Oliver  
Doyle-Price, Jackie  
Drummond, Mrs Flick  
Duddridge, Sir James

Duguid, David  
 Duncan Smith, rh Sir Iain  
 Dunne, rh Philip  
 Eastwood, Mark  
 Ellis, rh Michael  
 Ellwood, rh Mr Tobias  
 Elphicke, Mrs Natalie  
 Evans, Dr Luke  
 Everitt, Ben  
 Fabricant, Michael  
 Farris, Laura  
 Firth, Anna  
 Fletcher, Katherine  
 Fletcher, Mark  
 Fletcher, Nick  
 Ford, rh Vicky  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Frazer, rh Lucy  
 Freeman, George  
 Freer, Mike  
 French, Mr Louie  
 Fuller, Richard  
 Fysh, Mr Marcus  
 Garnier, Mark  
 Gibb, rh Nick  
 Gibson, Peter  
 Gideon, Jo  
 Glen, rh John  
 Goodwill, rh Sir Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Gray, James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Griffith, Andrew  
 Grundy, James  
 Gullis, Jonathan  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, Stephen  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Sally-Ann  
 Hart, rh Simon  
 Hayes, rh Sir John  
 Heald, rh Sir Oliver  
 Heaton-Harris, rh Chris  
 Henderson, Gordon  
 Henry, Darren  
 Hinds, rh Damian  
 Hoare, Simon  
 Holden, Mr Richard  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holmes, Paul  
 Howell, John  
 Howell, Paul  
 Huddleston, Nigel  
 Hudson, Dr Neil  
 Hughes, Eddie  
 Hunt, Jane  
 Hunt, Tom  
 Jack, rh Mr Alister  
 Javid, rh Sajid  
 Jayawardena, rh Mr Ranil  
 Jenkin, Sir Bernard  
 Jenkinson, Mark  
 Jenrick, rh Robert  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Johnston, David  
 Jones, Andrew  
 Jones, Fay  
 Jones, rh Mr Marcus  
 Jupp, Simon  
 Kawczynski, Daniel  
 Kearns, Alicia  
 Keegan, rh Gillian  
 Knight, rh Sir Greg  
 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  
 Loder, Chris  
 Logan, Mark (*Proxy vote cast by Mr Marcus Jones*)  
 Lopez, Julia (*Proxy vote cast by Mr Marcus Jones*)  
 Lopresti, Jack  
 Lord, Mr Jonathan  
 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  
 Menzies, Mark  
 Mercer, rh Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Millar, Robin  
 Miller, rh Dame Maria  
 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  
 Mundell, rh David  
 Murray, Mrs Sheryl  
 Murrison, rh Dr Andrew  
 Neill, Sir Robert  
 Nici, Lia  
 Nokes, rh Caroline  
 Norman, rh Jesse  
 O'Brien, Neil  
 Opperman, Guy  
 Pawsey, Mark  
 Penning, rh Sir Mike  
 Penrose, John

Philp, rh Chris  
 Pow, Rebecca  
 Prentis, rh Victoria  
 Pursglove, Tom  
 Quin, rh Jeremy  
 Randall, Tom  
 Redwood, rh John  
 Rees-Mogg, rh Mr Jacob  
 Richards, Nicola  
 Richardson, Angela  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Rowley, Lee  
 Russell, Dean  
 Rutley, David  
 Sambrook, Gary  
 Saxby, Selaine  
 Scully, Paul  
 Seely, Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, rh Sir Alok  
 Shelbrooke, rh Alec  
 Simmonds, David  
 Skidmore, rh Chris  
 Smith, rh Chloe  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Solloway, Amanda  
 Spencer, Dr Ben  
 Spencer, rh Mark  
 Stafford, Alexander  
 Stephenson, rh Andrew  
 Stevenson, Jane  
 Stevenson, John  
 Stewart, rh Bob  
 Stewart, Iain  
 Streeter, Sir Gary  
 Stride, rh Mel  
 Stuart, rh Graham  
 Sturdy, Julian  
 Sunderland, James  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, rh Kelly  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, rh Anne-Marie  
 Trott, Laura  
 Tugendhat, rh Tom  
 Vickers, Martin  
 Vickers, Matt  
 Villiers, rh Theresa  
 Walker, Sir Charles  
 Warburton, David (*Proxy vote cast by Craig Mackinlay*)  
 Warman, Matt  
 Watling, Giles  
 Webb, Suzanne  
 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  
 Zahawi, rh Nadhim  
**Tellers for the Noes:**  
 Steve Double and  
 Julie Marson

*Question accordingly negated.*

## Business without Debate

### DELEGATED LEGISLATION

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### COMPANIES

That the draft Register of Overseas Entities (Penalties and Northern Ireland Dispositions) Regulations 2023, which were laid before this House on 26 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### ENERGY

That the Energy Bills Discount Scheme Pass-through Requirement (Heat Suppliers) Regulations 2023 (S.I., 2023, No. 455), dated 24 April 2023, a copy of which was laid before this House on 25 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*



That the Energy Bills Discount Scheme Pass-Through Requirement Regulations 2023 (S.I., 2023, No. 463), dated 24 April 2023, a copy of which was laid before this House on 25 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the Energy Bills Discount Scheme (Non-Standard Cases) Regulations 2023 (S.I., 2023, No. 464), dated 24 April 2023, a copy of which was laid before this House on 25 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the Energy Bills Discount Scheme Regulations 2023 (S.I., 2023, No. 453), dated 24 April 2023, a copy of which was laid before this House on 25 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the Energy Bills Discount Scheme (Northern Ireland) Regulations 2023 (S.I., 2023, No. 454), dated 24 April 2023, a copy of which was laid before this House on 25 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### MEDICAL DEVICES

That the draft Medical Devices (Amendment) (Great Britain) Regulations 2023, which were laid before this House on 27 April, be approved.—(*Scott Mann.*)

*Question agreed to.*

## LIBOR Fixing: Conduct of Investigations

*Motion made, and Question proposed, That this House do now adjourn.—(Scott Mann.)*

7.10 pm

**Mr David Davis** (Haltemprice and Howden) (Con): The story that I will tell this evening starts with understandable public anger at the failure of both business and state during the 2008 financial crisis and the massive institutional failures to bring real villains to justice. The regulators, the US Department of Justice and the Serious Fraud Office rushed to assuage that anger and deliver convictions but failed to do the work necessary to properly fulfil their task. Instead, they effectively delegated investigation to the banks, allowing them to offer up middle-ranking scapegoats so that they could avoid prosecuting the directors of disaster who actually ran the banks.

While the real villains got off scot-free, the scapegoats, including some whistleblowers, faced coercion and injustice. Their lives were destroyed by a totally inadequate regulatory and judicial system. In British courts, critical evidence was concealed. In America, the DOJ used tactics that amounted to judicial blackmail. The result was serial miscarriage of justice: 37 people were prosecuted, 19 convicted and nine jailed simply for doing their jobs. Their prosecutions were prompted not by complaints from victims but by a political and tabloid firestorm. How did this happen? Most of the critical data and facts that I will cite come from a seven-year evidence-gathering exercise by Andrew Verity, the BBC's economics correspondent, who will be publishing a book on the subject shortly. I am grateful to Mr Verity for sight of his work and data.

In 2010 to 2012, the LIBOR scandal first came to light. It was reported that bankers at major financial institutions had colluded to manipulate the London interbank offered rate—LIBOR. Many leading banks were implicated, including Deutsche Bank, Barclays, Citigroup, JPMorgan Chase, and the Royal Bank of Scotland. LIBOR is an index designed to measure the interest rate at which major banks are lending money to each other, covering 10 currencies and over several different terms. It is calculated daily using estimates submitted by major banks of the rate at which they could borrow money at approximately 11 am. LIBOR was used worldwide as a reference for financial instruments including commercial loans, mortgages and student loans. At its peak, it underpinned \$350 trillion of financial instruments. Now, its reputation is shot, and it will be replaced next month by the secured overnight financing rate, which is calculated instead by the Federal Reserve—notably, not in London.

After the credit crunch, there were persistent rumours of banks submitting estimates below available market rates—the nickname for it is “lowballing”—and there is no doubt that that was happening. In late October 2008, not long after Lehman Brothers collapsed, Chase New York had been pressured by the Fed to offer loans at a time when no banks wanted to. The actual rate it offered was 4.68%, but on that day its dollar LIBOR submission was 3.25%. That was an enormous difference of 143 basis points—a basis point is one hundredth of 1%—but 3.25% was typical of the LIBOR submissions that day. Now, 1.43 percentage points, or 143 basis points, may seem tiny, but for a bank loan of £100 million such

a difference means nearly £1.5 million less in interest—a serious market distortion, undoubtedly harmful, particularly to small banks. Many knew it was happening, but few could, at least publicly, say why.

Then, in early 2010, Gary Gensler, head of the US Commodity Futures Trading Commission, was played a recording of a conversation between two London employees of Barclays bank, Peter Johnson and his boss Mark Dearlove. Johnson was responsible for Barclays' dollar LIBOR submissions. The conversation Gensler was hearing followed several others in which Johnson, known as PJ, complained that other banks' submissions were way below the conceivable market rate. PJ had been resisting senior level instructions to lower Barclays' rate to stay "in the pack" of other banks. Indeed, his honest submissions—honest submissions—sometimes embarrassed Barclays by making others think they were paying unusually high rates.

The first voice on the tape was Dearlove's rather cut-glass diction. He said:

"The bottom line is you're going to absolutely hate this...but we've had some very serious pressure from the UK government and the Bank of England about pushing our LIBORs lower."

Johnson protested:

"So I'll push them below a realistic level of where I think I can get money?"

Dearlove came back:

"PJ, I'm on your side, 100 per cent...These guys don't see it. They're bent out of shape. They're calling everyone from Diamond to Varley."

the senior directors—

"You and I agree it's the wrong thing to do...These guys have just turned around and said, 'Just do it'."

What the whole recording revealed was two Barclays employees agreeing to rig LIBOR, albeit reluctantly and albeit instructed by the British state, through the top leadership of Barclays.

The LIBOR investigation began once Gensler at the CFTC heard that recording. He had a crime on his hands, as it were, but it was not bank directors and executives, or senior Bank of England and Whitehall officials who would be pursued. Prosecutors increasingly switched their focus away from the state-sponsored lowballing it discussed and towards something wholly different: requests from traders to LIBOR submitters for high or low settings that would protect their trading positions.

The regulators had outsourced their investigations to external lawyers hired by the banks themselves. Most of their evidence was collected by the bank investigators, particularly evidence passed from Barclays' investigators to the CFTC, but those lawyers made fundamental errors. Most notably, for Barclays and UBS, they did not examine crucial documents, including the emails of senior executives—the real bosses. This was the first instance of a common theme: the scapegoating of low-ranking bankers by prosecutors, courts, directors and executives. Once the scandal became a news item, Barclays sacked low and middle-ranking employees like PJ who were involved. Their legal support was sharply cut off.

But not all faced the same treatment. Dearlove, for example, heavily supported by lawyers paid for by Barclays, pointed out that the instruction to lowball had come from the Bank of England and Whitehall. His case was immediately dropped like a dangerous hot potato,

which it was. People at the top were attempting to shift the focus from lowballing to those skewing the rate to protect trading positions. But while submissions only changed by one or two basis points in response to trader requests, state-sponsored lowballing often meant understating LIBOR by 50, 100 or 150 basis points—comparatively enormous. That reflected a difference between the two practices that many failed to understand. Lowballing involved setting unambiguously and hugely inaccurate rates, but the so-called skewing only involved accommodating trader requests by selecting high or low rates from the tiny range of interest rates that banks were actually offering. Prosecutors mistakenly persuaded themselves there was only one accurate LIBOR rate each day, from which submitters should never deviate.

No such single rate existed. Banks could borrow at a small range of different rates, any of which could be described as accurate. With no rules about selecting from that range, submitters quite reasonably chose the accurate rates that helped their banks' trading positions. This was not considered improper at the time, either by the submitters and the traders, or by the regulators and the central banks. It was normal trading practice that the LIBOR system was designed to accommodate.

However, the British courts later prosecuted low-ranking traders based on a sweeping ruling by the Court of Appeal that no commercial interest could ever be considered in LIBOR setting. The actions of those traders were then retrospectively declared illegal. Lives were destroyed because of the total misunderstanding of how LIBOR and business worked.

The ruling was thoroughly and unambiguously contradicted by a ruling in the US appeal courts last year. Indeed, the Serious Fraud Office initially struggled to find any plausible legal basis on which to prosecute. The submitters could not be prosecuted under laws such as the Fraud Act 2006—that required victims, false statements such as inaccurate LIBORs and potential gains for the perpetrators. None of those existed, at least not for the trader requests.

The SFO instead chose the vaguer common law offence of conspiracy to defraud. That required proving only two things: there was "dishonesty" and an agreement had taken place. However, the lowballing ordered by bank executives seemed to meet all the requirements under the Fraud Act, as well as conspiracy to defraud. It seemed a clear instance of commercial influence over LIBOR submissions, and far larger in scale. But the SFO preferred bending the law to prosecute low-ranking employees rather than pursuing top-level executives. It had access to all the material that Mr Verity has obtained, which points to the top, but it did not pursue it. For years, it failed even to interview the key executives.

Many traders initially admitted wrongdoing to prosecutors—admissions that later hurt them at trial. Tom Hayes initially admitted dishonesty to the SFO, but that is no real indictment on his cause. A shadow hung over the proceedings that motivated many who co-operated: the prospect of extradition to the United States. If they were extradited, acquittal was near impossible. More than 90% of prosecutions in the US end in a plea bargain. Most of the rest are found guilty. In the US, white collar criminals who pleaded not guilty were threatened with up to 30 years in jail without early release or any other arrangement, alongside violent

[Mr David Davis]

criminals and drug lords and in unpleasant conditions. A plea bargain that guarantees a reduced sentence to a couple of years in an open prison is irresistible by comparison.

It was a form of judicial blackmail that forced defendants to admit to things that they had not done. British defendants such as Tom Hayes wanted to avoid that at all costs, and the only way was to be prosecuted in Britain instead, which necessitated telling the SFO one crucial lie: he pleaded guilty to acting dishonestly. Hayes changed his mind and decided to fight the charge, only after realising how much he would need to falsely implicate others, and when the sheer absurdity of the charges against him became clear. But Hayes' judge, who described the case as open and shut before the trial began, ruled that no commercial interest could ever be legally considered by submitters.

The Court of Appeal upheld that absurd ruling, providing the legal underpinnings for later convictions. If applied consistently, Barclays directors, Bank of England officials and the British Bankers Association would all have been implicated. They had all effectively instructed lowballing or misreporting. But the ruling has never been applied to those at the top. Instead, Hayes got a 14-year sentence—more than an average manslaughter sentence—for something previously considered normal practice.

The SFO approached other traders for testimony to buttress its case, but everyone had engaged in the same behaviour that Hayes was accused of, because they said it was normal commercial practice. But the SFO saw no reason to stop. Instead, it found John Ewan from the BBA and Saul Haydon Rowe to act as expert witnesses. They testified that derivatives traders could never request changes to LIBOR submissions. Yet, as the SFO knew, Rowe was not an expert on LIBOR. In another trial, Ewan would contradict himself by saying it was permissible to submit LIBORs within the market range for commercial reasons. That is not to mention the fact the BBA itself had encouraged banks to adjust LIBORs in the past. An abundance of evidence that would have shown that what Hayes was doing was normal, and permitted by regulators and central banks, was either suppressed or not disclosed.

The theme repeated itself throughout the trials: important evidence was withheld, and the evidence offered came from non-experts or people who knew about or had condoned the behaviour. The same would happen in trials relating to Euribor—the Euro equivalent of LIBOR. The founders of Euribor had written rules for submissions when they launched the benchmark, and were willing to testify that commercial influence was welcome, expected and allowed for, but the judge refused to hear the evidence and ruled it was impermissible for submissions to be influenced by trading positions.

Not everyone faced that kind of trial. A recent judgment in America casts doubt on every conviction that relied on sweeping rulings about commercial influence. In January 2022 a US Appeal Court ruled, in *US v. Connolly and Black*, that trader requests—the basis for every single conviction—were not illegal. That shatters the foundations underpinning the ruling by the UK Court of Appeal.

The ruling was made by the Appeal Court for the Second Circuit, the circuit that includes New York and that would have judged an enormous volume of alleged financial crime. That court had a very high degree of financial expertise and we should place significant weight on its expertise. The ruling makes Britain a global anomaly—the only place where traders were locked up for something wrongly and retrospectively declared illegal. Indeed, the French, German and Japanese authorities never considered trader requests a crime, and even refused British requests to extradite traders.

These miscarriages of justice are scandalous, but perhaps just as serious was the attempt by the British and American establishments to hide their involvement in similar behaviour and their failure to apply the law equally and fairly. At its worst, it involved potential perjury in key trials. At other points, it involved possibly misleading a Committee of this House.

In 2012, the then deputy governor of the Bank of England told the Treasury Committee he had learned of lowballing only in “the last few weeks”, yet there appears to be damning evidence that that was untrue, including meetings, phone calls and sworn testimony to US authorities. It was also claimed there were no Bank of England instructions to change LIBOR submissions, but evidence uncovered by Mr Verity suggests that is also untrue.

The explanation offered to the Committee, that a misunderstanding caused traders to believe the Bank had instructed lowballing, is undermined by evidence that bankers had already received instructions prior to that “misunderstanding”. If it was a misunderstanding, no attempt seems to have been made to rectify it. Moreover, the recording of Mark Dearlove and Peter Johnson that I quoted earlier was not shown to the Treasury Committee, despite Barclays knowing about it at the time. It was exposed only in 2017 by the BBC's “Panorama”. If it had been shown, it would have thrown doubt on any denials about Government pressure.

Several people who could have contradicted evidence before the Committee were never called to give evidence, such as Mark Dearlove and Peter Johnson, the two people on that tape recording; traders and submitters, who could have revealed information about any instructions; and the senior Whitehall officials behind much of the pressure, including Gordon Brown's policy chief and the second permanent secretary to the Treasury.

The response to the scandal was itself scandalous. Every part of that public response—the convictions, parliamentary investigations and decisions not to investigate—were, at best, extremely questionable. I intend to write to the Metropolitan police asking them to review the evidence in order to examine whether any perjury has occurred. I have already written to the Chair of the Treasury Committee and the Speaker to consider whether the House was misled, and whether a new inquiry is needed.

**John McDonnell** (Hayes and Harlington) (Lab): I thank the right hon. Gentleman for bringing this scandalous miscarriage of justice before the House. The House will have the opportunity to listen to Andy Verity when he comes to the Commons on 6 June, as well as some of those who were prosecuted. I suggest the right hon. Gentleman holds off from writing to the Metropolitan police until we confirm there will be a Select Committee inquiry. From the evidence available to us, it is clear that the House



was misled, and I would not want a police inquiry to impede a House inquiry before we get the full evidence. We need an assurance from the Select Committee that it will seek Treasury officials, Treasury Ministers, Bank of England officials and all those regulatory bodies that were involved in this egregious miscarriage of justice, where people have suffered greatly as a result of what clearly appears to be not just the House being misled, but a conspiracy among them as well.

**Mr Davis:** This is not the first time that the right hon. Gentleman and I have worked together on a miscarriage of justice, and I will defer to his wisdom on this. Given that it has been a decade, I do not think that a three-month or six-month delay in writing to the Metropolitan police would necessarily be a bad thing. I am happy to wait until the conclusion of any Select Committee hearing and any report that might be produced. I will no doubt hear from the Select Committee Chairman in the coming weeks.

The former Lord Chancellor, Lord Mackay, who has seen this, has said that the whole affair presents a “serious challenge” to the “fairness of our system”, and that the question of law after the US judgment is more than worthy of consideration by the UK Supreme Court. Nine people were jailed for LIBOR rigging, and each one of those cases is a potential miscarriage of justice. Those people lost their careers, their reputations, their savings and their marriages. Their families’ lives were destroyed. Their cases demand a proper re-examination, preferably by the Supreme Court. The only other solution, as the right hon. Member for Hayes and Harlington (John McDonnell) said, is a fresh look at the entire affair. A fresh parliamentary inquiry, with the protection of parliamentary privilege, would help to ensure that the truth comes out and that British justice is finally applied equally to all.

7.31 pm

**The Economic Secretary to the Treasury (Andrew Griffith):** Let me first congratulate my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) on securing this debate. I recognise the work he has done to raise the profile of issues relating to the LIBOR scandal. I am also grateful to the right hon. Member for Hayes and Harlington (John McDonnell) for his intervention.

I would like to begin by saying a few words about LIBOR more generally. It is intended to reflect the rate at which banks lend to each other in wholesale markets. At its height, it was referenced by over \$400 trillion-worth of financial contracts and was published for five major currencies. It has historically been important, not only for how our financial system operates but for everyday households and businesses. It featured in all sorts of contracts, including mortgages and loans in this country and internationally.

In the wake of the 2008 financial crisis and the decline in liquidity in inter-bank lending, the Financial Stability Board made it clear that continued use of major interest rate benchmarks such as LIBOR represented a potentially serious source of systemic risk. This was because the underlying market that these rates were intended to measure was no longer sufficiently active. To make LIBOR submissions, banks were instead increasingly reliant on expert judgment, which made LIBOR vulnerable to manipulation and a source of potential financial

stability risk. This began the process now known as LIBOR wind-down, in which the UK Government, along with the regulators, have worked with the market to gradually phase out LIBOR. That process is almost complete. It has been complex but, to date, successful.

Turning to the scandal raised by my right hon. Friend, in 2012 it emerged that LIBOR was being manipulated for financial gain, and this became known as the LIBOR scandal. It was discovered that bankers were falsely inflating or deflating their rates to profit from trades. As a result, investigations into criminal activity began in a number of jurisdictions including the UK and the US. As well as fines to banks including Barclays, UBS and Deutsche Bank, the Serious Fraud Office secured five convictions for LIBOR rigging.

I agree with my right hon. Friend’s sentiment that this was a serious matter, and the response of the Government at the time reflected that. The Government set up the independent Wheatley review in 2012 and subsequently endorsed all of Mr Wheatley’s recommendations. They introduced legislation through the Financial Services Act 2012 to bring LIBOR under the regulatory jurisdiction of the Financial Conduct Authority, where it has remained. They also made manipulating benchmarks such as LIBOR a criminal offence. As I have mentioned, the investigations and subsequent prosecutions relating to the scandal were led by the independent Serious Fraud Office.

I note that my right hon. Friend says he will write to the Metropolitan police and has written to the Treasury Committee. He will understand that it would be inappropriate for me to comment from the Dispatch Box on any individual cases, or on the specifics of those cases. I can say that the Government’s position on financial market abuse is clear: it undermines the integrity of public markets, reduces public confidence and impairs their effectiveness.

Finally, I will speak to the point that my right hon. Friend has raised, that, during the financial crisis, state authorities were involved in the rigging of the LIBOR—lowballing, he referred to it as—and that the Treasury Committee was misled. He will be aware of the evidence provided to the original Treasury Committee inquiry by the former deputy governor of the Bank of England, Paul Tucker, and of the conclusions reached by the Committee in paragraph 107 of its report.

Select Committees of this House perform a vital role in holding Ministers and others to account, and it is important that, in fulfilling this role, they receive accurate evidence. It would, however, be a matter for the Treasury Committee and the relevant witnesses to respond as needed and, like my right hon. Friend, I look forward to hearing the response of the Committee’s Chair.

As a fellow parliamentarian, I thank my right hon. Friend for using his significant authority in this place to raise this important matter. I hope he will be content if I conclude my remarks with the hope that the UK will always uphold the integrity of our markets, as well as fair justice for those who work in them.

*Question put and agreed to.*

7.36 pm

*House adjourned.*



# Westminster Hall

Tuesday 23 May 2023

[DAME CAROLINE DINENAGE *in the Chair*]

## Short-term Holiday Lets: Planning

9.30 am

**Kevin Foster** (Torbay) (Con): I beg to move,

That this House has considered short-term holiday lets and the planning system.

Let me start by thanking my colleagues on the Backbench Business Committee for agreeing to schedule the debate and the Members from across the House who agreed to support my application. I also want to thank Parliament's participation and digital teams, who helped to ensure that those who signed relevant petitions were aware of the debate and helped to gather evidence of the impact of the issue across the UK.

The issues with our housing supply do not have any simple resolution or magic bullet solution. Many factors need to be considered and approaches need to be taken, including reform of our planning system to ensure we can deliver a relentless focus on regenerating brownfield sites and our town centres. The subject of today's debate—planning—would not on its own resolve the pressures on housing in coastal areas such as Torbay. I will not argue that we should use changes to the planning system to ban all new short-term holiday lets, yet changes in that specific area could make a real difference and the issue needs to be addressed, not least to give confidence to local authorities when granting planning permission for new housing in popular areas for tourism such as Devon and Cornwall. It would mean new homes would become available rather than new holiday accommodation.

The focus for today is on how we can create a planning system that gives local communities the ability to strike the right balance between opportunities to create different accommodation options for tourists and ensuring there is a supply of housing for the local community, which is vital in providing the staff and services to support the visitor economy without which the tourism short lets would not exist.

**Selaine Saxby** (North Devon) (Con): Does my hon. Friend agree that in addition to the work within the Department it is vital that the Treasury looks to rebalance the tax inequalities between long-term and short-term rental if we are to secure places for people to live in our beautiful constituencies?

**Kevin Foster:** My hon. Friend is absolutely right to highlight that. A range of factors go into the pressures that push some landlords from long-term residential lets to short-term holiday lets. Factors include the system of taxation and whatever wider regulation is in place for landlords. We might also consider what incentives we can provide for people to build to rent. If a company builds a property specifically to rent it as a home, they are likely to offer longer-term tenancies and the landlord is highly unlikely to want to move back into the property, which is one reason why a residential tenancy might come to an end. My hon. Friend is right to highlight that the issue is part of a wider debate about how we ensure there is an adequate supply of housing in our

constituencies so that organisations such as the NHS can recruit staff. We have reflected on that issue before. If people cannot find somewhere to live in the local area, clearly they will not take up jobs in that area. That goes to the heart of the debate.

To expand my argument I should define what I mean by a short-term holiday let. The term “short-term letting” is most commonly used to refer to the offering of residential accommodation to paying guests. It can include single rooms within a shared premises or the letting of an entire premises such as a house or flat. Short-term lettings are distinct from private residential tenancies because they do not require the occupier to treat the property or part of it as their principal home. They are also distinct from other forms of guest accommodation such as hotels or hostels as the lettings are in premises that could or would otherwise be used as a permanent residence—in essence, a home.

There is evidence that the number of short-term lettings in England has increased significantly in recent years, particularly because of the development and growth of the sharing economy and peer-to-peer accommodation services such as Airbnb. Those online platforms essentially provide marketplaces that connect people who want to rent out their properties or spare rooms with people seeking short-term accommodation.

**Daisy Cooper** (St Albans) (LD): I am grateful to the hon. Member for making those points and for giving way. He will be aware that platforms such as Airbnb have been calling for a register of short-term lets for a long time. Does he agree that a register is precisely what the industry wants because that would allow it effectively to nick properties from other platforms? However, what communities need is their local planning authorities to have the powers to decide on the number of short-term lets and whether to renew licences when there has been antisocial behaviour.

**Kevin Foster:** First, I would gently point out that the debate is focusing on the planning system and giving local councils the ability to prevent overconcentration in particular areas, as well as having an eye to the wider housing situation when deciding whether a property should be converted.

On the allied issue of putting a registration system in place, my own tourism industry would like to see that, and having a register of properties being used for this purpose would make it easier to do certain compliance checks. If people were in breach of lease obligations, whereby they might not be allowed to sub-let a property by the freeholder, that would be highlighted.

A register needs to be seen as part of a range of measures, but it is worth noting that a wider regulatory system would be introduced once there was a register of such properties. Today, however, the focus is clearly on the planning system and how we could empower local authorities on behalf of their local communities to shape the housing market in this area to ensure that we do not see streets that should be providing residential homes becoming holiday parks.

