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HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY
DEBATES
(HANSARD)

Monday 5 February 2024

HIS MAJESTY'S GOVERNMENT

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OFFICIAL REPORT

IN THE FIFTH SESSION OF THE FIFTY-EIGHTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 17 DECEMBER 2019]

SECOND YEAR OF THE REIGN OF HIS MAJESTY KING CHARLES III

SIXTH SERIES

VOLUME 745

SIXTH VOLUME OF SESSION 2023-2024

House of Commons

Monday 5 February 2024

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Saving for the Future

1. **Mrs Flick Drummond** (Meon Valley) (Con): What steps his Department is taking to help people save for the future. [901321]

10. **Craig Tracey** (North Warwickshire) (Con): What steps his Department is taking to help people save for the future. [901330]

19. **James Sunderland** (Bracknell) (Con): What steps his Department is taking to help people save for the future. [901340]

The Secretary of State for Work and Pensions (Mel Stride): Automatic enrolment has succeeded in transforming pension savings, with more than 11 million employees being automatically enrolled in a workplace pension since 2012 and an additional £29 billion in real terms saved into marketplace pensions in 2022 compared with 2012.

Mrs Drummond: I was very pleased when the Government brought in auto-enrolment for pensions in 2012, as making sure that everyone saves for a pension should prevent pension poverty. What is the rate of take-up of these pensions and what provisions are the Government putting in place to help those on low wages build up a pension pot to help provide a decent income in retirement?

Mel Stride: The increase in take-up since 2012 has been extraordinary, particularly among women, for whom the rate was 40% in 2012 and is now 86% and in line with men. My hon. Friend will know about the 2017 review that we conducted on auto-enrolment. As and when we bring in those changes, that will mean 3 million more people auto-enrolled with £2 billion of additional savings each year.

Craig Tracey: I am chair of the insurance and financial services all-party parliamentary group, and financial inclusion has been one of our key areas of focus, particularly following the pandemic which showed that anybody has the potential to quickly become vulnerable. What are the Government doing to increase the financial resilience of our constituents and make them best placed to cope should such an unforeseen event happen again?

Mel Stride: May I first recognise the fantastic work my hon. Friend does on financial resilience? The Government have, through very difficult times, come forward with £104 billion of cost of living payments between 2022 and 2025. I would point my hon. Friend to one particular scheme: the help to save scheme encourages low-income households to save and we have recently extended that by 18 months, until April 2025.

Mr Speaker: I call James Sunderland. Not here. I call the Chair of the Select Committee.

Sir Stephen Timms (East Ham) (Lab): I agree with the Secretary of State about the cross-party success of auto-enrolment, which has doubled the proportion of eligible employees saving for retirement, but we know

that the current regular auto-enrolment contribution of 8% of earnings is not enough to deliver the standard of living in retirement that most people hope for. Does the Secretary of State recognise that that minimum level of contribution will need to be increased?

Mel Stride: The contribution rates of the employer and employee are a very important matter, and we keep both under review.

Mr Speaker: I call Jim Shannon. Always here.

Jim Shannon (Strangford) (DUP): Thank you, Mr Speaker.

When I was 16, my mother took me to Danske bank—or Northern bank as it was then—and opened an account for me. When I was 18, my mother phoned up the pension man in Ballywalter and told him I needed a pension. My mother has been a big guide in my life. What would the Secretary of State say to encourage the young people of today to take their mother's advice on opening bank and pension accounts and planning for the future?

Mel Stride: I think the response to that is, always take your mother's advice. I always did—and look where it got me. At the age of 16, I would have thought the hon. Gentleman would have been saving into a piggy bank, putting his little pennies in a porcelain pig. I direct him to the gov.uk website, where there is a plethora of information for young people and those of all ages about saving and what the Government are doing to assist.

Mr Speaker: The good news is that Mrs Shannon is still giving him advice. I call the shadow Minister.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): One of the simplest ways to get people saving for the future is by ensuring that they are enrolled in a pension scheme, but all too many are currently excluded from auto-enrolment, particularly women, who are twice as likely to miss out. The Government have known about this problem for years. They first proposed widening the criteria in 2017. Last year, thanks to a private Member's Bill, the Minister was given the power to do just that, but still we have seen no update on when this will be implemented. Can the Secretary of State shed light on when these vital changes will take place?

Mel Stride: The hon. Lady draws attention to savings for women. I have already stated that 40% of women invested in workplace pensions back in 2012, and that has skyrocketed to 86% today. There are now 2.3 million employers providing pensions through the auto-enrolment route, and there is £29 billion more in workplace pensions in 2024 than was the case in 2012. The hon. Lady refers, I think, to the 2017 review, which I have already referred to. That is currently under review.

Long-term Sickness: Employment

2. **Alexander Stafford** (Rother Valley) (Con): What steps his Department is taking to help people with long-term sickness into work. [901322]

The Minister for Disabled People, Health and Work (Mims Davies): This Government have a range of initiatives to support disabled people and people with long-term sickness to start, stay and succeed in work. At the autumn statement, we built on that by expanding universal support, launching WorkWell pilots and establishing work on the reform of the fit note.

Alexander Stafford: My hon. Friend will know about the excellent work being done by people such as my Maltby constituent, Ian Birch, and all his colleagues at Reed in Partnership across the whole of Rotherham. They use DWP funding to help those with long-term issues of sickness and illness to get back into work and on their feet. What is her Department doing to make sure that those who go through these programmes stay in work permanently and contribute to the local economy?

Mims Davies: I thank my hon. Friend for highlighting the value of our local DWP programmes. In Rother Valley, the Reed in Partnership approach has given vital support to his constituents, helping them into work. It is vital to keep supporting them to remain there, and that is where that particular programme helps. Access to Work and our Disability Confident scheme are just some of the initiatives to support disabled people and those with health conditions while in employment.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Half the women surveyed with endometriosis had to take time off work often or very often because of their condition, and one in six women had to give up work altogether. Will the Minister meet the incredible women from Endometriosis Support Hull and East Yorkshire to discuss the work they are doing with the local trade unions to create a best practice charter for employers in Hull to support women with endometriosis in the workplace?

Mims Davies: I was in Aberdeen on Thursday meeting women with health conditions and hearing about how we can better support women who are having debilitating impacts from the menopause. That was in the oil and gas sector, where it takes a long time to build up to a senior career. I would be interested to hear about the work that the hon. Lady's local team are doing. Through the wider women's health strategy, we are supporting women to have a thriving career all the way through. I am keen to hear from her and those women, and to support the women to stay in work.

Child Maintenance Service

3. **Helen Morgan** (North Shropshire) (LD): What assessment he has made of the effectiveness of the Child Maintenance Service in collecting child maintenance payments. [901323]

The Parliamentary Under-Secretary of State for Work and Pensions (Paul Maynard): The Government are dedicated to ensuring that parents meet their obligations to children, and we take robust enforcement action against those who do not. Parents who paid some maintenance on the collect and pay service increased from 64% to 69% over the 12 months from September 2022.

Helen Morgan: My constituent's daughter is a young lady who has missed out for more than a year on child maintenance payments, because her father changed jobs and the Child Maintenance Service lost track of him. My team have been involved, and despite lots of faffing, she still has not received a payment. She is one of around half of children in separated families who are not receiving the maintenance payments they deserve. Will the Minister explain what his Department is doing to ensure that the employers of these missing parents are properly chased up?

Paul Maynard: Where parents have certain categories of taxable income not being captured by the standard child maintenance calculation, they can make a request to the CMS to have the calculation varied. We have consulted on proposals to include more types of taxable income held by His Majesty's Revenue and Customs in the standard maintenance calculation.

Dr Thérèse Coffey (Suffolk Coastal) (Con): The Department has a number of ways to try to get paying parents to cough up, and we must remember that this is cash for the children. In July 2022, the Government consulted on child maintenance and improving our enforcement powers through the commencement of curfew orders, and we still have not had a response to that consultation. I would be grateful to hear from the Government when they plan to respond, and I remind them of the other powers in place, such as depriving people of the ability to drive or of their passport. This is a simple thing, where people have the money and will not cough up the cash. I think we need to get on with curfew orders.

Paul Maynard: My right hon. Friend is quite right that the Government have consulted on the use of curfews, which are complex and interact with numerous Government services. Several enforcement initiatives aimed at improving compliance are currently in train, and we need to get those in place and assess their effects before we can best see how curfews might fit with them. I note her enthusiasm for curfews and might well put her in touch with Viscount Younger of Leckie, the Minister in the Lords, whose policy brief this is, so that he can update her on our latest thinking.

Benefit Levels

4. **Peter Grant (Glenrothes) (SNP):** What recent assessment he has made of the adequacy of levels of benefits. [901324]

The Secretary of State for Work and Pensions (Mel Stride): Welfare is there to help those who need assistance, including many of the most vulnerable, which is why we increased most benefits by 6.7% for 2024-25. That was on top of an increase of 10.1%, including the benefit cap, in 2023-24.

Peter Grant: That is all very well, but the rate of inflation for low-paid families has been significantly higher than the headline rate of inflation for some time. That means that those families who were struggling badly last year are struggling even worse this year. Citizens Advice has shown that families on low incomes have less disposable income this year than they had last

year. Does the Secretary of State accept that it is time to introduce an essentials guarantee so that nobody on universal credit or another income-based benefit can ever be allowed to fall below a level where they cannot afford the basic essentials of life?

Mel Stride: As the hon. Gentleman will know, we keep all benefits under review. I point him to various things that we have done to ensure that we look after those lower-income families, including increasing the national living wage by about 10% in both of the last two years; the increase in the local housing allowance to the 30th percentile announced at the last fiscal event, which will be worth about £800 a year for about 1.6 million people; and, of course, the tax cuts that the Chancellor was able to bring forward, which for an average earner are worth £450 a year.

Mr Speaker: I call the SNP spokesperson.

David Linden (Glasgow East) (SNP): Rather than deal with the known policy failures within the benefits system, the Government seem to be more focused on penalising people through, for example, the two-child cap. Last week, the Labour party joined the Conservatives in prioritising lifting the cap on bankers' bonuses rather than the two-child cap on working women. Does the Secretary of State take comfort in the fact that his cruel legacy will be protected by the Labour party?

Mel Stride: I am not going to get involved in the crossfire between the Scottish National party and the Labour party, other than to say—[*Interruption.*]

Mr Speaker: Order. I do not need a continuing argument and disagreement. I am sure that when the questions come to an end, you can speak outside.

Mel Stride: Thank you, Mr Speaker. The two-child cap is there for good reason: so that families in those circumstances are taking the same kind of decisions that others—the taxpayers funding benefits—have to take.

Child Poverty

5. **Yasmin Qureshi (Bolton South East) (Lab):** What steps he is taking to help reduce child poverty. [901325]

13. **Deidre Brock (Edinburgh North and Leith) (SNP):** What recent estimate he has made of the number of children in poverty. [901333]

The Minister for Employment (Jo Churchill): In the latest statistics, there were 400,000 fewer children in absolute poverty after housing costs than there were in 2009-10. In this financial year, we will spend about £124 billion on welfare supporting working-age families. We are also providing £104 billion between 2022 and 2025 to help families with cost of living pressures. However, the Government's focus is firmly on reducing the risk of child poverty by supporting parents into work in every way we can.

Yasmin Qureshi: The Joseph Rowntree Foundation recently found that 42% of children in Bolton live below the poverty line. After 14 years of Tory cuts and general

incompetence, Britain now has the worst rise in child poverty among the major countries. What would the Minister say to a young family in Bolton who told me, “One day we eat and one day we don’t”?

Jo Churchill: Nobody on either side of the House wants to see families struggling. However, I repeat that children living in workless households are about five times more likely to be in absolute poverty after housing costs than those in households where all adults work. The Government are supporting the whole family through our childcare support, which we have increased by almost 50% to £951 a month for one child or £1,630 for two; the increase in the national living wage to £11.44 from April; our cost of living offers; and so on.

Deidre Brock: The recent Joseph Rowntree Foundation report highlighted Scotland’s much lower child poverty rate compared with England and Wales, and said that that was partly due to the Scottish Government’s child payment. Further progress is constrained by the UK’s inadequate social security system. The Trussell Trust’s “guarantee our essentials” campaign shows that 90% of low-income households on universal credit in the UK cannot afford everyday essentials. Does the Minister accept that raising the universal credit basic rate is critical to tackling child poverty?

Jo Churchill: The welfare system is there to be a strong safety net. It is not about a singular issue, because no households are the same. It is about wraparound care and dealing with people on an individual basis. It is about making sure that where children need support—for example, with free school meals—we provide it.

Mr Speaker: I call the shadow Minister.

Alison McGovern (Wirral South) (Lab): Further to the Minister’s response, the Prime Minister has been asked similar questions about child poverty in recent Prime Minister’s questions. He usually responds that since 2010, the Conservatives have lifted 1.7 million people out of absolute poverty, which, as you know Mr Speaker, tracks living standards from a fixed point in time. Can the Minister tell me how many more people, on average, Labour lifted out of absolute poverty annually, compared with the 1.7 million since 2010 that the Prime Minister regularly claims?

Jo Churchill: Rather than trade numbers, I would say that this is about giving people the dignity of a job. Since 2009-10, 1.7 million fewer people are in absolute poverty after housing costs, including 400,000 fewer children and 1 million fewer working-age adults. I know the hon. Lady said that work was not the Labour party’s priority, but it is very much our priority.

Alison McGovern: If the Minister can point to an occasion when I have said that work was not the Labour party’s priority, she ought to say when that was, or she should withdraw that remark.

The answer to my question is that, on average, more than 350,000 more people left poverty in each year of the Labour Government. The Prime Minister’s claim is pathetic. Which of the following does the Minister think had the biggest impact on those poverty numbers? Was it when the Conservatives repealed the Child Poverty

Act 2010, was it when they shut down the child poverty unit, was it the collapse in the value of child benefit, or was it the financial chaos caused by a Conservative Prime Minister in September 2022, which put all families’ finances at risk?

Jo Churchill: No, it is the fact that over 1 million more people are in work and youth employment is up by around 40%. Ensuring that people have the dignity of work and that, when they are not in work, there is a strong welfare system around them, is what this country needs.

Cost of Living: Food Banks

6. Helen Hayes (Dulwich and West Norwood) (Lab): What recent assessment his Department has made of the potential relationship between increases in the cost of living and trends in the use of food banks. [901326]

16. Rachel Hopkins (Luton South) (Lab): What recent assessment his Department has made of the potential relationship between increases in the cost of living and trends in the use of food banks. [901336]

The Minister for Employment (Jo Churchill): The Government take food security very seriously and are committed to understanding and addressing food poverty. The reasons that people use food banks are complex and varied. Food banks are independent charitable organisations and the Government have no role in their operation. As such, data on trends are not currently available.

Helen Hayes: The staff and volunteers at the Norwood and Brixton food bank in my constituency work tirelessly all year round to support local people who simply cannot make ends meet. They are responding to the highest level of need they have ever seen. Why does the Minister think that, despite this being one of the richest countries in the world, food bank reliance is continuing to rise so much on this Government’s watch? Can she tell the House what the Government are doing to end the need for food banks in the UK?

Jo Churchill: As I said, the reasons that people use food banks are complex and varied, as all the research indicates. We offer support through cost of living payments and the household support fund, running to hundreds of millions of pounds. The rise in the national living wage, the reduction in national insurance and the local housing allowance further help 1.6 million low-income households. We have a whole of suite of ways to help the very poorest in our society.

Rachel Hopkins: Food banks such as the excellent Luton Foodbank have been pushed to breaking point this winter, as more and more people need emergency food due to the Conservatives’ cost of living crisis. It is shameful that we now have more food banks than police stations. What conversations has the Minister had with colleagues in the Treasury about introducing measures in next month’s Budget to support low-income working people facing hardship and to reduce the dependence on food banks?

Jo Churchill: I point the hon. Lady to the further cost of living payments that will be going out this week to eligible households. We do not comment on future fiscal announcements.

Carer's Allowance

7. **Sir Mark Hendrick** (Preston) (Lab/Co-op): What assessment he has made of the adequacy of the carer's allowance for people who care for more than one person. [901327]

The Minister for Disabled People, Health and Work (Mims Davies): This is a particular area of interest for me as a former carer and as part of a caring family. It is important that we get the right balance. The flat weekly rate for the carer's allowance has never been linked to the number of people being cared for. The weekly rate will increase to £81.90 from April, which is almost an extra £1,500 a year since 2010.

Sir Mark Hendrick: The hundreds of thousands of carers up and down the country are the unsung heroes of our society, who do a fantastic job. Whether it is caring for elderly parents with dementia or sacrificing full-time work to care for a disabled child, carers play a critical role, easing the burden on health services. For most carers, care is a 24/7 job, and they cannot take full-time work because of it. When will the Government realise that £76, and now even £81.90, is measly and does not scratch the surface of what carers have to put up with and pay for, particularly when many carers are caring for more than one person?

Mims Davies: I thank the hon. Gentleman for his point, which I appreciate as I have been in that situation of caring for two people. The primary purpose of the carer's allowance is to provide a measure of financial support and recognition for people unable to work full time because of their caring responsibilities. I know there are very strong views on this. I am looking forward to meeting with Carers UK just after recess—I am afraid I cannot do so before, due to a funeral—and hearing the varying views and how we can continue to support our carers, who in every constituency and community do an amazing job.

PIP Mandatory Reconsideration Decisions

8. **Jessica Morden** (Newport East) (Lab): Whether his Department is taking steps to reduce the time taken for personal independence payment mandatory reconsideration decisions to be made. [901328]

The Minister for Disabled People, Health and Work (Mims Davies): We have reduced clearance times from the peak of 79 days in 2021 to 36 days in October 2023 by improving processes and increasing decision-making capacity. We will continue to improve efficiency while ensuring effective decision making for all reconsiderations.

Jessica Morden: In July last year, a constituent was not able to correctly fill out their PIP review form, which led to their payments being stopped. It took until last Thursday—six months from the mandatory reconsideration going in—for the payments to finally be restored. Because of the delay, my constituent fell

into debt and became suicidal. Why are the Government not eliminating the delays that are letting down the most vulnerable constituents?

Mims Davies: I am very sorry to hear about the hon. Lady's constituent. Our aim is always to make the right decision as early as possible in the claim journey, and I would be keen to see the full details of that particular situation. On decisions, it is important to consider the context: 2.9 million initial decisions following an assessment have been made between June 2018 and July 2023; 5% have resulted in a completed tribunal hearing, with 3% overturned. I would be very keen to see what has happened in the case that the hon. Lady mentions.

Mr Speaker: I call the shadow Minister.

Vicky Foxcroft (Lewisham, Deptford) (Lab): As my hon. Friend the Member for Newport East (Jessica Morden) has just highlighted, the Department is in chaos and that is having a huge impact on claimants' lives. As of October, there were 294,000 new personal independence payment claims waiting to be processed, with a further 445,000 claimants awaiting an award review. As of November, 24,339 people were awaiting Access to Work decisions. We are talking about hundreds of thousands of disabled people left in financial limbo, with tens of thousands waiting to start work. What message does the Minister think these huge backlogs send to disabled people, and how does she finally plan to get a grip of them?

Mims Davies: I thank the hon. Lady for making the important point about the numbers. I agree that behind each of those is somebody we should be concerned about, and I am absolutely looking at this point. We are continuing to learn from decisions overturned by appeal, and we will continue to make improvements to our decision-making processes to help people to get the correct decision earlier in their claim journey, and to be able to work and have the support where it is needed. Not everybody on PIP is out of work, so we need to be listening to the needs of the people in those queues. I am conscious that every one of them is not a statistic but a person who needs our support.

Ill Health: Economic Inactivity

9. **Andrew Western** (Stretford and Urmston) (Lab): What estimate his Department has made of the cost to the public purse of economic inactivity due to ill health. [901329]

11. **Simon Fell** (Barrow and Furness) (Con): What steps his Department is taking to reduce labour inactivity. [901331]

21. **Antony Higginbotham** (Burnley) (Con): What steps his Department is taking to reduce labour inactivity. [901342]

The Secretary of State for Work and Pensions (Mel Stride): There are, of course, significant costs related to an increase in long-term sickness and illness rates in work. That is why we have our £2.5 billion back to work plan, to help 600,000 disabled people and people with health conditions start and stay in work.

That approach, along with others, has seen economic inactivity reduce by 330,000 since its peak during the pandemic.