Owing to the issues with registration, or the lack of registration, it is hard to get exact numbers for the properties involved. However, I note the report by Alma Economics commissioned by the Department for Digital, Culture, Media and Sport to analyse the results of its



[Kevin Foster]

recent consultation on developing a tourist accommodation registration scheme in England. The report concludes that although there is no single source of data on short-term lets in England “one plausible estimate” is 257,000 properties in 2022.

Another piece of analysis, which was undertaken by the charity CPRE—the Campaign to Protect Rural England—looked at property data collected by AirDNA on Airbnb and similar platforms, and estimated that 148,000 properties in England were being used for short-term lettings in September 2021. That analysis points to what makes this a core issue for those of us lucky enough to represent beautiful parts of our United Kingdom such as Torbay, where tourism is one of the main drivers of our economy owing to its concentration in the area.

Further analysis from CPRE confirms that some areas have seen a dramatic increase in short-term lettings in recent years. For example, in Cornwall, short-term listings increased by 661% in the five years to September 2021. While Airbnb is one of several providers of listings of short-term lets, it is the best known company operating in this area and is generally held to be leading the market, with its name becoming synonymous with such activity.

**Richard Foord** (Tiverton and Honiton) (LD): Will the hon. Member give way?

**Kevin Foster:** I am going to make progress because I want to give other Members the chance to speak.

Let me put a scale on the activity: analysis by financial services company Moore Stephens suggests that in 2018 Airbnb was about a third of the size of the hotel sector in London. Discussion on the growth of short-term lettings tends to focus on Airbnb, so there has been much analysis of its numbers in particular locations, but that still does not capture the whole picture. Hence the need for a registration scheme.

I welcome innovation in our tourism industry, and I recognise that Airbnb has met a demand for a different type of accommodation offer, which visitors are looking for. Previous generations developed new offers for visitors, such as holiday parks that could offer a package deal to workers who, between the wars, were able to take paid holiday leave for the first time. That followed the innovations of Victorian pioneers, who used the ability to travel created by the railways to build mass market tourism, which prompted the dramatic expansion of many coastal resorts, including Paignton and Torquay. The outcome of the debate should not be us concluding that we should seek to end such use; it must be that a balance needs to be struck, and that powers need to be created to achieve that balance in areas where large numbers of such properties already exist, and local housing supply is constrained.

We should not start by assuming that a property listed as a short-term holiday let would otherwise be a family home. Caravans, feature properties and specially built holiday accommodation centred around an owner's residence, such as a block of small holiday cottages on a farm or hotel site, or in the grounds of another property, are unlikely to be available to rent more generally, but there are growing signs that property owners have moved

to end the use as homes of properties that were built as and intended to be residential housing, in some cases evicting families to do so.

In my local surgeries, I have seen cases of that nature, and Torbay Council often has to try to find a solution at the public expense. I also note the examples highlighted as part of the survey conducted with the aid of the parliamentary engagement team, which saw 188 people get in touch. Many of the replies were from the south-west, including one from Martin, a constituent of mine. He stated:

“If you complete a search for short term holiday lets in Torbay, you now get 1,000+ returns. This is an increase of over 500 in just a 2-year period. This is a significant reduction in the availability of private rented accommodation in the Bay, causing rentals to jump in cost, and some residents to become homeless at the end of their tenancy.”

There is also Terry, who stated:

“Short-term holiday lets have had a catastrophic impact on housing availability...Post-covid the housing dynamic in my town changed as many private landlords sought to capitalise on a thriving holiday market and flipped their private rents to holiday lets. This meant a flurry of Section 21 notices with no alternative private tenancies available.”

Then there is Mark, who stated that he represents a local campaigning group:

“We are not against holiday lets; many of our members work within the industry. What we want is to give our local council the powers to balance the needs of the economics of tourism with the basic human need of local families to have a safe, affordable place to live”.

I appreciate that the practice brings greater reward for some property owners, but unchecked growth and overconcentration create a danger of undermining the very tourism sector that makes it possible.

There is not just a moral case for preventing families being made homeless to create new tourism accommodation, but a pressing economic one. Tourism relies on many key workers; without them, it cannot function. Similarly, tourism relies on a range of other services to support it, including health, retail and transport. If workers in those sectors cannot access a home in the area concerned at a price at which they can afford to rent or buy, it inevitably creates recruitment issues.

I accept the argument that a key part of tackling the problem is ensuring that a supply of new homes is created in the community concerned. I have spoken before about the poor record on delivering affordable housing of the Lib Dem-independent coalition that ran Torbay Council until the recent elections, and it will not be alone. Preventing more existing properties from being converted into short-term lets will not create the new ones needed, but that will take time while the impact of conversion is immediate. It is also not unprecedented to restrict types of uses in some locations. Houses in multiple occupation—HIMOs—are a useful part of our housing supply mix, yet we rightly allow councils to limit their numbers in specific locations to ensure that an excess concentration does not create serious issues for a specific community.

Many of the problems cited in areas where there are large numbers of short-term holiday lets sound similar to those with HIMOs. Impacts may include noise disturbance, antisocial behaviour, inappropriate disposal of food waste and general refuse, and reduced security. For example, the Greater London Authority reports

that in the five London boroughs with the most Airbnb listings—Camden, Kensington and Chelsea, Southwark, Tower Hamlets and Westminster—there have been numerous complaints related to short-term letting activity, with Westminster reporting 194 complaints regarding noise, waste and antisocial behaviour in one year.

There are also issues with health and safety, along with fire regulations. Bitter past experience, including deaths in hotel and guest house fires, has led to a system of protections being put in place, yet there are concerns that the type of protections at a small guest house may not be replicated at a large property being used as a short-term holiday let. Such matters could be dealt with through registration, which means that compliance inspections can be made, yet they could also be helped with by ensuring that planning permission is sought before conversion to such use. There are also tax and business rates issues, but those are matters for another debate; our focus today is on the planning system.

Given the impacts, I was pleased when the Government honoured the commitment they gave to those of us who signed an amendment calling for change during the passage of the Levelling-up and Regeneration Bill by launching a consultation on planning measures to give local authorities greater control over the number of short-term lettings in their area when that is an issue. The proposals include creating a new use class for short-term holiday lets to distinguish them from dwelling houses—a key point in dealing with the issue—and introducing permitted development rights for dwelling house to short-term holiday let conversions and vice versa so that planning permission would usually not be required for those changes. Crucially, they also include giving local planning authorities the option to revoke the permitted development rights in their area using an article 4 direction. I am aware that the consultation closes on 7 June, and I encourage all those with an interest in the matter to take part.

I appreciate that my hon. Friend the Minister will not be able to pre-judge the consultation, but she will know that there is a danger that if there is a protracted period of time between the announcement of the Government's intention to change the system and their actually doing so property owners could seek to beat the deadline, exacerbating the issue that we seek to control. First, can she assure me that if the Secretary of State concludes changes should be made, she has engaged with local authorities about how quickly they can be implemented? Secondly, what thought has she given to ensuring that the outcome is not a closing-down sale, with a rush to convert before the new rules apply? Thirdly, has she ensured a slot has been secured for any legislative change? Fourthly, although I appreciate the need for consistency in standards and the application of terms, will she ensure that councils can set a policy in all or part of their areas, depending on local circumstances?

An appropriate level of short-term lets can create choice and attract visitors, yet families being evicted from their homes to create holiday accommodation is unacceptable. Requiring planning permission would give local authorities an opportunity to decide the right balance in their area while protecting family homes and giving those deciding on planning permission confidence that new housing developments cannot become a new holiday park. The current position is not sustainable; key workers are being priced out, and the very industry

the properties rely on—tourism—is being damaged. It is vital that change comes, and I hope it comes quickly.

**Dame Caroline Dinenage (in the Chair):** It does not take a rocket scientist to figure out that quite a few Members wish to speak. I will start to call Front-Bench spokespeople around 10.28 am. We are looking at a guideline of five minutes each. I will not impose it, but I prevail on Members to use their discretion in keeping to that time.

9.46 am

**Tim Farron (Westmorland and Lonsdale) (LD):** It is an honour to serve under your tutelage and guidance, Dame Caroline. I pay tribute to the hon. Member for Torbay (Kevin Foster) for securing the debate and leading with a very thoughtful introduction. Without wasting time, I endorse all the wise procedural questions he asked the Minister, who can take them from me as well.

We are talking about the problem of short-term lets. Representing the lakes, dales and other beautiful parts of Cumbria, I want to say clearly that we value the tourism economy. It is of massive significance, with 20 million visitors a year and 60,000 jobs in the sector. It is not just about the economy; we believe we have a duty to steward that beautiful part of the world for others to visit.

We are a national park where people can visit the Brathay outdoor education centre on Sunday, or the Outward Bound Trust centre at Ullswater. We live in a place that we want people to visit. It is a privilege to do that and to look after them. We are not denying that holiday lets are an important part of the tourism economy. There needs to be visitor accommodation, and that includes Airbnb, which is a neutral platform. The rules within which it operates are the problem.

We have to accept that, in my part of the world and that of many others in the Chamber today, there is not just a housing crisis, but a catastrophe. There are three principal causes: a lack of genuinely affordable homes being built; excessive numbers of second homes gobbling up full-time residential accommodation; and a short-term rented sector that has gobbled up the long-term private rented sector.

The register looks like an important step in tackling issues to do with standards and quality but clearly, as alluded to by the hon. Member for Torbay, it is a potential window to creating a separate category of planning use, which is necessary if we are to allow authorities such as the Lake District, the Yorkshire Dales and Westmorland and Furness local authority the opportunity to regulate and keep a high minimum of long-term properties available for local people to live in.

The pandemic saw lots of things change. One was the stamp duty holiday, introduced by the now Prime Minister when he was Chancellor of the Exchequer, which saw a massive boost in the number of second homes. Of all house sales in that period, 80% went to the second-home market in my part of the world. We saw an enormous increase of long-term rented properties collapsing principally into Airbnb, largely because the Government did not scrap section 21 evictions at the time they said they would.

[Tim Farron]

The consequences are huge and human. I think of the couple with two small children in Ambleside, she a teaching assistant and he a chef. They were evicted from their flat because the landlord wanted to go to Airbnb. They had literally nowhere else to go, so the children were out of school, a teaching assistant was lost to the local primary school and a chef lost to a local hotel. They had to move 25 miles away and out of the area.

In Sedbergh, a relatively small town in the dales at the end of my constituency, 25 households were evicted at the same time—all chasing zero homes available for long-term rent. I think of a mum and her 15-year-old son, who lived their entire lives in a village just outside Grange before they were evicted. Again, there was nowhere they could remain within the community. When people are evicted, there is nowhere else to go.

I have some quick figures. There are 232 long-term rental properties available in the whole of the county of Cumbria, and there are 8,384 short-term lets, of which 75% are Airbnbs. When someone is kicked out of their home because their landlord wants to turn it into a short-term let, there is literally nowhere they can go in their community. The consequences are vast: hollowed-out communities, schools with falling rolls—many really good schools have seen 20% to 30% of their rolls disappear in two or three years—and a national park that only very wealthy and privileged people can afford to visit and stay in. It is devastating for our economy, too: 83% of hospitality and tourism businesses in Cumbria report that they have difficulty in recruiting staff. Some 63% are operating below capacity and are unable to meet demand because they cannot recruit the staff. That is for the tourism economy, which is worth £3.5 billion a year in the lakes and the dales of Cumbria. We are under-meeting the demand that exists because of a lack of staffing, as there is nowhere for people to live.

It is not just the tourism economy that is affected, but the care sector and other professions. At one stage, earlier this year, 32% of hospital beds in Morecambe bay were blocked. Why? The bottom line is that we cannot get people out of hospital because there are not enough carers. Why? Because there is nowhere for them to live.

What the Government are proposing may be locking the stable door after the horses have bolted, but I am glad that at least they are thinking of doing that. I am optimistic about a better and fairer housing market in the lakes, the dales and elsewhere in Cumbria, but it will need ambitious regulation. Part of my frustration is that this catastrophe is avoidable and obviously fixable. Short-term lets need to be a separate category of planning use so that local authorities can ensure that there are enough homes, not just in national parks but in places such as Grange, Kendal and Appleby.

The Government also need to tackle the number of second homes, although they show no intention of doing so. Why is a separate category of planning use not being considered for second homes? It is good that the Government have allowed local authorities to double the council tax on second homes, and we in Westmorland and Furness are gladly doing that. We also need to tackle the issue of new homes being affordable, which does not mean £300,000 a year. It requires giving not

just national parks, but authorities outside them, the ability to say, “The only things you can build here have got to be affordable and available for local people.”

The housing catastrophe can be overturned, but with the Government planning to think about tackling only one of its three causes, those of us in Cumbria and communities like ours will remain of the view that this Government do not understand much, do not care much either, and are rather taking us all for granted.

9.53 am

**Simon Jupp** (East Devon) (Con): I thank my hon. Friend the Member for Torbay (Kevin Foster) for securing this morning’s debate on short-term holiday lets and the planning system.

I represent a glorious part of the UK. It is understandable that many people want to visit East Devon year after year: we have the Jurassic coast, stunning food, rolling hills, country pubs, quaint bed and breakfasts, and historic attractions. Many jobs in our communities depend on visitors enjoying the variety and availability of accommodation options. Visitors, in turn, spend money locally year after year.

Homeowners benefit from the flexibility offered by short-term lets. For many, it is an important second income at a time of high inflation. However, the soaring numbers of short-term lets and second home ownership make it more difficult for so many local people to own a home of their own. I live in Sidmouth, where a glance at the estate agent’s window reveals the reality: local people are being priced out of the market. It is a similar story in Beer, Branscombe, Budleigh Salterton, Exmouth, Topsham and Seaton. Many local people find it increasingly difficult to get on the property ladder, given the high prices advertised. Homes are often being sold to cash buyers from elsewhere within days of being advertised.

I hope the key message of today’s debate will be that we need to get the balance right. Homes to buy and for long-term rent are out of reach for many people who grew up in Devon, like me, or who work locally or need the support of family to look after a loved one. Our country and our county need strong communities all year round, not places that are ghost towns half the year. What have the Government done, what will the Government do and where could the Government go further?

**Richard Foord:** Will the hon. Member give way?

**Simon Jupp:** I have a short speech, so I will make some progress.

The Government have been listening to the concerns of colleagues, particularly those who represent tourist hotspots in Devon, Cornwall, Norfolk, the Lake district and Yorkshire. There have been welcome measures. The Government have already introduced higher rates of stamp duty for additional properties. They have closed business rate loopholes. They plan to let local authorities double council tax on second homes, as has been mentioned. That is a great start, but more action is needed, specifically on short-term lets. That is why I welcome the introduction of a registration scheme through an amendment to the Levelling-up and Regeneration Bill, which will bring short-term lets up to a higher standard and provide much-needed data on activity in local areas.



This debate is timely, because the consultation on how the registration scheme will be administered is still open; it closes in roughly a fortnight. There are also plans to restrict the ways in which homes can be flipped into short-term lets by bringing in new permitted development rights for a change in use from a C3 dwelling house to a C5 short-term let. Councils would then have the option to limit the use of those permitted development rights, such as in certain geographical areas with the highest number of short-term lets. Let me tell you: East Devon is definitely one of those.

The consultation is running in parallel to the one on registration schemes, which also closes soon. It is right to give local councils all the tools they need. Those powers should not be mandated by Whitehall officials. Decisions will be made by local people elected at the ballot box. I hope that East Devon District Council will use the tools given to it by this Conservative Government.

Finally, there are areas in which the Government can go further. As I have mentioned before in Parliament, one policy could be to allow councils to reserve a percentage of new builds for people with a local family or economic connection to an area. For example, the purchaser or tenant could have to meet one of the following conditions: that they currently live or work within 25 miles of the property, that they were born within 25 miles of the property, or that they can demonstrate a care network within 25 miles of the property. A covenant would permanently protect a percentage of any new housing stock from short-term let or second home ownership. We undoubtedly need to build new homes in East Devon, but we should aim to look after locals first. The Government can be creative and proactive in looking at all possible options. Only then will there be a better balance.

Obviously there are two sides to this debate, and I do acknowledge that short-term holiday lets bring visitors to the places we love. Visitors contribute a great deal to our communities in East Devon, but their stay is often enjoyable only because of local workers behind the bar of a pub, in the kitchen of a restaurant or tapping on the till of a local high street shop. Those workers need somewhere to live, too. Our economy in East Devon would grind to a halt without them. We need a much better balance for our communities in East Devon for local people, now and for generations to come.

9.57 am

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): We are here again talking about Airbnbs and second homes. On a cross-party basis, we are all still demanding action from Ministers. Some demand it louder and some demand it more politely, but the basic premise is that the Government are clearly not listening to the needs of rural and coastal communities because the level of action that is required is not being implemented. Time and again, in debates like this, we have heard that just tweaking this little bit here or that little bit there will make a difference. It will not.

We need to be honest about the scale of the housing crisis in rural and coastal communities, be honest that the pandemic turbocharged that housing crisis, and be honest about what needs to be done to change it. That is really important. There are too many people in rural and coastal communities, such as those I represent in

Plymouth, who are being turfed out of their homes and seeing those homes being flipped immediately into Airbnbs with astronomical rates. The promise that section 21 evictions would be banned was given to families like the ones being turfed out. It needs to be delivered, but it has not been. That is a political choice. I encourage the Minister to bring forward the ban on section 21 evictions and make it proper.

We need more homes. The south-west has enough houses; we just do not have enough homes for people to live in. In Cornwall, there are 23,500 households on the housing waiting list and there are approximately 25,000 second and holiday homes. The solution is not to convert one to the other straightaway, but to recognise that if we want to address the housing crisis, we have to build more to protect people in long-term rentals and ensure that housing is affordable for everyone.

Working with Councillor Jayne Kirkham, the leader of the Labour group on Cornwall Council, and Perran Moon, our candidate in Camborne and Redruth, we put together our First Homes Not Second Homes manifesto. I presented it 18 months ago—pretty much standing in the same spot in the same debate—and I am glad that some of it has started to gain political traction.

I want councils to have more power, and not just to double council tax—we originally proposed quadrupling it. I think the Government could go faster in allowing councils to do that. I note that Cornwall Council, a Tory-controlled authority, has just written to the Government asking for the power to triple council tax, raising an extra £50 million a year. In a county such as Cornwall, that would be a really important part of this.

I want a licensing scheme to be introduced, but it is not enough just to have a licensing scheme. We need a very clear cap and floor so that local communities can decide how many second homes and Airbnbs are suitable in a community, to prevent it from being hollowed out. That is a really important part of a licensing scheme. It is not enough just to have a list; we need a floor and a cap to ensure that it works properly.

Then we need to build more—we need to build, build, build. In the words of the Secretary of State for Levelling Up, Housing and Communities,

“there simply aren’t enough homes in this country.”

We need to ensure that we have enough homes, not just enough houses. Scrapping the housing targets may have been good politics for the Prime Minister in keeping his own Back Benchers happy, but it is not dealing with the housing crisis in places such as the south-west. We need builders, not blockers, we need first homes, not second homes, and we need long-term lets, not just short-term lets. We also need to consider the profound consequences, one of which is the hollowing out of community infrastructure that comes from having too many Airbnbs and second homes in a community.

That is why we also propose a “last shop in the village” fund, created through a levy on empty second homes, that would help to support the last shop in a village, the last pharmacy, the last post office, the last pub or the last bus route. When those facilities go, communities are hollowed out. The community infrastructure that gels a community together and brings people together is lost and cannot be easily replaced.

Finally, we have argued—I still think this is needed—that we need to lock in a discount for local people. I like the idea of covenants: protected, stronger covenants for

[*Luke Pollard*]

local people who work in certain industries. That is a really important part of recognising that we need a mixed economy in a community, but we need to do more of it and it needs to go further.

The reality is that second homes, Airbnbs and the planning system, which were once a niche issue, are now a regular issue in this place. We—nearly every single one of the characters due to speak today—will be back here in a few months' time, repeating the same debate, because we are not seeing the level of action that is required. If we are speaking honestly, the Government are the blocker on this one. The Government could go further if they chose to do so. I encourage the Minister to take this message back to the decision makers in power: we need to see action on second homes, Airbnbs and the lack of affordable housing in rural and coastal communities before we truly hollow out those communities at an irreparable rate.

10.2 am

**Derek Thomas** (St Ives) (Con): I thank my hon. Friend the Member for Torbay (Kevin Foster) for securing the debate and ensuring that a Minister from the Department for Levelling Up, Housing and Communities will respond. My hon. Friend has comprehensively set out why this debate is needed. Tourism is vital for my constituency, as it is for his. I have discussed the impact of holiday lets with the Tourism Minister, but although tourism sits with culture, media and sport, the effect of holiday lets needs to be addressed as part of the planning system, as we have heard. Holiday lets have grown by 661% in Cornwall in five years, according to the Campaign to Protect Rural England. That means that there is less property available for homes. I can assure the House that house building has not grown at the same rate, so the inevitable has occurred: families have lost their homes and the insatiable demand for housing goes on.

The consequence of this gold rush for short-term holiday lets, particularly because people have discovered through various TV programmes and the G7 that Cornwall is a great place to visit, is that prices are driven out of reach for local residents and for people who could become local residents. Like other Cornish MPs who are here today, I speak to NHS managers who are unable to persuade carers, nurses or dentists to relocate to west Cornwall, and to Cornwall generally, because they cannot afford to live there. I speak to businesses that want to expand, but that have the same difficulty with attracting staff. By taking action on holiday lets, we will not just level up on housing; we will also level up on health disparities and economic disparities.

The planning system exists to protect amenity in the public interest, but a disproportionate number of holiday lets hit amenity more than most developments, making schools, shops, churches and clubs unsustainable. Local authorities need the ability to protect their communities—a point well made by my hon. Friend the Member for Torbay. The Government are rightly consulting on a new use class for holiday lets, but we need a joined-up approach across Government.

As my hon. Friend the Member for North Devon (Selaine Saxby) correctly pointed out, there are incentives for landlords to switch from long-term rentals to short-term

holiday lets, and landlords have followed the incentives. One in 10 holiday let companies were previously registered as buy-to-let businesses. I know we want to stick to planning, but this issue needs to be addressed across Government. Some of these incentives come from the Treasury, such as when it stopped buy-to-let businesses claiming their mortgage costs against tax. Those incentives will only get stronger as interest rates continue to drive up landlords' mortgage rates. Will the Minister talk to Treasury colleagues so that both Departments are working in the same direction?

The Department for Energy Security and Net Zero has still not clarified whether it will act on its proposals to require rental properties to have an energy performance certificate rating of C or above. That means that landlords are already switching to holiday lets, which are not subject to the same minimum energy efficiency standards. Last July, the Government announced a review of the methodology used for EPC ratings. We all recognise that the current system is not fit for purpose and delivers wrong outcomes for the people living in the property. An update on the review would be welcome.

There is a lack of clarity about properties that will never be able to reach a C rating. The art deco flat owned by my constituent has curved windows that cannot be double-glazed and curved walls that cannot be insulated. It is not listed, so it may not be exempt; the only option then would be to use it as a holiday let. Will the Minister work with her colleagues in the Department for Energy Security and Net Zero to provide certainty and clarity on EPC standards for long lets and on the review of EPCs?

Finally, the Department for Levelling Up, Housing and Communities is increasing protection for renters, but the legislation must balance that with the rights of landlords. I hear the passion of Opposition Members about section 21, but landlords are already worried about what that will mean for them. People who have properties or were left properties and were thinking about providing long lets are considering turning them into holiday lets. One landlord put it to me that the Department has assumed that all landlords are *Rachmans*, and he was tempted to throw in the towel and switch to holiday lets. Will the Minister assure my constituent that private landlords are a valuable part of the solution to the housing crisis and that the Government will ensure that they are not replaced by holiday let businesses?

I suspect that there are constituencies that do not present the same pull factor for people planning their holidays, but in areas such as west Cornwall and Torbay, urgent action is needed to address the squeeze on housing for people who live and work in those beautiful parts of the nation. We love our tourism, but local homes are needed to ensure that strong local communities survive.

10.8 am

**Jim Shannon** (Strangford) (DUP): It is a pleasure to speak in this debate. I thank the hon. Member for Torbay (Kevin Foster) for setting the scene. He and I are good friends; we are always in debates together, and it is a pleasure to be in a debate that he has initiated. I acknowledge the massive difference in planning and procedure between Northern Ireland and his constituency, but the need is the same and the case must therefore be made for UK-wide reform.

I say this unashamedly: I am privileged to represent the most beautiful constituency in the United Kingdom, Strangford. No matter what other hon. Members may believe, that is an indisputable fact. With that knowledge comes a belief in what could be achieved if we utilise that potential through tourism. Tourism is a key economic driver for my constituency and we try to promote it wherever we can. We have everything you would need for a short or long break: matchless views, superior dining and coffee houses, outdoor activities, beautiful spas—the possibilities are endless. Indeed, I know that the Minister was suitably impressed when she and her husband visited last year for just a taste of what we have to offer. I know she cannot wait to get back once again and enjoy the wonderful times that she had there. I am not sure if the weather was good for her, but hopefully it was.

One of the results of covid and the escalating price of travel has been that people have remembered the beauty of staying and holidaying within their own nation. With that has come an increasing need for accommodation: many people are eschewing traditional hotels and choosing Airbnb lets where they can take pets and children and enjoy the experience of different surroundings, but put their children to bed and watch a film together in the evening, or leave the dog in the house and go for a walk.

It has become clear that demand for short-term lets far outstrips what is available. That is why I support the ability to build small lets in their beautiful country gardens, so that they can gain additional income and bring tourism to the area. I will give an example. I know of one such request, on the beautiful Portaferry Road in Newtownards, which is the most incredible stretch of road in the entire area. It is an area of outstanding natural beauty. I am privileged to live on the edge of Strangford lough, which is one of the UK's largest sea loughs and one of the most important wildlife habitats anywhere in Europe. Strangford lough—one of only three marine nature reserves in the UK—is a water wildlife paradise. If people are lucky, they may spot seals, basking sharks or short-beaked common dolphins there—that is some of the marine biology we have there.

It is little wonder that one canny local realised that there was untapped potential for short-stay lets at Strangford lough. He drew up the plans, he made the business case and he put in the application. The planners turned down the application, saying that it was not a permitted development, and gave no thought to the tourism potential, which would have allowed the council to meet its tourism aims. I am thankful that good sense prevailed, and a wonderful councillor on the planning committee, Alderman Stephen McIlveen, was able to skilfully highlight the wrong decision, using the planning policy. The decision was overturned, and we now have a lovely Airbnb, which is in high demand, bringing money to the local economy. We need a UK-wide change of policy, so that weight must be given in decision making to the needs of the tourism industry. It should not simply be that permission can be given if the officer agrees.

**Richard Foord:** Is the hon. Member familiar with the concept of the digital nomad, and would he want them in his constituency? The digital nomad is somebody who has a first home, but can work elsewhere, in a second home. Unlike the traditional nomad, who moves

seasonally, those people often have more than one home. Would he agree that local authorities ought to have regard to the concept of the digital nomad?

**Jim Shannon:** I agree. The thrust of the debate so far has been that councils should have a say on what happens. We all understand the need to protect beautiful areas in our countryside, but protecting does not mean abandoning. Tasteful, small accommodation can breathe life into villages and coffee shops; that must be taken into consideration, but in Northern Ireland, it is not the standard position, so there are some things we must change.

Although not every application enhances tourism potential, it is time for the House to make it clear that there should at least be consideration of the legislative aspect of this issue. I ask the Minister to ensure that devolved bodies throughout the United Kingdom follow that trajectory. We have the capacity to make the most of international city breaks and local holidays, but to achieve that we must sow into our facilities. A change to the law is necessary to do that. I know that the Minister understands the issues and will reply to everyone's requests in a sympathetic way, thus getting the ball rolling in the House today.

10.13 am

**Anthony Mangnall (Totnes) (Con):** It is a pleasure to speak in this debate, and to support my neighbour, my hon. Friend the Member for Torbay (Kevin Foster). Across south Devon, we have been dealing with this issue for a long time. The debate comes down to a point of balance. If we are implementing measures to try to improve housing stock, then we are doing the wrong thing. Over the last three years, we have successfully worked together across the House to try to change the law around short-term lets. We changed the business rate loophole, so that there is an actual number of days that houses have to be let for. We changed council tax rates to 200% on empty and second homes. We are looking at how neighbourhood plans can take into account the amount of second homes when new houses are built. There is also the consultation, which has been mentioned time and again. A large body of legislation has not just been promised, but has already been delivered, and there is legislation currently in the House of Lords. It is not correct to say that nothing has been done, and that two years on, nothing has changed. A great deal has changed. The question, however, is: what is the intent? What are we trying to do? If we are asking for more houses, then we need to build more houses, and changing the rules around short-term lets will not deliver them. We must have that in mind in this debate.

The hon. Member for Westmorland and Lonsdale (Tim Farron) correctly mentioned how important tourism is to his local economy; it is the same across Devon and Cornwall, as he well knows, and of course across Strangford, too. In my area, 3% of the economy is based around tourism and hospitality, and we all understand the need to attract people to our area, and to find the employees to work in the visitor economy.

In Devon, there are 13,363 second homes. That is up by 11% from last year. In my constituency of Totnes in south Devon, there are 3,454 Airbnb lets. Madam Chair, if you were to take out your phone right now and look at Rightmove for a long-term rental property in my area, you would find only 34 properties, and they are



[Anthony Mangnall]

10.19 am

unaffordable. The challenge for my constituency is in both being a welcoming area for second homes, and being a place where people can live and work. Day in, day out, my inbox is filled with correspondence from teachers, doctors, lawyers, nurses and others who want to live and work in the area, but who struggle to get into the housing market, either by buying or renting. We must consider measures to encourage more people to offer up housing for the long-term rental market.

It is interesting that we are having a conversation around section 21, because there is a debate this afternoon on that very subject and what we do about leaseholder reforms. We must have measures to encourage people to make their properties available for long-term renting, because across our constituencies—I would imagine that we are all in tourist destinations—not many of the houses put up for rent are in that long-term market. How we achieve that must be at the forefront of our mind when legislation is next brought forward.

We should start by thinking about unintended consequences. We are sent to this place to think about how we can improve situations. I suspect that that is exactly what George Osborne thought he was doing in 2015 when he changed the tax relief on mortgage interest payments. However, that change has completely disincentivised the long-term rental market and completely favours the short-term rental market. If people can receive three, four, or in some cases five times more rent from Airbnb than from the long-term rental market, what is the point of their going into the long-term rental market?

We have to think about what we are doing, today and in forthcoming legislation. I give the Minister due warning that a great many of us will want to shape that legislation, so that we can find a balance. We need to support the rights of tenants and landlords, and encourage a fair system that allows both sides proper representation in the law. That matters, because if we get this wrong, it will be incredibly difficult for us to support either the short-term letting market, which is so important to our visitor economy, or the long-term market, which is needed if we are to encourage digital nomads or others to live and work in different parts of the country.

There has been a lot of conversation around farming and diversification. As we are no longer in the common agricultural policy, our farmers have been asked, through the environmental land management scheme, to consider how they can diversify. However, time and again, they are hampered from changing the use of their properties. We must make it easier for them to do so. It is no good taking away their subsidies, and then changing the system and saying, “It is this difficult to apply for planning permission.” Time and again, farmers and rural businesses face huge costs from organisations such as Natural England, with the result that they cannot diversify.

If we want to improve housing stock; encourage landlords to let long-term rental properties; encourage primary residency building, as is envisaged in the neighbourhood plans; and encourage an ability to diversify in rural landscapes, we must act. If we get that right, we can achieve the perfect balance between short-term lets, long-term lets and affordable properties, because in the end, the issue all boils down to supply.

**Duncan Baker** (North Norfolk) (Con): It is a pleasure to speak in this debate. I am thankful to my hon. Friend the Member for Torbay (Kevin Foster), who brought it forward. As everybody has said, this matter dominates our postbags in every constituency around the country; it has been incredibly important in North Norfolk ever since I was elected. It is pertinent for me, because I was born and raised in North Norfolk and I have seen what has happened over the last 10 or so years; the property market has been turbocharged.

We have all said nice things about our constituencies. Mine is coastal, rural, beautiful and idyllic, just like pretty much everybody else’s here. However, there are unique and very difficult issues for tourism hotpots, which all suffer from the same phenomenon. People probably do not know that North Norfolk has the second highest number of second homes and holiday lets outside of London and Westminster. We talk a lot about how the issue affects the Lake district, the Peak district and the south-west, but 9.8% of all homes in North Norfolk are second homes or holiday lets. That is nearly 5,500 out of our 55,000 homes. Of course, we have a huge leisure and tourism offering, as do other areas, but with that offering comes nearly 3,000 holiday lets. That number has been totally turbocharged since the pandemic.

To put those figures into context, in Wells-next-the-Sea, which is one of the primary areas that I represent—I am sure many colleagues have holidayed there—40% of all homes are now second homes or holiday lets. In the villages around my constituency that are often coined “Chelsea-on-sea”, such as Morston, Salthouse, and Blakeney, where every new build house now goes for £1 million, over 50% of the homes are holiday homes or holiday lets. Some 2,700 families and households are on the North Norfolk District Council housing list. That cannot go on.

I may be a Conservative, but sometimes the Government are right to intervene in the market to try to help people. I am pleased that when the Minister speaks, we will hear that the Government are doing something about this issue. We have to recognise what the Government have achieved in just the last few years. I am pleased to see that the planning system is being considered. That comes on top of the doubling of council tax for second homes that are not used. Those are sensible, proportionate and measured ways in which we can improve the situation.

We must remember that all our local economies are supported by tourism. In North Norfolk, it generates £529 million. However, that is absolutely no good if the local restaurant, hotel, care home or shop cannot employ anybody in the vicinity. Communities do not want to be ghost towns in the winter. We have tried different things. We tried placing local restrictions; for example, we had residents-only referendums in St Ives, which did nothing but turbocharge the market. They did not work appropriately. We have tried placing restrictions in house builders’ sale documents, to say that homes are primary residences. However, those documents quickly become not worth the paper they are written on, and stag and hen parties turn up to those estates. People retire to those places to live in comfort, only to have that taken away from them.

It is right that local authorities, which know the areas better than anybody else, be given the planning tools to help. When we double council tax on second homes, we should think about district councils. Mine receives only 8p in the pound to help the areas that receive that double taxation. Those local authorities should be able to take that money back. I know the Treasury does not like hypothecated revenue, but we should help those local authorities by giving them that money—it is worth £8.2 million in North Norfolk—to build more affordable homes to rent and to buy, so that they can help the communities affected. This is about a range of tools, not one, but the measures I have mentioned are proportionate and will help.

10.24 am

**Cherilyn Mackrory** (Truro and Falmouth) (Con): I thank my hon. Friend the Member for Torbay (Kevin Foster) for bringing forward this important debate. I do not want to go over old ground when my colleagues have already been so articulate about the issues we have in Cornwall and other parts of the country. However, I want to address a couple of points, particularly on buildings.

I was elected in 2019, and covid hit three months later. I had my first village surgery in August 2020, and 15 families came within two hours. Every single one of them in St Agnes was being evicted because the property was being flipped from a long-term letting to a short-term holiday let. That problem had already been bubbling up, but it was made more acute by covid, people wanting to move to Cornwall, and people wanting to flip their properties to holiday lets. When I came back to this place, there was an accusation that Cornwall was not building enough, but that is not true.

I pay tribute to Councillor Linda Taylor, the leader of our council, and Olly Monk, the housing and planning lead. Cornwall Council, working with partners, is starting to produce more than 1,000 homes a year. More than 700 homes built in the last two years are affordable. That is more than Leeds and Manchester, so Cornwall is definitely doing its bit to build homes. Cornwall has also been in the top two authorities for building affordable homes in the last 10 years, and has been at the forefront of asking the Government to launch consultations on registering second homes and changing the planning rules around short-term holiday lets. That is because we have a Conservative council, six Conservative Cornish MPs, and a Conservative Government, who are all working together behind the scenes to make the changes to achieve the balance that my hon. Friend the Member for Totnes (Anthony Mangnall) mentioned.

Short-term holiday lets also have a knock-on effect on services in Cornwall. We have an influx of people in the summer. I have asked for fairer funding for our NHS and police. With the sharp rise in short-term holiday lets, issues become more acute, because we get more and more people coming in, beyond those who come to our hotels and B&Bs, and that puts extra pressure on our hospitals and police—a point the Minister might want to take back to the Department.

Covid brought out how fantastic our communities are in Cornwall. I often say to our parish councils and community leaders that if I could bottle that and send it to the rest of the country, I would. When covid hit, the vast majority of our communities knew where our

elderly and vulnerable people lived and were able to help straight away. We are Conservatives, so we should want to do everything we can to conserve that. One of the villages just down the road from where I live is over 70% second homes already; we have to do what we can to halt that. We live in a pretty place. We want to look after our elderly and vulnerable people and ensure that young families can afford to live there, too.

I will not go on, because colleagues have articulated the point brilliantly, but I have one plea to my constituents and everybody in Cornwall: please feed into the Government's consultation, which closes on 7 June. I make that plea to everybody: short-term holiday let owners, hoteliers, the police, the hospitals, everybody who is looking for staff in Cornwall, and residents. Only by getting a vast array of opinions and arguments in favour and against can the Government get this right. Working together, we will get this right, and get the finances for our communities.

**Dame Caroline Dineneage (in the Chair):** Thank you, everybody, for keeping so beautifully to time. I will now call the Front-Bench spokespeople, starting with Joanna Cherry.

10.28 am

**Joanna Cherry** (Edinburgh South West) (SNP): It is a pleasure to serve under your chairpersonship, Dame Caroline. I commend the hon. Member for Torbay (Kevin Foster) for securing this debate.

As a Member of Parliament representing an Edinburgh constituency, I am well aware of the impact that the explosion in short-term let properties has on local housing markets in tourist hotspots. The debate was prompted at least in part by the UK Government's recently opened consultation on a registration scheme for short-term rental properties in England. I am pleased to say that the Scottish Government have been quicker to act on these issues. They have implemented legislation, and our scheme is now up and running in Scotland. That is but one example of a policy area where, despite limited powers of devolution, tangible measures to tackle the cost of living crisis and the cost of housing are being implemented in Scotland.

**Anthony Mangnall:** Will the hon. and learned Lady give way?

**Joanna Cherry:** I want to develop my point. Licensing and planning rules have already been introduced by the Scottish Government for the city of Edinburgh, and owners of short-term lets have until October to comply with the changes. Edinburgh became the first let control area in July 2022, and a smaller control area is being planned in the highlands. The First Minister also recently proposed allowing councils to double the council tax paid on empty and second homes.

The supply of housing and the impact on rents for local people has been well articulated during this debate. Housing matters are devolved to the Scottish Parliament, but as a Westminster MP, I often get requests from constituents who are struggling to afford rented property. It is not just in tourist cities such as Edinburgh that these problems are acute; rural Scotland also faces housing shortages as a result of the growth in the short-term rental sector. As in rural areas of England, that has an acute impact on the provision of local services, particularly health services; nurses and carers

[Joanna Cherry]

struggle to find accommodation in many of Scotland's rural communities, and in many areas of the highlands and islands.

The shortage of affordable rental properties also impacts directly on the tourism sector, as many workers simply cannot find anywhere affordable to live. In the islands of Scotland, there are reported cases of many of those important tourism sector workers being forced to sofa surf. In some cases, they have been advised to wait until after 6 o'clock to try to book last-minute accommodation on platforms such as Airbnb—the very platforms that are preventing them from accessing housing in the first place.

Many communities are at risk of being hollowed out by an oversaturation of short-term lets, which not only drive up rent and squeeze out long-term renters by reducing the supply of housing, but cause problems for neighbours and put additional strain on council services. I know from my own casework that a problem that originally affected only Edinburgh's medieval old town has spread across the entire city, and it is not just about soaring rents and the scarcity of properties for rent. Long-term residents face living with constantly changing groups of tourists, who put pressure on the building or street's communal waste bins, hold regular and noisy parties, or simply check out early or very late for flights, banging their suitcases down common stairwells at all times of the day and night. In some buildings in the old town of Edinburgh, almost all the flats are now Airbnbs, while the last few remaining residents feel squeezed out and endure constant noise, so the provisions introduced by the Scottish Government and City of Edinburgh Council will be extremely important.

The removal of a large number of properties from long-term rent has an impact on the wider economy, and a city like Edinburgh cannot grow without homes for workers. Living, breathing communities are what make tourist destinations attractive. Four years ago, when the Scottish Government concluded their first consultation on short-term lets, CNN cited the city of Edinburgh, the Taj Mahal, Machu Picchu, Dubrovnik and Iceland as famous destinations that

"can no longer cope with their own popularity".

That is why City of Edinburgh Council has produced a new tourism strategy, which notes that:

"One of Edinburgh's most distinctive features is that established residential communities are to be found right across the city, including in the city centre."

Our council strategy goes on to say:

"The quality of life for residents and the attractiveness of Edinburgh as a destination are inextricably linked. The one cannot suffer at the expense of the other."

**Anthony Mangnall:** I am sorry to interrupt the hon. and learned Member's speech. I congratulate her enormously on the proposals that have been put forward in Edinburgh; there is a great deal that we can learn across the country. I just wonder whether there are any forecasts out there of how these proposals are likely to affect the long-term letting market. I know it is a bit early, but it would be helpful to understand whether the measures being introduced in Edinburgh could be replicated elsewhere.

**Joanna Cherry:** I know that City of Edinburgh Council and the Scottish Government are monitoring what happens in Edinburgh, because we hope that the scheme will be rolled out across the country. I am sure that information will be available in due course. The scheme has also been welcomed by the chair of the Edinburgh Hotels Association, which represents 54 hotels covering nearly 9,000 bedrooms across the city. He said that

"the increase of short-term lets in sensitive urban and rural locations does nothing to enhance the visitor experience. A licensing scheme can help balance this, ensuring that our city and country continues to enjoy the benefits of tourism".

As hon. Members have mentioned, licensing can also deal with safety issues.

The whole of the city of Edinburgh has now been designated as a let control area, and others are planned for the Scottish highlands. The Scottish Government will also go further by giving councils powers to ensure that tourism works for communities by introducing a transient visitor levy, which will give councils discretionary powers to apply a levy on visitors so that they can respond to local circumstances more effectively and develop, support or sustain the visitor economy.

A huge part of our current cost of living crisis across the United Kingdom is that people on low incomes—key workers, and also students, who are our future—face an acute housing crisis. I welcome this debate, and I look forward to the Minister's response, but I urge the Conservative Government to follow the Scottish Government's and put in place bold measures to try to protect ordinary households from profiteering in the housing market. The action needed to tackle the impact of soaring numbers of short-term holiday lets on the housing crisis is now overdue. I am proud to say that, certainly in this policy area, the Scottish Government and the City of Edinburgh Council have a very good story to tell.

10.35 am

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): It is a pleasure to serve with you in the Chair, Dame Caroline. I congratulate the hon. Member for Torbay (Kevin Foster) on securing this important debate and commend him for the focused and thoughtful remarks he made in opening it. I also thank all other hon. Members who have participated in the debate. In particular, I praise the contributions of my hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) and the hon. Member for Westmorland and Lonsdale (Tim Farron). Both have long called for bold action in this area, and both brought home the need for urgency in taking the measures still required to tackle it.

It is not in dispute that holiday homes and self-catering apartments have an important role to play in catering to the needs of tourists, as well as those who require short-term accommodation for work or other purposes. All hon. Members who have spoken clearly recognise the contribution of short-term holiday lets, and the visitor economy more generally, to the prosperity of individual homeowners and local economies in their constituencies. When we respond to the issue, it is absolutely right, as the hon. Members for East Devon (Simon Jupp) and for Totnes (Anthony Mangnall) mentioned, that we should get the balance right.

As we have heard repeatedly throughout the debate, the issue is that the surge in the numbers of homes marketed for short-term holiday lets over recent years



has generated a number of significant challenges for communities across the country. Those challenges range from the immediate impact on residents, neighbourhoods and local services of high visitor turnover, particularly when short-term lets are abused by the minority of antisocial or disruptive guests, to the longer-term negative impact on entire communities with respect to the affordability and availability of homes for local people—and, indeed, those who work in the visitor economy—to both buy and rent.

As noted several times in the debate, those challenges are obviously most acute in areas of the country, be they rural, coastal or urban, where the concentration of short-term holiday lets is extremely high. It is worth noting that they are also particularly evident in London, owing to the fact that the Cameron Government decided, by means of the Deregulation Act 2015, to loosen requirements on short-term letting in the capital, allowing properties to be let for a maximum of 90 days a year without requiring planning permission. The Government were warned at the time about the harmful consequences that would flow from the relevant provisions in that Act, not least given that few, if any, London boroughs have the means to monitor and enforce the 90-day limit, but those warnings went unheeded, and short-term let abuse is now rife in many parts of the capital as a result. I feel duty bound, as the only London MP in the debate, to mention that particular problem.

It has been abundantly clear for some time that the deregulated nature of the short-term letting sector is deeply problematic. There is a pressing need to overhaul the sector's regulatory framework to account for the significant changes that have taken place over the past 10 to 15 years, but also, we would argue, a watertight case for giving local authorities that are struggling to cope with high concentrations of short-term holiday lets the powers they need to protect the sustainability and cohesion of their communities. It is true, as the hon. Member for Totnes mentioned, that measures have been enacted on the business rates loophole and neighbourhood plans to try to tackle the problem, but we argue that they are clearly insufficient, not least because we would not be debating the issue today if they went a long way to solving the problem.

Having opposed for years the very notion that robust regulatory intervention was required to address the negative impact of short-term holiday lets on communities and local housing markets, the Government were finally forced to act in June 2021.

**Anthony Mangnall:** The hon. Member has criticised the Government for introducing policies, but I wonder what Labour's position is on what the correct level of short-term lets in communities is.

**Matthew Pennycook:** If the hon. Member gives me the opportunity, I will go on to make clear where we differ from the Government, in what they have and have not proposed.

As I was saying, when the Government finally acted in June 2021, they did so only in the most limited fashion, agreeing to have the Department for Culture, Media and Sport consult on a tourism accommodation registration scheme in England. After consistently resisting various attempts to amend the Levelling-up and Regeneration Bill in Committee, so that it might provide local communities with more effective means of redress,

the Government were forced to go further late last year. The concession they made on Report, on 13 December, was to agree only in principle to introduce a discretionary registration scheme in England, and only by means of legislation that might come into force as late as autumn next year.

Subsequently urged to go further still by the Opposition—as well as, it must be said, many Government Members—Ministers have now committed, as we have heard, to consult on the introduction of a new planning use class for short-term lets. Let me be clear—here I address the point made by the hon. Member for Totnes—that the package currently on offer from the Government still falls short of the comprehensive suite of measures that we would like to see enacted at pace to tackle this problem. The Government remain opposed to, for example, the introduction of a discretionary licensing scheme of the kind we have proposed on numerous occasions, which we think would be the solution in many parts of the country dealing with particularly high concentrations.

None the less, we welcome the consultation on the new planning use class, just as we welcome the commitment to introduce a new discretionary registration scheme. However, as so often with this Government, where they propose to give with one hand, they plan to take away with the other. Because that new consultation, as the hon. Member mentioned at the outset, also invites views on introducing new permitted development rights that would make it easier to convert dwelling houses into short-term lets, with proposed article 4 direction protections applicable, according to the consultation, only in

“the smallest geographical area possible”.

I encourage hon. Members to go and see what investors are saying about that part of the consultation. They say they are happy with the consultation overall, because the inclusion of that provision makes it light touch, and will make it incredibly attractive and easy for investors to convert properties into short-term lets. I caution the Government about going down that route, not least because the consultation makes clear that what they propose in that expansion of permitted development rights would not be subject to any limitations or conditions, and would apply in national parks and areas of outstanding natural beauty. I want to put on record the Opposition's serious concerns about the implications of expanding permitted development rights in that way and our intention to scrutinise extremely carefully any measures that the Government might ultimately decide to bring forward in this area.

The more fundamental issue is the frankly glacial pace of the Government's overall response to the challenges posed to communities across the country by the surge in short-term holiday lets. For many English communities, particularly those with extremely high concentrations of such lets, it is not hyperbole to argue that those challenges are existential, entailing as they do the loss of a significant proportion of the permanent population, as a result of local people simply being unable to find affordable local homes in which to live, and diminished local services and amenities, whether that be local schools, transport links or local small businesses, for those who manage to hang on.

It is not good enough for Ministers to tell those communities that they may be able to establish a registration scheme to gather information about short-term lets at

[Matthew Pennycook]

some point next year, if and when the Levelling-up and Regeneration Bill receives Royal Assent, or that they may be able to control the numbers of such properties by means of a new planning use class, at some point in the coming years, if appropriate regulations emerge from the current consultation. Those communities need a response commensurate with the scale of the challenge they face, and they need it urgently.

We urge the Government, not only to rethink the potential further expansion of permitted development rights, as set out in the consultation now under way, but to accelerate the introduction of the discretionary registration scheme, to which they are committed, to legislate for the introduction of a new planning use class for short-term lets without delay, and to give serious consideration to other measures, whether on taxation or licensing, that will almost certainly still be required, so that the communities we have been discussing today will finally have the prospect of securing the full suite of planning and non-planning tools that they need to appropriately regulate the numbers of short-term holiday lets in their areas and manage their day-to-day impact. That is what a Labour Government would do, and it is what we need this Government to do.

10.45 am

**The Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean):** It is a great pleasure to see you in the Chair, Dame Caroline, and I thank my hon. Friend the Member for Torbay (Kevin Foster) for introducing this vital debate. It is a credit to him that so many Members from across our wonderful United Kingdom are here to speak on the issues he has highlighted, and I will turn to all the contributions that colleagues have made before I conclude my remarks.

However, I want first to pay particular tribute to my hon. Friend, whose efforts on behalf of his constituents have recently been recognised in the local elections. It is no surprise to me to hear that there has been a win for the Conservatives in his local council area, no doubt thanks to his assiduous work on behalf of his constituents and his communities, and I commend him and his colleagues in Torbay for that incredible effort.

My hon. Friend's speech has done an extremely good job of reflecting the concerns involved and the issues that matter to his community. He has highlighted the importance of homes for people to live in, which enable them to take jobs in the local economy, and his desire to prevent streets that should contain homes for families from turning into holiday parks. He has called for a balance to be struck, and I hope colleagues will see that my aim is to reflect that in my remarks—indeed, it is what all hon. Members have said—but we agree with him that we must tackle the issue of constrained housing supply.

My hon. Friend is right to challenge me on how quickly such measures could be enacted, and I will definitely turn to that in the body of my speech, but let me first say that I want to be clear that we recognise the value of tourism to our country.

I feel as though I went on a wonderful virtual holiday while colleagues were contributing to the debate, reflecting on many family holidays in different parts of the UK.

I think I have been to almost every constituency represented in the Chamber. I have four children, and we had a limited holiday budget when the children were little, so we often had wonderful holidays in this country. I have been to the constituency of the hon. Member for Strangford (Jim Shannon) and had lovely walks there. The hon. Gentleman mentioned sharks. We have plenty of sharks here in Westminster, so I do not need to go far to see them. It was certainly very sunny when I went to the constituency of the hon. and learned Member for Edinburgh South West (Joanna Cherry), as it was in Norfolk, Cornwall, Devon and elsewhere.

Tourism is an economic, social and cultural asset that plays a vital role in supporting our institutions and attractions across the country. It is a major contributor to UK jobs and growth, employing 1.7 million people and contributing nearly £74 billion a year pre-pandemic. I am not going to repeat everything that colleagues have said, but we all understand why we need to introduce these reforms. That is why we are in the Chamber for the debate.

Every Member from every party has highlighted the issue of the hollowing out of communities, the impact of that on schools and other services, and the fact that the growth of short-term letting might in itself be having an impact on local businesses that serve the tourism industry, such as restaurants and cafés. That is why we are consulting on changes that will provide local areas, where there is a concentration of such usage, with the necessary tools to help them to strike the right balance between supporting tourism and providing housing for local communities.

Briefly, there are two separate strands to our proposals. The first is the introduction of a new use class for short-term lets and associated PDRs. The C5 short-term let use class will capture those properties that are not someone's main or sole home, and which are used for the purpose of providing short-term lets. When the use class comes into force, subject to consultation, all dwelling houses will be reclassified. When they meet the definition, they will fall into the C5 use class. There is no planning process attached to that, which means there is no burden on existing short-term lets.

However, short-term lets are not an issue everywhere, which is why we are introducing national permitted development rights that will allow for the change of use from dwelling house to C5 short-term let and vice versa. That will return the position to the status quo ante. Therefore, many people who live in areas where there is no local issue will see no change. Where there is a local issue, the local authority may remove that right by making an article 4 direction. That addresses the point made from the Opposition Front Bench by the hon. Member for Greenwich and Woolwich (Matthew Pennycook). A planning application will then be required with respect to any future material change of use, allowing for local consideration of where additional short-term lets would or would not be acceptable. In that way, local areas would be able to retain more homes for local people to rent or buy. Many colleagues have been calling for this change, and we expect that they will want to make that article 4 direction and will have the supporting evidence to do so.

Our second proposal relates to where people let out their main or sole home. We know that many people do so and that that helps them to manage the rising costs

of living and to benefit from the sharing economy. However, there is no defined limit on how many nights someone can let out their own home, which can lead to uncertainty. We are therefore proposing some changes that will provide homeowners with confidence on how many nights in a calendar year they can let out their home—whether that is 30, 60 or 90. If, in future, homeowners wanted to let out their own main or sole home for more than that specified number of nights, planning permission would be required where there is a material change of use.

As many colleagues have said, and I hope anyone listening will note, the consultation closes on 7 June. It is generating a fair amount of interest, and we welcome this timely engagement with hon. Members on this important issue. My hon. Friend the Member for Torbay has challenged the Government, as I fully expected he would do, on when changes can be enacted and brought forward. I reassure him that, subject to the consultation, measures can be brought forward through secondary legislation, but we need to consider fully all the issues raised, not only in this Chamber but elsewhere, in past debates and in the consultation. It is right that we consider all the issues carefully so as to avoid unintended consequences, as many colleagues have said.

Separately, the Government are also introducing a register of short-term lets through the Levelling-up and Regeneration Bill. That will provide a valuable tool for local authorities; it will be a stronger evidence base of short-term let activity in their area, which could help those local authorities better manage the supply of short-term lets. That could also improve consistency and help local authorities apply health and safety regulations across the guest sector. It also gives international visitors visible assurance that we have a high-quality and safe guest accommodation offer.

My colleagues in the Department for Culture, Media and Sport are consulting separately on how the register would work in practice. We are of course working very closely with that Department and others to ensure that officials are looking across the piece at different Government measures, to make sure they are proportionate and complementary.

Those are not the only changes we are making on short-term lets. We have legislated to require from April 2023 evidence of actual letting activity, in response to very sensible concerns from colleagues. The property must have been let for at least 70 days in the previous year before it can be assessed for business rates and therefore qualify for 100% relief. That ensures that more properties contribute to local services through business rates, council tax or income tax regime changes.

Through the new Renters (Reform) Bill, introduced by the Secretary of State to Parliament just last week, we are removing no-fault evictions and will ensure that landlords will not be able to evict tenants simply to turn the property into a holiday let.

Our ambition remains to deliver the housing that communities need. We delivered 232,000 additional homes—a 10% increase on the previous year. I will not take any lectures from the hon. Member for Greenwich and Woolwich on the Opposition Front Bench. I agreed with many of his comments, but on affordable housing, we delivered over 632 affordable houses. They oversaw the worst record of housebuilding since the second world war in their time in government. In Labour-run

Wales, which they often point to, they built no council houses between 2014 and 2017, and only 12 in 2019. Let us look at what they actually do, rather than what they say.

**Matthew Pennycook:** Will the Minister give way?

**Rachel Maclean:** I cannot give way; I am sorry. I need to give colleagues a fair hearing.

I thank the hon. Member for Westmorland and Lonsdale (Tim Farron). I note his support for the points made by my hon. Friend the Member for Torbay and for the Renters (Reform) Bill. I thank my hon. Friend the Member for East Devon (Simon Jupp), who highlighted the importance of these measures being in the control of locally elected councils, which they will be. That is what the changes we will introduce will seek to deliver.