Andrew Western: NHS waiting lists are currently at 7.8 million, with more than 177,000 people on waiting lists in my own NHS trust area. When it is this difficult to access medical treatment, it is no surprise that we have a record 2.8 million people out of work due to ill health. Does the Minister accept that this Government's failure on the NHS is stymying economic growth, denying people the dignity of work and costing taxpayers billions of pounds?

Mel Stride: On NHS waiting lists, there has been progress, in that the two-year waiting lists have almost been entirely dispensed with and those of 18 months have been very substantially reduced. Our Department recognises that work is part of the solution to improving people's health, which is why we are putting forward the WorkWell service, bringing together medical input and work coach input; fit note reform to help at an earlier stage of the journey; and the reforms to the work coach assessment. All those things are moving towards getting more people into work, which is good for their health.

Simon Fell: In Barrow and Furness, an estimated 4,000 people who could be contributing to the labour market are not doing so. I am incredibly grateful to my right hon. Friend and his team, in the Barrow jobcentre and centrally, who, alongside Team Barrow, have worked with local employers and skills providers to help get those people back into our incredibly tight labour market. Will he pass my thanks on to those teams? May I also encourage him to visit to see their good work?

Mel Stride: I thank my hon. Friend for highlighting all the good work that has gone on in his constituency. I believe he opened a jobcentre only as recently as 30 January in his constituency. He is a doughty campaigner for and supporter of employment in his patch. He asks whether I will visit his constituency. I would certainly like to consider that, but my hon. Friend the Employment Minister might also visit, because she just said she was particularly keen to do so.

Mr Speaker: There we are.

Antony Higginbotham: Burnley and Padiham has so much going for it—with the rest of Lancashire, our area is the manufacturing powerhouse of the United Kingdom—but still has stubborn levels of economic inactivity among people who could be contributing to economic growth and having financial security, which we all want them to have. What more can we do to help those people? In particular, can my right hon. Friend do more to join up with other Departments so that areas such as Burnley, which might have structural problems, get more intensive support?

Mel Stride: My hon. Friend asks what approach we can take to resolve the issues that he has raised. We have announced a doubling of universal support, a scheme with which he will be familiar; WorkWell, to which I just referred, bringing together medical support and work coaches; and reform of the fit note system so that we get involved earlier in the journey that many people

experience when they fall out of the workforce into longer-term sickness and disability benefits. Overall, the evidence is clear: economic inactivity is down by 268,000 on the year, and by more than a third of a million since its peak during the pandemic—a 52% reduction.

Jobs: Witham

12. **Priti Patel (Witham) (Con):** What estimate he has made of the number of jobs provided by businesses in Witham constituency. [901332]

The Secretary of State for Work and Pensions (Mel Stride): The Office for National Statistics estimates that 36,000 jobs were provided by employers in Witham in 2022.

Priti Patel: As it is Apprenticeship Week, will the Secretary of State join me in thanking businesses in Witham for everything that they are doing to employ youngsters and put them on that apprenticeship pathway? Those businesses, however, are crying out for a labour market strategy that will help them to harness the skills and the upskilling that they need in certain sectors. Would the Secretary of State be prepared to advance that, and push it, across other Departments?

Mel Stride: I congratulate my right hon. Friend on the extraordinary work that she does locally to promote apprenticeships. I believe she was involved in a jobs fair on 24 January, hosted by Reed, which was highly successful. The employment rate in her constituency is 81%, well above the national average, which I put down almost entirely to the work that she is doing. She asked how we would proceed. We already have swaps, bootcamps and returnerships, but I am indeed looking at specific areas of the labour market, particularly in the context of migration changes, where we may be able to do more on a strategic basis.

State Pension: UK Citizens Living Overseas

14. **Mr Rob Roberts (Delyn) (Ind):** What recent assessment he has made of the potential cost of restoring parity in the level of state pension received by UK citizens living overseas. [901334]

The Parliamentary Under-Secretary of State for Work and Pensions (Paul Maynard): According to the latest estimate, based on data from March 2022, uprating the state pension where we do not currently do so would cost about £0.9 billion a year if all UK state pensions in payment were increased to current UK levels.

Mr Roberts: Following our withdrawal from the EU, we are rightly able to move closer to our partners in the Commonwealth. One way in which we could do that would be to confirm that all British citizens who live in the Commonwealth should be entitled to the appropriate uprating of their state pensions as if they were still in the UK. That would seem to be a matter of simple fairness. Will the Minister meet me to discuss the practicalities of making it happen, and restoring some much-needed common sense to a needlessly complicated situation?

Paul Maynard: The UK Government continue to uprate state pensions when there is a legal requirement for that to be done, and have no plans to change their long-standing policy or enter into new reciprocal social security agreements.

Benefit Claims Process: Cancer Patients

15. **Kerry McCarthy** (Bristol East) (Lab): If he will take steps to simplify the benefits claims process for cancer patients. [901335]

The Minister for Disabled People, Health and Work (Mims Davies): Understandably, such a health diagnosis can be a shock for individuals, their families and, indeed, their finances—and I am conscious of saying this just after World Cancer Day. It is important to ensure that people have the right support as soon as possible, and as part of our reforms we will simplify the system to reduce the assessment burden and improve people's experiences of assessments.

Kerry McCarthy: I thank the Minister for her response, but those changes cannot come too soon for my constituent Emily, who was diagnosed with breast cancer in November, is too ill to work, and is finding the benefits system impossible to navigate. DWP officials have pushed her from pillar to post, unable to decide whether she is eligible for employment and support allowance and universal credit. She has been forced to fill in countless forms, and was even required to attend a jobcentre appointment over Christmas, despite being seriously unwell. Does the Minister agree this is simply not good enough, and that we need to put those changes in place so that people like Emily do not have to go through this?

Mims Davies: I am sorry to hear about Emily's situation. I would remind others in her situation that there is a help to claim service available through Citizens Advice and also a benefits calculator on gov.uk, but I would also be extremely keen to see the details of what has happened. I would be happy to meet the hon. Lady or to look at the details, whatever she would prefer.

Helping People into Employment: Cumbria, Cheadle and Darlington

17. **Tim Farron** (Westmorland and Lonsdale) (LD): What steps he plans to take to increase levels of employment in Cumbria. [901337]

18. **Mary Robinson** (Cheadle) (Con): What steps his Department is taking to expand the support available through jobcentres in Cheadle constituency. [901339]

24. **Peter Gibson** (Darlington) (Con): What steps he is taking to help fill job vacancies in Darlington constituency. [901345]

The Minister for Employment (Jo Churchill): Across the country our fantastic work coaches are supporting people to secure and progress in work. In Kendal, Cheadle and Darlington, jobcentres are working with local and national employers to match jobseekers with vacancies through job fairs, sector-based work academy programmes and apprenticeships. As it is National

Apprenticeship Week, this is a great time for employers to promote the opportunities available, and I urge all colleagues who have not yet done so to visit their jobcentre if it has an apprenticeship fair on. The hon. Gentleman's was last week, wasn't it?

Tim Farron: I do indeed celebrate the work of the Kendal jobcentre. It does a fantastic job but one problem is that it has too small a workforce. This week we mourn the loss of yet another Lake District business, this time a bistro in Coniston, due in part to the loss of affordable homes and to restrictive visa rules, both of which are shrinking our local workforce. Will the Minister meet me and local Cumbrian business leaders to develop a plan to tackle Cumbria's workforce crisis?

Jo Churchill: I am happy to meet the hon. Gentleman, but I also gently say that this is about other Government Departments as well. I will certainly work with him as far as employers go, under my remit.

Mary Robinson: Speaking to Stockport jobcentre last week, I heard about the success of the movement to work scheme, which places young people with employers, including in the civil service. However, the lengthy civil service application process is delaying placements. Will my hon. Friend look into how the process could be streamlined and accelerated, and join me on a visit to Stockport jobcentre?

Jo Churchill: I know that senior civil servants are engaged in piloting an initiative that will help to speed this up, because we need to place those candidates more quickly and ensure that we get them into work swiftly. I would love to visit Stockport and add its jobcentre to the growing list that I have visited.

Peter Gibson: I put on record my thanks to my hon. Friend the Member for Hexham (Guy Opperman) for his work to establish the Jobcentre Plus Facebook pages, of which Darlington's was the first. Will my hon. Friend the Minister outline how successful that page has been and what further plans she has to develop accessible social media job advertising?

Jo Churchill: We know that social media helps, and that 40 to 50-year-olds in particular enjoy engaging with a digital platform when they are looking for work. We have had instances in the past of people thanking us when they have been given interviews online. It is important that posts are accessible and we are working to ensure that this is the case. I would point customers of any age to the JobHelp website, which has a host of useful information. I am keen to see if we can roll out such progress further.

Mr Speaker: I do find that a strange grouping, but not to worry, Minister. Well dealt with! How you got from Cumbria across the country like that is amazing.

Autism: Workplace Accessibility

20. **Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): What steps he is taking to help ensure workplaces are accessible for autistic people. [901341]

The Secretary of State for Work and Pensions (Mel Stride): Autistic people have a huge amount to offer in the workforce, which is why we set up the Buckland review in April 2023, led by my right hon. and learned Friend the Member for South Swindon (Sir Robert Buckland), to look at the barriers to autistic people gaining employment and to ensure that we have a more inclusive workforce for them.

Mr Sheerman: May I push the Minister on what progress has been made by the Buckland review? Will he also remind jobcentres up and down the country that people on the autism spectrum have great talents and often need only slight workplace modifications of simple things such as lighting or noise levels? This could open up a source of real talent for our country.

Mel Stride: The hon. Gentleman is entirely right. Small changes can often make a big difference, not just for autistic people but for the businesses they go on to serve and work in. He will have to be a little more patient about the Buckland review report coming out, but it will not be long. I also point him to the Access to Work and Disability Confident approaches, which both do exactly what he suggests.

Statutory Sick Pay Eligibility: Stoke-on-Trent North

22. **Jonathan Gullis** (Stoke-on-Trent North) (Con): What recent assessment he has made of the potential impact of the number of people who are not eligible for statutory sick pay because they are paid less than the lower earnings limit on levels of inequality in Stoke-on-Trent North constituency. [901343]

The Minister for Employment (Jo Churchill): The Department has not made a specific assessment for the Stoke-on-Trent North constituency, but I refer my hon. Friend to the evidence I presented to the Work and Pensions Committee last week. I look forward to meeting him this week to discuss this in more detail.

Jonathan Gullis: I am grateful to my hon. Friend for her answer. I am proud to have joined a campaign, together with my right hon. Friend the Member for Witham (Priti Patel) and the hon. Member for Glasgow East (David Linden), to reform statutory sick pay. That campaign, led by the Centre for Progressive Change, was referenced in today's Times Health Commission report. Ahead of the spring Budget, will the Department join us in lobbying the Treasury to make these important changes, so that we have a healthier workforce that contributes more to our economy and, more importantly, so that we make sure that work pays fairly?

Jo Churchill: I refer my hon. Friend to the answers I gave to the Work and Pensions Committee. Statutory sick pay is considerably more complex than he makes out, but it is nice to see all this cross-party collaboration.

Topical Questions

T1. [901346] **Helen Hayes** (Dulwich and West Norwood) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Mel Stride): The Department has been busy supporting the most vulnerable, with the third instalment of the £900 cost of living payments starting to reach the bank accounts of 8 million low-income households tomorrow. We are also on the verge of publishing our disability action plan. We have seen economic inactivity decrease by 330,000 since its peak during the pandemic.

I have made it a priority for my Department to engage across Parliament. As Secretary of State, I appeared before the Work and Pensions Committee in December. The pensions Minister, my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard), appeared before the Committee on 10 January; the Minister for Employment, my hon. Friend the Member for Bury St Edmunds (Jo Churchill), appeared before the Committee on 31 January; and I believe the Minister for Disabled People, my hon. Friend the Member for Mid Sussex (Mims Davies), and Viscount Younger, our Lords Minister, will appear before it next month. There will be a statement on the disability action plan this afternoon.

Helen Hayes: Lambeth Council and Southwark Council have worked hard over the past few years to deliver targeted cost of living support through the household support fund. Many local people continue to face serious hardship as a consequence of this Government's political decisions, but local authorities do not know what, if any, funding they will receive after 31 March. When does the Secretary of State expect to confirm the future of the household support fund, so that local authorities can plan ahead?

Mel Stride: I am pleased that the hon. Lady recognises the importance and value of our various interventions. Ten million payments have been made through the HSF since its inception, and £1 billion has been put into the fund in the last year. She will know that her question is a matter for the Chancellor, and the matter will quite possibly—I really do not know—be dealt with at a future fiscal event. There is no news on that at this stage.

T3. [901348] **Virginia Crosbie** (Ynys Môn) (Con): Anglesey has an active autism parents' group, and brilliant coaches like Ryan Gibbs—he runs a "fighting for Autism" class—who work hard to support autistic children and each other. For parents such as Shelly Rankin Jones and young autistic people such as Becca Pierce, can the Minister update the House on the Buckland review of autism employment?

Mel Stride: I thank my hon. Friend for her question, because autism is an issue of great importance to the House and to her personally. I know about the work that she is doing with Ryan Gibbs, Becca Pierce and Shelly Rankin Jones. She will know that the Buckland review was instigated in April 2023 and will conclude relatively shortly, with a report being published online. I look forward to visiting her disability jobs fair in Holyhead at the end of this week.

Mr Speaker: I call the shadow Secretary of State.

Liz Kendall (Leicester West) (Lab): This morning the Office for National Statistics published the long-awaited updated figures from the labour market survey. Can the Secretary of State now confirm that our employment

rate is even lower than previously thought, and that there are at least 200,000 more people out of work due to long-term sickness? We thought that the cost of health-related inactivity was an additional £15 billion a year since the pandemic, but given these new figures, can he tell the House how much more his Government's failure is costing taxpayers every single year?

Mr Speaker: Order. I remind Front Benchers that this is topical questions, which are meant to be short and punchy, and they should stick to the rules. Do we understand each other?

Mel Stride: The hon. Lady refers to the latest weighted numbers just released by the Office for National Statistics, which show that unemployment as a percentage is lower than originally forecast. She cannot get away from the fact that there are 330,000 fewer people in economic inactivity since the peak. As a result of our work capability assessment reforms, the Office for Budget Responsibility has scored us as having 371,000 fewer people on long-term sickness benefits than would otherwise have been the case.

Liz Kendall: The former health Minister Lord Bethell says that he is “gobsmacked” by the figures, and that “the economic hit will be hard”.

The Minister would do well to listen to his words. Yesterday, the Education Secretary said that the Government cannot guarantee that their promises will be met on childcare, which parents need in order to work. Today, their Prime Minister admitted that he has failed on NHS waiting lists, which the long-term sick need dealt with if they are to get back to work. Why does the Secretary of State not do the decent thing and admit that he has failed too, and adopt Labour's plan to cut waits, roll out breakfast clubs, overhaul jobcentres and get Britain working again?

Mel Stride: We are getting Britain working, unlike the Opposition, under whose last Administration unemployment increased, youth unemployment went up by 40%, some 25% more women were unemployed and 1 million people or thereabouts were stuck on long-term benefits for almost a decade. That was a disgrace.

T4. [901349] **Peter Aldous** (Waveney) (Con): Sizewell C will provide an enormous number of job opportunities in Suffolk. Will my right hon. Friend outline the work that the Department for Work and Pensions is doing to ensure that local people have every opportunity to work on the project and acquire the necessary skills?

The Minister for Employment (Jo Churchill): Like my hon. Friend, I am excited about the jobs and opportunities at Sizewell. Local jobcentres have been engaged with Sizewell C, and I understand that a local partnership manager will be designated to promote opportunities, and to find people for 1,500 apprenticeships and thousands of jobs. We will invest in local skills through sector-based work programmes and the like.

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

David Linden (Glasgow East) (SNP): Last month, a report by the pension provider Royal London showed that women lose, on average, £92,000 as a result of juggling part-time work and childcare. What are the Government going to do about that?

The Parliamentary Under-Secretary of State for Work and Pensions (Paul Maynard): As the hon. Gentleman will have heard earlier, the proportion of women saving for their pensions has gone from 40% 10 years ago to 89% now.

T7. [901352] **Dr James Davies** (Vale of Clwyd) (Con): People with disabilities often take on voluntary roles, as there can be societal barriers to gaining employment. My constituent Philippa has a son with Down's syndrome who volunteers, providing much-valued music workshops for local children. How can the Minister ensure that the work of people with disabilities is properly recognised in the workplace?

Mel Stride: I congratulate Philippa's son on the very good work that he does. We have disability employment advisers in our jobcentres. I am visiting my hon. Friend's constituency later this week; I know that he has been involved in the Denbighshire project, including the We Mind the Gap programme for young people, and I will be interested to discuss that and other matters.

T2. [901347] **Peter Grant** (Glenrothes) (SNP): Fife Gingerbread, based in my constituency, contacted me to point out that most of the provisions in the Child Support Collection (Domestic Abuse) Act 2023, which was unanimously agreed by the House and received Royal Assent at the end of June last year, have still not been brought into force. That means that far too many vulnerable people who want to make a claim through the Child Maintenance Service find that abusive ex-partners use it to control their behaviour. Why is it taking so long to put in place the measures in the Act?

Paul Maynard: I can confirm to the hon. Gentleman that the Child Maintenance Service has a domestic abuse plan to ensure that parents are not placed in danger as a consequence of any suggestion of domestic violence; for example, it has a centralised sort code to limit the risk of parental involvement.

Jonathan Gullis (Stoke-on-Trent North) (Con): I wish to place on record my thanks to the Secretary of State for helping to guide my private Member's Bill through Parliament. It lowers the pension auto-enrolment age from 22 to 18, and abolishes the lower earnings threshold. Briefly, has the Secretary of State received reassurances from the Chancellor that the necessary forms will be implemented in the spring Budget?

Mel Stride: I thank my hon. Friend for that question. Those matters are under active consideration.

T6. [901351] **Munira Wilson** (Twickenham) (LD): Given that the Secretary of State has just said that the continuation of the household support fund after the end of March is up to the Chancellor, and given that, last week, we had the support of all parties in Westminster Hall for

the continuation of this vital fund, will he assure the House that the subject is a top priority in his negotiations with the Chancellor?

Mel Stride: The specifics of my negotiations with the Treasury remain between me and the Treasury. As I have said, the any of those decisions on the HSF are matters for the Treasury.

T9. [901354] **Marco Longhi** (Dudley North) (Con): In 2005, the DWP failed to make a reasonable decision about targeting information at the women affected by state pension age changes. The ombudsman ruled that there was maladministration. These women, in Dudley and around the country, deserve more than just an apology. Does the Minister accept these findings, and if not, will he explain why not?

Paul Maynard: The Department is co-operating with the Parliamentary and Health Service Ombudsman investigation, which is ongoing, and it would not be appropriate to comment on it or the outcome.

T8. [901353] **Jessica Morden** (Newport East) (Lab): My constituent's universal credit payments have been stopped over Christmas for two years running, because her employer pays her salary early in December. Why will Ministers not do more to ensure that caseworkers know that they can use the discretion that they have, so that my constituents and others like her have financial certainty at what is a very difficult time of year?

Jo Churchill: The way that universal credit works means that work coaches can use their flexibility, but if a payment is short one month, the appropriate thing to do is to sort it the next.

T10. [901355] **Wendy Chamberlain** (North East Fife) (LD): In his opening remarks, the Secretary of State mentioned the assessment period for cost of living payments, but people on four-weekly pay schedules miss out on support because they fall foul of the assessment period rules for universal credit. What assessment have the Government made of the number of people missing out, and what remedy do they have?

Mel Stride: Cost of living payments can be affected by when people are paid, and therefore by whether they are on universal credit and qualify at precisely that point. I do not have the figure to hand that the hon. Lady requests, but I will of course get back to her with it.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): This morning's report by the Academy of Medical Sciences revealed that our appalling child health and infant mortality rates are worse than those of 60% of

similar countries and is the key driver of child poverty. What assessment has the Secretary of State undertaken to make on the impact that stopping the household support fund in April will have on relative child poverty and, subsequently, infant mortality?

Mel Stride: As the hon. Lady will know, the number of those in child poverty has decreased by 400,000 since 2010. We do not yet have a decision on the household support fund, to which she refers, but I point her to the very significant uplift in the local housing allowance, which will give 1.6 million people £800 a year more on average, thereby taking many of them out of poverty.

Alistair Strathern (Mid Bedfordshire) (Lab): From unanswered emails to unreturned calls, it has been heartbreaking to hear from so many vulnerable constituents who are in a state of limbo and distress, and trying to chase up personal independence payments. When will Ministers ensure that people can get the support that they need in a timely and straightforward manner?