The hon. Member for Plymouth, Sutton and Devonport (Luke Pollard) challenged us, and said we were not doing enough. I completely disagree with that and reject it. As I have set out, we are acting. The changes to section 21 had their First Reading in Parliament just last week.

My hon. Friend the Member for St Ives (Derek Thomas) challenged me to work closely with other Departments, including the Treasury. We work very closely with the Treasury and also the Department for Energy Security and Net Zero, on some of the measures with energy performance certificates. He was right to raise that issue, and concerns have been raised with me.

As ever, I thank the hon. Member for Strangford. It is very important that we all work together across our United Kingdom, even though these issues are devolved, and that we learn lessons and make policy that affects everybody.

I thank my hon. Friend the Member for Totnes (Anthony Mangnall), who was right to highlight the considerable work going on across Government. I reassure him and any other colleagues with concerns about the Renters (Reform) Bill; we are working closely with him and others to ensure we shape the legislation, as we always do, by listening to different views. My hon. Friend the Member for North Norfolk (Duncan Baker) made a good point about district councils. He has spoken to me about that on many occasions, and we look forward to working with him to understand those issues, and how district councils as well as higher-tier authorities can reap the benefits of the rise in council tax for second homes. My hon. Friend the Member for Truro and Falmouth (Cherilyn Mackrory) gave a fantastic speech. She highlighted how acute the problem is in Cornwall, and how much it affects her constituents not only in St Agnes but elsewhere. I thank her in particular for championing what her local council, under Conservative control, is achieving.

The SNP spokesperson, the hon. and learned Member for Edinburgh South West, highlighted the fact that the planning system is an issue across the United Kingdom. She will know that there is close working at official level to understand the implications of policies and look at evidence. It is right that we do that. The Opposition spokesperson, the hon. Member for Greenwich and Woolwich, challenged me, but he said that he supports what we are doing on balance. I thank him for that, and, of course, we will continue to be scrutinised in these debates and elsewhere. I am grateful for the opportunity to set out what the Government are doing.



**Matthew Pennycook:** Will the Minister give way?

**Rachel Maclean:** I do not believe I have time to give way, because I must allow my hon. Friend the Member for Torbay time to wind up. Unless the Opposition spokesperson can do it in 20 seconds—that may work.

**Matthew Pennycook:** I take that as a challenge. The Minister mentioned affordable housing, which I did not mention. Is she concerned that the Government are failing on their derisory target for affordable homes in rural areas?

**Rachel Maclean:** We need much more time to debate that issue, but I reject the hon. Gentleman's contention. I suggest that he looks to his own party's record in office in Wales, as I have already said. I thank my hon. Friend the Member for Torbay for securing today's debate.

10.57 am

**Kevin Foster:** It has been a very worthwhile and enjoyable debate, with colleagues from across Devon and Cornwall making points. Cornish colleagues may not know the right way to do a scone, but they do know the right way to argue in this debate. It would be remiss of me to take all the credit for the recent local election result, given that I work very closely with my hon. Friend the Member for Totnes (Anthony Mangnall), part of whose patch covers the Torbay unitary authority area where we were pleased to say goodbye to some independents who were not very independent.

Members have rightly highlighted the challenges around short-term lets and the impact the issue is having on communities. While I hear the Minister say that we do not want unintended consequences, there is already a model north of the border that can be looked at, as highlighted by the hon. and learned Member for Edinburgh South West (Joanna Cherry). That allows us to see what can happen and what the early and emerging issues are with implementation. There is something already in operation within the United Kingdom that I urge the Government to look closely at, which gives some precedent to how a system would operate across England if applied following the consultation.

It has been a welcome debate, but there is an urgent need to take action. My call to the Government is that, while I appreciate that things need to be considered, when I was a Minister I learned how due consideration can become a slightly too lengthy process. It is something that needs to be thought through when it is implemented, but let us ensure that we are thinking clearly about how the length of time that this takes will have an impact. We must avoid a closing down sale effect if we do not get on with implementing what has been proposed. I am grateful to Members for their contributions, and for their support for the arguments made.

*Question put and agreed to.*

*Resolved,*

That this House has considered short-term holiday lets and the planning system.

## Healthcare Services: Carshalton and Wallington

11 am

**Dame Caroline Dinenage (in the Chair):** I will call Elliot Colburn to move the motion and then I will call the Minister to respond. There will not be an opportunity for the Member in charge to wind up, as is the convention for 30-minute debates.

**Elliot Colburn (Carshalton and Wallington) (Con):** I beg to move,

That this House has considered healthcare services in Carshalton and Wallington constituency.

It is a pleasure to serve under your chairmanship, Dame Caroline. I am grateful to the Speaker's Office for granting the debate to talk about the important issues facing the NHS and patients living in my constituency. This is an opportunity not only to raise the good work being done by our local NHS staff but to focus on three or four particular issues. I thank the Minister and the Department of Health and Social Care for their continued engagement with me over the course of the past few years. They must be getting sick of my name coming up on their phones, but they have been gracious with their time and I am grateful to them for that.

One of the most pressing issues facing our local healthcare in Carshalton and Wallington concerns our local hospital St Helier. I will not dwell too long on what it means to me, as I have said this before in other contributions, but it was the hospital that I and most of my family were born in. It saved a number of my family members' lives and not too long ago it saved my life as well, so I have a great sense of personal loyalty to this hospital. The staff do an absolutely incredible job, and they are doing it under very difficult circumstances because the hospital is incredibly old. It is older than the NHS itself, and that is starting to show.

The hospital suffers from more than just outdated aesthetics; the state of disrepair is showing, and that is evident to anyone who has to visit St Helier. It has been the subject of numerous news articles and television exposés in recent months. The BBC, ITV and *The Observer* have all covered the state of disrepair at St Helier. There is a litany of problems including the sinking foundations, the faulty lifts—they are so old that the parts to repair them are no longer readily available—and the leaking roofs causing wards to be closed. My inbox regularly features emails from patients who have had to deal with the fallout and repercussions of these issues when visiting the hospital or waiting for treatment, alongside stories and reports from staff working at the hospital.

As I say, the staff are doing an incredibly good job in difficult circumstances, which is why I am pleased that the Government have recognised the good work that the Epsom and St Helier University Hospitals NHS Trust do, agreeing to a several hundred million pound investment to upgrade St Helier and build a new second hospital in the London Borough of Sutton. However, it is no secret that we have been waiting on the next stage for some time, so I would be grateful to hear from the Minister when we can expect an update on the next stages of the new hospital programme. I invite him and members of the Department of Health and Social Care team to come down to St Helier to see some of these issues for themselves.

To go into some more detail about what the new funding will provide, as well as improving St Helier and bringing it into the 21st century to provide modern medical care, it will provide a second hospital working in partnership with the Royal Marsden in Sutton to provide specialist emergency care for the sickest patients living in the borough. It will develop a partnership with the cancer hospital next door so that more cancer treatments can be provided in the London Borough of Sutton and patients do not have to be transferred to the Chelsea site, which can be difficult considering that the connectivity between my part of London and Chelsea is not fantastic.

So, this news is really exciting and the trust is raring to go; it really wants to get on with this work. I think that is why it has been so keen to highlight these issues in the press in the past couple of weeks. As I say, it is very keen to get going.

The pandemic has caused a delay to the timetable for this work; I completely understand that. However, we are still waiting for that all-important decision. I know I have secured assurances before that the plan is in development, but I hope today to relay the sense of anxiety felt by the staff and my constituents, who want to see progress made on the new hospital. It is the single biggest issue relating to local healthcare provision and it comes up time and time again locally. Having worked in the NHS locally myself, I know full well how much this development is needed, not just to ease demand on St Helier but to improve patient outcomes and to allow more specialist services and treatments to be carried out locally. That includes protecting services that were threatened under previous iterations of healthcare planning in our local area, which ranged from reducing services to closing St Helier all together.

This is the first time that the NHS has been able to come forward to the Government of the day and secure agreement to fully fund a plan that will not only protect services in the borough but improve them. And that includes making sure that accident and emergency services, critical care, acute medicine, emergency surgery, in-patient paediatrics and maternity services are all protected within the London Borough of Sutton and not transferred elsewhere. That is incredibly welcome news, but again we need to see progress.

What I like in particular about this plan is that it is not a Government reorganisation. This is not about bureaucrats sitting in the Department of Health and Social Care; this is about the Department agreeing to listen to what the NHS has said it needs to provide good-quality healthcare in the London Borough of Sutton. That is fantastic, but—again—we need to see the next steps.

In the time that I have left today, I will touch on a couple of other issues facing healthcare provision in Carshalton and Wallington, particularly access to local GPs and dentistry provision. We have some fantastic GP surgeries, made up of incredibly hard-working teams from the GPs themselves all the way through to the advisers, triage nurses, reception staff and administration staff. However, I am hearing from constituents that they are often struggling to get an in-person appointment. In particular, I hear from older constituents who struggle to navigate some of the new technology. I completely appreciate the need for that technology, but I would welcome anything that the Minister can say about

encouraging GP surgeries to make it easier for those who find the digital world difficult to make an in-person appointment when they need one. I say that because many people have come to me and said that they had to take themselves off to the emergency department because they simply could not navigate the new online booking system that many GP surgeries now have.

I am sure that the Minister will agree that that is not what we want to see, because it puts an incredible strain on the healthcare system and especially emergency medicine, which is already under immense strain. Of course, primary care was one of the hardest hit sectors during the pandemic, and it is clear that there remains a backlog, both in terms of people with existing conditions and because people put off seeking help during the pandemic.

However, it was heartening, and the Government should be congratulated for this, to hear the recent announcement of £240 million specifically aimed at GP practices and getting patients appointments, so as to avoid the so-called “8 am scramble”. Nevertheless, the “8 am scramble” is still very much a thing for many of my constituents; it is still something that I hear about far too often. So, while I welcome the recent announcement, I would also welcome any update that the Minister can give me today about where he believes we are on recruiting new GPs and retaining those already in the sector and how we will deliver on the promises to our constituents that they can access a GP whenever they need to.

May I make a suggestion to help with that process? I was really pleased to hear the Prime Minister talking up the importance of community pharmacists and the role that they can play in the field by providing a range of services. It is incredibly welcome to see that recognition of pharmacies, as many think they went unthanked during the pandemic when their doors were left open while GPs were largely not seeing patients face to face. Pharmacists are doing an incredible job. I do not have time to go into all the issues now, but the Minister will know from our previous conversations about their immense struggles with how the reimbursement scheme for drugs is set up, and the fact that they cannot balance their treatment and advice for minor ailments with the time they have to dispense drugs, which is where the money is. I would welcome any update from the Minister, or a commitment to look in more depth at what role community pharmacies can play in supporting our local healthcare system.

Finally, I want to touch on dentistry. I spoke about it in a Westminster Hall debate not that long ago, but I want to reiterate a few key points. I am still getting horror stories from people who are turning to DIY solutions because they are struggling to access an NHS dentist. I have met local dentists in my constituency; they are clear that the way in which units of dental activity are set up in the dental contract, and the way in which they get reimbursed for their work, disincentivises them from doing more. Many say that it will be simply impossible to meet the targets this year to avoid money being clawed back, and they are worried about what effect that will have at the end of the financial year. I welcome the fact that £15 million has been put into dentistry to deal with the backlog, but there are long-standing, system-led issues. They span multiple decades and multiple Governments, but the pandemic has brought it all to a head. I would welcome any update

[Elliot Colburn]

from the Minister about what the Department is doing to reform the way in which the dental sector is set up, so that people can assess NHS dentists a lot more simply.

There is no magic wand that we can wave to solve everything overnight, but we can certainly do some things to get us there in the meantime. I hope that the Department will be able to let us know the next steps for the new hospital programme very soon, as that would be incredibly welcome. In addition, what assurances can the Minister give that existing maintenance problems will not be impacted by the new hospital programme, and that funding can be accessed to deal with some of those problems? Finally, what work is the Department doing to ensure access to GPs and NHS dentists? That will help us to improve on the most important thing that we all want to see—including the Government and the NHS—which is a better experience and outcomes for patients.

11.12 am

**The Parliamentary Under-Secretary of State for Health and Social Care (Neil O'Brien):** I thank my hon. Friend the Member for Carshalton and Wallington (Elliot Colburn) for securing this important debate, and I pay tribute to him for his incredible campaigning work over the years. He has been relentless, like an unstoppable force. I hope that we will reach an announcement in the near future, so that all the Ministers' phones can recover and all my hon. Friend's hard work in campaigning for the hospital he was born in will pay off. I know how important the issue is to him on many different levels.

Today's debate is well timed in one sense, and badly timed in another, in so far as we are hopefully coming towards a decision and an announcement in the very near future. It might be slightly frustrating for my hon. Friend that I cannot say more today, but I will set the scene on where we are with the new hospital programme. As he knows, we are working closely with the Epsom and St Helier University Hospitals NHS Trust on its plans for a new specialist emergency care hospital in Sutton. Acute services are to remain at the current Epsom and St Helier Hospitals, which is a key point that my hon. Friend has called for.

The plan is part of our wider programme to build 40 new hospitals. All the schemes within that programme are being grouped into cohorts, based on their readiness to progress and the extent to which they can realise the benefits of the national programme approach. The Epsom and St Helier scheme is a cohort 3 pathfinder scheme, which means it will be one of the very first of the larger and more complex schemes to be taken forward in line with the national programme approach.

The programme has developed an integrated systems approach known as Hospital 2.0, which spans the whole hospital lifecycle from business case and design through to construction, commission and handover. The use of Hospital 2.0 is the vehicle through which the national programme approach can ensure that we get the maximum value for taxpayers' money and deliver more efficient and effective designs for hospitals. Our Hospital 2.0 process will drive efficiencies of about 25% when compared with traditional means of delivering infrastructure. The

trust is at the outline business case stage, and we are working very closely with it to incorporate that national, standardised approach.

To date, the trust has received £20.5 million in public dividend capital to progress its scheme. That includes fees for design works and a contribution towards the costs of a new electronic patient record system. Further allocations for the scheme, including the total individual allocation, will be decided through the proper business case process. That will ensure that it is deliverable, is aligned with the national programme and delivers value for money for taxpayers in my hon. Friend's constituency.

We are planning a range of events and communication about the decisions that we will make on this matter in the near future. I am sure that my hon. Friend will be the first to engage with us on those. It is perhaps frustrating that I cannot say more today, but I pay tribute to my hon. Friend's incredible work in making the case and, in fairness, helping his local NHS to make the case for the investment that he is calling for.

My hon. Friend touched on general practice, and I absolutely recognise the pressures that on general practice during and after the pandemic. That is why, on 9 May, we launched our primary care recovery plan. It is designed to tackle, as my hon. Friend said, the "8 am rush" for appointments, which is not good enough. Just this week, we delivered, ahead of schedule, on our manifesto commitment to put 26,000 additional staff into general practice. We said that we would get 26,000 by next March; in fact, we have now delivered 29,000—well ahead of schedule. Of course, as well as those extra clinicians, such as physiotherapists, pharmacists and paramedics—all those extra people in the wider team that we now have in general practice—we are taking action to retain our invaluable experienced GPs. That is why we have made significant reforms to GPs' pensions, lifting 8,900 GPs out of annual tax charges and helping to retain invaluable GPs.

As part of the primary care recovery plan, and as my hon. Friend noted, we are investing £240 million in new technologies for general practice—both up-to-date phones, so that no one ever calls and gets an engaged tone, and good, high-quality online systems, so that people, particularly those who are older or who find it more difficult to use the internet, can always navigate their way through it simply. What we find when the systems have been deployed well is that a very large number of people start to use them—they are very convenient and well designed—and that takes the pressure off the phones so that it is much easier, for those who do want to use the phone, to get through. That is another significant investment.

Of course, on top of that, we are investing £645 million over the next two years in the new NHS service, Pharmacy First, which will also take pressure off GPs, because it will enable people to go to their community pharmacy—often, in a very convenient place on the high street or in people's neighbourhoods—to get treatment for a range of common conditions. For the first time, a pharmacist will be able to supply a range of antibiotics and directly take pressure off GPs by enabling people to get the treatment that they need in a convenient way.

My hon. Friend also touched on dentistry, where we have started to take action but we know we have to do more. Our dentistry plan will follow, I hope, hot on the heels of the primary care recovery plan. We have already



started to reform the problematic 2006 contract that the last Labour Government put in. We have allowed dentists to go to 110% of their normal delivery, so that those who want to do more NHS work can. We have started to make NHS work more attractive by better matching the payments that dentists get to the costs of the work that they are doing. We have brought in minimum UDA rates, minimum rates of payment to support dentists where their rates, historically set, have been very low. That is starting to have an effect. In the year to March, dentists saw about a fifth more NHS patients than they had in the year before, but we know that we have to go further—it is not good enough at the moment—and we will produce a radical dentistry plan in the very near future.

I again thank my hon. Friend the Member for Carshalton and Wallington for bringing all these issues to my attention and to the attention of every other Minister in the DHSC. I hope that he will feel that his hard work over a very long period on behalf of his local NHS and the hospital that he was born in will be rewarded, and I hope that we will be able to say more about that very shortly.

*Question put and agreed to.*

11.19 am

*Sitting suspended.*

## Cost of Living: Healthy Start Scheme

[DEREK TWIGG *in the Chair*]

2.30 pm

**Andrew Western** (Stretford and Urmston) (Lab): I beg to move,

That this House has considered the Healthy Start scheme and increases in the cost of living.

It is a pleasure to serve under your chairship, Mr Twigg. I am pleased I have been successful in securing a debate on this issue at such a timely and critical moment.

Hon. Members will be aware of the shocking revelations from Sky News last week that parents are being forced to steal baby formula to feed their infant children. Other parents revealed that they are watering down formula or mixing it with other ingredients, such as flour, in a desperate attempt to make it last longer. One parent in that situation, who was quoted in Sky's report, talked about his baby's "hungry scream" and how he has heard it so often that he knows it now.

It has also been reported that an unregulated black market has sprung up with second-hand baby formula, which is often less safe than formula found in supermarkets, being sold online at a cheaper price, to which parents are now turning in their panic. The British Pregnancy Advisory Service has warned that parents being forced to make such decisions is putting the UK on the brink of a public health crisis.

Let me be clear from the start: the fact that parents are in such a situation in 21st century Britain is utterly shameful. Although I do not want the debate to turn into a political slanging match, last week's reporting from Sky should make the Government reflect on their record on the cost of living crisis. Not just baby formula is proving out of reach for struggling young families. Food banks are reporting steep increases in the number of parents with infant children coming to them for support. When asked what his Government were doing in the face of this cost of living catastrophe, the Prime Minister said:

"We have particular support for young families, something called Healthy Start vouchers, which provide money to young families"

to help

"with the costs of fresh food."

I am sorry to say that the Prime Minister is living in a different world if he thinks the current rate of Healthy Start, which has been frozen by Conservative Governments in each of the past two years, is sufficient for struggling families who are living through the worst cost of living crisis on record. That is the reason I have secured the debate today. Healthy Start is simply not living up to its stated purpose. It does not cover the cost of healthy food, it does not cover the cost of baby formula and it is no longer acting as the nutritional safety net for families that it was originally intended to be.

Although many much-needed reforms could be made to Healthy Start to make it more effective, including auto-enrolment, on which my hon. Friend the Member for South Shields (Mrs Lewell-Buck) is doing great work, fundamentally, as is so often the case, this is a question of money. The money being provided by Healthy Start is simply not enough for struggling parents. The solution must, therefore, be to uplift the value of Healthy

[Andrew Western]

Start so that payments reflect inflation and so that children, regardless of background, are given the best possible nutritional start in life. That is what I am calling for today.

To set out the context: Healthy Start was introduced by the previous Labour Government in 2006. It provides payments to people who qualify to help buy milk, baby formula, fresh fruit and vegetables, and pulses. Eligible families receive £4.25 a week from the 10th week of pregnancy, then £8.50 a week while the baby is from nought to one year old and £4.25 per week thereafter, until the child is four. As of April 2023, there were 336,468 beneficiaries of Healthy Start payments, although my understanding is that there is a lack of transparency on the number of Healthy Start recipients as data is published only on the number of beneficiaries, as opposed to the number of actual children the claims relate to. I would be grateful if the Minister could set out why that data is not published, and commit to sharing that information as soon as possible, given the seriousness of the issue.

Healthy Start payments have been uplifted only once under the Conservative Government—once in 13 years. That was in April 2021 and was in response to a recommendation from the National Food Strategy. That date is important because, since the last increase, inflation has torn into the budgets of the poorest families hardest. The cumulative change in UK consumer prices from April 2021 to March 2023 was 17%. Looked at in isolation, food inflation was much higher than that and was running at 17.2% in the last year alone.

New data from First Steps Nutrition Trust shows that the cost of the cheapest brand of formula milk has risen by 45% in the past two years. Other brands have risen by between 17% and 31% in the same period. Currently, Healthy Start payments do not cover the full cost of any baby formula on the market in the UK. What might have been affordable when the last increase was announced is now out of reach for many of those in most need.

The Government talk about halving inflation, but I am sure that even the Minister would agree with me that that cannot be achieved overnight. In the meantime, families have to make ends meet, but at the moment they simply cannot. Increasing Healthy Start payments to reflect the 17% rise in costs that families have endured in the last two years would make a real difference. That is being called for by the national charities working in this area, as well as my local Labour-run Trafford Council, which I must credit with first raising this matter with me and highlighting the impact that freezing the allowance is having on families in my constituency and across Trafford.

I understand that money is tight, and 17% might sound like a big increase, but we are talking in real terms about less than £1 per child per week for those on the lower rate of Healthy Start, which is the vast majority of recipients. If the £4.25 voucher were uprated to reflect inflation, it would rise to around £4.97—72p more than current levels. For context, the Best Start Foods scheme in Scotland is currently £4.95 per child aged between one and three years old, so the uplift would effectively bring parity. I do not believe that in 21st century Britain, which, despite all our many issues, remains one of the

wealthiest countries in the world, a 72p increase to help the poorest children is beyond us. Not only is there a strong moral case for it; there is also a compelling economic case. We know the impact that child poverty and the poor nutrition that comes with it have on a child's health and wellbeing, with a knock-on effect on their future life chances.

Loughborough University has estimated that the costs of child poverty on future lost earnings retained by individuals were £11.6 billion in 2021. Not only is that terrible for the individual, but it represents billions in lost tax revenue for the Treasury. That is before we get to the fact that people on the lowest incomes are more than twice as likely to say that they have poor health than people on the highest incomes, meaning that they are more likely to be reliant on an NHS that is now at breaking point.

I am pleased that yesterday the Labour party put prevention at the heart of our mission for the national health service. I am sure that when the shadow Minister, my hon. Friend the Member for Denton and Reddish (Andrew Gwynne), responds—[*Interruption.*] He says “Hear, hear” from a sedentary position, but he might not when I finish. I hope that he will agree on the importance of tackling health inequalities and on why it is such an important issue. An improved Healthy Start scheme can be a part of the journey, given we know that it is effective in improving childhood nutrition and leads to greater consumption of healthy foods.

I will not pretend that increasing the value of Healthy Start is a silver bullet. The increases that I am calling for are modest, but they must form part of a much wider national effort to tackle child poverty, which has now reached such a level that more than 4,000 children in my constituency of Stretford and Urmston are growing up under the yoke of poverty. Labour has a record to be proud of here: the last Labour Government lifted more than a million children out of poverty, largely through fairly redistributing the proceeds of sustained economic growth, which this Government is failing to achieve. Alongside that, they prioritised tackling child poverty and implementing the measures in the Child Poverty Act 2010. Those measures were scrapped by this Government several years ago, leaving us in the mire we now find ourselves in.

The debate is about calling on the Government to take action now. They are the ones with the power to make a difference. A modest increase to Healthy Start could have a significant impact on the poorest families. When considering the issue, I urge the Minister to think of last week's reports, the indignity that poverty brings and the stigma, shame and anxiety felt by families who are forced to steal or risk their child's health. Think of what it must be like to feel helpless, hearing again your child's hungry scream, which many parents now know so well. With all that in mind, if the Minister does not support uplifting the value of Healthy Start in the face of such powerful testimony, I ask him, why not?

2.41 pm

**Jim Shannon** (Strangford) (DUP): We had a similar debate yesterday about poverty, the cost of living and disabled people. It was a heartfelt debate because everyone brought examples from their constituents. I congratulate the hon. Member for Stretford and Urmston (Andrew Western) on bringing forward today's debate. It is always

a pleasure to add a contribution in support of the hon. Gentleman, but I also support the thrust of what he has asked for.

I always like to give credit where credit is due. The Government and the Minister have genuinely made many efforts to address this issue. The hon. Member for Stretford and Urmston is asking for more consideration. I reiterate that, and do what I always try to do, which is to provide a Northern Ireland perspective. Yesterday's Westminster Hall debate on the impact of the cost of living on disabled people across the UK was important, but it is also good to discuss the detrimental impact of the cost of living on families. The hon. Gentleman outlined some examples from his own constituents and the people he meets every day. I would like to do the same.

In the UK, we are very fortunate to have the Healthy Start scheme. I can very seldom stand here as a Northern Irish MP and talk about a scheme that applies to the whole United Kingdom, but that one does. It provides huge help to many lower-income families, especially at the peak of the cost of living crisis. The Healthy Start scheme, for which the Minister has responsibility and which the Government have made available, provides a pre-paid card for eligible applicants that allows them to purchase frozen fruit and veg, liquid cow's milk, vitamins or infant milk-based formula. Some 13,500 households in Northern Ireland avail themselves of the scheme and it has been a Godsend—I use that word on purpose—for those families. It has been instrumental for many people in providing the key nutrition they need at the time they need it. I put my thanks for that on record. The scheme is not only for young children, but for expectant mothers and for new mothers who are breastfeeding.

I want to commend the hon. Member for Glasgow Central (Alison Thewliss), who has been a great leader on this issue through the all-party parliamentary group on infant feeding and inequalities. I am a member of that group because I support what the hon. Lady is trying to put forward. It is a very active APPG. I have spoken at a number of events in Northern Ireland and the hon. Lady has always ensured that breastfeeding is central to the debate. I have no doubt that when she speaks shortly that she will add some of the thoughts that she has expressed in APPG meetings.

In Northern Ireland, the scheme has been good for expectant mothers and new mothers who are breastfeeding. I would like to say how important it is to receive the right support at the right time. In Northern Ireland, eligibility for free school meals does not start until primary 1, the equivalent of year 1 here in England, so before children start primary school, the responsibility to provide them with nutrition is solely on mothers and families. I did not see the story on the news about people hearing their children crying for food, but the hon. Member for Stretford and Urmston told it well. I am well past the baby stage now, but I had my grandchildren at our house at the weekend. Whenever they want to be fed, they want to be fed right then, so when the hon. Gentleman tells a story about a child crying because they are hungry, I understand how important it is that we can respond.

Unfortunately, some people struggle to afford food, and the additional pressure of the cost of living has made things considerably harder for mothers and families, which highlights the importance of the wonderful Healthy

Start scheme and why it is so crucial for so many parents across the whole of the United Kingdom of Great Britain and Northern Ireland. Northern Ireland statistics show that 330,000 people in Northern Ireland live in poverty. That is a massive figure out of a population of 1.95 million—almost one in five people. Sadly, it includes 110,000 children, which means that the poverty rate is highest among children. This is an issue that I deal with every day in my office, and—the hon. Member for Stretford and Urmston referred to food banks—my staff try to help people through the food bank in Newtownards, which has been used 50% more than it was last year. That gives Members an idea of what is happening. Food banks have a role to play, and they bring good people together. They bring together churches, charities and people in order to reach out and help, and they do that with a kindness and generosity that always amazes me.

The figure of 110,000 equates to one child in four—24%—living in poverty. I ask the Minister to consider extending the eligibility criteria for the Healthy Start scheme so that more people are included. If I had one request to the Minister, that is what I would ask for. I know the hon. Member for Stretford and Urmston referred to the issue, and I think we are all united on that. So many working individuals are already on the breadline and are unable to support their families because of the cost of living, which is something that we deal with every day in our offices and advice centres. Working families who are struggling to cope should be able, at least temporarily, to avail themselves of the perks of the Healthy Start scheme while the rise in the cost of living is proving so prevalent.