The Minister for Disabled People, Health and Work (Mims Davies): If the hon. Gentleman has specific examples, I would be keen to hear from him and to look into them.

Mr Speaker: I call the Chair of the Work and Pensions Committee.

Sir Stephen Timms (East Ham) (Lab): Will the Secretary of State point out to the Chancellor that many councils have used the household support fund to pay £3 per day per child during the school holidays to families entitled to free school meals, and that if the fund closes at the end of March, those families will be straight into hardship in the Easter school holidays?

Mel Stride: I thank the right hon. Gentleman for his representation, and indeed would be grateful for any others that he is minded to make to me as we conduct our ongoing review on where we go with the household support fund.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): When will the Minister wake up to the fact that working as an apprentice in engineering is a fabulous career choice, and well paid? Will she come up to Huddersfield to look at Cummins, whose apprentice system is first rate?

Jo Churchill: I would be delighted to do so on my tour of England. I could not agree more with the hon. Gentleman. My father is an engineer. It is a fantastic profession, and the more we can encourage apprenticeships right across the board, the better. Nearly 6 million people have now taken them up. I would be delighted to come.

Situation in the Red Sea

3.30 pm

The Secretary of State for Defence (Grant Shapps):

With permission, I will make a statement on the recent response to Houthi aggression in the Red sea.

Freedom of navigation has been a cornerstone of civilisation since time immemorial. It underpins our prosperity and security, and is a founding principle of the international rules-based system. Since 19 October, the Houthis, supplied and aided by Iran, have been infringing on those fundamental freedoms by attacking international commercial vessels in the Red sea and in the Gulf of Aden. On 19 November, they illegally seized the merchant vessel *Galaxy Leader* using a helicopter-borne assault crew, and since then they have conducted around 40 attacks against commercial and military vessels. Despite repeated warnings, their attacks have continued.

The UK has always stood up for the rules-based international order, and since the Houthis began their illegal attacks we have been at the forefront of the international response, whether helping to defend vessels in the vicinity, as one of the first members to join the US-led taskforce Operation Prosperity Guardian, or working in tandem with the US and other allies to tackle the Houthis, always in response to specific threats and always in line with international law and the principle of self-defence.

On two previous occasions we have been required to use force, and those attacks have had a significant effect in degrading Houthi capabilities, but the Houthis' intent to continue disrupting the Red sea has not been fully diminished. Two weeks ago, the Prime Minister came to the House to make it clear, as I did the following day, that unless the Houthis desisted from their inflammatory actions, we would not hesitate to act again. Yet instead of ceasing their activities, they have chosen to persist, accompanying their increasingly incendiary rhetoric with further missiles and drones targeted at shipping and at the Royal Navy.

Most recently, the Houthis set the vessel *Marlin Luanda* on fire and targeted HMS *Diamond* directly in the Red sea. Such behaviour is simply intolerable. It breaks international law, and is already having consequences that are damaging to the economies of the world. Insurance premiums have rocketed tenfold since the start of December, the number of cargo ships transiting Bab al-Mandab has fallen, and the cost of containers has rocketed, all of which could send food inflation spiralling, and will certainly hit those countries with the greatest poverty levels the hardest.

The Houthis believe that they are the region's Robin Hood, but as I discussed with the Yemeni Defence Minister just yesterday when I saw him in Saudi, the only people they are robbing are innocent Yemenis whose food and aid arrives via the Red sea. That is why at the weekend the Prime Minister and I again authorised the use of force, in strict accordance with international law and in self-defence. On Saturday, Royal Air Force Typhoons, supported by two Voyager tankers, joined the US forces to conduct further precision strikes against Houthi locations in Yemen. The Typhoons employed Paveway IV precision-guided munitions against three

military facilities, hitting 11 separate targets, which were identified after careful intelligence analysis at those three locations and approved by me.

At As-Salif, due west of Sana'a on the Red sea coast, our aircraft targeted a ground control station inside a defensive position. The station has been used to control Houthi attack and reconnaissance drones launched from further inland and operating over the Red sea, targeted at international shipping. A second drone ground control station was confirmed to be Al-Munirah on the same stretch of coastline. As with As-Salif, the station provided direct control of reconnaissance and attack drones targeting shipping in the Red sea, its position on the coast allowing it to maintain the line of sight data links used to target innocent shipping with accuracy.

Our Typhoons also attacked a significant number of targets at Bani. The House may recall that an initial group of facilities at Bani were successfully struck by the RAF on the night of 11 January this year. Since then, a further set of buildings at the site had been positively confirmed to be involved in the Houthi operations and were, as a result, targeted on this occasion. As is standard practice for operations by the RAF, the strikes were very carefully planned to ensure minimal risk of civilian casualties. Dropping munitions at night further reduces such risks and we do not believe there were any civilian casualties on Saturday night.

Military action can only be one element in our efforts to confront these global challenges, and military action is indeed the very last resort. It would be far better if the Houthis stopped their attacks. Our approach is therefore founded on four pillars. First, we are increasing diplomatic engagement. The Foreign Secretary travelled to the region and met his Iranian counterpart last month to make it clear that Iran must cease supplying the Houthis with weapons and intelligence and use its influence to stop the Houthi attacks. The Prime Minister spoke to President Biden recently to discuss our joint approach and I met my counterparts in the region this weekend, returning this morning from the Kingdom of Saudi Arabia, where I discussed regional security.

Secondly, we must end the illegal flow of arms to the Houthis. Britain and the US have previously intercepted weapons shipments in the region, including the same kind of components that we have seen used in recent strikes. Thirdly, we must cut off the Houthis' financial resources. We have already—we did so last month—sanctioned four key figures within the Houthi regime, including the commander of the Houthi naval forces and the Houthi Defence Minister.

Fourthly, we continue to help the people of Yemen, delivering humanitarian aid and supporting a negotiated peace. The UK has committed £88 million in humanitarian support so far this year, feeding 100,000 Yemenis every month with aid arriving through the very sea routes which, ironically, the Houthis are targeting.

Let me be absolutely clear: we would much rather the Houthis simply stopped attacking international shipping, stopped damaging global trade and stopped harming the prospects of their own people. At the same time, appeasing the Houthis today will not lead to a more stable Red sea or indeed a more stable region. We are not seeking confrontation and we urge the Houthis, and all those who enable them, to stop these illegal and unacceptable attacks. However, if necessary, the UK will not hesitate to respond again in self-defence.

[Grant Shapps]

Placating the sponsors of terror does not benefit our international order in the long run, or bring peace to the middle east or elsewhere in Europe or the world. The truth is that we cannot ignore the importance of these great waterways for shipping. That is the reason the world backs the United Nations convention on the law of the sea. It is the reason New Zealand has joined the UK, the US, Australia, Canada, Bahrain, Denmark and the Netherlands in providing support to this weekend's air strikes. As an island nation, we have always appreciated freedom of navigation and the fact that it is intrinsic to our way of life. If we do not deal with these threats, every nation will be poorer. I commend this statement to the House.

3.39 pm

John Healey (Wentworth and Dearne) (Lab): I thank the Defence Secretary for the advance copy of his statement.

We back the UK-US airstrikes that took place at the weekend to protect shipping in the Red sea. We know that the strikes were carried out against Houthi command centres and weapons stores. We accept that they were limited, necessary and targeted to minimise the risk of civilian casualties. The Houthis are attacking the ships of many nations, threatening maritime security and international trade, and putting civilian and military lives in serious danger. That is why the UN Security Council passed last month a resolution condemning Houthi actions in the strongest possible terms and demanding that their attacks stop.

We accept that the strikes we justified, but will the Defence Secretary confirm that they were also effective? Were the targets selected the targets hit? Was the purpose of destroying the drone control centres at As-Salif and Al-Munirah fully achieved? Ministers have said that the aims of the strikes are, first, to deter Houthi attacks, and secondly, to degrade their capabilities. The first aim has not yet succeeded, as Houthi attacks continue, but is the fact that those attacks are now less sophisticated and more sporadic a sign that the second aim may be succeeding? This is the third UK-US strike in the past three weeks. At what stage do three one-off strikes become a sustained campaign? If this does develop into continuing military action, at what stage will the Government give Parliament a say?

Before I turn to the wider role of UK forces in the Red sea, let me make this point: it is the Prime Minister who should be making this statement to the House, just as he did after the two previous UK strikes on Houthi targets. It is the Prime Minister's responsibility to authorise such UK military action in the name of the Cabinet, advised by others, of course, including and especially the Defence Secretary. The Government risk downgrading respect for the convention that, having given the go-ahead for such action, it is the Prime Minister who then reports directly to this House.

We also back the leading role of the Royal Navy in the continuing defence of shipping from all nations in the Red sea. What action are the Government taking to persuade other countries to join the Prosperity Guardian protection force? How long does the Defence Secretary expect Operation Prosperity Guardian to be needed?

How will the EU's new maritime mission to the Red sea co-ordinate operations with Prosperity Guardian? Two weeks ago, I asked the Defence Secretary if a UK carrier was ready to deploy to the Red sea. We now know that HMS Queen Elizabeth has serious problems, so does the UK still have the option of sending a carrier to the Red sea if required, and if so, when? Military action on its own cannot solve the problems in the region. What is the Government's diplomatic action to pressure the Houthis to cease their attacks and settle the civil war in Yemen, and to pressure Iran to stop supplying weapons and intelligence to the Houthis?

Finally, like the Defence Secretary, I totally reject the Houthi claims that firing missiles and drones at ships from around the world is somehow linked to the conflict in Gaza. They have been attacking oil tankers and seizing ships for at least five years—not just for the 121 days since 7 October. Those attacks do absolutely nothing for the Palestinian people, whose agonies are now extreme. We want the Gaza fighting to stop now with a humanitarian truce that can build into a sustainable ceasefire, to stop the killing of innocent civilians, get all the remaining hostages out and get much more aid into Gaza. The UK aid efforts must be accelerated. Have any more RAF flights taken off since the Defence Secretary was last in this Chamber, and if not, why not?

Finally, for long-term peace, there has to be a political process that can turn the rhetoric around two states living side by side in peace into reality. The House is united in that UK vision, and I give this commitment from our side: if elected to form the next Government, Labour will lead this new push for peace.

Grant Shapps: First, I welcome the right hon. Gentleman's support for this action. He asked a series of questions, which I will rattle through. Were the actions effective? Yes, they hit the targets. Were all the targets hit? Again, yes. We are still carrying out surveillance to find out the exact impact, but I think we can be very confident that all the relevant objectives were reached. We combined very closely with our US colleagues, and sometimes interchanged some of those targets with them. The right hon. Gentleman will have noted that, on this occasion, we were involved in dropping munitions on more targets than previously, so we carried a slightly greater weight than before.

The right hon. Gentleman asked whether the action was successful, and rightly pointed out that what we are seeing is rather more sporadic: the attacks, including on HMS Diamond and on merchant shipping, have continued, but in a much more ad hoc fashion. It is perhaps relevant that there has been no attack using multiple different weapons at the same time, which we saw, for example, on 11 January. The degrading will have had some impact on that.¹ I will come back to the right hon. Gentleman's comments about the Prime Minister at the end—I want to set the record straight.

The right hon. Gentleman asked about Operation Prosperity Guardian. The simple answer, of course, is that none of us knows how long it will need to continue for, but we want it to come to a conclusion as quickly as possible.

We utterly reject any notion that these continued attacks by the Houthis are anything to do with the situation in Gaza. The Houthis are opportunist pirates who are using a situation to their benefit: a few years

1. [Official Report, 6 February 2024, Vol. 745, c. 3MC.] (Correction)

ago, they did not even support Hamas, but suddenly they want to be their greatest champions. They are over 2,000 kilometres away from Gaza; they are simply using the situation to their advantage, and it is wise for the House to not over-link the two. None the less, the right hon. Gentleman is absolutely right to about the need to see a humanitarian truce and a sustainable ceasefire—that is the Government's policy. We are working extremely hard to try to achieve that, including through discussions that the Prime Minister, the Foreign Secretary and myself are having. Just yesterday, I was having those discussions in the middle east.

The right hon. Gentleman asked about RAF flights. The issue is not getting the aid to location—I have been working very closely with the Cypriot Government, for example, on how we can increase the amount of aid. The single biggest problem remains getting the aid into the country. We had some success with getting Kerem Shalom open, but what we really need to see is Ashdod open, in order to route that aid to Kerem Shalom and straight into Gaza. The Government and I will continue to push for that route, but the problem is not the flights taking off; it is the aid getting in.

Finally, turning to the fact that it is myself as Defence Secretary standing at the Dispatch Box, rather than the Prime Minister, the first thing to say is that it is the Secretary of State for Defence who actually has legal responsibility for these actions—who signs off the targets and, indeed, the legal authority. Technically, it is me who should be standing here, other than for the first couple of rounds, where the Prime Minister was dealing with something new and it was therefore very appropriate for him to be at the Dispatch Box.

The wider point that I would gently make to the right hon. Gentleman, though, is that the Prime Minister is in Northern Ireland today, doing incredibly important work—[*Interruption.*] I hear from a sedentary position the suggestion that we should have been recalled yesterday, but I unsure whether that would have been entirely practical. It is entirely appropriate that the Prime Minister is in Northern Ireland. I would have thought that the House would welcome the fact that that historic breakthrough has been marked by the Prime Minister, and it is very appropriate that I am here today to explain the activity of Saturday night to the House.

Sir Julian Lewis (New Forest East) (Con): Do the Government accept that it is difficult to deter terrorist fanatics, and that one mainly has to contain the effectiveness of what they do until they are ultimately destroyed, preferably by our regional allies? Does the Secretary of State feel that there is in fact a link to a separate conflict, and that is the conflict in Ukraine? Is it not more than a coincidence that the proxies of Russia's ally in the middle east have been so much more active while Russia is so desperate for us to turn our attention away from supporting Ukraine?

Grant Shapps: As ever, my right hon. Friend has absolutely hit the nail on the head. Russia and Iran are working together. Actually, the same kind of drones—sometimes the Shahed drones—that are being fired in Ukraine by the Russians, courtesy of Iran, are also being fired by the Houthis. He makes an excellent linkage point, and he is absolutely right.

Mr Speaker: I call the SNP spokesperson.

Dave Doogan (Angus) (SNP): The people of Scotland and elsewhere on these islands deserve to know what the plan is for this crisis in the Red sea—not the timings, the detail of missions, the tactical ambition or the resources behind these, but the broad strategy being pursued with lethal force in our name and in the absence of parliamentary approval. We have already made it clear from the SNP Benches that we support the Government and international partners in direct action to uphold freedom of navigation and the law of the sea, but this should never have been taken for granted and it remains subject to a realistic interpretation of both self-defence and imminence.

We see the toll that Russia's illegal invasion of Ukraine has taken on our constituents and businesses over energy costs, so we cannot allow this to be compounded further by interrupting global supply chains, nor can we ever tolerate or stand idly by while seafarers are put at risk, whatever the supposed aims of the Houthis or their backers may be.

Will this be a sustained engagement? I do not know, and neither does the rest of Parliament. One way or another, an allied seaborne strike capability will be engaged, so with one of the two aircraft carriers in the Royal Navy out of commission again, the Type 23 frigate fleet on its knees, and the Type 43 destroyer fleet still going through PIP—the power improvement project—who in the Government has a grip of the Royal Navy's resources? Fundamentally, what is the UK Government's plan to ensure that this campaign is not escalatory, and what is the thinking behind any assessment that they have made?

In closing, this is not about supporting Gazans, or people dying or fleeing persecution in Gaza, but about the Houthis pursuing their own aims. However, I would be interested to know what the Government's assessment is of the uptick in temperature in the middle east—in Gaza, in Yemen and with NATO ally personnel being killed.

Grant Shapps: Listening carefully to the hon. Gentleman, I detect that he supports the action that has been taken. As I have said, it cannot be right that international shipping is prevented from its own freedom of navigation. Again, respecting the will of the House and listening very carefully, it is quite clear that the official Opposition support this action, as do the Government and, as I now learn, do those on his own Benches, and I remember the Liberal Democrats saying it previously. So I think it is quite clear that there is a strong support in this House. It is also important that there is sufficient freedom of action to ensure the safety and security of our airmen and women when they undertake these actions, rather than flagging them substantially in advance.

The hon. Gentleman mentioned—and so did the right hon. Member for Wentworth and Dearne (John Healey)—the aircraft carrier, and I should just address this point. It is the case that, actually through an abundance of caution on a final inspection, the decision was taken for the aircraft carrier not to sail. I have spoken to the First Sea Lord, who has made it clear to me that, if there had been an emergency situation—the House will recall that it was going to join Exercise Steadfast Defender—it quite probably would have sailed. The fact is that we have another one, and that will sail to the exercise.

[Grant Shapps]

On the frigates and the destroyers, I just disagree with the hon. Gentleman. I have been out to visit those on HMS Diamond in the Red sea, and they are absolutely prepared and ready to go.

Dave Doogan: That's one.

Grant Shapps: As the hon. Gentleman says, that is one, but today that ship has been replaced by HMS Richmond, which now takes on that mantle. We have 16 ships under construction or on order. I wonder how many we would get from the SNP, with its approach to defence.

Sir Alec Shelbrooke (Elmet and Rothwell) (Con): I thank my right hon. Friend for his in-depth statement, but there is concern about stretching the Royal Navy. It is a leading, world-class Navy, but it is suffering from personnel issues in crewing the ships, and responsibility for that lies back at the Treasury providing the revenue streams needed to make sure the capital equipment we have got can be used most effectively. What representations is my right hon. Friend making to ensure that the growth in maritime concerns around the world will be met by a commitment from the Treasury?

Grant Shapps: On a wider armed forces and MOD note, we have £288.6 billion for equipment over the next 10 years. My right hon. Friend is absolutely right that that has to be matched with the sailors, the airmen and women and the Army able to resource that equipment, and I have some good news for him. Since we have been talking very actively about these issues, we have seen an eight-year high in applications to the Royal Navy, a six-year high in applications to the Army and a 42% increase between this January and last January in applications to join the Royal Air Force. I predict we are making progress.

Layla Moran (Oxford West and Abingdon) (LD): I wonder whether the Secretary of State has seen the front page of the *Financial Times* today because it outlines how Iran has been using Lloyds and Santander accounts to evade sanctions. The US is accusing front companies of funding the IRGC with hundreds of millions of dollars and working with Russian intelligence to raise money for Iranian proxies. I am sure all in this House would be appalled to know that money laundered here in our capital is being used against our own troops by the Houthis, so what assessment have the Government made of those allegations by our ally? Does that not yet again show that we must proscribe the IRGC now?

Grant Shapps: This issue is repeatedly raised in the House and the hon. Lady will know, as she will have heard the responses many times before, that we do not routinely comment on proscription. It is the case however that we do sanction, and we have sanctioned the entirety of the IRGC already, as well as taken a number of different actions. She will appreciate that this matter does not come directly within the Defence portfolio, but I know that she will have the opportunity to press Foreign Office and Home Office Ministers at a future time, and we do keep this matter under constant review.

Mark Pritchard (The Wrekin) (Con): I agree with the Secretary of State and the Government that we do not want to see an escalation in the region and that we want to be proportionate in our response and calibrate our response not to provoke and antagonise, but is it not the case that we might actually be hitting the wrong target—that we are hitting proxies of Iran and, while I believe in peace and diplomacy, the malevolent factor in the region, in all of this, is Iran? It might be the case that, while we have the best of diplomatic intentions and we do not want to provoke Iran to a major conflict with NATO, the US or the UK, putting off that decision now will cost more lives in the future. Iran and the regime—not the Iranian people but the regime in Iran—are behind all this. They are the ones destabilising Israel, the Abraham accords and so on. I hope the Secretary of State will take a strategic view and make hard choices on Iran, because, whether we like it or not, it is coming.

Grant Shapps: My right hon. Friend makes the excellent point that Iran is behind all this. Iran is behind Hamas, Hezbollah, the Houthis and the IRGC-aligned militia that we have seen attack not just American troops—I often hear it is American personnel have been attacked 160 separate times in Syria and Iraq, but in fact about a third of those occasions involved British troops as well. On every occasion, Iran is behind all of this. I absolutely agree with my right hon. Friend and we are working hard to pressurise Iran into realising that its current approach can do no good at all and will destabilise the region, which it claims it does not want to do.