There are so many factors that sew into why so many people and their families are struggling. We are not blaming anybody, because there are circumstances beyond our control. The Ukraine war is one example, as is the cost of energy. They are the fault of nobody in this room, but they are among the factors. What we get from our Government and the Minister is compassion and understanding, and increasing or reviewing the eligibility for the Healthy Start scheme would be a massive step in the right direction. Other factors include the cost of living, the removal of the uplift in universal credit, and the basic rates of maternity and paternity pay for certain forms of employment.

My benefit adviser, who works from both of my offices in Strangford, in Newtownards and Ballynahinch, is a very busy lady and spends five days a week doing nothing but benefits, which are complex. The wonderful thing about her—I say this to her face, so I am not saying anything that I have not said before—is that she understands the benefit system. It can be complex for people to take on board, but she understands it and can offer help through it to address the cost of living, which is impacting on all sorts of people from all kinds of communities.

I have spoken numerous times in the House about the increase in food bank referrals from my office. The food bank in my town is run by the Trussell Trust and was the first one in Northern Ireland. It tells me that my office refers the most people for food bank packages. I probably see more than most people what it means to be desperate, with some being too embarrassed to ask for the help they need. I have also spoken before about the need for universal free school meals. I am not sure



[Jim Shannon]

whether it is the Minister's responsibility, but perhaps he could indicate whether it is possible to provide support for children, who are the future—we must not let them down. I love children; we all do. We have our own families, children and grandchildren, and we want to see them do well. However, we also see the children of people who come to see us, and the desperation in their eyes as they try to reach out and seek help. That is what we desperately want as well—to be able to respond in a positive fashion.

I ask the same for the Healthy Start scheme; we should do more to assist expectant mothers and children up to four, who also need help. It should not depend on what parents earn or how much they are struggling, there should be an acceptance that this is a hard time for everyone. We can do more to provide that extra bit of support. The hon. Member for Stretford and Urmston has asked for that. I endorse it; I support it, and I know others will as well. I also encourage greater discussion between the devolved Administrations to keep a constant eye on the situation, and to assess what more we can do in this place to support people who are struggling daily to make ends meet.

I look forward to hearing from the two shadow Ministers—the hon. Member for Glasgow Central and the hon. Member for Denton and Reddish (Andrew Gwynne). The three of us are always together in the same debates, and more often than not with the same Minister to respond. I look forward to hearing from him as well.

2.51 pm

**Alison Thewliss** (Glasgow Central) (SNP): It is a pleasure to see you in the Chair, Mr Twigg. I thank the hon. Member for Stretford and Urmston (Andrew Western) for bringing this important debate to Westminster Hall. As the chair of the all-party parliamentary group on infant feeding and inequalities, I have worked on this issue for many years. The cost of formula is not a new problem; it is a continual problem, and one that the UK Government have completely ignored for many years.

A number of years ago, the all-party group did some research on the cost of formula. Even at that time, it was already a struggle for many families. Despite all the evidence, the Government did nothing about it. I have asked questions about inflation and the cost of infant formula, and the Government have said that they are monitoring it. Monitoring is one thing, but actually doing something about it is quite another.

I was glad to see the hon. Member for Stretford and Urmston introduce the debate. I am also grateful to Sky News, which has done stellar work in exposing the many, multifaceted impacts that the cost of infant formula is having on families up and down these islands. Sky News has been out there listening to people's heartbreaking stories, and telling them. In 2023, we should not have people foraging on Facebook or stealing from shops to feed their babies. It is absolutely desperate.

As hon. Members have said, there is nothing more distressing than a hungry baby. The Minister needs to be dealing with this issue as a matter of urgency. Quite frankly, the Prime Minister is living in a different world if he suggests that the Healthy Start vouchers are sufficient to meet the needs of families. Not enough people are

eligible, not enough people are claiming and the vouchers do not meet the cost of a tub of infant formula. Suggesting that people should somehow fall back on discretionary payments from local councils is not much help to a family with a screaming baby at 3 o'clock in the morning. The Prime Minister does not have a clue.

This issue is vital to the development of babies. Babies' brain development is crucial to their future health and wellbeing, and not being fed properly at this very young stage can have a significant impact on their development. Families are watering down formula beyond the composition it is supposed to be. If they are adding things to formula, such as flour, rusk or other things, children are not getting the nutrition that they need. If people are buying it on the black market, or buying half tubs off Facebook or from friends, the quality of the milk is not guaranteed. Formula in itself is not sterile and it has to be made up properly. If it has been lying open for a while, it could be unsafe for the baby and cause them health problems.

In addition to that, people are struggling to pay their electricity bills. I am grateful to Mumsnet for providing a briefing for this debate. A person on that website said:

"I used to have a client family, a young couple with a newborn, who were really struggling financially...The poor mum just couldn't breastfeed her newborn, despite the health visitor's best efforts...The cost of formula was crippling, even with the healthy start vouchers. To make matters worse, they were being really ripped off for electricity through a coin meter and it cost them about 20p to boil a kettle to make up the formula."

Families are being hit at all angles.

There is also a risk with bottles of formula that are made up. They should be discarded after a period because they do not remain safe and sterile, but if a family cannot afford the next bottle, they will just keep it and feed it to the baby regardless. In those circumstances, parents will likely feel that some formula is better than no formula at all, despite the risk to the child's health.

Food price inflation is at 19.2% and general inflation is at 10.4%. I pay tribute to First Steps Nutrition Trust for its long-standing research that tracks the price of formula. It has found that the cheapest own brand, and the only own brand of formula on the market in the UK, has gone up by 45% in the last two years. Other formulas went up by between 17% and 31% in the same period. The market is out of control, and the Government have done nothing to address it.

First Steps Nutrition Trust has pointed out that the situation is much the same for other items people may buy with Healthy Start vouchers, such as fruit, fresh vegetables, bread or milk. The trust says that in 2006 someone could get seven pints of milk with Healthy Start vouchers, whereas in 2023 they can get only 4.7 pints. The money is being stretched in all kinds of ways—not just for babies but for older children too.

Part of the issue is the unregulated nature of the formula market in the UK. According to recent research in *The Lancet*, formula companies bring in £55 billion annually. They spend £3 billion at least on marketing. That amount adds to the price people pay when they buy a tub at the till. The companies are also spending significant money on developing new products, apparently for specialist needs, but these products can be bought over the counter uniquely in the UK. In many cases, they are not necessarily products the Government have failed to regulate, but desperate families are choosing them as an option.

There are also follow-on milks, which are completely unnecessary. I would say to any families out there spending their precious money on follow-on formulas: do not spend that money. They are simply a tool to market formula. They are not required for children. First-stage formula is perfectly adequate for the first year. Do not waste money. If all first-stage formulas are exactly the same—which they are by regulation—why does one cost £9.39 when a different tub costs £19? The Government have very little curiosity about why there is a variation in these prices if all compositions are essentially the same.

The Government should do an awful lot more to interrogate this industry and make sure there is provision for parents out there. It could be like something of the past—perhaps a plain-labelled Government-branded formula that is accessible to people. The Government should be looking at what they can do. It is very clear that the market left to itself is not able to control the prices. The Government should be stepping in to regulate the price of formula. Formula is unique. Unlike all other food products, it is required by babies; they cannot get nourishment any other way. It is a very different type of food product to everything else.

The hon. Member for Strangford (Jim Shannon) mentioned breastfeeding. As chair of the all-party parliamentary group on infant feeding and inequalities, I am a massive supporter of breastfeeding. It is the best way to feed a baby. For many families, breastfeeding can be very challenging and formula is necessary—if, for instance, the mother has an HIV diagnosis and breastfeeding is contraindicated, they require infant formula. In other families, children may be adopted or there may be childcare issues, so breastfeeding can be difficult. I would always encourage the Government to invest more in infant feeding support, because inconsistency in support, alongside a very rapacious infant formula industry, is undermining breastfeeding in this country. I would like to see full implementation of the international code of marketing of breastmilk substitutes, because that would also help to support families.

I also want to talk about the holes within the system. The Healthy Start vouchers are not keeping up with the pace of things. Families cannot simply rely on food banks or baby banks to provide something as a fall-back option, because, as I have said, infant formula is incredibly expensive and if food banks are trying to feed the most people they can, do they buy a whole load of tins of beans or do they buy one can of infant formula? That is a very difficult position to put food banks in and they should not be the emergency service to make up for where the Government have failed.

I will finish with a point of contrast. As has been mentioned, the Best Start Foods scheme in Scotland, which is a devolved benefit that the Scottish Government have set up, is—importantly—more generous than the Healthy Start scheme. It stands at £9.90 per week in the first year. The Scottish Government have increased that, with inflation, and the UK Government should do likewise with their schemes.

In addition, in Scotland there is the Scottish Child Payment of £25 a week, which makes a massive difference to families; whether they have babies or older children, that is £25 per child per week. And from speaking to people at food banks in my constituency, I know that that is making the difference between families coming

in desperate for food or not. That £25 payment is paid up to the age of 16. As I say, it makes a massive difference for families in Scotland and provides a clear contrast with what the UK Government are providing.

In Scotland, we have also looked at increasing the eligibility for that benefit. We are trying to make sure that those who have no recourse to public funds and who would not be eligible ordinarily for Healthy Start vouchers can get the Best Start grant in some circumstances. Of course, if the UK Government would abolish no recourse to public funds, we could give the Best Start grant out to far more people and make sure that all babies are fed, regardless of their parents' immigration status.

In Scotland, there is also a range of other grants, in addition to Best Start Foods. So, there is a Best Start Pregnancy Payment of £707.25 for someone's first child and of £353.65 for subsequent children, with no limit on the number of children, unlike the two-child limit for some other schemes. There is also the Best Start Grant Early Learning Payment between the ages of two and three and a half, and a School Age Payment for when a child is old enough to start school.

Those grants are incredibly important in the landscape of benefits available to parents, because families are pressed from all different directions at the moment, whether that is buying school uniforms or putting food on the table. The Scottish Government are making a real difference in this way, by making sure that children are fed and that families are not on the absolute brink of survival. I believe that it is up to the UK Government to meet that challenge, to regulate the infant formula sector and to uprate the payments under the Healthy Start scheme to match—or exceed if possible, which would be nice—what is available in Scotland, because we are doing everything we can.

I thank First Steps Nutrition Trust, Leicester Mammass, Feed UK, the British Pregnancy Advisory Service and the Food Foundation for their work, and I thank the hon. Member for Stretford and Urmston for securing this debate today. There is a lot of work going on and the Government need to meet the challenge that they have been set.

3.2 pm

**Andrew Gwynne** (Denton and Reddish) (Lab): As ever, it is a pleasure, Mr Twigg, to serve under your chairmanship.

I begin by thanking my hon. Friend the Member for Stretford and Urmston (Andrew Western) for securing this debate and for the fantastic work that he is doing in raising awareness of this issue.

It has been a small but perfectly formed debate, with the hon. Member for Strangford (Jim Shannon) contributing to it. He always comes to Westminster Hall full of knowledge and willing to share the Northern Ireland perspective. We are always grateful for that, because we can learn a lot from different parts of the United Kingdom and it is really important that voices from different parts of the United Kingdom are raised in these debates, even though primarily these debates, when they relate to health, relate to health issues in England only. Nevertheless, we are the United Kingdom Parliament and it is really important to know what is happening in other parts of the country where there are devolved Governments.

[Andrew Gwynne]

The hon. Member for Glasgow Central (Alison Thewliss) speaks so well on these issues. She obviously has her role as the chair of the all-party parliamentary group on infant feeding and inequalities, and with the work that she does with that APPG she has got really stuck into the matters that we are considering today in real depth and detail. But she also brings a fresh perspective to these debates, as does the hon. Member for Strangford. We learn more from her about what is happening within Scotland through the Scottish Government, and it is important that across the United Kingdom Parliament we hear such examples and that we learn from best practice in different parts of the United Kingdom, so as to make better policy here in Westminster.

My hon. Friend the Member for Stretford and Urmston was absolutely right to raise the issues that he did in this debate, because Healthy Start is an essential scheme that ensures that there is a nutritional safety net for pregnant women, parents and children under the age of four in low-income families. It allows parents—in theory—to buy healthy foods such as fruit and milk, as well as to access free vitamins. However, in the context of the cost of living crisis—so eloquently set out by my hon. Friend—families are undoubtedly finding it increasingly difficult to get what they need. Analysis from the British Pregnancy Advisory Service shows that, although the benefit itself has not changed since 2021, the price of infant formula—as we have heard from the hon. Member for Glasgow Central and from my hon. Friend the Member for Stretford and Urmston—has increased substantially since then. The cheapest brands have increased in price by a phenomenal 22%, which is just unfathomable, in that short space of time.

As we have also heard, huge concerns have been raised about the uptake of the vouchers themselves, particularly following the switch from paper vouchers to a prepaid card system. Healthy Start scheme data for January 2023 shows that up to 37% of eligible families with young children are currently missing out on the scheme. That cannot be acceptable, either. A huge proportion of the people who desperately need that support—or they would not be eligible for it—are missing out.

In an answer on 13 February to a written question tabled by my hon. Friend the Member for Stretford and Urmston, the Minister responded:

“While there are no current plans to increase the value of Healthy Start, this is kept under continuous review.”

With that in mind, I would be grateful if the Minister could update us on whether there have been any recent discussions regarding the value of the scheme and whether it is still his Department’s position that no increase in value is forthcoming. If that is the case, can the Minister set out what assessment his Department has made of the impact of inflationary price rises on low-income households, and what reassurances he can provide to all Members here today that families are not being priced out of essential goods on this Government’s watch?

Similarly, I will press the Minister on the uptake of the scheme. The Government’s target for uptake is 75%, but as I mentioned earlier, we are currently sitting at about 63%. A quick trawl of written questions shows that the Minister has been responding to concerns raised by Members on this issue with a boilerplate response—namely, that the NHS Business Services Authority promotes

the Healthy Start scheme through its digital channels and has created free tools to help stakeholders to promote the scheme locally. That answer suggests to me that the Government are not particularly concerned about missing their own target. That is not acceptable. I remind the Minister that there is very little point in setting a target if they are not going to do their utmost to meet it. We all know that the NHSBSA promotes this scheme, but something is clearly not working if uptake is as low as it is. What additional action is the Minister planning to take to increase uptake so that all families who are eligible are not just able to access the scheme but do access it?

It would be remiss of me if I did not raise the problem of child health inequalities, which are widening at an alarming rate. At our mission launch on Monday, Labour committed to a children’s health plan that would give every child a healthy start in life. That includes our pledge to establish fully-funded healthy breakfast clubs across England and restrict adverts for foods high in fat, sugar and salt. We would oversee the retrofitting of 19 million homes in England, to keep families warm. We would reform universal credit. And we would pass a clean air Act, to protect our children from the serious respiratory illnesses caused by pollution. It is an ambitious agenda that would proactively tackle child poverty and ensure families could afford to feed their children and keep them well. Over the last 13 years, the UK’s progress on infant and child mortality has stalled, and we now have much worse rates compared with other developed countries. We must see a concerted effort from the Minister to tackle that. More of the same will just not cut it. What exactly is the Government’s plan to meet the scale of the crisis in child poverty and ill health?

All children deserve to lead long, happy and healthy lives, irrespective of where they grow up and which part of the United Kingdom they live in. That means ensuring that in England the Healthy Start scheme works, and that we do everything we can to tackle child poverty across the country. I strongly urge the Minister to better engage with campaigners on the issue and work proactively with Members on all sides of the House to ensure that the Healthy Start scheme is fit for purpose.

3.11 pm

**The Parliamentary Under-Secretary of State for Health and Social Care (Neil O’Brien):** It is a pleasure to serve under your chairmanship, Mr Twigg. I am grateful to the hon. Member for Stretford and Urmston (Andrew Western) for securing this debate and to the other Members who have participated. The hon. Member for Strangford (Jim Shannon) made a typically compassionate speech.

The Russian invasion of Ukraine has had a global impact. We have seen a rise in inflation, with increased food costs and higher energy prices, and that has impacted on the cost of living. The challenge of the increase in the cost of living is felt by everyone across the country. The Government understand and recognise the challenges that many face as a result of the huge increase in inflation.

The Government have taken, and will continue to take, decisive action to support people with the cost of living. In response to higher food costs, the Department for Environment, Food and Rural Affairs continues to



work with food retailers and producers on ways to ensure the availability of affordable food—for example, by maintaining value ranges, price matching and price freezing measures.

In response to higher energy prices, the Department for Business, Energy and Industrial Strategy put in place the energy price guarantee to shield households from the unprecedented rises in energy prices. The guarantee will run until April 2024, and the Government are working with consumer groups and industry to explore the best approach to consumer protections from April 2024 onwards, as part of wider retail market reforms. As set out in the energy security plan, we intend to consult on those options this summer.

In response to the higher cost of living more generally, the Department for Work and Pensions is providing up to £900 in three lump sums for households on eligible means-tested benefits, a separate £300 payment for pensioner households and a £150 payment for individuals in receipt of eligible disability benefits. From this April, the Government have uprated benefit rates and state pensions by 10.1%. In order to increase the number of households who can benefit from those uprating decisions, the benefit cap levels were also increased by the same amount.

Also from this April, the national living wage that this Government introduced increased by 9.7% to £10.42 an hour for workers aged 23 and over. That is the largest ever cash increase for the national living wage. For those who require extra support, the Government are providing an additional £1 billion of funding, including Barnett impact, to enable the extension of the household support fund in England this financial year. That is on top of what we have provided since October 2021, bringing the total funding up to £2.6 billion. This is used by local authorities to help households with the cost of essentials.

**Alison Thewliss:** It is interesting to hear about all the things that were uprated with inflation. Will the Minister explain why Healthy Start was excluded from that?

**Neil O'Brien:** If I can just complete the thought, the total cost of living support that the Government have provided is worth more than £94 billion across 2022-23 and 2023-24. That is, on average, more than £3,300 per UK household. It is one of the most generous support packages for the cost of living anywhere in Europe.

I turn to the critical role that the Healthy Start scheme plays in supporting hundreds of thousands of lower-income families across the country. Eating a healthy, balanced diet, in line with “The Eatwell Guide”, can help to prevent diet-related disease. It ensures that we get the right energy and nutrients needed for good health and to maintain a healthy weight throughout life. The Healthy Start scheme is one way that the Government continue to target nutritional support at the families who need it most, which is increasingly important in view of the cost of living.

Healthy Start is a passported benefit, one of a range of additional sources of help and support that the Government provide to families on benefits and tax credits. It is a statutory scheme that helps to encourage a healthy diet for pregnant women, babies and young children under four from lower-income households. Women who are at least 10 weeks pregnant and families with a

child under four years old are eligible for the scheme if they claim: income support; income-based jobseeker's allowance; child tax credit, if they have an annual family income of £16,190 or less; universal credit, if they have a family take-home pay of £408 or less a month; or pension credit. Pregnant women on income-related employment and support allowance are also eligible for the scheme.

Anyone under 18 who is pregnant is eligible for Healthy Start, regardless of whether they receive benefits. Following the birth of their child, they must meet the benefit criteria to continue receiving Healthy Start. The scheme offers financial support towards buying fresh, frozen or tinned fruit and vegetables, fresh, dried and tinned pulses, plain cow's milk and infant formula. Beneficiaries are also eligible for free Healthy Start vitamins.

In April 2021, as has been mentioned, we increased the value of Healthy Start by 37%, from £3.10 per week to £4.25 per week. Unlike the Scottish Government's scheme, which is for the under-threes, Healthy Start is for the under-fours. Pregnant women and children aged over one and under four each receive £4.25 a week, and children aged under one each receive £8.50 a week—twice as much. For a family with a six-month-old and a three-year-old, that is £12.75 a week to help towards buying nutritious foods. That comes on top of the benefits and all the other measures, such as the increase in the national living wage, that I mentioned.

**Andrew Gwynne:** I am grateful to the Minister for rattling off the sums. To go back to the point that the hon. Member for Glasgow Central (Alison Thewliss) made about the Healthy Start grant and why the Government chose not to uprate it, will he share with the House what the cost to the Exchequer would have been to uprate it? That must have been part of their deliberations as to why not to do it. What is the cost?

**Neil O'Brien:** We have chosen to spend over £3,300 per UK household, on average, on the cost of living support. Putting that into the schemes that are available and targeted at people with low incomes, and indeed at the entire population, is the choice that we have made. To reiterate my earlier point, and since the hon. Member says that I am rattling off the figures, it is worth stressing that we have invested £3,300 per household—a colossal sum of money. That is unprecedented. There has never been a cost of living intervention anywhere of that magnitude, so that must be an important part of the discussion about Healthy Start.

**Alison Thewliss:** Will the Minister give way?

**Neil O'Brien:** I will continue with my points and perhaps come back to the hon. Lady in a moment.

Healthy Start is delivered by the NHS Business Services Authority on behalf of the Department. Following user research and testing by the Department and NHSBSA, the scheme, as various Members have mentioned, was switched from being paper-based to a digitised service to increase uptake and usability. We have introduced an online application to replace the previous paper-based application form and a prepaid card to replace paper vouchers. The digitised scheme opened to the public for the first time in September 2021. The online application provides an instant decision for many families. The prepaid card can be used in any retailer that sells Healthy Start foods and accepts Mastercard.

[Neil O'Brien]

I am pleased to see that the number of new families joining the scheme continues to grow following the introduction of the prepaid card. Since September 2021, there have been more than 500,000 successful applications, with 48% coming from new families. The scheme now supports more than 375,000 families on lower incomes, and that continues to grow month on month. The current uptake is 64.6%, which is higher than the paper scheme, which had a 59.9% uptake in August 2021.

The hon. Member for Stretford and Urmston asked whether we published the figures on eligibility. Yes, the total number of eligible and entitled beneficiaries are published on the NHS Healthy Start website and are broken down by local authority.

**Alison Thewliss:** Will the Minister give way?

**Neil O'Brien:** If this is on the point about data.

**Alison Thewliss:** The Minister is making an interesting point about the uptake, but can he account for why things are so much better in Scotland, where the uptake of Best Start Foods sits at 88%?

**Neil O'Brien:** The schemes are not completely comparable because the Healthy Start scheme covers a wider base of people, as I mentioned. It goes up to age four rather than age three, so it has a wider field of benefit than the Scottish scheme. That may be part of the story, but there could be other reasons, and there may be important things that we can learn from the Scottish scheme. I am always keen to have those discussions.

To increase take-up, NHSBSA actively promotes Healthy Start through its digital channels and has created free toolkits to support stakeholders to do so. NHSBSA uses a range of communications activities to engage parents, pregnant women and healthcare professionals to help to raise awareness of the scheme. NHSBSA has attended Maternity & Midwifery Forum events and placed advertisements in the Bounty packs, which many people receive when they have children, and the "You and your pregnancy" magazine, which is given to pregnant women in the first trimester.

We constantly review the materials produced for the Healthy Start scheme to ensure that communications reach those who need support the most. That is why, following user research by NHSBSA, promotional material was translated into the top five languages spoken by Healthy Start families, to reach a wider demographic. NHSBSA continues to engage with national and local stakeholders to improve the delivery of the scheme and increase the uptake.

Healthy Start is an important part of the support provided by the Government, but it is only one aspect of the support available for families. We are funding 75 English local authorities with high levels of deprivation to ensure that parents and carers can access Start for Life services locally. The healthy child programme is a universal offer across all 150 local authority areas—led by health visitors and school nurses—that supports families from the antenatal period up to school entry. The nursery milk scheme provides reimbursement to childcare providers for a daily third of a pint portion of milk to children and babies. The school fruit and vegetable scheme provides around 2.2 million children in key

stage 1 with a portion of fresh fruit or vegetables each day at school, and 419 million pieces of fruit and vegetables were distributed to children in 2022-23.

The Government have extended free school meals eligibility several times and to more groups of children than any other Government over the past half a century, including the introduction of universal infant free school meals and further education free meals. Under the benefits-based criteria, 1.9 million of the most disadvantaged pupils are eligible for and are claiming a free school meal. That saves families around £400 per year. To make it easier for families to find support, the Government also created an online resource so that families can easily check what help is available to them.

At a time when families need support, and with the cost of living increasing, the Government are committed to helping as many families as possible to access the Healthy Start scheme, as well as all those other schemes, to help those most in need.

3.22 pm

**Andrew Western:** I thank everybody who has taken the time to participate in the debate. This matter is incredibly important to me, my constituents and so many people up and down the country in the midst of this cost of living crisis.

I will comment on some contributions from hon. Members, beginning with the hon. Member for Strangford (Jim Shannon). I am very grateful for his support for uprating the Healthy Start allowance. He is right to highlight the scheme's importance to the people of Northern Ireland; it is also important to people across the whole UK, as he rightly said. He was also right to mention free school meals, because that is a major problem with the scheme as it stands. The Healthy Start allowance finishes on a child's fourth birthday, after which the children of some of the very poorest families do not receive that support. We are talking about children and the food they eat, rather than about the families. At a crucial time in any child's development, those children do not receive that support until they are at school and in receipt of free school meals. I thank him for making that point.

I also agree with the hon. Gentleman's point about the potential extension of eligibility. I very deliberately sought to put forward a reasonable ask of Government today. Based on the Minister's response, I need not have bothered to do so; I could have asked for all the issues with the scheme to be addressed. I made a minimal request in the hope that there might be a positive offer in response. The extension of the eligibility criteria would be particularly welcome not just to those with children over the age of four, but to everybody in receipt of universal credit. The current level of eligibility is set at any family earning up to £408 a week from employment, which is not a significant sum when there are little mouths to feed.

I very much associate myself with the comments from the hon. Member for Strangford about the complexity of the application process. I hear what the Minister said about the move online and the digitisation of the scheme, but there have been significant problems, not least with the availability of reporting and data as a result of the shift to digitisation. The hon. Member for Strangford made a point about his dear friend who spends so much

time advising on benefits that it is a full-time job. He is absolutely right: it would need to be, because the scheme is so complex that many families are simply not taking it up. The shadow Minister, my hon. Friend the Member for Denton and Reddish (Andrew Gwynne), pointed out that we are missing the Government's target, and I will return to that serious issue momentarily.

I turn to the comments of the hon. Member for Glasgow Central (Alison Thewliss), whose expertise in this matter—not least that garnered as chair of the all-party group on infant feeding and inequalities—is second to none. I stress that I am not here speaking specifically about baby formula. She says that that is not a new issue, and I absolutely appreciate that. However, on this issue, we have an acute and current problem that is relatively new across the piece, because Healthy Start is used for things other than baby formula, including milk, pulses, fruit and vegetables, and so on. I know she understands that, but I am trying to continue making the case for why this is important in and of itself. There is a broader remit up to the age of four, and it is incredibly important to note that, but I endorse everything that she says about milk formula, and the challenges for the lowest-income families as a result of the current system and the current pricing regime.

The hon. Lady's comments about the value of the voucher, in terms of the loss of milk, are really pertinent. For the value of the voucher to be down by the cost of more than two pints of milk over a relatively short period shows the impact on families. I am incredibly fortunate to do this job. I do not know what it is like to have to sit there and work out, "Can I buy an additional pint or two of milk this week?" For families in that situation, it must be absolutely devastating when they have a hungry child crying for food as they make that calculation.

I also associate myself with the hon. Lady's comments about individuals with no recourse to public funds. That is really important, and I firmly agree that that should not be a barrier to receiving the Healthy Start allowance. In particular, the Government have moved on that specifically in relation to free school meals. When one considers a child's journey through the early years and on to education, I can see no difference that would excuse these two alternating and contradictory positions. If nothing else, I hope that the Minister will take that away and endeavour to look at it.

The shadow Minister, my hon. Friend the Member for Denton and Reddish, made some really important points about uptake, building on the comments of the hon. Member for Strangford. We have up to 200,000 beneficiaries of the allowance not currently taking it up. We have a Government target of 75% against a national average of 64%, so that is a significant failing. Having said that I would restrict my requests to one particular area, I place on record that I support the Food Foundation's request for a £5 million investment campaign spent on promoting the scheme to drive up the uptake.