John McDonnell (Hayes and Harlington) (Lab): Let me first make the point that a direct attack on Iran would be insanity; the region would be provoked and others would be dragged into it. I understand why the Government are saying that it is wise “to not over-link” Houthis strikes with Gaza, but the reality is that the middle east region is on the edge of conflagration as a result of the war that is going on and the attacks on Gaza. The priority must therefore be to secure peace in Gaza. We have a limited role in that, but we know that Netanyahu would secure peace if pressurised to do so by the American Government, because realistically they are the only power that can influence him and Israeli strategy. What further talks have taken place with the Biden Government to ensure that they exercise the maximum pressure on Netanyahu to get to that peace negotiating table?

Grant Shapps: The right hon. Gentleman will be aware, I hope, that the UK and the US work very closely on this. I was in the States last week. I met Blinken, Lloyd Austin and others to discuss exactly the points that the right hon. Gentleman raises about how we bring together a solution that not only provides, ultimately, the Palestinian state for the Palestinian people, but security guarantees for Israel. It is also important to realise that we are working closely in a number of different spheres, including on the Lebanese border, where we are working hard to try to prevent a further conflict there. We should remember that 125,000 Israelis have had to move from that border because of the activity of Lebanese Hezbollah. We are working with the Lebanese Government. I saw the Yemeni Defence Minister yesterday, and we discussed how to prevent that conflict from becoming part of this, too. The Government are pulling every single possible diplomatic lever in what is clearly a very complex position.

Mr Tobias Ellwood (Bournemouth East) (Con): The Defence Secretary is right that this mission must continue to stand up and defend international laws in the Red sea, but the mission to remove the Houthi threat and keep the Red sea safe could last months, and it is not sustainable to continue tasking Typhoons from Cyprus for each mission or subsequent future threats. Will the Defence Secretary therefore agree that there is a case for an urgent operational requirement to upgrade the Type-45 destroyers, given the continued inability of their vertical launch systems to strike targets at range inland?

Grant Shapps: I know that my right hon. Friend takes a huge interest in this matter, and he will be interested to hear that on Friday I was on HMS Somerset in Devonport, where they are fitting a surface-to-surface system, which may or may not be appropriate in this particular type of conflict. I want to take issue with one thing. We are in a coalition here, working with the US and others. As we have demonstrated repeatedly, there is no issue with Typhoons flying a long distance. Indeed, when America carried out their unrelated attacks for Tower 22, they flew all the way from the United States. Flying a long distance is no sign that the capability is not there in itself.

Mr Ben Bradshaw (Exeter) (Lab): Will the Secretary of State please have another go at giving a better answer to the question from the hon. Member for Oxford West and Abingdon (Layla Moran) about the extremely serious report in today's *Financial Times* that two of Britain's main banks are indirectly helping to fund the Houthis, with whom we are now in some sort of conflict?

Grant Shapps: The right hon. Gentleman will have heard my answer a moment ago. I know that he wants me to go into further detail, but I am unable to do that at the Dispatch Box right now. We have noted both the question and the article of this morning. We are also intensely engaged in finding the best way to ensure that Iranian influence, whether through the UK or in the region, is limited. I do not think I can go further at this moment.

Theresa Villiers (Chipping Barnet) (Con): The Houthi rebels are violent extremist antisemites, and it is right that we take action to combat their aggression in the Red sea. It seems that there is success in degrading their capabilities. Is the Secretary of State confident that we will get to the point where we can stop the attacks altogether?

Grant Shapps: I think the clock is running down for the Houthis, in as much as their ability is being degraded, as my right hon. Friend points out—they do not have the eyes and ears from the radar stations; they are more reliant still on Iran, and only the UK and the US have done interdictions of their weapons. There is a limitation to this. None the less, we still think that would continue, if they choose to, even at that lower level, but it is important that they cease and stop this. We are putting pressure on, as I have described, through every possible means, including very extensive talks that I had yesterday in Saudi Arabia with various different people, including not just the Saudis but the Yemenis themselves.

Apsana Begum (Poplar and Limehouse) (Lab): Will the Secretary of State confirm what the long-term strategy is and how it relates to the ongoing precarious situation in Yemen? Do the Government plan to commit to sustained military action? If so, surely it is only right for Parliament to have its say in the appropriate way.

Grant Shapps: This is the third time that we have come to Parliament and made a statement—I know that the hon. Lady has made other contributions to the debate—so we do feel that Parliament is being fully engaged in the process. We are not looking to make this a sustained, long-term military action. Indeed, I can guarantee for the House that if the Houthis stop, we will have absolutely no requirement again to drop munitions on them. But it is a fact that they are the ones interrupting international maritime activity, and we cannot stand by and allow that to happen.

James Sunderland (Bracknell) (Con): The Defence Secretary cannot comment specifically on target acquisition, but will he please confirm to the House that our intelligence, surveillance, target acquisition and reconnaissance is focused on those Houthi capabilities directly engaged in the attacks on international shipping? Is it reasonable to assume that further degradation of those capabilities will result in increased security in the Red sea?

Grant Shapps: My hon. Friend asks a good question that has not yet been asked. The answer is yes. We are looking carefully, and the locations chosen on this occasion were indeed from a combination of US and UK intelligence.

Sammy Wilson (East Antrim) (DUP): The Government are right to have this strong response for what may seem to many to be a faraway war or incident, but which could impact so much on people's lives here in the United Kingdom, through food shortages, supply chain disruption and inflation. Given the reports about shortages of Royal Navy personnel, the difficulty with munitions, the difficulties with some ships and now the increased demands on the Navy because of tensions with China and Russia—maybe even Argentina in future—will the Secretary of State assure us that we have the capability to play our part in keeping supply chains open? What discussions has he had with other allies to get them involved in the task of supporting us in this job?

Grant Shapps: The right hon. Gentleman is right about the importance of trade. Some 90% of our goods come to this country via the sea, so it really matters to the United Kingdom, but it matters to the whole world. He mentions personnel, munitions and so on, as have one or two other Members. In my time as Defence Secretary, I have not been unable to deploy exactly where I have needed to, for example at the request of NATO when we deployed to Kosovo—they have returned home now—or for this conflict in the middle east, where we have needed to carry out the actions that we are discussing. On each occasion, those have been available. I previously mentioned a £288 billion 10-year programme on equipment and the success in recruiting more personnel. I encourage other countries to match our defence budget, which is comfortably above 2% of GDP and heading up to 2.5%—the sooner they do that, the better.

Tom Hunt (Ipswich) (Con): I fully support the Government's action in the Red sea. The irony of the Iranian regime accusing us of destabilising the region through our actions will not be lost on reasonable people. Does the Secretary of State agree that those demonstrators on the streets of London applauding what the Houthi rebels have been doing are at best useful idiots and at worst truly the enemy within?

Grant Shapps: I use my own language, but it is disgraceful to see people go out and support those who are indiscriminately firing at merchant ships—that is absolutely appalling. I will not repeat my hon. Friend's language; I will put that support down to ignorance rather than anything else.

Andy Slaughter (Hammersmith) (Lab): The Secretary of State is rightly clear about breaches of international law by the Houthis in the Red sea. Can he be equally clear about breaches of international law by all sides in Gaza? Does he think it will help reduce hostilities across the middle east if the Government can build a broader international coalition in support of their diplomatic and military aims?

Grant Shapps: The United Kingdom Government always want international humanitarian law to be adhered to, and we make that point repeatedly to every side in this conflict. I think the hon. Gentleman is driving at Israel. To answer his question directly, Israel is included. Hamas could end the conflict very quickly if they release the hostages that they have kidnapped and cease firing on Israel. On the wider coalitions, I described how New Zealand is now on board with the military action, but I should mention that 20-plus countries are involved in Operation Prosperity Guardian, and the EU has formed an additional operation, which we welcome.

Andrew Percy (Brigg and Goole) (Con): Further to the question from my hon. Friend the Member for Ipswich (Tom Hunt), as well as open support for the Houthis this weekend on the streets of central London, some protestors in the pro-Palestinian marches again called for an intifada and held up deeply racist antisemitic signs, one of which included informing Israelis—we presume Jewish Israelis—that they were indigenous to nowhere other than hell. I am not sure that it is just ignorance; I think something more sinister is at play among some of the protestors. We should call it what it is: pure and simple Jew hate. Will the Secretary of State inform the House whether he has spoken to anyone else across Government about more action to deal with some of the hate on our streets?

Grant Shapps: The Home Secretary continuously keeps this matter under review, and meets police chiefs to ensure that they have the powers to combat what my hon. Friend rightly describes as absolutely disgusting behaviour, which has no place at all on our streets. I am sure that the whole House needs no reminding, but perhaps the people who go out campaigning do: the Houthis' slogan is "Death to America, death to Israel, death to the Jews no matter where they are." There is no place for that on the streets of Britain.

Jeremy Corbyn (Islington North) (Ind): It is an extraordinary situation where the Secretary of State comes here, makes a matter-of-fact statement about the

launch of missiles against a number of targets and countries, gives no indication of the long-term war aim by the UK at present, and says absolutely nothing about the crying, desperate need for a ceasefire to protect the people of Gaza from further death and destruction. Does he not realise that the extension of the conflict by Britain and the United States to at least four other countries risks a huge conflagration across the whole region? I would have been much happier had he come here and said that Britain was determined to try to deal with the injustices in the region and to bring about a peace process rather than further militarisation of the seaways around all those countries. Surely peace is something to aim for, rather than the continuation of yet more wars.

Grant Shapps: Never have I disagreed so much with the right hon. Gentleman—and that is saying something, given that he wants to scrap Trident and pull us out of NATO. The statement is on the Red sea. I am surprised that he is not more appreciative of the geography. The attacks in the Red sea are a very long way from Gaza. He misunderstands why I have come to this House: to talk about munitions on a single country, not three countries, as he said. I spoke to the Yemeni Government yesterday, who thank us for our work. It is a shame that he cannot do the same.

Sir Michael Ellis (Northampton North) (Con): I commend the Defence Secretary for his excellent work. He talked about Yemen. Its Foreign Minister, Ahmad Awad bin Mubarak, said on Thursday that there is no doubt that Iran's Quds Force operatives have been deployed to his own coastline. What assessment has my right hon. Friend made of the extent of Iran's aggressive military adventurism and its destabilising effect on international peace and security?

Grant Shapps: Quite simply, Iran is a malign influence not just on Yemen but on the entire region. My right hon. and learned Friend is right to point out the manner in which it has helped to create instability in the Red sea. I am afraid that the only language that the Iranians understand is the approach that we have been taking: to show them that there is a red line and they have crossed it.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): I completely understand and agree with the need to protect international shipping and maritime security and to ensure the safety of civilians and seafarers in the Red sea. However, some of us are also concerned about a wider escalation in this already volatile region. Will the Defence Secretary outline what steps the Government are taking, diplomatic or otherwise, to stop us being sucked into an escalating regional conflict?

Grant Shapps: The actions we are discussing are very specific and targeted, as the hon. Gentleman will recognise. They are not open to being repeated unless the attacks on us continue, so they can actually be stopped immediately. In terms of wider diplomacy, which I have gone into in some detail, I have met with Sullivan, Blinken and Lloyd Austin in the States, while the Foreign Secretary has been doing the same with his opposite numbers. As I have just described, I was in the region until this morning, where I was having extensive discussions on how to bring this situation to a conclusion. I am afraid

it is not always possible to provide a line-by-line explanation of every single element of those talks, which I appreciate is frustrating for the House, but we are making broad and strenuous efforts to achieve exactly what the hon. Gentleman is looking for.

Rehman Chishti (Gillingham and Rainham) (Con): The Defence Secretary has said the Government are looking at a comprehensive strategy with a four-pronged approach to degrade the Houthis. We have classified the actions of the Houthis as terrorist and said that they pose a significant threat to British interests. I then look at the “Proscribed Terrorist Organisations” document from the House of Commons Library, which lists non-state actors Ansar Al Islam, Al Ittihad Al Islamia and Hezbollah, all of which meet the criteria for proscription, yet the Houthis are not proscribed as a terrorist organisation. The Secretary of State says that we have sanctioned some high-level individuals. The US has proscribed them; we have not.

My question to the Defence Secretary is this: will the UK set up a contact group to deal with non-state actors in the long term? This threat is not going to go away. The Houthis will splinter into other terrorist organisations in the region.

Grant Shapps: My hon. Friend rightly points out that the US has taken some action, although it is not quite the same as our proscription—what it has done in this case with the Houthis is sort of an in-between version. Of course, we have made sure that a number of individuals, whom I named in my comments, have effectively been dealt with. The wider question is getting the balance right between ensuring that food aid can still reach Yemen—that was the discussion I was having with the Yemeni Government yesterday—and full proscription. We need to make sure we get that balance right, and my right hon. Friend the Home Secretary is working very closely on that. Whether one would call that a contact group or something else, I can assure my hon. Friend that the work is being done.

Hywel Williams (Arfon) (PC): Like others, I commend the Government’s diplomatic efforts to resolve the broader conflict—and this one, in fact. If diplomatic means fail to resolve this particular conflict in the Red sea, is the Secretary of State determined to pursue the military option to the very end?

Grant Shapps: As I have described in answer to other Members, we see this action as being very specific and one that does not need to continue. What I do not see as being short term and specific is the diplomatic process that the hon. Gentleman refers to, which now needs to do what the world has been unable to do for decades: form a wider peace in the middle east. The pieces may be there, with potential normalisation between countries such as Saudi Arabia and Israel. Hamas’s intent, and Iran’s intent, is to disrupt all of that. We understand that, which is why we have to work all the harder to overcome their approach to creating instability in the region.

Dr Matthew Offord (Hendon) (Con): We cannot overestimate the value of freedom of navigation in the region, so it is not surprising that New Zealand has joined the UK, the US, Australia, Canada, Bahrain, Denmark and the Netherlands in providing support

over the weekend. What concerns me is Egypt, which faces both economic and social disadvantage. The Suez canal provides \$9.4 billion of trade to the Egyptian economy, and the last thing we want is for that to be disrupted. Can the Secretary of State advise what he will do to help to counter the destabilising activity of the Houthi pirates in the region?

Grant Shapps: My hon. Friend is absolutely right to say that this is devastating for the Egyptian economy. I was in Egypt a couple of weeks ago, where I met my opposite number, the Egyptian Defence Minister, and we discussed exactly this point. Clearly, ships are avoiding the area and taking a much longer route around at the moment, so it is in everybody’s interests, and those of the Suez canal in particular, to see this resolved as quickly as possible.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It was reported last night that only the UK and US were involved actively in the military action over the weekend, with that being attributed to the different risk assessments that the UK and US had compared with other international partners. Is that the case? If so, will the Secretary of State discuss what the particular concerns were in the different risk assessments in respect of escalation of the conflict?

Grant Shapps: It is difficult for me to answer on why different countries would take part or not. A much wider group of countries take part in Operation Prosperity Guardian—the freedom of navigation part of this. A number of the other countries have actively provided assistance, including intelligence officers and the like. The truth of the matter is that only relatively few countries have the capability—the capacity—to carry out this action, and it should be a matter of pride that when push comes to shove, it is the UK that is able to step up and carry out some of this difficult work.

James Wild (North West Norfolk) (Con): Given the continuing attacks by Iranian-backed Houthis, will the Government, as well as pursuing diplomacy and trying to stop the illegal flow of weapons and finance, be prepared to intensify military action with our allies, in self-defence, to degrade the ability to make further attacks on commercial shipping?

Grant Shapps: I should be absolutely clear: we will only act within international law. That law is about self-defence, so we respond to the attacks in turn. We are not looking to increase the implications of this, as I have described carefully, because we want to bring it to a close. However, this remains open-ended and we will have to go back if the attacks do not stop.

Kenny MacAskill (East Lothian) (Alba): It is not simply the Houthis who say that this issue is inextricably linked to Gaza; the embassy of Yemen has made that clear in paragraph 4 of its letter to all MPs, and Brigadier Deverell, the former British military attaché in Yemen and Saudi Arabia, has said that it is linked. He has gone on to add that these strikes will fail and will not resolve the situation. So rather than lurching towards world war three, and rather than an escalation of the conflict, widening it beyond countries and this limited territory,

[Kenny MacAskill]

is it not time to ensure that Israel is called to heel, that its genocide ceases and that we get an immediate ceasefire? [Interruption.]

Grant Shapps: I think the hon. Gentleman will detect that the House has not followed the logic of his argument. There is a difference between this absolutely not being inextricably linked to Gaza, apart from when Opposition Members might try to link it, and the Houthis claiming that it is somehow linked as a badge of convenience—as a way of trying to muscle in on that action. I am very, very sorry that the hon. Gentleman chooses to repeat their propaganda.

Greg Smith (Buckingham) (Con): In addition to the IRGC deployment on the coastline of Yemen that my right hon. and learned Friend the Member for Northampton North (Sir Michael Ellis) referenced, Tehran has deployed its Alborz warship to the Red sea. We also know that two US Navy SEALs have died after attempting to seize Iranian weapons bound for the Houthis, yet Iran continues to evade any meaningful deterrence. Does the Secretary of State agree that Iran must not be allowed to outsource the responsibility for its regional escalation to its proxies and must be deterred directly?

Grant Shapps: My hon. Friend makes an excellent point about the link between the Iranian ships that loiter in the region and the items that are shipped to the Houthis, which we know come from Iran, because of the interdictions that we have made previously. It is probably wise if I do not go into too much detail, but to say that we are aware of this is absolutely correct, and the whole world needs to carry on piling the pressure on Iran to cease and desist from this behaviour.

Rachael Maskell (York Central) (Lab/Co-op): The Defence Secretary was right to highlight the risk to humanitarian aid in the region, not least given the catastrophic situation in Gaza. What steps has he deployed over the last four months, through air capability as well as sea capability, to establish routes for aid to reach Gaza by sea or by air?

Grant Shapps: I would link that with the action we have been taking to degrade the Houthis' ability to prevent aid from reaching people. As I said in my statement, the Yemenis obtain almost all their food via the Red sea, so I would class all the action that we have taken, in three rounds of strikes, as very much part of getting that food into the country. As I mentioned, we provide significant amounts of aid, we feed about 100,000 Yemenis a month on the back of it, and it is the Houthis who are trying to prevent that from happening.

Justin Madders (Ellesmere Port and Neston) (Lab): We support the right for shipping to pass freely. Having talked to businesses, I understand that they are already feeling the effects on their supply chains. If one of the purposes of the strikes is to deter the Houthis, it seems that they have not got the message yet, and it is not clear whether they ever will. I fear there is a risk that we are going to escalate action in the region. The Secretary of State has mentioned a number of activities that he has undertaken on a non-military basis to try to reduce tensions, but is there anything he can do that he has not done already to help end this conflict?

Grant Shapps: Although it is clear that the Houthi attacks have not ended, as the shadow Defence Secretary said, there does appear to have been a difference in the cadence. The mass attacks that we saw on 11 January, for example, have not been repeated, partly because the Houthis' ability has been degraded.¹ However, we are always looking at other means, including routes via the United Nations, and at the wider picture of, for instance, the peace treaty between Saudi Arabia and Yemen. All those elements fit into the way in which we are applying pressure to try to bring the situation to a close.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for his statement, and for his strong and robust determination to stop the attacks on international shipping. I say, "Well done, Secretary of State," and let me also say that we in the House, or certainly most of us, support the line that he is taking.

Does the Secretary of State agree that the fact that pro-Hamas Houthi sites are celebrating the effect that the strikes in the Red sea are having on food and other supply chains sends a signal that the words spoken and actions taken by this country—our Government—and our allies are not yet having the desired effect? What steps will the Secretary of State and our allies take not simply to prevent trade route difficulties from escalating already eye-watering prices, but to send the clear message that we in the United Kingdom are not afraid to use our strength and our intelligence to respond adequately and, if necessary, even more strongly?

Grant Shapps: The hon. Gentleman has made a very worthwhile point. It is clear that the Houthis, while perhaps no longer able to act as they once did, are not fully degraded. There must surely come a time when they understand that this is no longer in their interests, because we are working actively to intercept new supplies as far as possible and they will continue to be degraded if they continue to act as they have in respect of commercial shipping and, of course, the Royal Navy. There will eventually be a conclusion to that, but I do not want to mislead the House by saying that this is over, because I simply cannot guarantee that for one moment, so let me make it clear again from this Dispatch Box that we will always have to keep the option open if it is not over.

1. [Official Report, 6 February 2024, Vol. 745, c. 3MC.] (Correction)

Disability Action Plan

4.29 pm

The Minister for Disabled People, Health and Work (Mims Davies): Today, and in British Sign Language for those watching on Parliament Live, I am delighted to deliver on the Government's commitment to transform the everyday lives of disabled people across the country for the better. We as a Government are working to make this country the most accessible place in the world for disabled people to live, work and thrive, and today I am proud to announce another important milestone: the publication of the disability action plan, which will actively make a difference to disabled people's daily lives.