My hon. Friend's broader list of points, in setting out Labour's agenda, shows the breadth and scale of change that is needed to genuinely tackle the cost of living crisis. I said in my opening speech that this change alone would not be a silver bullet. It is one of myriad interventions that are needed, given the scale of the crisis that young families and people up and down the country face, whether they have young children or not. That sort of

visionary and transformational agenda will be required to tackle child poverty. I know that my hon. Friend will agree that the last Labour Government did that, and I hope that the day when we can do so again comes very soon.

To turn to the Minister's contribution, it has probably come across that I am relatively disappointed by the response. He refused to say, and presumably has not even looked at, what the cost of this intervention would be. He mentioned that the data—which I pointed out was troublesome—made this complicated. I am happy to give way if he wants to provide clarification on this point. There is an awful lot of talk about "beneficiaries"—he used that term—but that does not make it clear to me whether we are talking about one parent in a family, two parents in a family, one family, one child or two children in the same family. It is not clear, so I have had to make these calculations based on 336,000 current recipients of Healthy Start, assuming that around 30% of those fall into the category of children between nought and one. An inflation-level uplift of 72p a week for those on the lower rate and therefore £1.44 for those on the higher rate would add up to a whopping £16.3 million. That is nothing when one considers the grotesque scale of waste that the Government incur through failing to intervene early enough in children's lives, before they face deeper problems further down the line. That is nothing against what I set out in my opening speech in relation to the lost revenue to the Treasury when one considers the lost potential over the course of a lifetime.

These are tiny sums in reality, but they would make an enormous difference to people on the lowest salaries and incomes. When the Minister lists the litany of interventions from the Government and says, for instance, that the living wage has been increased to £10.42, it is important to recognise that that can be a problem for previous recipients of Healthy Start, because not uprating the Healthy Start allowance means that some people may roll off it and be worse off. There is no taper and no support for those just over the limit. Forgive me, I had not considered this in advance, or I would have made this point in my opening speech: I think I am correct in saying that the decision not to uprate Healthy Start will lead to fewer people being eligible. That is shameful, given the crisis that we face in this country, and given that we have families stealing to feed their babies. It terrifies me that the Minister hides behind an increase in the national living wage, when that leaves people potentially worse off in this instance.

We have to be honest: this invest-to-save measure would have been particularly cheap for the Government to enact. The greatest impact that we can have on anybody's development is in those first few years. That is why we have policies such as Sure Start and why we have the Government's albeit limited family hubs policy. No child can reach their potential if they grow up without the food and nutrition that we all need, particularly in our youngest years.

There are many issues. As I said, I began in a rather restrained way, but we received such a disappointing response from the Minister. He did not even consider this proposal and pointed to broader lists, seemingly not having looked at what the negligible costs would be, so I will briefly set those issues out. I would have liked to say more about auto-enrolment and take-up; expansion of the scheme to all children under free school meals age;



[Andrew Western]

and widening the eligibility criteria to all families on universal credit and those with no recourse to public funds, who can now get free school meals.

Fundamentally, however, I came here with a reasonable ask today, at a time when we know that families are so desperate that they are stealing to feed their children and are listening to hungry cries because of the empty bellies of the very youngest people in our society. We are talking necessarily about the most vulnerable young people in our society, in families on the lowest incomes. This proposal would have cost next to nothing, but I fear that the price for those individuals will be grave indeed. I am grateful to everybody who has participated today, but I have to say, I remain deeply disappointed by the Minister's response.

*Question put and agreed to.*

*Resolved,*

That this House has considered the Healthy Start scheme and increases in the cost of living.

3.34 pm

*Sitting suspended.*

## Sub-postmasters and Sub-postmistresses: Remuneration

4 pm

**Mr Alistair Carmichael** (Orkney and Shetland) (LD):  
I beg to move,

That this House has considered remuneration for Post Office sub-postmasters and sub-postmistresses.

It is a pleasure to serve with you in the Chair, Mr Twigg. The House has spent a fair amount of time in recent months considering the question of the Post Office and dealings with postmasters and postmistresses, but most of that has been in relation to the very long tail of the Horizon scandal. I make absolutely no complaint about that.

I have had debates in here and in the main Chamber where I have said that, in my view, the basic reason that whole scandal was allowed to happen was the culture that existed within the senior management of the Post Office. Basically, the people at the top just did not trust those at the sharp end of the businesses. As I have dealt with constituency cases relating to Horizon and seen some of the more recent adverts, such as the bonus payment paid to Nick Read, the chief executive of the Post Office—in an act of utter tone-deafness—my concern is that the culture remains unchanged. If it has changed, it has not changed to the extent or at the speed that we would like.

A recent poll on the question of confidence in the board of the Post Office on the Facebook group Voice of the Postmaster attracted no fewer than 367 votes, and it was a 100% vote for no confidence. I mention Voice of the Postmaster because that is, as it were, the provisional wing of the organisation representing sub-postmasters. I have always worked very well with the National Federation of SubPostmasters over the years, but I increasingly hear concerns from sub-postmasters that the way in which the federation is constituted makes it difficult for it to represent sub-postmasters in the way they would want to be represented. I do not know the truth of that. It is not my job, or even the Minister's, to reach a final decision on that at the moment, but I think we have to be aware and respectful of concerns when we hear them. There is clearly a job of work for Ministers and Post Office management to be done in that regard.

Figures provided by the Post Office recently in a conference call to postmasters and postmistresses show that it had a revenue and income last year of £915 million, while its total capital and spend on historic matters, which excludes compensation, was £85 million, and the compensation schemes cost £63 million. The Post Office employed 3,500 people, with a people cost—I assume that is a wages bill—of £180 million. A fairly crude arithmetic would suggest an average salary in the region of £48,000.

I would contrast that with what I and, I suspect, many of us around the country hear when we speak to the sub-postmasters and sub-postmistresses in our communities. My interest was really caught by one of the sub-postmasters in Shetland, Brian Smith, who runs the Freefield sub-post office in Lerwick, which is one of the bigger sub-post offices in Shetland. He came to me, showed me the figures and said quite simply, "How do I make a living from this?"

I went back to see my constituent last week and he showed me his remuneration note. He is open for 51 hours per week, with two people serving. He pays above minimum wage, but at minimum wage that would be £1,071 per week, which would be £4,641 per calendar month for wages only—before even turning on a light switch or heater. His income from the post office in that month was £4,153.56. I can find no better illustration of the mismatch between what sub-postmasters need by way of remuneration and what they actually receive.

**Wendy Chamberlain** (North East Fife) (LD): My right hon. Friend is laying bare the facts. In my constituency of North East Fife, we have lost a number of post offices since I was elected because a franchisee pulled out, as it simply does not make any money. It is easier to have a Costa Coffee machine than a Post Office counter for making money. People are not coming forward to reopen post offices, so remote communities are subject to being served by a Post Office van, when it is in operation. Does he agree that we need to do something?

**Mr Carmichael:** I absolutely agree. I see this process happening and it has not happened suddenly; it has been happening for years. People retire, give up or for whatever reason decide they do not want to continue and nobody comes forward, so the post office remains nominally open, but in fact there is no service in the community—there might be some from another branch or wherever, but frankly the core of what the sub-post office is about is lost.

I think of the example of the post office in the village where I live. It is in the village shop. It was bought recently by somebody who had given up a career—of 51 years, he tells me—in IT, so he was not doing this to increase his income. He has transformed the shop. He has taken what was a good Orkney country shop and brought in a whole range of different fresh foods—Orkney fish, Orkney beef, everything. The quality of what we can get in that shop now is phenomenal, but he tells me it costs him to have a sub-post office counter in the business. It should not be costing somebody like that. That should be something that adds value, but we are seeing the determination and commitment of sub-postmasters and sub-postmistresses around the country being taken advantage of.

**Christine Jardine** (Edinburgh West) (LD) *rose*—

**Jim Shannon** (Strangford) (DUP) *rose*—

**Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD) *rose*—

**Mr Carmichael:** Oh my goodness! I am spoilt for choice. I give way to all three Members, but very quickly.

**Christine Jardine:** I agree completely with my right hon. Friend: remote areas have been hit hard by the declining number of post offices, but we are also seeing that in cities. One of the problems it brings is that post offices were meant to replace the counter services of many bank branches that have closed, so we have many elderly pensioners who are not online and now have even fewer options for getting their pension or going to the bank.

**Mr Carmichael:** I give way to the hon. Member.

**Jim Shannon:** I commend the right hon. Gentleman for bringing the debate forward. He is absolutely right, and the same thing applies in my Strangford constituency. The wages and remuneration have to reflect—they do not at this point—the hours committed, the staff employed, the contribution to the local community and the social engagement for people of a senior generation. Those things are critical, and they must be reflected accordingly in the money for wages.

**Mr Carmichael:** I give way to my hon. Friend.

**Jamie Stone:** In the north-west of my constituency, Mr and Mrs Mackay run a general store in the village of Durness in Sutherland. It is a fact that supermarket deliveries and mail order are threatening the store's viability. That is something we should guard against.

**Mr Carmichael:** Absolutely. With your indulgence, Mr Twigg, I took those interventions together because we had three different communities all telling us the same story. It is a story of commitment from sub-postmasters and sub-postmistresses that is not being met through their remuneration. The point made by my hon. Friend the Member for Edinburgh West (Christine Jardine) should be emphasised, because isolation is not something that affects only those in rural communities. There are people who live in isolation in cities and towns. For them, a post office and access to a post office is an important service, and they stand to lose out as a consequence of the constant salami slicing that we see.

Another postmistress in my constituency from Orkney spoke about the different changes that she has to work with. She told me:

"A lot of mail and packages are left with us for collection. Every item has to be accounted for, processed in and processed out. We are quite often having to produce a proof of postage for mail that is paid for online. This takes some time checking that the correct postage has been paid. The changes to customs requirements have added on much more time to the process than what they claim"

—that is the Post Office—

"This is particularly true for Drop and Go accounts where we have to input the senders details for every package. This information could be pre populated...The Post Office do not provide all the items that may be required to meet their standards—for example, a shredder."

The list of things that are done for communities by people running sub-post offices was shared by my constituent Juliet Bellis, who runs the sub-post office in Fetlar, an island community in Shetland with 68 residents. She makes the point that elderly and infirm residents there rely on the post office to charge up their electricity keys. She says:

"I am contracted to open for 8 hours per week but I have trained up everyone who works in the shop so that, if the shop is open, the post office is available. That means in the summer you can get access to the post office 7 days a week, from 11am to 4pm; in the winter, we only open for five days a week—from 11am to 2pm.

The post office is therefore getting 35 hours from me in the summer and 15 hours a week in the winter. For this I get paid £390.90 per month...slightly above the current minimum wage if I opened for 8 hours per week."

**Duncan Baker** (North Norfolk) (Con): I thank the right hon. Member for bringing such an important matter to the House. I was a postmaster, and I have often said in the House that I am the only serving MP to have been in that role. Indeed, it is wonderful to see Calum Greenhow, the chief executive of the National Federation of SubPostmasters, in the Public Gallery.

Despite the Post Office's commercial revenues increasing by about £100 million over the last few years, the actual revenue that sub-postmasters have earned in that time has fallen substantially, by 12% in just the last three years. As the right hon. Member said, of the 11,700 post offices that operate around the country, only 9,500 are full-time services, simply because of the lack of viability. Does this not show that we must give this great British institution the power to pay people properly for running post offices?

**Mr Carmichael:** The hon. Gentleman is absolutely right, and I do not think we are going to have much contention in this debate. The same point was made to me by Valerie Johnson, who is the sub-postmistress at Baltasound, Unst. She pointed out that holiday pay is contracted to cover roughly £5 per hour, but there has been no update since 2016. That is probably the sort of thing that produces the outcome to which the hon. Gentleman just referred.

The final point I want to deal with relates to bank charges. As we know, we are pushing more and more banks into using the Post Office, and the figures that have been put to me show massive disparities between the amounts that can be paid in on a daily or annual basis. For Barclays, the limit is £3,000 per transaction but only £10,000 per year. For Danske Bank, it is £1,000 per day and £5,000 every 180 days. Ironically, the Post Office instant saver account has a limit of £1,000 per day or £10,000 per year, as does the Post Office reward saver. Brian Smith told me just last week that when people hand over their takings and pay money into bank accounts through the post office, it does not know whether that person is anywhere near the account cap. If the post office staff spend time counting out the money, only to find that they cannot take it because the customer has exceeded the cap, that is a source of enormous and legitimate frustration for them.

Mr Twigg, you may think that I have just about vented my spleen and exhausted everything that I have to say, but today it has been brought to my attention that negotiations between the Post Office and the Driver and Vehicle Licensing Agency are reaching a crisis point. At present, 6 million DVLA transactions, worth something in the region of £3.2 million, are made through post offices every year. I am told by the Post Office that the likeliest outcome is that it will get a 12-month extension to the agreement, which would take it to 31 March 2024, but that the DVLA is not committing beyond that point.

**Marion Fellows** (Motherwell and Wishaw) (SNP): Does the right hon. Member agree that the Government's pledge—made many years ago and never kept—that local post offices would be the “front office of Government” is really beginning to sound more and more hollow, and that they are likely to be in breach of the Equality Act 2010 and indeed their own policy on access to cash and social inclusion, if this change goes ahead?

**Mr Carmichael:** The hon. Lady is absolutely right, and I pay tribute to her work as chair of the all-party parliamentary group on post offices.

The point that really stands to be made about the Post Office and the DVLA is that these are two public bodies. Negotiating a deal between two public bodies is about access to a public service. I confess that I was always sceptical about post offices being the “front office of Government”, because it is difficult for a Government to say that they use the Post Office as their “front office”, when at the same time they are telling everybody else that everything is digital by default. There is a somewhat mixed message between those two options, and we will have to decide which it will be, because if we try to do both, we will never succeed in either regard.

The concern that we might now be reaching the point of losing the contract has to be taken seriously. It is clear that the Post Office is taking it seriously, and it is incumbent upon those carrying out the negotiation to understand that they are the people negotiating on behalf of post offices and those who issue licences. They are behaving as if they are in some hardball negotiation between Gordon Gekko and The Wolf of Wall Street. They are losing sight of the fact that they are there for a specific purpose, and they should focus on that.

We have an army of public servants, the length and breadth of this country, who provide a tremendous service for our communities. We have heard a small part of it service represented here today, and if I take nothing else from this debate, it is that we need to find another opportunity to go over this ground in more detail. That army, like all armies, needs leadership, and that is where we are losing the opportunity at the moment. They need leadership; they need respect for the work they do; and above all else they need fair pay for the work that they do for our communities.

4.17 pm

**The Parliamentary Under-Secretary of State for Business and Trade (Kevin Hollinrake):** It is a pleasure to speak with you in the Chair, Mr Twigg.

I congratulate the right hon. Member for Orkney and Shetland (Mr Carmichael) on securing this very important debate. I agree with many of the sentiments that he expressed in his speech.

When I was growing up as a young boy in my local town of Easingwold, we had Mr Taylor, the bank manager—he managed the Barclays bank—and Mr Clark, the baker; Mr Thornton, our butcher; Mr Hollinrake, who was our milkman; and Mr Hodgson, our postmaster. The only equivalent personality who I would be able to identify now in our community of Easingwold would be Pritpal, who is our postmaster. Sadly, all those other pillars of the community have gone, so we absolutely know that our postmasters are the pillars and beating hearts of our communities. It is therefore paramount that we secure the right future for our post office network, which is one of the largest retail networks in the country, with 11,500 branches. We know from the recent report by London Economics that post offices bring a huge amount to our whole economy—£4.7 billion in 2021-22.

I spoke in glowing terms about the network being the pillars of our communities at the annual conference of the National Federation of SubPostmasters only last week. It is good to see Calum Greenhow, who represents that organisation, here in the Public Gallery today;



indeed, he is on his annual holiday, but has still turned up to this debate. Quite simply, there is no Post Office without postmasters.

The subject of this debate is crucial, because if we are to run a sustainable network of post offices, we clearly need to ensure that those businesses are sustainable too. Post Office is a commercial business; it operates at arm's length from the Government. Postmaster remuneration will ultimately be an operational matter for the Post Office, but I totally agree that we need to get the situation on a sustainable footing.

There were some improvements to remuneration in April, as I think has been acknowledged, including increasing payments for outreach services by 9.5% and payments for banking deposit transactions by 20%, although I know that their cash impact is very limited; that point was raised at the conference last week.

I understand the issue that the right hon. Member for Orkney and Shetland raised about deposits. The money is counted and, because of unknown deposit limits, that money sometimes has to be counted back, which is unfair. I am working closely with the Financial Conduct Authority and various banks on those deposit limits, which seem to be arbitrary and have damaging effects on the business community as a whole in our towns and villages, not just on the post offices themselves. I am determined to find a solution to that problem, alongside my colleague, the Economic Secretary to the Treasury.

The improvements made in April 2023 were made following previous improvements in August 2022, and postmasters benefiting from Royal Mail tariff increases was announced in March 2023. However, I appreciate that the measures have not gone as far as postmasters would have liked. We have the issue under review and we discuss it often at our meetings with the Post Office.

My hon. Friend the Member for North Norfolk (Duncan Baker) raised an important point about the amount of revenue that is passed on to sub-postmasters. Something that results from that, which I have discussed with the Post Office at our meetings, is the need to control and reduce central costs to ensure that there is more money to go around the network, rather than held in the centre. Postmasters are the most important part of the post office network, and I agree that they need to be able to make a decent living for that network to be sustainable for the future.

Clearly, we need the Post Office to look for opportunities to drive footfall into branches. A point was raised about the DVLA. I am aware of those negotiations. Again, those matters are between the Post Office and postmasters, but we are keen to see a resolution and we hope that one will be obtained. The hon. Member for Motherwell and Wishaw (Marion Fellows) does fine work as chair of the all-party parliamentary group on post offices. As she said, we see the Post Office very much as the front office of Government. Having said that, we cannot dictate to people how they decide to access services. We all benefit from access to the internet and the digital world, and applying for different things on our phones and computers.

**Marion Fellows:** Digital applications should not exclude cash for people who are digitally excluded, and there are many of those people in our communities. As the Minister said, post offices are at the heart of our communities. Everyone needs to be able to use them and access Government services.

**Kevin Hollinrake:** I agree. I hope the hon. Lady will forgive me if I gave her the wrong impression. I am not saying that it should be either/or, but we should leave it to customers to decide how they want to access services.

**Mr Carmichael:** The Minister is absolutely right. We cannot dictate to people how they do things. But surely with the example of the cash limits on bank deposits, that is exactly what we are doing. If we say, "You've had your limit; you can't pay in any more money here," then we have taken away the option for them to use the post office. Let us not forget that they are probably using that option as a sop to the Government here, because they were making all sorts of promises about it being the last bank in town.

**Kevin Hollinrake:** I understand that cash deposit limits are a crucial issue, and we are determined to find a resolution. It is not about something imposed by the Government or even the Post Office; it is about money laundering concerns. The FCA was concerned about the post network being used for money laundering purposes. The right hon. Gentleman and I have both spoken about the need to tackle economic crime, so that is the reason behind it. My concern is whether those measures are proportionate and appropriate. I think there should be ways round that. Some banks are interpreting the advice differently.

I will turn to some other issues that the post office network is facing. One is the disruption to business caused by the dispute between Royal Mail and the Communication Workers Union. Hopefully, that has nearly come to its end. Letter volumes are on a long-term decline, with a 50% reduction in the last 10 years. Foreign currency exchange is another important revenue stream, which was obviously challenged between 2020 and 2022. Again, that should be returning to normal.

There is no silver bullet to solve those problems, but, nevertheless, there are some opportunities for the future. We see that the Post Office needs to adapt to today's economic environment. There are initiatives under way, such as post offices becoming parcel hubs—not only for Royal Mail; there are now new partnerships with Amazon, DPD UK, Evri and DHL, and that is a benefit to consumers and potentially postmasters.

Positive steps to diversify the business are critical. The right hon. Member for Orkney and Shetland highlighted what a tremendous job his post office is doing in terms of fresh produce and fish. Diversification is very important for any business; when a part of a business is struggling to make ends meet, it should add further businesses to that outlet. There has been significant investment in the replacement for the Horizon system. The new system should make transactions easier and more efficient, which should help sub-postmasters with the amount of time it takes to do their work.

The Government have stepped in for the short term, with things such as business rates support worth £13.6 billion, and the £23 billion over an 18-month period to help with energy costs. We are keen to help all businesses through a difficult time, not least the post office network, which has received £2.5 billion of central Government funding over the last 10 years, and will receive £335 million over the next three, including the £50 million a year subsidy to safeguard services in uncommercial parts of the network.

[Kevin Hollinrake]

I take the right hon. Member for Orkney and Shetland's point on the Post Office's senior management bonus situation—a matter that we took very seriously. The Post Office itself is doing its own inquiry into the circumstances around that and we have committed to undertaking an independent review of the issue. It is important that we wait for the outcome of the review before we make a judgment on that situation, but it is something that we are taking seriously.

I thank Members for their contributions to the debate. It is encouraging that we are all on the same page on this issue; we all want to ensure we have a sustainable network, and we need to have a grown-up conversation about how we do that.

4.27 pm

*Sitting suspended for a Division in the House.*

4.35 pm

*On resuming—*

**Kevin Hollinrake:** To conclude, we will continue to work with the Post Office to deal with the challenges that the network faces and lay the foundations for a sustainable network in the future.

*Question put and agreed to.*

## Autonomous Last-mile Delivery

4.37 pm

**Ben Everitt** (Milton Keynes North) (Con): I beg to move,

That this House has considered the societal impacts of autonomous last-mile delivery.

It is a pleasure to serve under your chairmanship, Mr Twigg. Many of my colleagues from across the House have heard me speak at length on the thriving tech sector in Milton Keynes, and I am grateful for the opportunity to do so once again. This time, I will be highlighting the wonderful role that Starship robots play in our city and the fantastic technology of automated last-mile delivery. I will cover some of the benefits that those cute little robots bring for the environment, accessibility, convenience and productivity, but I will start with the social side, particularly acceptance.

If we roll forward 20, 30 or 40 years, autonomous delivery robots will be all over. They will be in our homes, in our streets, online and so on—robots everywhere, in all aspects of our lives. Looking at how integration works, and at the Milton Keynes use case for robots, will give us real lessons for the future. I have talked extensively to my friends at Starship—the humans, not the robots—and it is clear that the process of social acceptance is at the heart of their success. What is social acceptance, and why is it important when it comes to integrating delivery robots in a complex urban environment?

Milton Keynes has an historical association with welcoming technological innovation, and with the technology sector. In fact, that was built into our city's DNA in the 1960s. People have started families and built their lives here in MK because they have wanted to become part of a new way of urban and suburban living.

**Alan Mak** (Havant) (Con): Like Milton Keynes, Havant constituency is already home to several last-mile delivery facilities that sustain hundreds of local jobs. I hope that we will become a centre for autonomous delivery as the UK develops its leadership role in the fourth industrial revolution. Does my hon. Friend agree that, to maximise social impact and utility, the companies involved should work with local councils and communities to ensure that the technologies work for everybody?

**Ben Everitt:** I am grateful for the intervention. I absolutely agree. Culture works at every level. There is the culture of acceptance from people, and institutional culture. Integrated working by companies, councils and the wider community is fundamental to the success of any technological integration. We need to build a culture in which people, businesses and institutions look at innovation with excitement, pride and genuine curiosity. That kind of culture is not necessarily unique to Milton Keynes—I am sure it exists in other places—but cultivating it, so that we can build a process of innovation, is fundamental.

**Jim Shannon** (Strangford) (DUP): I commend the hon. Gentleman for bringing forward this debate. I sought his opinion beforehand on what I am about to say. Does he agree that while autonomous delivery vehicles may provide a solution to carrying goods from local stores and restaurants and meeting the ongoing demand for

last-mile delivery services, the need to secure local jobs for local people without complete reliance on technology is also vital? We should embrace new technologies, as they can help the environment, but we must also be able to function without a high-speed internet connection. In other words, people must see the benefits, and I am not sure that everyone will.

**Ben Everitt:** I am grateful to the hon. Member for his intervention, and for the tip-off about the crux of it. For me, innovation breeds productivity, but it does not necessarily come at the expense of jobs. In fact, increased productivity leads to further jobs, such as servicing the robots, and additional work for the companies that produce the groceries that are delivered. On his second point about internet connection, I absolutely agree. The whole thing relies on secure access to data and connectivity, which relates to both cyber-security and getting a good signal. That is not necessarily a problem in Milton Keynes, though we all have our notspots, but as we roll the technology out further around the country, it must be a real consideration.

I see Milton Keynes as the blueprint for how we roll out such advances. It should be a case study in how to implement new technologies in cities. As we do this kind of thing at a Government level, in a top-down way, we need to look at the places where innovation is already happening and successful. That will help us to navigate our way through the introduction of legislation. We can design perfect laws in this place, but if they do not work on the ground, we will find ourselves coming unstuck.

Recently I was pleased to be able to organise, with my hon. Friend the Member for Milton Keynes South (Iain Stewart), a competition with Starship on Christmas designs for the delivery robots. We had hundreds of entries. It really brought home how enthusiastic and happy people are to be involved with the robots in Milton Keynes. I am fortunate enough to live in Milton Keynes and understand and be part of the culture. I know other Members have also seen the joy of these little robots roaming around the streets, and they will soon be hitting constituencies across the country. It adds to the character of communities and always makes me smile.

Robots can navigate themselves around objects and people using their cameras, and they carry food or parcels securely and safely. Travelling at around 4 mph, which is basically walking speed, they are inherently safe. It is necessary to highlight that point, because as we scale up the technology and roll it out around the country, it is vital that we bring local communities along with us, and give them the confidence they deserve. Without local support, we would not be able to move forward.

Further, there are economic, social and environmental impacts from autonomous delivery. That is clear to see. From a road efficiency perspective, more of these robots help to reduce traffic and congestion, particularly with Milton Keynes being a fast-growing city. These robots help to reduce costs for businesses and therefore for their customers. That will help businesses invest in jobs, growth and productivity. Simple solutions can make cities work better, and this is certainly one such solution.

Robots can also help us to achieve environmental goals. I am passionate about reducing carbon emissions, and Milton Keynes has always been rightly unapologetic in driving towards being a green city. We have taken huge steps towards achieving that, particularly in making

Milton Keynes electric car friendly. I thank the Minister, while he is in his place, for the additional £1.6 million awarded to Milton Keynes City Council for better electric car charging infrastructure.

The robots and their autonomous last-mile delivery systems can help us to reduce road traffic. Less fuel is used, so there are fewer carbon emissions, and the robots are 32 times more energy efficient than normal 3-tonne delivery trucks. The technology can help us to make significant strides towards the goal set out in the Government's net zero strategy if we can deploy the robots across the country.

However, despite the range of benefits I have outlined, I fear the UK may be in danger of lagging behind on effective legislative frameworks to foster the growth of this kind of transport technology. There is no legislation to support companies such as Starship Technologies in the change they are trying to bring about. Legislation from 1835—nearly 200 years ago—is acting as a barrier to new tech innovation and investment. I hope that the Minister shares my desire to see this legislation updated, so that it is fit for the 21st century.

**Alan Mak:** Like my hon. Friend, I want Britain to embrace advanced technologies, including last-mile robotic delivery services. Are there any countries from whose legislative framework he feels we could learn?

**Ben Everitt:** The country that springs to mind is Finland. The Finnish Government have introduced a proper legislative framework for autonomous delivery systems. Starship Technologies has signed a national partnership with the largest retailer in Finland, S Group, which is part of their growth strategy. Ultimately, that has been made possible because Finland introduced vehicle certification and regulations to govern robots. Its most recent piece of legislation covered robots. It has acted and got in front, and we must ensure that we keep step. Companies want to innovate and be part of the UK's innovation culture. I want to keep them here.