In December 2022 my predecessor, my hon. Friend the Member for Corby (Tom Pursglove), announced the intention to develop a new disability action plan to set out the practical, immediate actions that Ministers across Government will take to improve disabled people's daily lives. Following that, my Department and the Disability Unit did a huge amount of work, and I thank everyone involved. Since coming into the role I have spent time listening, engaging and continuing to ensure that the voices of disabled people are properly heard, as that is an important priority for the Government. That is why in July 2023 we consulted on the draft disability action plan, setting out a range of proposals where we felt we could take immediate action or lay the foundations for longer-term change. We rightly wanted to give everyone, and most importantly disabled people, disabled people's organisations and other key charities and stakeholders, the chance to have their say on the draft plan.

The consultation ran for 12 weeks and I am immensely grateful to every single person who took the time to respond. In the consultation we set out 12 areas for action. Each area proposed how the Disability Unit, together with my Department, other Government Departments and partners, would take action to drive improvements in those areas. Since the consultation closed in October, we have been carefully working through more than 1,300 responses, which pleasingly showed broad support for almost all our proposals. We have used these responses, along with feedback from a series of events and discussions during the consultation period, to finalise the proposals, adding a number of new measures to respond specifically to these consultation findings. An independent analysis of the consultation findings will be published on gov.uk today alongside the final plan when I conclude my statement.

The disability action plan we are publishing today sets out 32 practical actions, which I will lead across Government to take forward over the next 12 months with disabled people, disabled people's organisations, other Government Departments and public service providers to improve the everyday lives of disabled people. These actions sit across 14 different areas, aiming to: better support disabled people who want to be elected to public office; include disabled people's needs more effectively in emergency and resilience planning; include disabled people's needs in climate-related policies; improve information and outcomes for families in which someone is or becomes disabled; make playgrounds more accessible for everybody; help our businesses of all sizes and sectors to understand the needs of, and

deliver improvements for, disabled people; explore if the UK could host the Special Olympics world summer games in 2031; improve support for people who have guide or assistance dogs; help the Government to measure how effective their policies and services are for disabled people; research issues facing disabled people in the future so the that Government can be more proactive in addressing them; make Government publications and communications more accessible; improve understanding of the cost of living for disabled people; promote better understanding across Government of the United Nations convention on the rights of persons with disabilities; and monitor and report progress of the disability action plan. I can confirm that we will provide Parliament with updates on our progress in delivering against these actions in the plan in both six and 12 months' time.

The disability action plan will be taken forward in parallel with the national disability strategy. Published in 2021, this wider strategy sets out the long-term vision to transform disabled people's lives for the better. A written ministerial statement to Parliament on 18 September 2023 provided an update on progress on those commitments. Taken together, the disability action plan and the national disability strategy demonstrate this Government's clear focus on improving disabled people's daily lives in the here and now, and in the years to come.

As well as the disability action plan and the national disability strategy, the Government are already delivering significant work in areas that disabled people have told us are a priority, including reforms to employment and welfare through "Transforming Support", the health and disability White Paper, and the back to work plan, and improving health and social care through the "People at the Heart of Care" White Paper. Further ongoing work by Departments includes cost of living support through Help for Households, as well as the SEND and alternative provision improvement plan.

Today's new disability action plan is another vital pillar in improving disabled people's everyday lives. Working with disabled people and their representative organisations, and with my colleagues across Government in my roles as lead for the disability unit and chair of the cross-Government ministerial disability champions, we will take immediate action now and in the coming months to achieve real, tangible improvements for disabled people, to help to deliver on their needs and to change disabled people's daily lives for the better.

I commend this statement to the House.

Mr Deputy Speaker (Sir Roger Gale): I call the shadow Minister.

4.36 pm

Vicky Foxcroft (Lewisham, Deptford) (Lab): I thank the Minister for advance sight of her statement.

The Government have had consultation after consultation, and they have published different strategies, but it sadly remains the case that we have had nothing that actually delivers a better life for disabled people. The Conservative party's 2019 manifesto promised to deliver

"a National Strategy for Disabled People before the end of 2020."

It claimed this would be an ambitious strategy to support disabled people in all aspects and phases of their life.

[Vicky Foxcroft]

What have we actually seen? The Government finally launched their disability survey in January 2021, and it closed in April 2021, at the start of the pandemic. Disabled people were disproportionately affected by covid, accounting for six in 10 deaths. They struggled to access food, personal protective equipment and social care, and many were shielding. The question we must ask is why a national strategy for disabled people was not published until 28 July 2021, in the summer recess, with no chance for parliamentary scrutiny. I am grateful to have the opportunity to respond to the Minister today.

The disability action plan contains some positives. It attempts to address some of the well-known barriers that disabled people continue to face, through measures such as tackling guide dog refusals, raising the profile of assistive technology and increasing support for disabled people to take part in politics. There is also a commitment to British Sign Language interpretation at all No. 10 press conferences, which many will remember that I have argued for on numerous occasions. It is about time.

I do not think any Member would argue that those are not important issues that the Government can and should look at, but there is one glaringly obvious issue that the action plan fails to address. The top concern for disabled people now is the cost of living crisis—not my assumption but what disabled people are telling me and what charities are finding on the ground. A survey carried out by Sense found that 85% of people with complex disabilities are worried about the rising cost of living. The Royal National Institute of Blind People noted in its initial analysis of the plan that

“it’s disappointing there’s no mention of any...support measures to address the rising cost of living.”

Scope, the disability equality charity, has calculated that, on average, disabled households face extra costs of £975 per month to have the same standard of living as non-disabled households. Energy bills, for example, remain high, which makes day-to-day living very expensive for those who rely on specialist medical equipment or need to heat their homes more than the average household.

The Government have made two disability cost of living payments of £150, but many disabled people have told me those barely touched the sides, with many losing their warm home discount at the same time. The situation is exacerbated by the fact that our current social security system puts disabled people through multiple upsetting and dehumanising assessments. They are denied their legal entitlements far too often, unless they have the strength and support to go through the appeals process.

The Government’s White Paper, published last year, caused a huge amount of concern by proposing to scrap the work capability assessment, leaving disabled people reliant on the flawed personal independence payment assessment. The disability action plan does nothing to improve the assessment process. Without addressing those fundamental problems, the actions outlined in the plan feel like little more than tinkering around the edges. Disabled people need proper action that deals with all the societal barriers that make their lives challenging. May I say that the Government could have started by reinstating the Minister for Disabled People role to Minister of State level?

Mims Davies: I thank the hon. Lady for what, I think, was a warm welcome in there somewhere—

Vicky Foxcroft indicated dissent.

Mims Davies: Not so much, she says, so there we go. I reiterate that the disability action plan is not just another consultation, but real, tangible action to change people’s daily lives, with 13 practical actions across 14 different areas. It is about building a society that works for everyone.

The hon. Member for Lewisham, Deptford (Vicky Foxcroft) is right to point out that day-to-day life is too difficult for disabled people and their families; I agree with her. That is why we have taken the opportunities we can take in this round, alongside the wider national disabilities strategy. I would love to boil the ocean and to have fixed everything in the month or so I have been in the role, but I assure hon. Members that irrespective of the perceived level of the role, I have the convening power and support across Government. I am delighted that the hon. Lady keeps pushing for my elevation, but under the previous Labour Administration the Minister for Disabled People was an Under-Secretary of State. I am extremely proud to be an Under-Secretary of State—

The Minister for Employment (Jo Churchill): A very good one.

Mims Davies: Thank you, I will take that. Under our Government, the role has been mixed, which does not mean that we do not take it seriously. I take it extremely seriously.

I have come to the role with my own personal experience of living with my father, who became disabled and lived under the Court of Protection. When I was growing up, my mum worked with disabled adults, getting them into work. She was an early part of the Riding for the Disabled Association and the Special Olympics movement. No matter what rank I have in the Government, I bring that experience and interest to the role. I say to people watching that the pay cheque or the rank simply do not matter—I am in this for them.

The Under-Secretary of State for Energy Security and Net Zero, my hon. Friend the Member for Derby North (Amanda Solloway), and I have met to discuss the point made by the hon. Member for Lewisham, Deptford about the cost of energy. My hon. Friend is a disability champion across Government, as am I, so we will continue to engage. I reiterate that the cost of living payments will start again tomorrow. Some 6.4 million people across the UK have been able to claim an extra £150 in addition to their disability benefits, as the hon. Lady mentioned.

It is, of course, a challenging time for everybody. We put in place the furlough scheme and the other support for businesses and communities across the country to try to keep people on their feet. Between 2022 and 2025, we provided £104 billion to help people with the cost of living. To anybody who has a disability, a health condition or any other need, I say: please look at the benefits calculator on gov.uk. They should look at the household support fund, which runs for a full year—a whole six months longer than the previous one. There is a huge amount of interest in it, so I urge people to contact their local authority about it. I am delighted that many people with caring responsibilities and those looking after disabled people have been helped in this way.

Finally, the help-to-claim service is there as well, provided by the DWP working with Citizens Advice, to make sure that those in need do not have to worry, because the Government, both locally and nationally, are there for them.

Mr Deputy Speaker (Sir Roger Gale): I call the Chair of the Women and Equalities Committee.

Caroline Nokes (Romsey and Southampton North) (Con): I am sure that as an ambassador for the Special Olympics, my constituent the great Lawrie McMenemy will welcome the announcement that my hon. Friend has just made. Specifically, she has announced 32 practical actions across 14 separate areas. That gives an idea of the scale of the challenge when it comes to co-ordination and accountability. There are disability champions across every Government Department, and of course there is the disability unit in the Cabinet Office. How will she make sure that the challenge of co-ordination is successfully met, so that my constituents and each Member in this House will know who to turn to, and who to hold accountable, if those 32 practical actions are not delivered?

Mims Davies: I thank my right hon. Friend for her point about the Special Olympics. When I was Sports Minister, I had the honour of meeting her constituent. I share his passion for a very important movement. It is potentially life changing, which is why I am delighted that it is in this plan.

My right hon. Friend asks about the evidence and data around the disability action plan. The plan is there to improve the quality of Government health data, and to increase insight into the needs and barriers that affect disabled people's daily lives. Ultimately, we will evaluate the impact of these policies and services, and we will use data, when they are available, to monitor and assess the outcomes of the plan. We will start work on developing more comprehensive evaluation. I know that, through her role as the Chair of the Select Committee, she will absolutely measure me and my role in this. I assure her, the House and all those watching that the plan is absolutely about learning, and delivering on this challenge.

Mr Deputy Speaker (Sir Roger Gale): I call the SNP spokesperson.

Marion Fellows (Motherwell and Wishaw) (SNP): I thank the Minister for prior sight of her statement. This disability action plan is not a plan; it is a mishmash of short-term policies. Some of the proposals are welcome and should have been sorted out long ago. Others are unclear and simply do not address the most pressing concerns of disabled people.

In my submission to the DAP consultation, I listed key areas that had been overlooked. Cost of living and welfare support are still missing, even though these areas were consistently raised by disability organisations and individuals. The Minister says that the Government will improve understanding of the cost of living for disabled people. What better understanding do they need? For the past two years, disabled people have been crying out for more targeted financial support to assist with their additional cost of living needs.

The Minister said that the Government will promote better understanding of the United Nations convention on the rights of persons with disabilities across Government. What does that actually mean? In 2016, the UK Government

were found to have systematically failed disabled people. That is still happening. The work capability assessment reforms will subject more disabled people to the cruel, punitive, and ineffective sanctions regime. Why? If the Government are serious about improving the lives of those with disabilities, they should start by scrapping the proposals ahead of the 6 March Budget. How much of this plan will actually be enacted before the general election?

In contrast, the Scottish Government are acting within budgetary constraints to improve the lives of disabled people through the adult disability payment and child disability payment. The independent living fund, with an initial investment of up to £9 million, will enable people with disabilities to improve their life. Finally, no offence, but the downgrading of the role of Minister for disabilities indicates this Government's disregard for people with disabilities.

Mims Davies: I thank the hon. Lady for her response; I am glad that advanced sight of the statement was welcome, at least. I reiterate to those watching that this plan is one pillar of the work that we are doing across all Government Departments to help disabled people to succeed, and to make this the most accessible place to live, work and thrive.

The work capability assessment will be changed. My engagement so far has been very much about what disabled people feel. I was in Aberdeen on Thursday, chatting to some of our claimants and those working with a local charity. Many of those disabled people were so frustrated that they cannot get a chance to work, and to try things. The action plan is not about punitive sanctions; it is about giving disabled people the opportunity to take part in wider daily life, which we all take for granted. I point her to the cost of living support, and the around £200 million in Barnett consequential for her Government. I have consistently asked where the money is going and how they are spending it. I would love to have pointed that out to those I met on Thursday.

This issue is not about party-political barneying in this Chamber; the hon. Lady and I share the view that it is about supporting disabled people in their daily life. I strongly believe that these measures will change their daily life. We will report in six months—if she knows more than me, and the next election is before that, then it will not be me doing so—and in 12 months. Of course, she and I will continue to discuss these matters until the election. I am sure that where we can work together, we will.

Chloe Smith (Norwich North) (Con): I draw the House's attention to my entry in the Register of Members' Financial Interests, in respect of a charity to do with deaf people and cancer. I welcome my hon. Friend to her post. I know from many years of working with her that she is a very capable Minister who will take the job extremely seriously and give it her all. Disabled people have told me very clearly that they need a senior, serious voice in Government. Will she say a little more about how she will be that voice, and how she will listen to disabled people and reflect their needs inside Government? Also, to echo my right hon. Friend the Member for Romsey and Southampton North (Caroline Nokes), the Chair of the Women and Equalities Committee, I press the Minister to say a little more about how she will

[Chloe Smith]

ensure that disabled people's issues of accessibility are not an afterthought in Government but are put first, so that inclusion is by design, and important aims are all achieved.

Mims Davies: I thank my right hon. Friend for her kind words, and for her incredible, impeccable support; she took the British Sign Language Act 2022 through Parliament, and I thank her for the work that she has done in my Department, and her continuing interest in these matters. Fundamentally, the disability action plan is about disabled people's daily lives, and their needs not being an afterthought in any part of Government.

I will be honest: coming into this role, I found getting messages out extremely challenging. I will take that forward by promoting accessible communications, monitoring standards and training, and ensuring full inclusion. The hon. Member for Lewisham, Deptford (Vicky Foxcroft) mentioned the No. 10 Downing Street briefings. It is so important that everybody knows the central messages; everyone needs to be included. That is why one of the actions comes down to local resilience forums, and having the right engagement at a local level in times of needs. I am sure that my right hon. Friend the Member for Norwich North (Chloe Smith) will welcome that, too.

Mr Deputy Speaker (Sir Roger Gale): I call the Chair of the Work and Pensions Committee.

Sir Stephen Timms (East Ham) (Lab): The Select Committee called for a review of the underperforming Disability Confident scheme. That review was delayed by the pandemic, but in October we were told that officials were refining the recommendations. Can the Minister tell us what the plan says about Disability Confident, and does it hold out the prospect of shorter waiting times for Access to Work?

Mims Davies: It was remiss of me not to reply just now to the point raised by my right hon. Friend the Member for Norwich North (Chloe Smith) about the strong voice across Government. That is, of course, the Secretary of State, who sits in the Cabinet and works alongside me to represent disabled people's voices.

To respond to the Chair of the Select Committee, Access to Work grants, which helping with extra costs beyond standard reasonable adjustments, are important for my Department as we smash the employment goal and try to do more on disability employment. He is right to ask about that and to challenge Disability Confident. It is not just a nice thing that companies put on their website; it needs to deliver change for disabled people in the workplace. We will look at the disability employment goal; I am looking at Access to Work, and I will look at Disability Confident, just as the Select Committee has done. I urge him to watch this space.

Justin Tomlinson (North Swindon) (Con): I welcome these proposals, and I thank the fantastic disability unit team, and the stakeholders who have helped to shape them—in particular, the proposals on accessible play parks. I have been working with organisations such as Benjamin's Smile and Mums on a Mission, both in my constituency. Swindon is leading by example when it comes to making sure that children's play parks are

accessible to all, and hopefully we can make that a given across the whole country. One of the key points of the national disability strategy was that there would be an annual review, so that we could be held to account on what we achieved and where we needed to work harder. It would also allow us to set out the next range of ambitious targets, co-ordinated by the Minister through the departmental disability champions. Can I have assurance that, good as these proposals are, we will review them on an annual basis, as well as having a new, fresh set? I also join the calls to see my hon. Friend made a Minister of State, because if she is to co-ordinate efforts across Government, in areas beyond her direct influence, she needs to have that gravitas in that room, so that she can demand what is needed to remove barriers for disabled people.

Mims Davies: I am grateful to my hon. Friend for his experience and insight. I have met the ministerial disability champions already to ensure: that disability inclusion is a priority and is ultimately delivered in their Departments' work; that they continue to be accountable for their contribution to the development and delivery of the national disability strategy and the disability action plan; and that they continue to show their commitment to disabled people by creating opportunities, protecting their rights and ensuring action on everything that we have spoken about today, in terms of contributions to society.

On making playgrounds more accessible and my hon. Friend's impeccable work in his constituency, there is a lot of information on disability inclusion in organised sport, physical activity and exercise, but information on making playgrounds accessible is unfortunately not easily available. We want to make it available, work with the partners he mentioned and achieve best practice among local authorities. That will be part of this plan, and we will measure its delivery in six months and 12 months.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I have huge regard for the Minister, but I gently say to her that we must recognise the context of this disability action plan. Between 2011 and 2020, the equivalent of £20 billion was cut from working-age people, predominantly disabled people. Individually, they lost thousands of pounds every year, as my hon. Friend the Member for Lewisham, Deptford (Vicky Foxcroft) pointed out. The Joseph Rowntree Foundation's "UK Poverty 2024" report identified that disabled people have been disproportionately impacted by that, and are likely to suffer deep poverty and destitution. On the Government's commitment, I hope that the Minister can reassure me: it is approaching two years since the Equality and Human Rights Commission found that the Department was discriminating against disabled people and issued a section 23 notice, and we still have heard nothing from the Department on that. Could the Minister reassure us that it will publish something on that in the next few weeks, and certainly before the second anniversary of that notice?

Mims Davies: I thank the hon. Lady for her points. I know that she has long been pushing for a response, and I will write to her further on that matter. As I said to the hon. Member for Lewisham, Deptford (Vicky Foxcroft), there has been substantial cost of living support, but I understand the point about disability costs that has been made today. Again, I point people towards the

household support fund, which is there for exactly those additional costs. In fact, we are doing research and evaluation on where that support is going, and it is making a difference to people's daily lives. I want those people to know that, beyond the cost of living payments, which start again tomorrow, further support is available through their local authorities or from devolved moneys.

Alicia Kearns (Rutland and Melton) (Con): I welcome the disability action plan. It follows the British Sign Language Act 2022 and the Down Syndrome Act 2022, which have supported 2 million more disabled people into work, as well as the cost of living disability payments, which begin tomorrow. I will be holding a disability forum in my home county of Rutland on 28 June, where I will bring together people living with disabilities, and their families and carers, so that we can create a plan for our county. Will my hon. Friend, who has brought such strength and passion to her role, share what support might be available to help roll out such action plans at a local level?

Mims Davies: I thank my hon. Friend for making that important point. Something announced here in Westminster might sound great, but what does it mean in Rutland and beyond? That is an important part of the next steps. Of course, we have support in our jobcentres, with further work coach support and disability employment advisers offering advice and expertise, and I have mentioned Access to Work, Disability Confident and our future employment goal. If she sent me an invite, I would be delighted to listen in on what her constituents and those advocating would like to hear and understand.

Jeremy Corbyn (Islington North) (Ind): I note that the Minister mentioned in her statement the aim to “promote better understanding across Government of the United Nations convention on the rights of persons with disabilities”, which is very welcome. How exactly will she do that with each Department, both in their roles as employers of a large number of people around the country, and in the policies that they promote, such as disability benefits—including those relating to mental health—and the provision of housing for people with disabilities? If she finds that the Departments are not coming up to the mark in achieving what she wants of them, how will she ensure that they are forced to carry out her policy, to ensure that there is real equality for people with disabilities in our society?

Mims Davies: The right hon. Gentleman makes an important point about cross-Government working and delivering on the action plan. I stress to him and to those watching that the plan is one pillar of the work that we are doing. We will, for example, work to increase disability-inclusive approaches to emergency and resilience planning and climate adaptations, through working strategically with teams on that. We will always work with the Department for Environment, Food and Rural Affairs and the Foreign, Commonwealth and Development Office to ensure that disability inclusion is increased. As I have said, it is increasingly vital that ministerial champions deliver and are accountable in their Departments—that is what I will be doing. It will mean that disabled people can benefit from everything that Government and community do, and can rightly contribute to every aspect of our society.

Sir Alec Shelbrooke (Elmet and Rothwell) (Con): I welcome my hon. Friend's statement. I am particularly pleased about the aim to

“help our businesses of all sizes and sectors to understand the needs of, and deliver improvements for, disabled people”.

One group of people who feel that they should be recognised in disability plans are those with advanced endometriosis. In a debate that I led on endometriosis in the workplace, we heard that some of the issues that women face at that advanced stage are really disabilities, but because they are not listed as such, many women lose their jobs owing to poor attendance through sick days and so on. I very much welcome the strategy, but will my hon. Friend consider expanding it to those women's health issues that are totally disabling?

Mims Davies: I thank my right hon. Friend for his question. Research shows that disabled people are more likely to experience difficulties and barriers in accessing products and services, which results in a lack of confidence—whether that is on the high street, in going to work, or elsewhere. The consultation proposes a voluntary accreditation scheme for businesses to train their staff in disability awareness. The benefits to business are absolutely clear: Purple says that the spending power of disabled households is £284 billion a year.

As my right hon. Friend knows, I lead on women's health and on the wider issue of keeping women in the workforce within the Department for Work and Pensions. The debilitating impact of the menopause and the wider impact of menstruation in the oil and gas sector, for example, were issues raised in Aberdeen just last week, which links into our women's health strategy. This is the second time that endometriosis has been mentioned in the Chamber recently. I would be happy to meet my right hon. Friend and others to discuss how we link it into our understanding.

Christine Jardine (Edinburgh West) (LD): There is much to welcome in the plan, but there are also a few things that are missing. One specific thing that the Minister has included in her 14 areas for action is helping businesses of all sizes and sectors to understand the needs of, and deliver improvements for, disabled people. One of my constituents came to me recently because, as a user of an electric wheelchair, she has found it almost impossible to know what businesses—specifically hotels—mean by “accessible”. It means something different to every business: wheelchair users can find themselves going into a business and then being unable to move around. If they are in a hotel, they can get to their hotel room, but cannot move around within that room. Can the Minister tell us whether the Government are going to take action to set out exactly what is needed if a business is going to use the term “accessible”?

Mims Davies: I thank the hon. Lady for making that point, which also applies to businesses' recruitment: they talk about recruiting differently, and they want to do so, but then they regress. That tends to be due to a lack of understanding. The Disability Unit will work to better define what businesses need to do, building on the main issues raised in the consultation responses. That work will also look at evidence gaps; at where existing schemes are already doing things and there may be duplication; and, as the hon. Lady said and as I

[Mims Davies]

described earlier, at where people think they are doing the right thing but it does not match the reality of the experience for disabled people using a service or having a day out or a night away. That is part of the work covered by actions 18 and 19 in the plan, and I would be delighted to hear from the hon. Lady what that means to her constituents.

Mark Pritchard (The Wrekin) (Con): I welcome the disability action plan. The Minister mentioned the cost of living; I wondered what more could be done to speed up the transition to personal independence payments for those living on disability living allowance. One of my constituents has just waited over a year for that transition to take place.

I welcome the fact that access to playgrounds is in the action plan, but following on from the questions asked by my hon. Friend the Member for North Swindon (Justin Tomlinson) and the right hon. Member for Islington North (Jeremy Corbyn), what more can be done to ensure that these points are delivered, both at a local government level—perhaps by making it a statutory responsibility for local councils to provide at least a minimum level of disability access for some play areas and playgrounds—and at a national level? What cross-departmental committees or working is the Minister already involved with?

Mims Davies: I thank my right hon. Friend for making some really pertinent points. In regard to his point about playgrounds, that is why there will be a portal and some best practice. Some local authorities are already delivering; others will be able to learn from those interventions, so that families can enjoy playing together in the way that everybody else would take for granted. That should be available in every community.

My right hon. Friend also mentioned the wider structural changes. I am happy to look at the specific case he raised. If he would kindly send me the details, I would be very grateful. This plan is part of the wider national disability strategy, including changes to the work capability assessment. The engagement I have had with disabled people and their organisations has made clear that there are some very vulnerable people who are very keen to be protected and supported, and there are other groups who are very keen to get the opportunities and chances they need. This Government are determined to get the approach right for everybody and every community.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): According to the charity Sense, 85% of people with complex disabilities are worried about the rising cost of living. The Minister's predecessor said that the disability action plan would outline the "immediate" action this Government would take to make the lives of disabled people better, so why does the disability action plan do so little to address the cost of living crisis now?

Mims Davies: I would point the hon. Gentleman to the next stage of the cost of living payments, which start tomorrow, and again to the household support fund, which we see, evidentially, is supporting carers and those with disabilities at a really difficult time. We have ensured the energy price guarantee remains in

place as an additional safety net until March this year. It will hold bills down, and I hope, as energy prices fall, it will help low-paid workers or disabled people, as he describes. The Government are providing millions of households with further cost of living payments, as I say, and there is a £104 billion package to support households until 2025. I am engaged with the other disability champion, the Under-Secretary of State for Energy Security and Net Zero, my hon. Friend the Member for Derby North (Amanda Solloway), on this matter. That is wider than this specific plan, but the hon. Gentleman can be assured that we continue to engage on this matter.

Virginia Crosbie (Ynys Môn) (Con): May I say llongyfarchiadau—congratulations—to the Minister on the launch of the disability action plan? I visited Ysgol Llanfawr in Morawelon, Holyhead, where teacher Ceri Wyn Jones's year 6 class excitedly shared with me how important playgrounds are to them and their families, and they would love a splash park. Can the Minister reassure students such as Phoebe Owen and Alecia Hughes that she will work with her devolved partners to ensure that playgrounds across Ynys Môn are made more accessible for everyone?

Mims Davies: Diolch yn fawr—and iechyd da! That is a fantastic opportunity for those local children to have a really inclusive and positive playground. This afternoon, I wrote to my counterparts in the Welsh Government to tell them about the plan, and to thank them for their engagement. We want to support action in all playgrounds to make sure disabled children and their families have that sense of belonging and that experience, and there is no greater sense of belonging than when it comes to Ynys Môn. We want to make sure that learning comes from play, which is why, when that splash pad is being designed, the portal and the best practice could make it more inclusive than anyone could have dreamed of before today.

John McDonnell (Hayes and Harlington) (Lab): Will the action plan address the specific issue raised by the excellent John Pring of the Disability News Service, which is the 14-year pattern of the DWP dismissing the concerns expressed by coroners over the deaths of disabled claimants?

Mims Davies: I thank the right hon. Gentleman for the point he makes. Of course, we in our Department deal with some very vulnerable people in very difficult situations, but this is a time of 30-plus actions and some changes that are extremely positive. We have made sure that we have put safeguarding at the heart of what we do, and I will write to him specifically about that matter.

Layla Moran (Oxford West and Abingdon) (LD): The Botley Road in Oxford has been closed for nearly a year, with another six months to go. While that is an inconvenience for residents, for our disabled residents it has been an absolute blight on their lives. The one thing that was put in place for them has been reduced to just one hour in the day, and they have felt completely left out, while some have not even left their homes. Will this plan include provisions for local residents affected by infrastructure projects—in this case, run by Network Rail, which is making the decisions—because I cannot see where that is included in the plan?

Mims Davies: If the hon. Lady send me the details, I would be happy to have a look at the specific issue and that particular group. In this disability action plan, the Government truly believe that considering disabled people's needs in policy making makes for better and more inclusive outcomes for everyone. That is why reaching net zero by 2050 is engaged in actions 7 to 11. There is also our work on clean air zones and ultra low emission zones, including making sure that disabled people's access needs are fully balanced when creating such schemes. When it comes to access—whether it is about road closures, or rail—that is exactly what this plan is about, and I am keen to look at the details she mentioned.

Tulip Siddiq (Hampstead and Kilburn) (Lab): A constituent of mine who has been hospitalised multiple times over the past 20 years as a result of a serious bipolar disorder was deemed ineligible for PIP. He received absolutely no help navigating the complex PIP process and had to go through a lengthy tribunal until he was finally deemed eligible. How will this plan bring about any meaningful change when the Government have repeatedly failed to get to grips with the long-standing failures in the disability benefits system?

Mims Davies: That sounds like a very concerning case. This action plan is part of a wider structural reform on health and disability. We know from our research that one in five people with a disability or health condition is not expected to engage in work preparation, but they might want to work. The hon. Lady's constituent is seemingly very vulnerable, and this is a difficult process to navigate. We have our help to claim service and other support for vulnerable claimants, and I am happy to look at this issue for the hon. Lady. The White Paper transformations include a new potential passporting to UC health element through PIP, but I am conscious that every PIP delay or PIP challenge involves a person and a situation and is very concerning, and I am making that a priority in this role.

Justin Madders (Ellesmere Port and Neston) (Lab): I want to follow up on the earlier questions about accessible play areas, which I am pleased are a part of the disability action plan. I do not think having a website will go far enough in delivering what we all want to see, which is far more accessible play areas. There needs to be a strategy backed with resources underneath this website to deliver on the aspiration that we all share. The Minister will know that local authorities are on their knees in terms of funding, so will the Department put in any money to make sure that all our children are able to access play areas?

Mims Davies: Sport England is undertaking work on best practice and that is precisely about opening up that portal and making this a reality for youngsters. We know that all children's wellbeing is absolutely about their social activities and opportunities to learn through play, and this plan should not and will not be a talking shop resulting in no change. I will keenly make sure that

this information on accessible playgrounds makes a difference, and that will be part of the reports we do at six and 12 months.

Jim Shannon (Strangford) (DUP): I thank the Minister for her statement; it was most helpful. Several of my disabled constituents have raised an issue that I am sure is replicated in every constituency across the United Kingdom of Great Britain and Northern Ireland and which is not clear in the action plan: help to insulate homes to aid with energy costs for those who need health-related upgrades or ongoing help with energy costs rather than a one-off bonus payment. What consideration have the Government given to the issue of warm homes for our disabled constituents—something that they do not necessarily have?

Mims Davies: I wrote to counterparts in Northern Ireland again today, as I did to all devolved groups, and the hon. Gentleman is right about the challenges we have heard in the Chamber today, and I am happy to look at the extra support available for his community. As usual, he makes a pertinent point about ensuring that everybody has that warm home and that support. This is of course devolved in a slightly different way in his community, but I am happy to share the details with him.

Richard Burgon (Leeds East) (Lab): The truth is that disabled people have been at the sharp end of this Government's cruel policies: their austerity and their attacks on social security and public services. Disabled people are also among the hardest hit by the cost of living crisis, but this disability action plan fails to introduce the emergency measures demanded by disabled people to directly address the crisis, never mind the decade of attacks they have faced; isn't that the case?

Mims Davies: I do not appreciate the characterisation—*[Interruption.]* Excuse me, the hon. Gentleman seems to be distracted. As I was saying, I do not understand his characterisation. There are 32 actions over the next 12 months in 14 different areas where we have listened and engaged with disabled people. We have heard what they want, and those actions are in parallel with our national disability strategy. His is exactly the kind of rhetoric—"The Government are against you and not supporting you"—that makes disabled people feel more isolated and concerned for their welfare. I want to say squarely to people listening today that we have an absolute focus on what we can do to make sure that disabled people's daily lives are better and that there is support and help there for them. This is one of the pillars of support that this Government are absolutely committed to. When he reads the full plan, he will see that it will make disabled people's daily lives better, and that is what this Government are determined to deliver.

Mr Deputy Speaker (Sir Roger Gale): I thank the Minister and those on the Opposition Front Bench for their presence.

Point of Order

5.21 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): On a point of order, Mr Deputy Speaker, it is reported today that the Prime Minister and Piers Morgan have made a bet—surely a contest in which it is a shame there has to be a winner—about the Government's ability to deport asylum seekers to Rwanda before a general election. Can you confirm for the House, Mr Deputy Speaker, that a £1,000 direct pecuniary personal interest is one that should be registered and declared with the House authorities? Can you confirm that in accordance with the custom and practice of this House, the Prime Minister should be referring to it in any future contribution in relation to this matter?

Mr Deputy Speaker (Sir Roger Gale): I am not a betting man myself, but I suspect that if every Member of Parliament who placed a bet on anything was required to enter it in the Register of Members' Financial Interests, the book might be rather full. The right hon. Gentleman will understand that that was a nice try, but not a matter for the Chair.

Finance Bill (Ways and Means)

Motion made, and Question proposed,

That provision may be made for the electricity generator levy not to apply to new generating plant.—(*Nigel Huddleston.*)

Mr Deputy Speaker (Sir Roger Gale): I call the SNP spokesperson.

5.22 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): I rise to speak about the procedure being used here. This motion is very odd and worryingly symptomatic of a Government avoiding their responsibilities to this House, given that they could have tabled an amendment of the law resolution, which would have allowed them to add their new clause to the debate today, without this unique use of Standing Orders. This resolution has prevented Members from tabling any new clauses or amendments relating to the subject, because there is no time between the end of the debate and the beginning of the next one to table any relevant motions, as I would have liked to have done, for example, on the highland energy rebate for people living among generating equipment, both planned and existing. I sincerely hope that this unique use of Standing Orders does not become standard, as any future legislation based on a Ways and Means resolution can be unilaterally changed with almost no notice and no opportunity for this House to table related amendments.

Question put and agreed to.

Finance Bill

Consideration of Bill, not amended in the Committee and the Public Bill Committee.

[Relevant documents: Nineteenth Report of the Treasury Committee of Session 2022–23, Venture Capital, HC 134, and the Government response, HC 1876; Sixteenth Report of the Treasury Committee of Session 2022–23, Tax Simplification, HC 1425; Oral evidence taken before the Treasury Committee on 29 November 2023, on the Autumn Statement 2023, HC 286; Oral evidence taken before the Treasury Committee on the afternoon of 28 November 2023, on the Autumn Statement 2023, HC 286; Oral evidence taken before the Treasury Committee on the morning of 28 November 2023, on the Autumn Statement 2023, HC 286; Oral evidence taken before the Treasury Committee on 18 November 2023, on the Work of HMRC, HC 783; Correspondence from the Chancellor of the Exchequer to the Treasury Committee, on the Autumn Statement 2023, reported to the House on 9 January 2024; Correspondence from the Financial Secretary to the Treasury to the Treasury Committee, on tax simplification, reported to the House on 13 December 2023; Correspondence from the Financial Secretary to the Treasury to the Treasury Committee, on tax simplification, reported to the House on 5 September 2023.]

New Clause 5

NEW INVESTMENT EXEMPTION

“(1) Part 5 of F(No.2)A 2023 (electricity generator levy) is amended as follows.

(2) In section 280 (key concepts), in subsection (1), in the definition of “relevant” (as in relevant generating station)—

- (a) omit the “and” after paragraph (a), and
- (b) after paragraph (b) insert “, and
- (c) to the extent it is not comprised of qualifying new generating plant (see section 311A);”.

(3) After section 311 insert—

“311A Meaning of “qualifying new generating plant”

- (1) Generating plant is “qualifying new generating plant” if it is new generating plant commissioned as part of a qualifying project that meets the new investment condition.
- (2) The new investment condition is met in relation to a qualifying project if on 21 November 2023 it was reasonable to conclude, having regard to all of the circumstances, that there is a significant likelihood of the project not proceeding.
- (3) The Treasury may by regulations provide for cases in which qualifying projects are to be treated as meeting the new investment condition.
- (4) “Qualifying project” means a project to commission—
 - (a) new generating plant for—
 - (i) a new generating station, or
 - (ii) an existing generating station which (as a result of the project) is to be wholly or substantially comprised of new generating plant, or
 - (b) new generating plant that increases the generating capacity of an existing generating station.
- (5) Subsection (6) applies where new generating plant that increases the generating capacity of an existing generating station replaces existing generating plant.
- (6) Only so much of the new generating plant as represents generating capacity in excess of the capacity of the generating plant it replaces is to be regarded as qualifying new generating plant.”

(4) In section 313 (definitions in this Part), in the table, at the appropriate place insert—

“qualifying new generating plant section 311A”.

—(Nigel Huddleston.)

This new clause introduces an exemption from the Electricity Generator Levy for new generating plant in respect of which no substantive decision to proceed with the project had been made before the day of the Autumn Statement.

Brought up, and read the First time.

5.24 pm

The Financial Secretary to the Treasury (Nigel Huddleston): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Sir Roger Gale): With this it will be convenient to discuss the following:

New clause 1—*Review of effectiveness of section 31 measures in preventing fraud involving taxpayers’ money—*

“(1) The Chancellor of the Exchequer must, within three months of this Act being passed, conduct a review of the effectiveness of the provisions of section 31 in preventing fraud involving taxpayers’ money.

(2) The review must evaluate the effectiveness of the provisions of section 31 in preventing fraud involving taxpayers’ money through comparison with the effectiveness of—

- (a) other measures that seek to prevent fraud involving taxpayers’ money, and
- (b) the approach taken in other countries.”

This new clause would require the Chancellor to review the effectiveness of measures in this Act to prevent fraud involving taxpayers’ money, and to compare them with other measures that seek to prevent fraud involving taxpayers’ money and the approach taken in other countries.

New clause 2—*Review of reliefs for research and development—*

“(1) The Chancellor of the Exchequer must, within three months of this Act being passed, publish a review of the implementation costs of the measures in section 2 incurred by—

- (a) HMRC, and
- (b) businesses.

(2) The review under subsection (1) must include details of the implementation costs of all measures related to credit or relief for research and development that have been introduced since December 2019.”

This new clause would require the Chancellor to publish a review setting out the total implementation costs of all changes to research and development reliefs in the current Parliament.

New clause 3—*Review of measures to tackle evasion and avoidance—*

“(1) The Chancellor of the Exchequer must, within three months of this Act being passed, publish a review of the measures in sections 31 to 33 to tackle evasion and avoidance.

(2) The review under subsection (1) must include details of—

- (a) the average sentence handed down in each of the last five years for the offences listed in section 31;
- (b) the range of sentences handed down in each of the last five years for the offences listed in section 31;
- (c) the number of stop notices issued in each of the last five years to which the measures in section 33 would apply; and
- (d) the estimated impact on revenue collected in each of the next five financial years resulting from the introduction of the measures in sections 31 to 33.”

This new clause would require the Chancellor to publish details of the sentences given and stop notices issued in each of the last five years to tackle evasion and avoidance, as well as the revenue expected to be generated from the measures to tackle evasion and avoidance in this Act in each of the next five years.

New clause 4—Review of public health, inequality and poverty effects of Act—

“(1) The Chancellor of the Exchequer must review the public health, inequality and poverty effects of the provisions of this Act and lay a report of that review before the House of Commons within six months of the passing of this Act.

(2) The review must consider—

- (a) the effects of the provisions of this Act on the levels of relative and absolute poverty across the UK including devolved nations and regions,
- (b) the effects of the provisions of this Act on socioeconomic inequalities, and on population groups with protected characteristics as defined by the 2010 Equality Act, across the UK including devolved nations and regions,
- (c) the effects of the provisions of this Act on life expectancy and healthy life expectancy across the UK including devolved nations and regions, and
- (d) the implications for the public finances of the public health and NHS effects of the provisions of this Act.”

New clause 6—Assessment of the impact of permanent full expensing—

“(1) The Chancellor of the Exchequer must, within six months of this Act being passed, publish an assessment of the impact of the measures in clause 1 of this Act on—

- (a) business investment, and
- (b) economic growth.

(2) The review under subsection (1) must—

- (a) assess the impact of full expensing being made permanent, and
- (b) consider what other policies would support the effectiveness of the measures in clause 1 of this Act.”

This new clause would require the Chancellor to publish an assessment of the impact on investment and growth of the measures in this Act to make full expensing permanent, and to consider what other policies could support the effectiveness of permanent full expensing.

New clause 7—Review of multipliers used to calculate higher rates of air passenger duty—

“(1) The Chancellor of the Exchequer must, at the next fiscal event, publish a review of the multipliers used to calculate higher rates of air passenger duty for each destination band.

(2) This review must propose options for introducing a multiplier to link the higher rate and the reduced rate within the domestic band.

(3) The Chancellor must, at the next fiscal event, make clear what changes, if any, he will implement as a result of this review.”

This new clause would require the Chancellor to publish a review of the multipliers used to calculate the higher rates of air passenger duty, and to propose options for introducing a multiplier to link the higher rate and the reduced rate within the domestic band.