**Andrew Western** (Stretford and Urmston) (Lab): I should admit that I was the leader of Trafford Council who signed off the current trial, although the trial is not taking place in my constituency now. The hon. Gentleman is making an excellent point about the importance of innovation. He is right that companies want to innovate, but local authorities do, too. I must say that it is rare to hear a Conservative Member praise a Labour-run council as fully as he has praised Milton Keynes City Council. Pete Marland and others in Milton Keynes will be delighted to hear such glowing praise for their forward thinking and their work. Does the hon. Gentleman agree that asking the Minister to unlock artificial intelligence's potential in such a way that local authorities can embrace it will speed up roll-out considerably, and will allow all local authorities to get onboard with this technology, so that people across the country, and not only residents of boroughs such as mine, can enjoy it?

**Ben Everitt:** I am grateful to the hon. Gentleman for that cheeky intervention. Of course, he will know as well as everybody else that Milton Keynes has not always had a Labour-led council. To answer the point he is making, yes, co-operation is key, but, quite simply, time is of the essence. We must continue to drive investment



[Ben Everitt]

in policies that create real incentives to start and scale tech businesses, particularly in with the connected and automated mobility sector.

Clarity, consistency and certainty are what the sector needs. That is why we need to ensure we remain at the forefront of technological innovation. I know my colleagues from across the political spectrum, including in Milton Keynes, will agree that tech innovation has always been the hallmark of this great country. We must continue that great legacy, and ensure we give the tech industry the confidence it needs to invest in the UK and not in our rivals.

4.50 pm

**Iain Stewart** (Milton Keynes South) (Con): It is a pleasure to serve under your chairmanship, Mr Twigg. First, I congratulate my parliamentary neighbour, my hon. Friend the Member for Milton Keynes North (Ben Everitt), on securing this important debate. I echo the points he made about the value that Starship Technologies robots have for communities in my constituency as well as his.

Autonomous last-mile delivery is an important subject. I am Chair of the Transport Committee, and we are holding an inquiry on not just last-mile delivery robots but self-driving vehicles more widely. The Minister was kind enough to give oral evidence to the Committee last week.

I will focus on three points: first, on the contribution that delivery robots can make to carbon savings; secondly, on social acceptance; and, thirdly, on regulation. Transport is now the single biggest contributor to greenhouse gas emissions in this country. There is no single solution to that, but electrically powered, autonomous delivery vehicles can make an important contribution. I echo the points that my hon. Friend the Member for Milton Keynes North made, and would urge people to look at how last-mile deliveries fit into the wider freight logistics industry. We cannot look at each part of it in splendid isolation. There is enormous potential for linking last-mile delivery robots to the wider supply chain, helping to decarbonise it as a whole.

The point about social acceptance is also critical, and my hon. Friend the Member for Milton Keynes North articulated it well. The robots we have in Milton Keynes are a good indicator of how the public can be won over to autonomous technology. There are two contrasting examples at the moment. One example that has not worked is smart motorways, which still arouse great public fear, and scepticism that the technology can work and make smart motorways safe. The public in Milton Keynes, however, do accept delivery robots. The robots are cautious; they go at walking speed. I do not believe I have had a single bit of correspondence in my constituency from people objecting to them. They are part of the streetscape; I even saw a golden retriever sitting outside a local shop surrounded by them, and it was quite comfortable.

It is interesting that when people come to Milton Keynes who have not seen them, they usually say, "What are these funny things running around?". For local people, they are just part of the streetscape. We cannot just bring in the new technology. It is important that the robots are

given proper publicity, that the mapping is done and that we are cautious. I think Starship Technologies have done that in the right way.

The third point I will make is on regulation. The law is still a very grey area, particularly when it comes to the robots going on the pavements. There is a need to update that. In addition to the points made by my hon. Friend the Member for Milton Keynes North, I would say this: there is a risk that if we do not update our regulations, potential investment in this country will go elsewhere. There is a finite pot of investment money, and we want it in the UK. Another important aspect of regulation is attaining the right balance between a national framework and local flexibility, because what works in Milton Keynes might not work in Trafford, or in a cathedral city with much narrower streets and pavements. As well as a national framework, there has to be the ability to flex the regulations locally.

Robots have enormous potential for our society. My hon. Friend the Member for Milton Keynes North referred to the Christmas competition launched last year to have a festive design for the robots. Members may not be aware that when the Starship robots arrive, they play a little tune. People can select which one they like—they include "Happy Birthday" and "Baby Shark". Perhaps the Minister could launch a competition to find the most appropriate delivery tune for the robots to play when they arrive. He has already given me a couple of suggestions privately, but my challenge to him is to come up with the defining standard to celebrate these wonderful machines.

4.56 pm

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): It is a pleasure to see you in the Chair, Mr Twigg.

I congratulate the hon. Member for Milton Keynes North (Ben Everitt) on securing the debate. He comprehensively set out all the advantages of last-mile autonomous vehicles. He started by asking us to imagine a future 30 or 40 years down the line. I do not know about you, Mr Twigg, but with the current state of politics, particularly in this building, I struggle to look three or four weeks down the line, let alone 30 or 40 years, but I take his point. I am aware of Starship—I have been to a parliamentary reception for it—and I will come on to a sighting of its robots in the wild just last week. The hon. Member mentioned that they are good for reducing traffic and congestion, thereby improving air quality.

The hon. Member for Havant (Alan Mak) brought up the fourth industrial revolution, which is most unlike him, but it was a pertinent point. The hon. Member for Strangford (Jim Shannon)—I call him the hon. Member for Westminster Hall East—is no longer in his place, but he was right to mention fears about the impact of automation on jobs, because we sometimes hear about that from the public. He also mentioned the issue of network signals and connections. Last week, as I travelled through much of rural Buckinghamshire, I was unable to check in for a flight for over an hour, owing to the signal in that part of the world.

The hon. Member for Stretford and Urmston (Andrew Western) made an excellent point but also used the opportunity to make a nice political jibe about the local council, which I very much enjoyed. The hon. Member for Milton Keynes South (Iain Stewart), who chairs the

Transport Committee, of which I am a member, supported many of the points made by his colleague the hon. Member for Milton Keynes North in setting out the advantages of autonomous robots, but he also made a couple of good points linking them to the wider supply chain and the decarbonisation of the whole sector. He used them as a case in point, whereby the public were won over to the advantages of autonomous or smart tech, which is completely the opposite of the experience with smart motorways.

I referred to my trip—our trip, I should say, because the Chair is present—with the Transport Committee to Buckinghamshire to hear more about local issues with High Speed 2. It ended with a visit to Buckinghamshire Railway Centre to hear evidence from the Minister and HS2 Ltd, but the trip took me through Milton Keynes and past a couple of autonomous robots plying their trade on the streets by delivering shopping and drinks to households across a large part of Milton Keynes. It was somewhat of a change of scene to be surrounded, just hours later, by steam locomotives and carriages from railway history—artefacts from the past, when “autonomous delivery” meant letting the horse pull the cart by itself.

I have seen the Starship robots before, and they are impressive in action. They appear to be fairly popular with a lot of the residents of Milton Keynes. I can certainly see the appeal in being greeted with my messages and a song when I collect my purchase, as the hon. Member for Milton Keynes South said, although having had two young kids when I was elected, I draw the line at yet more “Baby Shark”. If the Minister could take the hon. Gentleman up on the suggestion to supply a new song, that would be fantastic.

The robots serve a purpose in Milton Keynes, but by definition their coverage is limited. They would not fare well delivering to the average three-storey tenement in Glasgow, for example, and it is hard to see how high-rise flats would be covered without a robotic finger for the lift. Starship itself told the Transport Committee fairly recently that the challenge of rolling out its service to more rural areas is big compared with the challenge of rolling it out in a modern, planned new town such as Milton Keynes.

There is also a real question of where exactly the machines themselves would fit into the legislative landscape. The operators of the Starship scheme admitted to the Committee that they were

“operating in a grey area”

at the moment. As with bikes and e-scooters, it is unclear whether it is legal for the robots to be on the pavements rather than the road. We are still grappling with the legal framework for electric scooters, and the mood music about a future transport Bill suggests that their regulation, or otherwise, will have to wait until after the general election.

If autonomous deliveries are to become the norm—that may or may not be the case—they will need a clear regulatory and legislative footing that ensures that they are subject to clear restrictions and licensing. The delay to the transport Bill gives the Government the opportunity to get ahead of the curve and to draft appropriately. We are still in the early stages of the technology’s deployment, and getting regulations on the statute book now will allow us to avoid the problems that we have with

e-scooters. We are still waiting for e-scooters to be regulated, yet a million of the devices are out on streets and pavements. The continued lack of regulation means that, for example, most train companies will not allow them on board because of fears that the batteries are a fire risk. This is not a case of regulating just for the sake of it.

We also have to be wary of those peddling only good news and good outcomes from this technology. The potential for misuse must be balanced with the potential benefits of autonomous deliveries. It is not hard to foresee the same technology and hardware being used, whether by individuals or by bigger fish—potentially even state actors—to deliver goods that are a lot less legitimate than a carton of milk and half a dozen eggs. It is also not hard to imagine someone illegally accessing the network and operating system on which the vehicles rely and creating havoc.

The robots currently in operation might have a lower speed, but they still present potential obstacles for pedestrians, particularly those with disabilities or visual impairments. Given the limited geographic areas covered by Starship and the like, there may be little conflict now, but if Starship’s service expands and other operators follow in its wake in the same area, there may be fleets of competing robots trundling up and down pavements in towns and cities across the country.

I have painted a fairly negative picture. I view the technology positively, but regulation is required. With the best will, programming and AI in the world, it will become harder to marry up the needs of autonomous deliveries with the needs of pedestrians and pavement users. That is where regulation is required. The example of e-scooters shows the problems inherent in allowing a regulatory grey area to grow to a point where regulation is urgently required.

How we as a society use a product of scientific progress is up to us to determine. Just because a technology is there does not mean that it is a good idea. There is much to commend in the move to autonomous delivery at local level, given the efficiencies and reductions in the resources used to keep households going. Removing the need for shorter car and van deliveries, and therefore reducing road use, will help to reduce congestion, particularly in urban areas, and carbon emissions. There will inevitably be teething problems as services are rolled out—that is the nature of installing and operating something novel and untested in a real-world environment—but that should not clash with the need for regulation that reflects the balancing act required between innovation and the rights of others. Like with most technologies, it is at the times when it fails that autonomous delivery will need to be properly considered.

Although I would have wanted a transport Bill to be in the pipeline—it is not as if there is a lack of content for a transport Bill—the delay in its introduction means that the Government have a chance to do the in-depth work needed to create a regulatory framework that will work for autonomous deliveries, not just in the short term but further down the line. I hope that the Minister will take that message back to his colleagues and ensure that whenever the Bill drops, it can be taken forward with a package of measures that fully deals with autonomous deliveries.

5.4 pm

**Gill Furniss** (Sheffield, Brightside and Hillsborough) (Lab): It is a pleasure to serve under your chairpersonship, Mr Twigg.

I congratulate the hon. Member for Milton Keynes North (Ben Everitt) on securing this important debate and I thank the other Members who have made eloquent speeches and interventions. I just want to put it on the record that, although I am from Yorkshire, I spent a lot of my teenage years in Milton Keynes, as my aunt lived just off the Buckingham Road, although in those days the area was called Bletchley. I fully appreciate the comments that the hon. Member made about coming from Sheffield, with its hills, and being in Milton Keynes, which is somewhat flatter. That was a good point, which we should all consider.

The decline in the number of physical shops, an ever-increasing internet-connected population, and the growing use of smartphones have combined to make online shopping quicker and more convenient than ever. That has led to the number of packages being delivered in the UK skyrocketing. Between 2019 and 2020, the last year before covid, approximately 2.8 billion parcels were shipped to households across the UK. But in 2020 and 2021, as physical stores shut and people stayed at home, that number exploded to 4.1 billion. These trends are unlikely to reverse and consumers have come to expect next-day delivery, or even same-day delivery, as standard.

The transport sector already contributes almost a quarter of our total emissions as a country. If we have thousands of new delivery vehicles congesting our streets to cope with the increased demand for e-commerce, I fear that our emissions will only continue to rise. That is why we must be forward-thinking and support new technologies that have the potential to support our decarbonisation efforts.

I have seen some of this innovation at first hand. Earlier this year, I visited the ServCity autonomous mobility research project in Woolwich and travelled along public roads in a self-driving car. Just before Christmas last year, I attended an event in this place where I was able to see a Starship autonomous delivery robot in action. Such autonomous delivery robots could have an important part to play in our obligation to achieve net zero.

The “last mile” of the supply chain is one of the most carbon-intensive parts of a delivery. By utilising smaller, low-emission robots on our streets, we can be a world leader in this new low-carbon industry, helping shops to connect with consumers and supporting the local economy.

Labour stands ready to support the industry and the jobs that it creates. We all know about the importance of science, technology, engineering and maths in schools. What better way is there to engage and inspire students than by making science tangible through robotics? Starship is already putting that into action with schemes all over the country.

Unfortunately, continued chaos in this Government has left a whole fleet of emerging industries in limbo. There have already been three rounds of consultations in this area. Just how many times does that process need to be repeated before the next steps are taken?

I have met countless companies, from global automotive manufacturers to small British mobility start-ups, and they all ask the same question: “When will the legislation keep up with the change of pace that is occurring on our roads?” The legislation that those businesses have been told to operate under dates back to 1835. It beggars belief that state-of-the-art 21st-century technology is operating under legislation passed four decades before the invention of the lightbulb.

Businesses are crying out for clarity and regulatory guidance, but their pleas remain ignored. The Government have left manufacturers of emerging technologies, including autonomous delivery robots, in the dark. That has led to British companies losing investment opportunities as, without a proper regulatory framework, the UK is seen as a risky prospect; my hon. Friend the Member for Stretford and Urmston (Andrew Western) has already discussed that issue in some detail. Businesses are crying out for certainty, so that they can operate in an environment of regulatory security. Will the Minister finally provide that certainty by announcing the timetable for regulation?

Britain has the potential to be a world leader in this exciting sector, but, as we have seen all too often, dither and delay from the Government is stalling progress. Labour stands ready to support our science and technology sector and to create high-quality jobs, all while tackling the climate crisis.

I urge the Minister to do whatever he can to introduce a transport Bill. As the SNP spokesperson, the hon. Member for Paisley and Renfrewshire North (Gavin Newlands), outlined, there are many other things that need regulating, not least e-scooters, where there have been battery issues and fatalities. There is also the debate about smart motorways, which are very unpopular with the public, as the hon. Member for Milton Keynes South (Iain Stewart) said. At the weekend, a friend of mine witnessed a very unpleasant near miss on the M1, which has put him off driving on that motorway again. I urge the Minister to take a long look at where we are now and how we can better protect our industries, as well as the public.

5.10 pm

**The Minister of State, Department for Transport (Jesse Norman):** It is a delight to serve under your chairmanship, Mr Twigg. I am absolutely delighted to reply to my hon. Friend the Member for Milton Keynes North (Ben Everitt); I thank him for securing this debate on the social impact of autonomous last-mile delivery. How right he is to raise it as an important issue and I am grateful to all Members who have spoken in the debate.

Only last week, I spoke to the Transport Committee about self-driving vehicles. The sector is potentially very large, and last-mile autonomous delivery will be just one part of it, and part of what we think of as the connected and automated mobility sector, which, if fully realised, could, it is estimated, have a potential market value of some £42 billion by 2035 and create 38,000 new skilled jobs.

To support the sector, the Government’s Centre for Connected and Autonomous Vehicles has helped to secure £600 million in funding since 2015. In sharp contrast to the dismal description given by the Opposition Front-Bench spokesperson a few moments ago, this is a thoroughly thriving, technology-driven sector, in which the UK is a European and in many respects a global



leader—but we need to continue to make it so. The point raised about legislation is absolutely right. As colleagues will recall from my testimony in front of the Transport Committee, I was as strong on that point there as I am today.

There are tremendous benefits to be had, and not merely economic ones; it is good to focus on the social benefits, which hon. Members have touched on. They potentially include connecting our rural communities, reducing isolation, providing better access to education and making it easier for people to see friends and family. Of course, autonomous last-mile delivery can help to deliver goods and services to people's doors. All are attractive benefits of the realisation of the potential in the sector. If I may, I will touch on some of the benefits and then on some of the potential drawbacks that the Government are wrestling with.

The first of these benefits is safety. Almost 90% of all recorded road accidents involve human error as a contributory factor. The most recent provisional figures, for the year ending June 2022, show that on average almost five people died on our roads every day. We must bring that number down. Self-driving vehicles have the potential to reduce driver error and thereby improve road safety, which has plateaued over the last few years.

Members will be aware that the Government recently consulted on establishing a safety ambition for self-driving vehicles to be equivalent to the driving of a competent and careful driver. In real terms, the effect of that would be that the self-driving vehicle would not drive stressed, aggressively or in a way that reflects fatigue on the part of the driver. It would not seek to take illegal shortcuts. It would not be inebriated at the wheel.

**Ben Everitt:** Perhaps the Minister would like to come up to Milton Keynes and see for himself how non-stressed our delivery robots are.

**Jesse Norman:** I thank my hon. Friend for his kind invitation. I would be delighted to come up to Milton Keynes to see the fabulous autonomous last-mile delivery vehicles in operation. They represent a very interesting technology, and we are very interested in that. I am pleased to say that my predecessor was able to visit last year, and I will certainly aim to do so.

Let me touch on a couple of other aspects that are useful to reflect on. One is the importance of using vehicles that are appropriately sized and designed for a specific task, thereby reducing the effects of collision from vehicles that are potentially overly large for what is required. These small autonomous vehicles are an example of that. It is right to focus on the safety case, but it is also right to look at the issue of emissions and net zero, where there is significant potential for autonomous last-mile delivery vehicles to make an impact. That could be through being modern vehicles that have zero tailpipe emissions by 2030, in line with the Government's policy. It could come through the use of more efficient and better optimised routes between the starting point and the destination, as well as more efficient automated driving styles. It could come through the right sizing of vehicles, as I have touched on. The development of custom-made vehicles can help increase vehicle utilisation, and that should reduce the impact on carbon emissions overall because it creates greater productivity and use from an existing trip. Finally, we have the positive

impact that comes from improving the access people have to receiving goods at their home or business. That, too, is an important further advantage of this technology.

However, we should also focus—the Government are under an obligation to do so—on some of the potential limitations. One has already been touched on, which is that there should be a proper measure of social consent with the introduction of this technology. It should be done in as careful a way as possible, but also in a way that is affordable, equitable, accessible and safe. All those are metrics that could lose public support if they were breached. It is therefore important to adhere to and respect each of those important values. When we think about the safety of vehicles, we know that that will play a key role in acceptability because, as we have discussed, the public likes nothing less than the introduction of, or way of using, a technology that has potentially prejudicial safety effects. Of course, that means not just the vehicles, but any changes to infrastructure that may be required to make them work effectively.

If we look more widely, there are concerns about cyber security with all autonomous vehicles, and small ones are no exception. The Department for Transport works closely with the National Cyber Security Centre to address that. We, as a nation, chair the United Nations Economic Commission for Europe, and that has developed two new international regulations that focus on cyber security and software updates. Finally, the Department is engaged with the question of cyber skills and works, as part of the national cyber strategy, with other Departments to ensure we have a proper cadre of cyber professionals in and alongside Government, as well as in the private sector. This technology has tremendous implications for cyber security. It is important to mention that it will potentially positively or negatively affect employment. Of course, there can be a threat to existing jobs from any new technology, but it has been projected that as many as 38,000 jobs could come from implementing this technology. That is a mixed blessing.

In terms of remote driving, this is a slightly different technology. It is distinct from self-driving and automation, but it is a technology that potentially sits alongside self-driving technologies. Again, that needs to be conducted with road safety as a key consideration. We therefore need to factor in both sides—the gains and the potential drawbacks—and proceed in a careful, consistent and carefully thought-through way, and that is what the Department is doing. Let me reassure Members that the need for legislation is well understood, but it is also important to ensure that it is a legislative framework set up to accommodate all these concerns as well as to maximise the potential benefit.

I could not end this speech without referring to the brilliant idea from the Chair of the Transport Committee, my hon. Friend the Member for Milton Keynes South (Iain Stewart), that there should be a further national competition, which I hope the Transport Committee will organise, for suitable tunes to be played. I think we can go one step further. I would like to suggest that the Rolling Stones be nominated as the band for the autonomous local transport sector because they brilliantly, in their work, cover both the strengths and the drawbacks of this technology. If successful, the technology is one that could make us happy. It can use these marvellous vehicles as a beast of burden. It allows them to operate at any time and therefore they can be midnight ramblers.

[*Jesse Norman*]

Tragically, of course, you can't always get what you want. Sometimes you are waiting on a friend. Indeed, it may be that you can't hear these little machines knocking. Above all, we want to avoid being turned by them into a street fighting man, let alone suffering a 19th nervous breakdown. With that, let me take my seat. Thank you, Mr Twigg.

5.21 pm

**Ben Everitt:** I am very grateful to all the colleagues who have contributed in such good humour to this debate. It is, though, on a very serious subject that could be game changing for our economy. The shadow Minister, the hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss), mentioned, when talking about STEM, making science tangible with robots. I think that that is a very good point. My hon. Friend the Member for Milton Keynes South (Iain Stewart) mentioned lining up with wider freight and logistics work, which is particularly relevant for us in Milton Keynes.

The hon. Member for Paisley and Renfrewshire North (Gavin Newlands) mentioned the juxtaposition, on his recent trip to Quainton, of rural north Bucks versus Milton Keynes. I can assure him that my constituency is both rural and urban. Perhaps the use case for last-mile delivery—or last few miles, if people are in a rural area—is pretty similar. It is all about scale. It underlines the need for regulation in this area, to allow the sector to grow and resolve these problems. The hon. Gentleman

also made points about the dark use of this technology by nefarious groups and state actors. Again, that underlines the need for regulation and I am sure that the relevant people will have heard his request for a robot finger in the lifts in Glasgow.

We talked about how important this technology is, and I am grateful to the Minister. He can clearly see that there is a huge opportunity, and it is good to see that the Department is taking a balanced view, but we can take a global leadership role in this respect. I want to emphasise how necessary it is that any future Bill for micromobility and these autonomous robots is considered and addressed to the same degree as self-driving vehicles. It is essentially the same subject. Indeed, the Minister referred to the social contract, and the same is very true for self-driving vehicles.

Innovation is a pedal we cannot take our foot from. The moment we take our foot off the gas is the moment we fall behind. Integrating autonomous last-mile delivery systems into our cities and towns should form part of a tranche of transport solutions with which we can level up transport and connectivity. With this step, we can make a modern city a far more efficient and cost-effective place to live and thrive.

*Question put and agreed to.*

*Resolved,*

That this House has considered the societal impacts of autonomous last-mile delivery.

5.24 pm

*Sitting adjourned.*

# Written Statements

Tuesday 23 May 2023

## CABINET OFFICE

### Digital Economy Act 2017: Data Sharing

**The Parliamentary Secretary, Cabinet Office (Alex Burghart):** This Government are committed to transforming the delivery of public services, so that they are easier to use, joined-up and provide better value for money to the taxpayer. To this end, the Cabinet Office has today published the Government's response to the public consultation on new data sharing regulations, which will help more people prove who they are online so that they can access the services they need simply and quickly.

From January to March 2023, the Government consulted on draft regulations to improve data sharing so that people may more easily access public services online. The regulations would create a new objective under the Digital Economy Act 2017 for this purpose, allowing controlled data sharing between a number of public bodies already specified in the Act and with four additional organisations: the Cabinet Office, the Department for Transport, the Department for Food, Environment and Rural Affairs, and the Disclosure and Barring Service. These public bodies either hold information that can be used to verify someone is who they say they are, and/or require the outcome of such checks in order to provide access to their services. The proposed legislation would enable data sharing between the specified organisations only for the purpose of helping someone confirm their identity, when they are requesting access to a Government service online. All data sharing under the regulations would continue to comply with robust existing data protection legislation.

Every response has been read and the Government thank those respondents who expressed their views through the consultation. The devolved Administrations support the proposed regulations.

The Government are clear that there is not public support for national identity cards in the UK and this is not something prosed in, or enabled by, this legislation. Where responses did engage with the specific consultation questions, they highlighted the wider potential benefits of the data sharing regulations, including to physical health and social well-being, and we will make a minor amendment on this basis. The Government have also proposed that the draft regulations would come into force 21 days after, rather than the day after, being approved by Parliament.

The UK Government intend to take forward legislation as soon as parliamentary time allows. I have asked that the Government response be deposited in the Libraries of both Houses in Parliament and published on [www.gov.uk](http://www.gov.uk).

[HCWS802]

## TREASURY

### NatWest Group: Share Buyback Transaction

**The Economic Secretary to the Treasury (Andrew Griffith):** I can inform the House that on 22 May 2023 the Government sold c.469 million shares in NatWest Group (NWG, formerly Royal Bank of Scotland) to NWG by way of a directed buyback transaction. The transaction value amounts to approximately £1.26 billion, representing approximately 4.95% of the company.

This announcement demonstrates the continued progress being made towards the Government's intention to return its shareholding in NWG to private ownership by 2025-26, subject to market conditions and achieving value for money for taxpayers. Following this transaction, the Government's shareholding stands at approximately 38.6%.

#### *Policy rationale*

The Government are committed to returning NWG to full private ownership now that the original policy objective for the intervention in NWG—to preserve financial and economic stability at a time of crisis—has long been achieved.

The Government only conduct sales of NWG shares when it represents value for money to do so and market conditions allow.

#### *Directed buyback detail*

The Government, supported by advice from UK Government Investments, concluded that selling shares to NWG, in a single bilateral transaction, represented value for money.

Share buybacks are a common practice undertaken by companies looking to efficiently deploy their excess capital. NWG has shareholder approval to purchase up to 4.99% of its share capital from His Majesty's Treasury on a rolling 12-month basis. This is the third sale of shares via an off-market share sale directly to the company and sixth large block sale of NWG shares undertaken by the Government.

The sale concluded on 22 May 2023, with NWG purchasing a limited number of its Government-owned shares. A total of approximately 469 million shares (approximately 4.95% of the bank) were sold at the 19 May market closing price of 268.4p per share. The Government's shareholding now stands at approximately 38.6%. The reduction in the Government's shareholding is less than the percentage sold as NWG will cancel most of the purchased shares.

Details of the sale are summarised below.

Government stake in NWG pre-sale	c.3,949 million shares
Total shares sold to NWG	c.469 million shares
Share price at market close on 19/05/2023	268.4p
Total proceeds from the sale	c.£1.26 billion
Government stake in NWG post-sale (as % of total voting rights)	c.38.6%

#### *Fiscal impacts*

The net impacts of the sale on a selection of fiscal metrics are summarised as follows:



Metric	Impact
Net sale proceeds	c.£1.26 billion
Retention value range	Within the valuation range
Public Sector Net Borrowing	Nil. There may be future indirect impacts as a result of the sale. The sale proceeds reduce public sector debt. All else being equal, the sale will reduce future debt interest costs for Government. The reduction in Government's shareholding means it will not receive future dividend income it may otherwise have been entitled to through these shares.
Public Sector Net Debt	Reduced by c.£1.26 billion
Public Sector Net Financial Liabilities	Nil
Public Sector Net Liabilities	Nil

[HCWS801]

## EDUCATION

### Children's Social Care: Review and Reform

**The Parliamentary Under-Secretary of State for Education (Claire Coutinho):** The independent review of children's social care was published a year ago today, setting out plans to reset children's social care in England so it delivers for all the children and families it supports. This statement updates the House on progress made in implementing the recommendations set out in that review.

Around the same time as the independent review, two further reviews were published: the National Child Safeguarding Practice Review Panel's report into the tragic deaths of Arthur Labinjo-Hughes and Star Hobson, and the Competition and Markets Authority's study of children's social care. These reviews also called for urgency in bringing forward reform, specifically to ensure that the child protection system keeps children safe and the care system provides the right homes for children in the right places. Together, the three reviews provide a platform for fundamental, whole system change.

My predecessor, my hon. Friend the Member for Colchester (Will Quince), started us on the journey towards reform a year ago. He committed in his oral statement to publish an ambitious and detailed implementation strategy setting out this Government's plans for reform.

The Department published plans for reform in our consultation and implementation strategy, "Stable Homes, Built on Love" on 2 February 2023. We set out how we will help families overcome challenges, keep children safe, and make sure children in care have stable, loving homes, long-term loving relationships and opportunities for a good life. Alongside this strategy, we announced £200 million of investment for these reforms, which builds on an annual investment of over £10 billion in children's social care. The "Built on Love" strategy and its funding cover phase 1 of our reforms, addressing urgent issues and laying the foundations for wider-reaching reforms.

"Built on Love" sets out six pillars with actions to transform the system. We are seeking to:

provide the right support at the right time, so that children thrive within their families and families stay together through our family help offer;

strengthen our child protection response by getting agencies to work together in a fully integrated way, led by social workers with greater skills and knowledge;

unlock the potential of kinship care so that, wherever possible, children who cannot stay with their parents are cared for by people who know and love them already;

make sure the care system has the right homes for children in the right places, and that we provide children in care and care leavers with the right support to help them thrive and achieve their potential into adulthood;

provide a valued, supported and highly-skilled social worker for every child who needs one; and

make sure the whole system continuously learns and improves and makes better use of evidence and data.

Through this statement, I am also pleased to inform colleagues of progress against day one commitments made to this House a year ago:

We committed to develop a national children's social care framework. We have published our framework, consulted on it, and intend to issue it as statutory guidance by the end of this year.

We committed to introduce an early career framework for child and family social workers, to give them the best start in the profession. We have set out plans to invest in high-quality early career development, have begun the process of writing the framework document setting out the knowledge and skills social workers need at different stages, and recently invited local authorities to express interest in becoming early adopters of our early career framework this year to help us co-design the programme.

We committed to work with local authorities to recruit more foster carers. Through "Built on Love" we have pledged to invest over £27 million over the next two years to recruit and retain more foster carers, and are working on plans in the north-east to test targeted regional communications campaigns and invest in models that we know work.

We committed to improve data sharing between safeguarding partners. We have introduced a data and digital solutions fund to help local authorities improve delivery for children and families through technology.

We committed to set up a child protection ministerial group and establish a national implementation board. We have set up both forums to champion safeguarding at the highest levels and to receive advice, support and challenge us on the delivery of children's social care reform.

This action is only the beginning. Just last week, consultations closed on our proposals for reform, our draft children's social care national framework and data dashboard, and our plan for addressing the high use of agency social workers in the workforce. Thousands of people engaged and responded to the consultations—including those with personal experience of the care system, dedicated professionals providing key services, and civil society. A Government response will be published in September.

The Prime Minister set out that building a brighter future requires us to value family, in whatever form that takes, recognising the common bond is love. Reform of children's social care is at the heart of that brighter future. I look forward to continuing to work across both Houses, and all parties, as we lay the foundations for a new system.

[HCWS792]

### Education Estate: Condition Improvement Fund

**The Minister for Schools (Nick Gibb):** My noble Friend, the Parliamentary Under-secretary of State for the School System and Student Finance (Baroness Barran) has made the following statement.

Today, I am announcing the allocation of almost £456 million for 1,033 Condition Improvement Fund (CIF) projects across 859 academies, sixth-form colleges and voluntary aided schools across England to maintain and improve the condition of the education estate.

This funding is provided to enable schools to deliver well maintained and safe facilities that support a high-quality education. Since March 2015 CIF has delivered over 11,000 projects and continues to deliver over 1,200 projects across the school estate with essential maintenance projects.

The CIF funding allocated for projects by region is:

East Midlands	£41,964,017
East of England	£81,316,668
London	£58,711,968
North East	£8,434,081
North West	£58,450,018
South East	£106,179,820
South West	£23,104,444
West Midlands	£37,930,631
Yorkshire and the Humber	£39,738,336

Amounts of funding awarded to individual schools are not being published, as publishing this information would undermine the school's ability to obtain best value from contractors. However, funding information on completed CIF projects is available to view on [www.gov.uk](http://www.gov.uk). Details of today's announcement are being sent to all CIF applicants and a list of successful projects will be published on [www.gov.uk](http://www.gov.uk). Copies will be placed in the House Library.

[HCWS797]

### National Tutoring Programme: Funding

**The Minister for Schools (Nick Gibb):** The Department for Education will today announce the arrangements for the fourth and final year of the National Tutoring Programme (NTP) in England, which starts in September 2023. The NTP makes available subsidised tutoring for schools as part of a Government commitment to narrowing the attainment gap and improving outcomes for disadvantaged pupils. By the conclusion of the programme we will have invested more than £1 billion to deliver tutoring, which evidence shows is one of the most effective ways to accelerate academic progress.

Today's announcement includes a change to funding arrangements from those previously put before the House. We have increased the subsidy for the programme for the forthcoming academic year, which means that schools can use their NTP funding to cover up to 50% of the cost of the tutoring they deliver instead of the previously announced 25%. This means that schools need to use less of their own money to be able to provide high-quality tutoring through NTP. We have made this change in response to feedback from schools and to ensure that the maximum possible amount of tutoring is delivered in the academic year 2023-24.

We have retained from this year the main elements of the current delivery approach, giving schools consistency to plan for next year. This will see us continue to provide schools with the flexibility to design a tutoring programme that meets the needs of their pupils through

the existing three tutoring routes. While tutoring is available for all pupils, we expect schools to focus on those who are disadvantaged and in receipt of pupil premium or those who are below the expected standard or good pass in an applicable subject.

This information is available to schools via the academic year 2023-24 NTP guidance, which is published today. Alongside the guidance, we have published information on the funding each school will receive and a calculator tool to support schools to plan tutoring starting in September.

As we prepare for the final year of NTP, we aim to build on the success of the programme to date, which has seen over 3.4million courses delivered and close to 90% of schools participating.

[HCWS798]

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Extension of the Ivory Act 2018

**The Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey):** Today the Government are announcing they will extend the Ivory Act 2018 to hippopotamus, walrus, narwhal, killer whale (orca) and sperm whale, delivering on a key animal welfare manifesto commitment. These species are set to receive greater legal protections under the UK's world-leading ban on importing, exporting and dealing in items containing ivory.

Putting the UK at the forefront of global conservation efforts, today's consultation response confirms plans to extend the Ivory Act 2018 to ban all dealing in ivory from these species, including imports and exports.

The Ivory Act is one of the toughest bans on elephant ivory sales in the world, with some of the strongest enforcement measures. Those found guilty of breaching the ban face tough penalties including an unlimited fine or up to five years in jail.

The five species are all listed under the convention on international trade in endangered species of wild fauna and flora (CITES), which regulates their trade internationally, and hippopotamus, walrus and sperm whale are listed as vulnerable on the International Union for the Conservation of Nature (IUCN) red list.

The announcement today comes following an extensive public consultation and with the one-year anniversary of the successful ivory ban approaching.

The ban allows for a small number of exemptions with the digital ivory service allowing those who own ivory to register or apply for an exemption certificate. People will only need to register or certify items for the purposes of dealing in exempt items containing ivory. Those who own but are not planning to sell their ivory items do not need to register or certify them.

Since 6 June 2022, there has been over 6,500 registrations and certificates issued for exempted items so that they continue to form part of our artistic and cultural heritage.

[HCWS790]

## FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

### UK-EU Parliamentary Partnership Assembly: Membership

**The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Leo Docherty):** My hon. Friend the Member for Wimbledon (Stephen Hammond) has been appointed as a full representative of the Parliamentary Partnership Assembly in place of my hon. Friend the Member for Dudley South (Mike Wood).

My hon. Friend the Member for Northampton South (Andrew Lewer) has been appointed as a full representative of the Parliamentary Partnership Assembly.

My right hon. Friend the Member for Chelmsford (Vicky Ford) has been appointed as a full representative of the Parliamentary Partnership Assembly in place of my hon. Friend the Member for West Aberdeenshire and Kincardine (Andrew Bowie).

My hon. Friend the Member for Banff and Buchan (David Duguid) has been appointed as a full representative of the Parliamentary Partnership Assembly in place of my hon. Friend the Member for Wolverhampton South West (Stuart Anderson).

The Baroness Meyer CBE has been appointed as a full representative of the Parliamentary Partnership Assembly in place of the Lord Godson.

The hon. Member for Stirling (Alyn Smith) has been appointed as a full representative of the Parliamentary Partnership Assembly in place of the hon. Member for Central Ayrshire (Dr Whitford).

[HCWS794]

### Organization for Security and Co-operation in Europe

**The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Leo Docherty):** My hon. Friend the Member for Birmingham, Northfield (Gary Sambrook) has been appointed as a full representative of the United Kingdom delegation to the Parliamentary Assembly of the Organization for Security and Co-operation in Europe in place of my hon. Friend the Member for Yeovil (Marcus Fysh).

[HCWS793]

## HEALTH AND SOCIAL CARE

### Protection of Confidential Patient Information: Statutory Guidance

**The Minister for Health and Secondary Care (Will Quince):** My noble Friend (Minister for the Lords) the Parliamentary Under Secretary of State for Health and Social Care (Lord Markham), has made the following written statement:

Today, the Department of Health and Social Care publishes its guidance that sets out how NHS England will protect patient data, following the transfer of NHS Digital's responsibilities. The guidance is available here: <https://www.gov.uk/government/publications/nhs-englands-protection-of-patient-data>.

On 1 February, NHS Digital legally became part of NHS England, creating a single, central authority responsible for all elements of digital technology, data and transformation for the NHS.

NHS Digital was a powerful force for change in the NHS and guardian of its key data IT and data systems. These IT systems and its expert staff transferred to NHS England.

Laura Wade-Gery was commissioned by the Government to lead an independent review of how we can ensure that digital technology and the effective use of data is at the heart of transforming the NHS. Her report "Putting data, digital and tech at the heart of transforming the NHS", published in November 2021, recommended merging the functions of NHS Digital into NHS England, to provide a single statutory body for data, digital and technology to provide the right leadership and support to integrated care systems.

This integration is an important step in bringing together in a single place, the essential systems and programmes to digitally transform the NHS, and to harness the full potential of data. It will enable health and social care services to use digital and data more effectively to deliver improved patient outcomes and address the key challenges we face.

In harnessing the full potential of data to digital transform the NHS, this statutory guidance makes it clear that NHS England should maintain high standards of data protection, information governance, and transparency, as NHS Digital did, to demonstrate that it is a trustworthy custodian of health and care data. NHS England must have regard to this guidance and also undertake an annual review of how effectively it has discharged the data functions transferred over from NHS Digital.

[HCWS799]

## HOME DEPARTMENT

### Immigration Update

**The Secretary of State for the Home Department (Suella Braverman):** The Government committed to bringing net migration down in the 2019 manifesto and remain committed to doing so. In December 2020, we ended decades of uncontrolled migration from the European Union and put in place a new points-based immigration system to give Ministers full control of our borders. For the first time since we joined the EU, we gained complete control of who comes to the UK and the ability to operate an immigration system that we can flex to the changing needs of the economy and labour market, as well as tailor to the skills and talent needed by UK businesses and our NHS.

But immigration is dynamic, and we must constantly iterate our approach to take account of changing migrant flows and respond to evidence of abuse or unintended consequences. The Office for National Statistics (ONS) published data in November 2022 which estimated that net migration in the year June 2021 to June 2022 was at 504,000—up significantly on the previous year, and higher than pre-Brexit volumes. It partly attributed this rise to temporary factors—such as a post-covid surge and safe and legal routes, like the UK's Ukraine and Hong Kong schemes.

The immigration statistics also highlighted an unexpected rise in the number of dependants coming to the UK alongside international students. Around 136,000 visas were granted to dependants of sponsored students in the year ending December 2022, a more than eightfold increase from 16,000 in 2019, when the Government's commitment to lower net migration was made. This does not detract from the considerable success that the Government and the higher education sector have had in achieving the goals from our International Education



Strategy, meeting our target to host 600,000 international students studying in the UK per year by 2030, for two years running, and earlier than planned—a success story in terms of economic value and exports.

The International Education Strategy plays an important part in supporting the economy through the economic contribution students can bring to the UK, but this should not be at the expense of our commitment to the public to lower overall migration and ensure that migration to the UK is highly skilled and therefore provides the most benefit. The proposals we are announcing today will ensure that we can continue to meet our International Education Strategy commitments, while making a tangible contribution to reducing net migration to sustainable levels. The terms of the graduate route remain unchanged.

Following close working with the Department for Education and HM Treasury, I am pleased to announce a package of measures to help deliver our goal of falling net migration, while supporting the Government's priority of growing the economy.

This package includes:

Removing the right for international students to bring dependants unless they are on postgraduate courses currently designated as research programmes.

Removing the ability for international students to switch out of the student route into work routes before their studies have been completed.

Reviewing the maintenance requirements for students and dependants.

Steps to clamp down on unscrupulous education agents who may be supporting inappropriate applications to sell immigration not education.

Better communicating immigration rules to the higher education sector and to international students.

Improved and more targeted enforcement activity.

We are committed to attracting the brightest and the best to the UK. Therefore, our intention is to work with universities over the course of the next year to design an alternative approach that ensures that the best and the brightest students can bring dependants to our world-leading universities, while continuing to reduce net migration. We will bring in this system as soon as possible, after thorough consultation with the sector and key stakeholders.

This package strikes the right balance between acting decisively on tackling net migration and protecting the economic benefits that students can bring to the UK. Now is the time for us to make these changes to ensure an impact on net migration as soon as possible. We expect this package to have a tangible impact on net migration. Taken together with the easing of temporary factors, we expect net migration to fall to pre-pandemic levels in the medium term.

We recognise that no one single measure will control immigration. As the impacts of temporary pressures becomes clearer, we will keep matters under review. The Government will seek to continue to strike the balance between reducing overall net migration with ensuring that businesses have the skills they need and that we continue to support economic growth. Those affected by this package will predominantly be dependants of students who make a more limited contribution to the economy than students or those coming under the skilled worker route, minimising the impact on UK growth.

[HCWS800]

## Forensic Information Databases Strategy Board: Annual Report

### The Minister for Crime, Policing and Fire (Chris Philp):

I am pleased to announce that I am today publishing the annual report of the Forensic Information Databases Strategy Board for 2021-22. This report covers the National DNA Database and the National Fingerprints Database.

The Strategy Board Chair, DCC Ben Snuggs, has presented the annual report to the Secretary of State for the Home Department, my right hon. and learned Friend the Member for Fareham (Suella Braverman). Publication of the report is a statutory requirement under section 63AB(8) of the Police and Criminal Evidence Act 1984 as inserted by section 24 of the Protection of Freedoms Act 2012.

The report shows the important contribution that the National DNA and fingerprint databases—policing collections—make to supporting policing and solving crimes. I am grateful to the Strategy Board for its commitment to fulfilling its statutory functions.

The report has been laid before the House and copies will be available from the Vote Office and on [www.gov.uk](http://www.gov.uk).

[HCWS796]

## LEVELLING UP, HOUSING AND COMMUNITIES

### Elections Act: Postal and Proxy Voting Safeguards

**The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison):** My noble Friend the Under-Secretary of State for Levelling Up, Housing and Communities, Baroness Scott of Brybrook, has made the following written ministerial statement:

Today I have published the draft statutory instrument the Representation of the People (Postal and Proxy Voting etc.) (Amendment) Regulations 2023 with an accompanying explanatory memorandum. An impact assessment has been drafted and will be available when a draft of the statutory instrument is laid.

The changes set out in these regulations deliver on our manifesto commitment to protect the integrity of our democracy, as legislated for by Parliament through the Elections Act 2022. It is paramount that we preserve trust in our electoral processes and ensure elections remain secure well into the future. The Elections Act stemmed from recommendations made by—then—Sir Eric Pickles and his review into tackling electoral fraud. Voter identification has already been commenced; these regulations now commence provisions relating to postal and proxy voting.

Under these regulations, we are introducing appropriate safeguards to reduce the opportunity for individuals to exploit the absent voting process and steal votes. The new measures limit the total number of electors for whom a person may act as a proxy to four, of which no more than two can be for “domestic” electors for all constituencies or electoral areas.

To further strengthen the security of the ballot, an identity check will be introduced for all applications for an absent vote. This change will apply to applications made on paper and online and bring the absent vote application process in line with the individual electoral registration “Register to Vote” process. This change accompanies a new requirement to reapply for a postal vote at least every three years, replacing the current five-year signature and date of birth refresh. Transitional processes will be in place for electors with existing postal or proxy vote arrangements.

These regulations will also support the delivery of a new digital service which will enable electors to apply for a postal or proxy arrangement online. The Government anticipate that an online service will alleviate some of the pre-existing challenges for electors and electoral administrators, by reducing the need to rely on manual processes. The online service is currently being built and will be tested to ensure it is robust and accessible for electors.

Although this statutory instrument does not directly relate to Brexit, it does make amendments to 2001 regulations which were made in part under the European Communities Act. In that light, the statutory instrument is published in accordance with the procedure required by schedule 8 to the European Union (Withdrawal) Act 2018 and agreed with Parliament. The statutory instrument is being published in draft at least 28 days before being laid in draft to be considered under the affirmative procedure in Parliament.

These regulations will apply to UK Parliamentary elections and other reserved elections, referendums and recall petitions. Local elections in Scotland, and local elections in Wales apart from police and crime commissioner elections, are devolved, and thus not in scope of these measures.

[HCWS791]

### **Looked-after Children: Accommodation**

**The Minister of State, Department for Levelling Up, Housing and Communities (Rachel Maclean):** I, with the support of my right hon. Friend the Secretary of State for Education, wish to set out the Government's commitment to support the development of accommodation for looked-after children, and its delivery through the planning system.

The planning system should not be a barrier to providing homes for the most vulnerable children in society. When care is the best choice for a child, it is important that the care system provides stable, loving homes close to children's communities. These need to be the right homes, in the right places with access to good schools and community support. It is not acceptable that some children are living far from where they would call home (without a clear child protection reason for this), separated from the people they know and love.

Today we use this joint statement to remind local planning authorities that, as is set out in paragraph 62 of the national planning policy framework, local planning authorities should assess the size, type and tenure of housing needed for different groups in the community and reflect this in planning policies and decisions. Local planning authorities should consider whether it is appropriate to include accommodation for children in need of social services care as part of that assessment.

Local planning authorities should give due weight to and be supportive of applications, where appropriate, for all types of accommodation for looked-after children in their area that reflect local needs, and all parties in the development process should work together closely to facilitate the timely delivery of such vital accommodation for children across the country. It is important that prospective applicants talk to local planning authorities about whether their service is needed in that locality, using the location assessment (a regulatory requirement and part of the Ofsted registration process set out in paragraph 15.1 of the guide to the children's homes regulations) to demonstrate this.

To support effective delivery, unitary authorities should work with commissioners to assess local need and closely engage to support applications, where appropriate, for accommodation for looked-after children as part of the

authority's statutory duties for looked-after children. In two tier authorities, we expect local planning authorities to support these vital developments where appropriate, to ensure that children in need of accommodation are provided for in their communities.

### *Children's homes developments*

Planning permission will not be required in all cases of development of children's homes, including for changes of use from dwelling houses in class C3 of the Town and Country Planning (Use Classes) Order 1987 where the children's home remains within class C3 or there is no material change of use to class C2. An application to the local planning authority can be made for a lawful development certificate to confirm whether, on the facts of the case, the specific use is or would be lawful. Where a certificate is issued, a planning application would not be required for the matters specified in the certificate.

[HCWS795]

### **PRIME MINISTER**

### **Machinery of Government**

**The Prime Minister (Rishi Sunak):** I am making this statement to bring to the House's attention the following machinery of government changes.

First, responsibility for the delivery of the Windsor framework will be transferred from the Foreign, Commonwealth and Development Office to sit alongside the existing Northern Ireland Unit in the Cabinet Office. The Foreign Secretary remains responsible for UK-EU relations and will continue as co-chair of the Trade and Co-operation Agreement Partnership Council and Withdrawal Agreement Joint Committee—the body that oversees the UK and EU implementation of the withdrawal agreement.

Secondly, the UK governance team will formally move from the Cabinet Office into the Union and devolution team in the Department for Levelling Up, Housing and Communities (DLUHC). This will consolidate matters relating to intergovernmental relations, including common frameworks, under the Secretary of State for Levelling Up, Housing and Communities as the Minister for Intergovernmental Relations. This is an administrative change that does not affect ministerial responsibilities.

Both the Windsor framework and Union teams in the Cabinet Office and DLUHC respectively will be brought together under a single official reporting structure to allow for more effective join-up across all Union policy. These changes will take effect immediately.

Thirdly, sponsorship of HM Land Registry and its associated bodies will move from the Department for Business and Trade to DLUHC. This will aid the delivery of DLUHC's key policy objectives including improving the home buying and selling process and delivering the land transparency provisions in the Levelling-up and Regeneration Bill. This change will take effect on 1 June 2023.

Fourthly, ministerial responsibility for civil Earth observation (EO) policy and its associated EU programme will be consolidated in the Department for Science, Innovation and Technology (DSIT) from the Department for Environment, Food and Rural Affairs (DEFRA). Bringing responsibility for EO policy into a single Department will enable greater flexibility to support the UK space sector and to make decisions about investments

into science programmes. DEFRA will retain an interest by leading on the EO development of environmental, agricultural and natural resource applications. This change will take effect on 1 July 2023.

Fifthly, responsibility for the delivery of the Supporting Families programme will transfer from DLUHC to the Department for Education. This transfer provides an opportunity to expand the impact of the programme by bringing together the system of support for children and families.

This will enable the Education Secretary to deliver a co-ordinated approach through a series of reforms that support the Government's wider social policy agenda. This change will take effect on 1 April 2024.

Finally, departmental sponsorship of UK Shared Business Services has been formally transferred to DSIT following the Department for Business, Energy and Industrial Strategy Transfer of Functions Order formalised on 3 May 2023.

[HCWS803]





# Petition

*Tuesday 23 May 2023*

## OBSERVATIONS

### FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

#### Uprising in Iran

*The petition of residents of the United Kingdom,*

Declares that the protests and anti-regime uprisings in Iran led by women and youth are incredibly powerful and have spread across the country; notes that the signatories support the effort to help bring democracy to Iran; furthermore that at least 700 protestors have been killed and another 30,000 have been arrested in the first two weeks of the uprising and that this is an injustice to the people of Iran and their human rights; further declares that more support to Iranian protestors is required.

The petitioners therefore request that the House of Commons urge the Government to support the Iranian people's uprising and their desire for democracy.

And the petitioners remain, etc.—[*Official Report*, 29 March 2023; Vol. 730, c. 12P.]

[P002824]

*Observations from Lord Ahmad, Minister of State for the Foreign, Commonwealth and Development Office:*

The UK stands with the people of Iran, who must be empowered to determine the future of their country. Recent protests following the death of Mahsa Jina Amini

were a clear demonstration that the Iranian people have had enough and demand a better future. These protests were an authentic, bottom-up and grassroots-led call for change.

The UK and international partners support those standing up for their fundamental freedoms, by ensuring the regime is held to account for its appalling human rights record. In response to the authorities' crackdown on protests we have announced eight rounds of human rights sanctions—on 10 October, 14 November and 9 December 2022, and 23 January, 20 February, 8 March, 20 March and 24 April 2023—targeting political, security and prison officials. In addition, the UK sanctioned Iran's Prosecutor General, one of the most powerful figures in Iran's judiciary and responsible for unfair trial process and the use of the death penalty.

We work closely with our international partners to ensure accountability in international fora, including establishing a UN Fact Finding Mission at the Human Rights Council in Geneva, and securing Iran's expulsion from the UN Commission on the Status of Women. And we continue to raise human rights directly with the Iranian authorities in London and through our Ambassador in Tehran.

We are clear that the future of Iran is a matter for the Iranian people to decide. The people of Iran have made it clear that the regime cannot continue as it has. It must now demonstrate real change—for the sake of Iran's peace, prosperity and future standing in the world.





# Ministerial Corrections

Tuesday 23 May 2023

## SCIENCE, INNOVATION AND TECHNOLOGY

### Data Protection and Digital Information (No. 2) Bill

*The following is an extract from the Fourth sitting of the Data Protection and Digital Information (No. 2) Public Bill Committee.*

**Sir John Whittingdale:** I was saying that the exemption applies where the data originally collected is historic, where to re-contact to **obtain consent** would require a disproportionate effort, and where that data could be of real value in scientific research.

*[Official Report, Data Protection and Digital Information (No. 2) Public Bill Committee, 16 May 2023, Vol. 732, c. 123.]*

*Letter of correction from the Minister for Data and Digital Infrastructure, the right hon. Member for Maldon (Sir John Whittingdale).*

An error has been identified in my response to the debate on clause 9.

*The correct information should have been:*

**Sir John Whittingdale:** I was saying that the exemption applies where the data originally collected is historic, where to re-contact to **provide certain information** would require a disproportionate effort, and where that data could be of real value in scientific research.

## EDUCATION

### Lifelong Learning (Higher Education Fee Limits) Bill

*The following is an extract from Third Reading of the Lifelong Learning (Higher Education Fee Limits) Bill on Wednesday 3 May.*

**Robert Halfon:** The hon. Member for Warwick and Leamington spoke on Report about T-levels, and I am proud that the number of T-level students has gone up to 10,000. We have 16 T-level subjects in delivery, with a total of 18 from September. We are spending up to £500 million on T-levels, which have a 92% pass rate, with many students progressing to university, employment and apprenticeships, and we have invested £240 million to help providers prepare to deliver high-quality industry placements.

*[Official Report, 3 May 2023, Vol. 732, c. 167.]*

*Letter of correction from the Minister for Skills, Apprenticeships and Higher Education, the right hon. Member for Harlow (Robert Halfon):*

An error has been identified in my speech on Third Reading of the Lifelong Learning (Higher Education Fee Limits) Bill.

*The information given should have been:*

**Robert Halfon:** The hon. Member for Warwick and Leamington spoke on Report about T-levels, and I am proud that the number of T-level students has gone up

by 10,000. We have 16 T-level subjects in delivery, with a total of 18 from September. We are spending up to £500 million on T-levels, which **had a 92% pass rate in 2022**, with many students progressing to university, employment and apprenticeships, and we have invested £240 million to help providers prepare to deliver high-quality industry placements.

## SCIENCE, INNOVATION AND TECHNOLOGY

### Digital Markets, Competition and Consumers Bill

*The following is an extract from Second Reading of the Digital Markets, Competition and Consumers Bill on Wednesday 17 May 2023.*

**Bim Afolami:** Will the Minister give way?

**Paul Scully:** I will finish the point and then I will happily give way. Judicial review will still subject decisions to careful scrutiny. The CMA will have to justify how it arrives at its decisions, and the competition appeal tribunal will be able to quash decisions if there have been flaws in the decision making or if processes have not been adhered to. There will be a participative approach to regulating the sector, with SMS firms being consulted formally and informally to help ensure that actions are reasonable and proportionate. The CMA will also be required to publish guidance on how it will take major decisions and publicly consult before making decisions such as designating a firm with SMS, making PCI orders and imposing conduct requirements. **Indeed, companies will be able to make a full merits appeal should there be a penalty.** Does my hon. Friend wish to intervene?

**Bim Afolami indicated dissent.**

*[Official Report, 17 May 2023, Vol. 732, c. 925.]*

*Letter of correction from the Under-Secretary of State for Science, Innovation and Technology, the hon. Member for Sutton and Cheam (Paul Scully):*

An error has been identified in the speech I gave on Second Reading of the Digital Markets, Competition and Consumers Bill.

*The correct contribution should have been:*

**Paul Scully:** I will finish the point and then I will happily give way. Judicial review will still subject decisions to careful scrutiny. The CMA will have to justify how it arrives at its decisions, and the competition appeal tribunal will be able to quash decisions if there have been flaws in the decision making or if processes have not been adhered to. There will be a participative approach to regulating the sector, with SMS firms being consulted formally and informally to help ensure that actions are reasonable and proportionate. The CMA will also be required to publish guidance on how it will take major decisions and publicly consult before making decisions such as designating a firm with SMS, making PCI orders and imposing conduct requirements. Does my hon. Friend wish to intervene?



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Tuesday 30 May 2023**

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