Government amendments 1 to 6.

Nigel Huddleston: The Government’s aim is to grow the economy for the good of everyone, and our tax system is a key part of that. For households, higher taxes mean less financial freedom and less choice in how they spend their money. For businesses, they can mean less growth and investment, and that means fewer jobs for workers. That is why we need to grow our economy to create jobs and give ourselves the financial headroom to reduce taxes and remove the barriers to private sector investment. We must have a tax system that is supportive of business.

At spring Budget 2023, the Chancellor set out his approach for a highly competitive business tax regime. By announcing generous tax incentives combined with a rate of corporation tax that remains the lowest in the G7, the Government ensured that the UK is one of the best places in the world for businesses to grow and invest, but we should not be satisfied with simply being one of the best. This Bill therefore marks our next step in making the UK the best place in the world to do business.

We are taking huge, ambitious steps to make that a reality in the autumn statement and in the Bill. For example, no other major economy has made full expensing permanent. That is a major step in encouraging more investment by giving a huge tax relief to those who invest. Alongside that, we have introduced a generous new regime for research and development carried out by companies. We are now going further to encourage even more investment by introducing new clause 5, which will exempt receipts from new electricity generating projects from the electricity generator levy.

I will address each amendment in turn, looking first at the details of new clause 5. The electricity generator levy was introduced following the energy crisis to ensure that energy companies with extraordinary returns contribute more towards vital public services and support for households. However, we must balance that against ensuring that the UK remains a brilliant place to invest in renewables. The new clause makes changes to the EGL that will exempt receipts from new electricity generating projects from the levy. It will ensure that all generators in scope of the levy will benefit from the exemption if they choose to proceed with investments in new generation capacity and make a substantive decision to go ahead with a project on or after 22 November 2023—the date of the autumn statement. That will help support continued investment in the UK’s renewable generation capacity by removing new investments from the tax and providing businesses with the confidence to make such new investments.

I turn to Government amendments 1 to 3. To ensure that the research and development tax relief clauses in the Bill work as intended, the Government are proposing technical amendments to the R&D clauses. The Bill introduces a new enhanced support for R&D-intensive small and medium-sized enterprises, such as those in our vital life sciences sector. From April 2024, the R&D intensity threshold will be reduced from 40% to 30%.

Amendments 1 and 2 make changes to ensure that R&D-intensive companies get the relief as intended. Amendment 1 removes two situations where a company would appear less R&D-intensive than it actually is. These issues were raised with us by an industry stakeholder, for which I am grateful. To avoid abuse and to protect the scheme for genuinely R&D-intensive companies, the ratio is worked out at a group level. Currently in the legislation, companies within groups that charge each other for services could have costs double counted and therefore reduce their R&D intensity. The amendment will fix that. The Government do not want to exclude companies from relief because of legitimate commercial arrangements that do not affect the underlying true R&D intensity of the business.

On top of providing more support for R&D-intensive companies, the Bill will simplify and improve our R&D reliefs by merging the R&D SMEs scheme with the

R&D expenditure credit. To ensure that those clauses work as intended, the Government propose technical amendments to the R&D clauses. Companies and accountants wanted the merged scheme to be implemented on an accountancy period basis as that makes claims simpler and delays the merged scheme for the majority of current R&D expenditure credit claimants. It therefore gives them a bit more time to prepare.

The new rules for contracted-out R&D will ensure that the company making the decision to do the R&D and bearing the risk is the one that gets the relief. However, that means that, as currently drafted, there could be temporary situations when two companies are in a contractual relationship and one moves into the new R&D tax credit system ahead of the other. For a limited period of time, that could result in situations where both parties could claim on the same R&D or neither could claim, as was raised by stakeholders. Amendment 3 ensures that the legislation works as intended. For temporary double claims, the R&D credit will go to the claimant in the old system until both have started new accounting periods. To avoid a temporary gap where no company can claim, the legislation will be amended to ensure that subcontractors can claim where their customer is still in the old system.

5.30 pm

I want to clarify the definition of “contracted out R&D”, as some stakeholders have been concerned that the legislation allows a company to claim for a contract as R&D if it merely thinks that R&D will take place. That is not the case. The word “contemplating” has been deliberately used because, in legal terms, it means that the company will know that specific actions are being considered, planned and required for the R&D to take place, rather than just generally thinking that it will take place. The Government will publish updated guidance for comment this week, to help companies understand the new rules.

The Bill has a package of groundbreaking reforms to reliefs for the creative industries. Amendments 4 to 6 ensure that claims for the creative industries’ tax reliefs are submitted with the required information to effectively administer the reliefs, while removing a potential disadvantage for companies. The Government are legislating in the Bill to introduce an additional information requirement for claims to the creative reliefs. Companies will have to provide additional information to support their claims, which will help protect the reliefs from fraud and error.

As the legislation is currently drafted, a claim is invalid if the required information is not provided. Where that information relates to connected party transactions, His Majesty’s Revenue and Customs cannot verify that it is complete and correct at the point the claim is submitted. If it is discovered at a later date that required information related to connected party transactions was omitted, that would lead to the whole claim being treated as invalid and no relief being granted. A company may then be out of time to resubmit its claim. To prevent companies from being disadvantaged in this way, the amendments fix the additional information requirement to allow HMRC to specify the consequences of failure to provide information in regulations. That will ensure that entire claims are not automatically invalidated in cases where the claimant company

has not provided HMRC with all the information related to its connected party transactions within the time limit.

I have outlined the case for each of the Government amendments, and I therefore urge the House to accept them.

James Murray (Ealing North) (Lab/Co-op): In speaking to new clause 6, which relates to permanent full expensing, I remind the House of the context in which this Finance Bill was published. It followed the Chancellor’s statement on 22 November last year, in which he claimed that he was delivering an “autumn statement for growth”. Members will remember, however, that the same day, the Office for Budget Responsibility confirmed that growth forecasts had been cut by more than half for the coming year, cut again for the year after that, and cut yet again for the year after that. Independent analysts confirmed that even after all the changes that the Government had announced, personal taxes would still rise. They are set to rise by £1,200 per household by 2028-29, with the tax burden on track to be the highest since the second world war.

That was the context in which this Bill was published: flatlining wages, higher taxes, higher mortgage payments and worsening public services—all the product of 14 years of Conservative economic failure. Our country needs change. A critical part of making that change will be to get our country’s growth rate up. We need a plan for growth, to make people across Britain better off, and to ensure sustainable funding for our public services. Labour has been developing our plan for growth by working hand in hand with businesses across the country and across the economy.

We know how highly businesses that are considering investing in the UK rate stability, predictability and a long-term plan. For that reason, we welcome the fact that, as our new clause 6 highlights, the Bill makes full expensing permanent. Permanent full expensing is something we have long called for, as a policy that can support greater business investment and economic growth. Because Labour knows how important stability and predictability are to businesses, the shadow Chancellor, my right hon. Friend the Member for Leeds West (Rachel Reeves), announced last week that Labour is committed to maintaining permanent full expensing in the UK tax system, as well as the annual investment allowance, if we win the next general election. The shadow Chancellor has made this commitment to offer businesses certainty for the years ahead. Businesses considering plant and machinery investment across Britain can be confident that the tax treatment of that investment would not change with a Labour Government.

Of course, there is still a general election to face, so I use this opportunity to invite the Minister to put on the record whether the Conservatives will follow our lead by confirming that should they win the general election, they will maintain permanent full expensing. I am sure many businesses would welcome the certainty that would come from knowing both the main parties are going into the election fully committed to keeping permanent full expensing. I urge the Minister, when he responds, to confirm whether that will be his party’s policy going into the general election.

After all the chopping and changing we have seen in capital allowances in recent years, the Minister needs to make the commitment explicit. As I mentioned during

[James Murray]

earlier stages of the Bill, the annual investment allowance had been temporarily raised to £1 million when this Parliament began; that temporary basis was extended by the Finance Act 2021, again by the Finance Act 2022, and then made permanent by the Finance (No. 2) Act 2023. Meanwhile, over the course of this Parliament, the super-deduction came and went. Last year, full expensing for expenditure on plant and machinery was introduced on a temporary basis for three years. In this Bill, the Government are finally making it permanent. After so much instability, a commitment from Treasury Ministers at the Dispatch Box that the Conservatives, like Labour, will commit to maintaining permanent full expensing feels like the least they can do.

Our new clause 6 would require the Chancellor to publish not only an assessment of the impact of permanent full expensing, but a consideration of what other policies would support its effectiveness. We believe this is important to ensure that business investment is supported as much as possible. The Opposition have begun to set out what some of our policies would be if we won the next general election. As the shadow Chancellor has set out, if we were in government, we would consider the outcome of technical consultations on whether leased assets can be included in full expensing and on simplifying the UK's capital allowance regime. I would be grateful if the Minister updated us on the progress of those consultations.

Last week, the shadow Chancellor also made clear the commitment that if Labour wins the next general election, we will ask HMRC to produce simple and comprehensive guidance making clear which assets are eligible for each type of capital allowance. That guidance would give businesses clarity over how their investments will be treated, and businesses will be able to use it as a single point of reference when making investment decisions. Will the Minister confirm whether the Government have considered taking such steps, or making such a commitment?

To give further certainty, the Shadow Chancellor has also said that in government, Labour would explore the greater use of rulings and clearances. Under such an approach, businesses would be able to get a written ruling from HMRC about the tax treatment of potential investments, making clear, for instance, whether they qualify for full expensing or other capital allowances. We know that businesses benefit from other countries' tax administrators being able to provide such rulings and clearances. As certainty is crucial to encourage investment in Britain, I would be grateful if the Minister confirmed whether the Treasury has asked HMRC to consider the greater use of rulings and clearances for investment, and, if so, what its conclusion has been.

Of course, any policies on expensing or other capital allowances sit under the headline rate of corporation tax. It is hard to conclude anything other than that the Conservative party is rather unclear and confused about its approach to corporation tax rates in the UK. For evidence of that, we need look no further than the current Chancellor: in July 2022, during his leadership bid, he pledged to cut the headline rate of corporation tax from 19% to 15%, yet when he became Chancellor just three months later, one of his first acts was to promise to raise the tax instead from 19% to 25%. It is

no wonder that businesses, and indeed Conservative Back Benchers, find it so hard to understand the Conservatives' policy on corporation tax rates.

Let me be clear about the certainty we would offer if we won the next general election. As the shadow Chancellor has set out, we believe the current rate of 25% strikes the right balance between what our public finances need and, as the lowest rate in the G7, keeping our corporation tax competitive in the global economy. That is why we are pledging to cap the headline rate of corporation tax at its current rate of 25% for the whole of the next Parliament. We would take action if tax changes in other advanced economies threaten to undermine UK competitiveness. That choice provides predictability and has a clear rationale. That is the pro-business choice and the pro-growth choice. The promise to cap corporation tax at 25% is clear from us. Again, to offer businesses as much certainty as possible, will the Conservatives follow our lead and also pledge, today, to cap corporation tax at 25% for the next Parliament?

These commitments—to cap corporation tax, to maintain permanent full expensing and to keep the annual investment allowance—will all form part of the road map that we would publish in the first six months of a Labour Government, setting out our tax plans for businesses for the whole of that Parliament. That would put stability, predictability and a long-term plan at the heart of our approach. To give businesses as much certainty as possible, I would be grateful if the Minister confirmed whether a corporation tax cap at 25% and keeping full expensing in place will be in the Conservative party manifesto too.

Richard Fuller (North East Bedfordshire) (Con): I was interested in what the shadow Minister was saying about what would happen if other countries changed their corporation tax. As he will know, Mr Trump, the former President, has said that he would cut US corporation tax, potentially from 21% to 15%. Given such examples, does the hon. Gentleman anticipate that a Labour Government would look to cut the headline rate of corporation tax, as we would be looking at a significant tax cut by the world's largest economy?

James Murray: I thank the hon. Gentleman for his intervention. As we have made clear, we would take action if tax changes in other advanced economies threatened to undermine UK competitiveness, but the headline commitment from us is to cap corporation tax at 25% for the duration of the next Parliament. I recall that in earlier consideration in this debate, he and I had an exchange about permanent full expensing, so I hope he will welcome our commitment to maintaining permanent full expensing if we are in government. Perhaps he will put pressure on his Front-Bench colleagues to join us today in making that a cross-party commitment from the House.

New clause 7 focuses on the multipliers used to calculate higher rates of air passenger duty. As we have discussed at earlier stages of the consideration of this Bill, clause 24 makes no changes to band A rates, while in band B, the reduced, standard and higher rates will increase by £1, £3 and £7 respectively. In band C, the reduced, standard and higher rates will rise by £1, £2 and £6 respectively. In each of those three bands, which cover international travel to a range of destinations, a simple principle is followed: if the duty for passengers

on economy flights goes up, the duty for those flying business class and by private jet goes up too. In the domestic band, however, which covers flights within the UK, that simple principle of fairness does not apply. Instead, under the Bill, for domestic UK flights, the reduced rate of APD rises by 50p and the standard rate rises by £1, yet the higher rate is unchanged. Let me be clear what this means in plain English: from 1 April, passengers flying economy and business class within the UK will see their taxes rise, whereas passengers taking exactly the same flights by private jet will enjoy a tax freeze. Although the changes kick in on 1 April, this is no April fools' day joke, although the Prime Minister may be laughing; it is the result of a hidden loophole that the Conservatives have introduced. We discussed this matter in Committee, when the Exchequer Secretary tried to provide an explanation for this unfairness. He said that APD rates are

"uprated by a forecast of RPI and those rates are then rounded to the nearest pound."

As for the different rates I highlighted in Committee, he said:

"It largely depends on how they"—

the rates—

are rounded to the nearest pound; the actual rate is determined by whether the figure is rounded down or up."—[*Official Report, Finance Public Bill Committee*, 16 January 2024; c. 34-35.]

I know that the Exchequer Secretary always tries to give me a straight answer—let me put it on the record that I genuinely appreciate his efforts to do so—but I fear that his explanation in Committee may have been unintentionally misleading or, at the very least, only partial. Since that Committee stage, the House of Commons Library has given me information confirming that it does not tell the full picture to say that the duty rates are, as the Minister claimed,

"uprated by a forecast of RPI and those rates are then rounded to the nearest pound."—[*Official Report, Finance Public Bill Committee*, 16 January 2024; c. 34.]

In fact, my understanding is that the Minister's statement applied only to the reduced rates of air passenger duty. Those are indeed adjusted each year in line with forecast RPI and rounded to the nearest pound. However, the standard and higher rates are not calculated by separate reference to RPI; rather, they are generally set as multipliers of their respective reduced rates. For instance, the standard and higher rates in band B are set as 2.2 and 6.6 times the band B reduced rate respectively, rounded in both cases to the nearest pound.

5.45 pm

The use of multipliers within bands would at least mean that if the reduced rate went up in any particular band, the higher rate should go up too, and there would be a sense of fairness to the system. The problem is that that is not the case, because there is a loophole that applies to the rates in the domestic band. The loophole means that the higher rate in the domestic band is not linked by way of a multiplier to the reduced rate in that band, but rather is linked to the reduced rate in band A, and is equal to the higher rate in that band.

I realise that some of these calculations are complex, and the terminology runs the risk of being confusing, so again let me be clear about what this means in plain English. For international flights, when the rate of duty for economy class passengers goes up, the rate of duty

for private jet passengers goes up too. If that had been true for domestic flights, then this year the rate of duty for private jet passengers would be going up, following the rise in the economy rate. However, the loophole means that this link does not exist, so this year duty is going up for passengers flying economy class within the UK, and is frozen for those flying by private jet.

Our new clause 7 would require the Government to consider and respond to options for closing that loophole. It would require the Government to review the multipliers used to calculate air passenger duty rates, and to consider options for introducing a multiplier to link the higher and reduced rates within the domestic band. Taking that course of action would close the domestic flights loophole that will see private jet passengers benefit from a tax freeze this year, while everyone else flying economy and business class sees a tax rise.

I very much hope that the Government will accept both our new clauses. They will ensure that Ministers consider the loophole in air passenger duty that has given private jet passengers a tax freeze while everyone else is paying more, and consider what else is needed to make permanent full expensing as effective as possible. We believe that the Government must do all that they can to provide a stable and predictable environment that encourages business investment and boosts economic growth. During this debate I have set out our approach to providing that stability and predictability, including our commitments to cap corporation tax at 25% for the whole of the next Parliament, if we win the general election, and to maintain permanent full expensing. In the interests of giving businesses as much certainty as possible, I urge the Minister to say whether the Conservatives will join us by going into the general election with both those commitments from his party too.

John Redwood (Wokingham) (Con): I have declared my business interests in the Register of Members' Financial Interests.

I rise to support the Government's new clause 5. I think it is good that they are considering what more they can do to promote investment in the United Kingdom's generating capacity. We import far too much power already, especially when the sun does not shine and the wind does not blow, and on the basis of the Government's ambitious forecasts and targets for much more of our energy to be delivered by electricity, I think that the position will get a lot worse quite quickly. Anything that the Government can do to encourage that additional investment in generating plant will be very welcome.

We will, of course, need a similar positive approach to grid and cable, because the more we electrify, the more we will need to convey that power from the rather remote locations where much of it comes from to the parts of the country that will need it. So my only worry about new clause 5 is that I am not sure it goes far enough. I think it is helpful in this limited number of cases, but I trust that the Chancellor, when it comes to the Budget—quite soon, on 6 March—will consider that the new clause is just a stepping stone and that we need to review again the very large tax impositions on energy of all kinds in this country. We now have double corporation tax in many cases and a range of windfall taxes that are often not really windfall taxes because they do not come off when the prices go down, although they are put on when the prices are going up.

[John Redwood]

That whole area needs considerable review, because we need to take seriously the fact that we are short of energy overall. We are short of electricity generating capacity and short of the means to route power from generation to use, and it would be an important stimulus for the British economy if we produced more of our own energy and generated more of our own electricity, and if we were thinking about having a surplus to export again instead of all too often being cruelly reliant upon imports of liquid natural gas and electricity, particularly from the continent.

I would also like briefly to refer to new clauses 4 and 6. They are wide-ranging new clauses that invite the Government to make assessments or reviews of features of this legislation, but they also wish to broaden it out to get the Government to review the impact of their general fiscal strategy on equalities, on investment, on the state of the corporate sector and on inequalities in our society. I am quite sure that the Government will be reviewing all those things as a matter of course, as this is often a continuous process. Indeed, many of the items covered in this request for special review are already reported on and form part of the normal process of policy preparation, and rightly so. If the Minister were to tell me that he would be grateful if I did not vote for these new clauses, I would have no problem with that—I am not sure that it would help to embody them in the legislation anyway; I think it would be a bit of an abuse of the legislation—but the Government need to respond to the general thirst for knowledge that these new clauses represent, and to understand that there are some serious issues here that need to be returned to. I trust that the Chancellor will return to them at the Budget.

Looking at the fiscal impact that these new clauses cover, I trust that in the preparation of the Budget we will have analysis in the Treasury of these particular measures, which are still going through from the last time, but I also hope that the Government will review the extraordinary losses of the Bank of England—I think that they have already run up to £34 billion in the current financial year. These are losses that the Treasury, and therefore the taxpayer, have to pay as they are incurred, and that is completely unacceptable. It imposes strains on the public accounts and on the Treasury at a time when we really do not need them and when we need that money for other purposes.

There are two simple measures that the Bank could take to stem the magnitude of those losses. First, it should not be selling bonds at a big loss in the market. The European Central Bank is not doing this, although it has a similar problem with a portfolio of very expensively acquired bonds. There is also the issue of the running losses on these holdings where the Bank of England is paying the full, much enhanced, short-term interest rate following its increases in it. This now greatly exceeds the revenue on the bonds because the Bank paid far too much for the bonds and there is a very low rate of interest on them. Those running losses are a problem. I think the Bank should look at what the European Central Bank is doing, in paying different interest rates on reserves held under this system so that it does not have such a large running loss.

Richard Fuller: Can my right hon. Friend tell me if I have got this right? In the commentary ahead of the Budget, we talk about wiggle room and the Office for Budget Responsibility forecast and about £5 billion or £10 billion here and there, but I think I heard him say that this matter was completely out of the control of the those on the Treasury Bench and this Parliament; that the Governor of the Bank of England could unilaterally decide to crystallise losses on whichever extent of bonds he wished to, and then put that loss into the calculations of the Chancellor of the day; and that the Chancellor would then have to work around that in order to work out what the fiscal expenditure, public expenditure and taxation would be. Is that actually the case? It sounds mightily undemocratic to me.

John Redwood: That is an interesting point of debate, but my understanding of the constitutional position is that it is not as bad as my hon. Friend is suggesting because all the bonds were acquired with the express permission of the then Chancellor of the Exchequer. The Bank of England's website says that the bond portfolio is held on behalf of the Treasury. Successive Chancellors of the Exchequer—beginning with the Labour Chancellor who first undertook quantitative easing and carried on by successive Conservative Chancellors—all signed an agreement with the Bank to say that they would indemnify against loss. So, given that the Government and this Parliament empowered the purchase of the bonds and now take responsibility for any losses on them, it seems perfectly reasonable for there to be a proper conversation about whether we want to take the losses.

I see nothing wrong with us here challenging the idea that, uniquely among the big quantitative easing programmes, it is the Bank of England that not only insists on selling the bonds at big losses but gets reimbursed. The ECB does not sell them in the market at big losses. The Federal Reserve Board sells them in the market at big losses but gets no money back; it simply puts on its balance sheet that it has lost a lot of money and takes the view that, as it is a central bank, it does not really matter if it loses a lot of money, because central banks create money and it is therefore not like a normal commercial business. So I hope that Ministers will look at this as part of the general assessment that is being invited by these new clauses.

I hope also that Ministers will look at the expenditure items in the overall accounts covered by new clause 4 on the public finances, because there has been a marked decline in public sector productivity in the years 2020 to 2023. It was quite without precedent in my experience of following public finances over the years, and this very sharp decline represents at least a £30 billion loss to our system, in that it now costs at least £30 billion a year more to run the group of public services covered by these figures than it did before the collapse in productivity. On top of that, there has also been the need for much bigger sums to cover inflation. This is not the inflation figure; this is the real loss figure from the productivity.

We are all sympathetic to the difficulties that lockdown and the transition out of lockdown caused, and there was bound to be disruption. Our public services were badly affected by that, as children could not go to school and hospitals were disrupted by covid, but that is now some time behind us and it seems perplexing that we cannot get those public services back to 2019 levels

of productivity. I hear comment that maybe artificial intelligence will do it and that there needs to be a big investment in computers. Well, that should be on top. All that I am saying to the Government is that we can surely get back to 2019 productivity levels using techniques from 2019, which was very much pre-artificial intelligence and before the latest round of computerisation. Again, this is a big area that needs to be looked at as part of any review of the public finances.

The third area, which is also very large and very much in the news today, is that even more people in our country do not feel they can go back to work and that they need help at home because they are no longer able to work. The Government are working on some important programmes, through the Department for Work and Pensions, to show people that through a combination of part-time flexible working and working at home with proper support and training, and maybe with additional financial support to help them, they could go back to work for part of the time and make a contribution. We desperately need them, and I think their lives would be more rewarding. They would also be better off because we now have a benefits system that means it is always better to work. This should be a cross-party matter, because it is a problem that our nation as a whole faces. We can enrich those people's lives, help to reduce the burden on the taxpayer and improve the net income of those concerned. Again, this involves many billions.

My point in making these three simple points apparent to the House is that there are very large sums of money indeed involved in bond losses and productivity, which we need to review because that would help in the formation of the next Budget. It would create more headroom, both for the tax cuts that we need if we are to promote growth, and for improved public service provision in the areas where the shoe is still pinching. I trust that will be part of any review that might emerge from these new clauses, or from the spirit of these new clauses. I hope that my right hon. Friend the Chancellor is thinking about this, as we will have a Budget hard on the heels of this Finance Bill, which came out of the autumn statement. In these conditions of recovery, and given the need for faster growth, I welcome having more than one Budget a year, and the fact that we may have three fiscal events quite close to each other, if all goes well. They must promote growth and reduce taxes, and this is a good start.

I welcome new clause 5, but can we please have more? Can we please look at the headroom that I think I have helped to identify?

Mr Deputy Speaker (Sir Roger Gale): I call the SNP spokesperson.

6 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): I am sure that the people suffering through the rampant cost of living crisis across the nations of the UK hoped that if the Government tabled a new clause today, it would address their struggles in paying their rent, their ever-increasing mortgages, their higher food bills, thanks to Brexit, and their even higher energy bills after the cap was adjusted in January. The Government tabled only new clause 5 and, as I said on the Ways and Means motion, we have no opportunity to amend it.

The electricity generator levy disproportionately impacts Scotland's renewable sector. The SNP welcomes the fact that new clause 5 will exempt new renewable projects from the EGL, but as noted by the chief executive of Scottish Renewables, though the autumn statement introduced new measures such as the EGL exemption, they are

"not enough on their own. We urgently need consistent policies to provide an environment which will enable businesses to invest at the scale needed right now."

A pledge to invest £28 billion a year in the green energy transition might be a good thing, but it seems to be off the table not only for the UK Government but—

Mr Speaker: Order. I wish to make a short statement.

I know the whole House will wish to join me in expressing our sympathy with His Majesty the King following this evening's announcement. Our thoughts are, of course, with His Majesty and his family, and we all send him our very best wishes for his successful treatment and speedy recovery.

Drew Hendry: Thank you, Mr Speaker. Obviously, it is entirely appropriate to have paused for that statement. I was unaware of the news brought to the Chamber, but it is clearly significant. Our thoughts are with the royal family at this time.

As I was saying, we need consistent policies to help the renewables sector, and we are not seeing that either from the Tory Government, who have run out of ideas, or from the Labour party, which makes promises and then ducks responsibility for what is required.

We would have liked new clause 5 to flesh out the Chancellor's promise, made in the autumn statement, to take up to £1,000 a year for up to 10 years off the electricity bills of people living near new generation equipment. We have not heard that today, so we do not know what schemes are coming up.

As I intimated earlier, I would have liked to table an amendment on this point: if new clause 5 is applicable to people living next to new generation equipment, what about those who already live among generation equipment in, for example, the highlands and islands? We have the coldest climate in the UK. Most people are off the gas grid, so we have higher average bills than the rest of the UK. We pay the highest standing charge for electricity, 40% more than here in London, and because of UK Government policies, we have the highest level of fuel poverty in the UK, yet we export six times more electricity than we use in the highlands. It would have been entirely appropriate for the Minister to agree to introduce a highland energy rebate, to put some of that contribution back into the pockets of people across the highlands and islands who are struggling because of those conditions.

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The hon. Gentleman is making a very good point that rings true in my constituency, too. Of course, the problem is made more difficult still because of the other costs faced by people living in our constituencies, such as delivery charges and the cost of other services. Even a tube of toothpaste can cost a little more the further away it is from the big urban centres. That makes the problem a lot worse.

Drew Hendry: The hon. Gentleman is absolutely right, and I welcome his support for the campaign I am trying to start in order to get justice for people across the highlands and islands. He mentions other costs; of course, rural properties are often larger and less insulated. That does not mean that people in those properties have more money; it just means that their property was built that way, centuries or decades ago. That brings higher costs. Many of the factors affecting people across the highlands and islands could be mitigated by a highland energy rebate.

New clause 4, tabled by the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), would require the Chancellor to review the public health, inequality and poverty effects of the Bill, and to publish a report within six months of the Bill being passed. It is regrettable that it looks as if the new clause will not be pressed to a Division tonight, but the SNP would have supported it. We believe that a requirement to consider the implications for equality, poverty and health should be included in every Bill for which that would be relevant.

As I said, people are suffering from a cost of living crisis fuelled by decisions made in this Parliament. Mortgages are going up as a direct result of the disastrous mini-Budget, and now food costs are going up. Of course, there is more to come, as the Brexit regulations kick in at the end of April. Not only are prices going up, but they will rise even higher from May as businesses across the UK face more red tape. Of course, we are already seeing our highest energy bills ever. Meanwhile, we are doing what we can with our limited powers in Scotland. We already have lower council tax and, of course, we are introducing a council tax freeze. A poll out today shows that nearly 70% of the public approve of this policy.

New clause 6 would require the Chancellor to publish an assessment of the Bill's impact on investment and growth and of the impact of making full expensing permanent, and to consider what other policies could support the effectiveness of permanent full expensing. Given that full expensing is expected to cost £1 billion to £3 billion a year, after an initial £10 billion a year for the first three years, the policy deserves some scrutiny.

Since full expensing was announced in the autumn statement, the SNP has supported its being made permanent, as this would give business greater certainty and would simplify the tax system. However, it is vital that Members be fully informed, so that this Parliament can assess the effectiveness of this policy and whether it encourages investment in assets such as plant and machinery, as it is designed to do, or whether that is at the expense of other forms of investment. Full expensing is a rare point in the autumn statement on which we agree, but as I have said time and again, the Bill has failed. People are struggling through a cost of living crisis, and they want to know what help they will get now, while they are struggling because their household expenses are going through the roof.

People want investment in clean energy, and a just transition from oil and gas. We will need oil and gas for a period, but that transition should be safeguarded. The United States is providing hundreds of billions of dollars in initial support for new green technologies, such as hydrogen. The European Union has made similar high-level investments, yet the UK Government and the Labour party are dawdling on the issue, wasting the opportunity

for us to lead across the world. Like so many Bills, this Bill ignores the needs of the people of Scotland, so it is little wonder that they are on the inevitable path to independence.

Mr Deputy Speaker (Sir Roger Gale): Order. May I take this opportunity to associate myself with Mr Speaker's remarks? I am sure that all our thoughts are with King Charles and the royal family this evening.

Anthony Mangnall (Totnes) (Con): I associate myself with your remarks, Mr Deputy Speaker, and those of the Speaker, and I wish His Majesty a speedy recovery.

It is interesting to take part in such a debate. It is disappointing to hear Labour describe itself as the pro-business party, given that it is asking businesses to increase wages, recognise unions, accept collective bargaining and restrict labour flexibility, as well as increasing bureaucracy and telling businesses where to invest. To me, that is a wolf in sheep's clothing.

Turning to the Bill and the amendments, it is extraordinary to hear the spokespeople on both Opposition Front Benches talk about expensing becoming permanent. That is exactly what the Bill intends to do; the minute we get Royal Assent, expensing will be permanent. On Second Reading, the Minister said it would be permanent and, as soon as the Bill is enacted, that will be in place and on the statute book, which is welcome.

Amendments 1 and 2 make points about full expensing. Those amendments will ensure that the UK's plant and machinery capital allowances will increase and there will be a tax cut of about £10 billion a year, which will help to drive up growth across the whole United Kingdom, specifically in our manufacturing sectors. From the point of view of those in south Devon, that tax cut is worth having. It will help to drive growth and attract investment and innovation across the country, not just in the industrial heartlands we speak about so often.

There are often international comparisons made on research and development. Amendment 3 offers us the opportunity to drive innovation and economic growth. Merging the research and development expenditure credit scheme and the small and medium enterprise research and development relief scheme achieves that rare thing that we so often fail to do in Government: simplify the tax code and provide greater support for UK firms. We should all welcome that.

It is worth stating the impact of the changes in the Bill that will support loss-making small and medium-sized enterprises by reducing the intensity threshold by 10%, from 40% to 30%. That is expected to help 5,000 further SMEs, and they will receive £27 per £100 of qualifying research and development funding invested. That is an extraordinary amount of support—in the region of £280 million a year by 2028-29—and it will be welcomed by small businesses across the country. The Bill also extends the sunset clauses until April 2035 for two more programmes—the enterprise investment scheme and the venture capital trust—which is welcome.

Clauses 4 and 5 outline support for the creative sector. One of our unsung success stories is how well the UK creative industries have done because of this Government's extraordinary tax cuts, which have helped TV, film, music and video games thrive in this country. Between 2010 and 2019, that industry has grown by an

extraordinary one and a half times, creating thousands of jobs across the country and attracting millions—if not billions—of pounds of investment and spurring on growth. That sets the benchmark.

As a Government, we need to help all industries, not just the creative industries, by reducing the tax burden and ensuring we can find ways to support them. I make a plug for the tourism and hospitality sector, which the Minister knows I often mention. In the future, I hope we will be able to do the same for the tourism and hospitality sector as we have done for the creative industries through a VAT reduction.

I support the Government amendments to the Bill. I welcome the intent of this Finance Bill, which is helping to ensure that work pays, ensuring that the tax burden for businesses is going down, and creating a landscape that will attract the investment and opportunities that we so desperately need in this country.

6.15 pm

Sarah Olney (Richmond Park) (LD): On behalf of myself and my Liberal Democrat colleagues, I express our sympathies to the King and his family, and our hope that his treatment will prove to be successful.

I will speak to amendments 1, 2 and 3, in addition to new clause 5. To reiterate, the Liberal Democrats are not supportive of the Bill, which is a deception from the Government after years of cruel tax hikes on hard-working families. The legislation maintains the Government's unfair tax rises on working families through the freezing of income tax thresholds, fails to invest properly in our public services, such as the NHS, and takes none of the vital steps needed to grow the UK economy. Some of the measures in the Bill have worthy aims, but the context is important from the outset.

Amendments 1, 2 and 3 make further changes to the new R&D regime defined in the Bill. While the changes may be necessary and sensible clarifications, just last week, colleagues in the other place, sitting on the Economic Affairs Committee, reported their concern

“that the number of significant R&D changes made in the last 5 years has led to a perception of instability in the UK's R&D tax relief regime and undermined the intended incentive effect of the relief.”

What businesses need more than anything is certainty and stability. The Government's chopping and changing on R&D is indicative of a wider failure to create a stable and settled environment in which business can flourish.

Perhaps the clearest example of that has been the scrapping of the UK's industrial strategy and the disbanding of the independent body overseeing it. This short-sighted step has robbed businesses of the stability they need to grow. The constant changes to the R&D relief regime are a clear example of how that lack of foresight and stability can undermine the aim of economic growth. Once again, I urge the Government, even at this late stage, to relaunch an industrial strategy. A proper industrial strategy can create the conditions for sustainable growth, including through effective and clear incentives for R&D investment, especially among SMEs, and ensure that the UK's regulatory, R&D and tax frameworks are geared towards fostering innovation.

New clause 5 introduces an exemption to the energy generator levy for new plant investments. The Liberal Democrats believe that, although this may help to

strengthen investment in renewable energy and contribute towards our net zero targets, the Government's own assessment of the measure notes that it is unlikely to affect the retail price of electricity for households as energy prices remain tied to gas prices.

The Bill, and the autumn statement from which it arose, does nothing to help families with soaring energy prices or to put a proper windfall tax on the oil and gas giants. The Government continue to sit on their hands as businesses and families struggle with energy price inflation. A windfall tax on the super-profits of oil and gas producers could raise significant revenue which could have paid for a targeted package of support for those worst affected by the energy crisis, by doubling the warm home discount and investing in an emergency home insulation scheme. It remains clear that November's autumn statement and the Finance Bill both represent a missed opportunity to address the crisis in energy prices.

To conclude, while the Liberal Democrats are supportive of certain measures within the Bill, such as the extension of full expensing, we cannot support any legislation that arises from such a deceptive and unjust autumn statement. Ultimately, British households are seeing the biggest fall in living standards since the 1950s, and households across the country are crying out for real support from the Government, for action on the cost of living crisis and investment in our NHS, but all we have heard is more stale announcements from a Conservative Government who are completely out of touch.

Jim Shannon (Strangford) (DUP): I concur with the comments made by others about King Charles, on my behalf and that of the Democratic Unionist party and his loyal subjects in the United Kingdom of Great Britain and Northern Ireland—especially Northern Ireland. I pray, as I know you do, Mr Deputy Speaker, as well as others in the Chamber, for King Charles and for the royal family. I pray for a speedy recovery to his health. I pray, as we all pray, to the great healer, omnipotent over all, that his family will know the peace of the Lord as they support him at this time.

I thank all those who have contributed to this Bill debate, and I thank you, Mr Deputy Speaker, for giving me the chance to participate. Understandably, much of the Bill focuses on the measures that are needed to deliver the autumn statement. The Minister understands that—I would like to welcome him to his place. As he knows, I hold him in great respect, and look forward to his responses at the end of this debate.

For every public sector pay rise that is rightly awarded, money must be raised, and therefore we all support the principle of this Bill in theory. However, in practice, not many of us want to sign off on a Bill that raises taxes for those who are struggling at present. Obviously, as prices have risen, obligations have gone up correspondingly. Northern Ireland has been seeking a complete removal of the air passenger duty as a way of enhancing our connectivity and our attractiveness to international business investment. As a result, the rise in APD is disappointing. I know what the Minister's response will be. We are all aware of what the renewal of Stormont means: it means that we can look at this matter ourselves. None the less, the renewal of the Assembly has also highlighted the issue of the allocation of finances. It is clear that an overhaul of the funding formulas for Northern Ireland is necessary to meet the need in the long term.

[*Jim Shannon*]

Before I left the office this morning, I heard the Secretary of State for Northern Ireland on the radio saying that he hoped that a new funding formula would be found for Northern Ireland. We on the Northern Ireland Affairs Committee have also put forward that view. It is matter that involves all parties. The hon. Members for Belfast South (Claire Hanna) and for North Down (Stephen Farry) join us in wanting the same. That is three of the political parties in Northern Ireland that want that formula. There are also labour Members who support the view, along with a number of Conservatives with some concerns. We are all pushing for a formula similar to the Welsh system. If that comes into place, we in Northern Ireland would benefit, and that is only fair and right. I am highlighting this because if we as a party wished to do something about air passenger duty in the Northern Ireland Assembly, or if a cross-party group were wishing to do the same, we would need to have that formula in place. As I say, we are looking for fair funding for the future.

The £3.3 billion that has been made available now is money that many of my constituents believe has been withheld, and that is welcomed. Ever mindful of the positivity that came out of the debate last week, I say let us be positive in looking forward—

Mr Deputy Speaker (Sir Roger Gale): Order. The hon. Gentleman understands that he has caught my eye and I have caught his. May I gently remind him that we are talking about the Government's new clauses and amendments at the moment? There is a Third Reading debate ahead in which more measures can be raised if necessary, but, at the moment, will he please concentrate on the matter in hand?

Jim Shannon: I knew when I saw you looking at me, Mr Deputy Speaker, that you were going to tell me to get back on to the subject. I was about to do so. I thank you for that very kind reminder. You spoke to me in a very nice way, which was much appreciated.

I did refer to new clause 7 and air passenger duty, so I will quickly return to that. When I looked at a number of these issues addressed in the Bill, I could see a very clear and obvious theme: air passenger duty to rise in line with the retail price index; plastic packaging to rise in line with the consumer prices index; aggregate levy in line with RPI; tobacco levy in line with RPI plus 2%; and vehicle excise duty for cars, vans and motor bikes in line with RPI. So it continues and, to be honest, that seems to be understandable.

However, what is clear in the Finance Bill is that, although these things rise by RPI or CPI—I understand how the system works—the Government have again chosen to ignore the needs of the working middle class. I wish to make this point. I have done so in every finance debate, Mr Deputy Speaker. I have taken every opportunity I can to bring up this matter. I am seeking the support of the Minister on this. Indeed, I have asked the Minister about this on a number of occasions, so he knows about the issue. It is about the middle-class families who need that extra bit of help. They are paying their tax, but the £40,000 and £50,000 a year threshold is not helpful. If we wish to address the issues of new clause 6 in relation to permanent full expensing and the issue of

air passenger duty—the things that people want—then we also have to address the issue of the threshold as well.

I gently say to the Minister that, when it comes to how we help our squeezed middle class—I am not talking about the very wealthy—can he look at changing the threshold? I ask the Minister for a direct response on that. I do not want him to talk about the higher income benefit charge or any other mitigation. I just want him to help us understand why those who pay into the tax system do not get as much as they should when they are struggling in a way that families back in 2013 could not have imagined. The Government know that to be the case—I think the Minister knows it to be the case—so when it comes to legislation that helps us to represent all of the people of this United Kingdom of Great Britain and Northern Ireland, let this Bill tonight be one that does just that.

Mr Deputy Speaker (Sir Roger Gale): I call the Minister.

Nigel Huddleston: Thank you, Mr Deputy Speaker. May I join you, Mr Speaker and the whole House in wishing His Majesty a speedy recovery following the announcement this evening?

I wish to thank right hon. and hon. Members for contributing to this debate. I shall respond to as many of the points as I can, and also talk to the amendments that have been moved. On new clause 1, I agree that we must prevent fraud and ensure that all taxpayers pay their fair share. To help achieve that, the new maximum sentences for the most egregious examples of tax fraud, the new criminal offence on the promoters of tax avoidance, and enhanced director disqualification powers will come into force on Royal Assent of this Bill. That will all help.

At 4.8% of total liabilities, the UK's tax gap is at the joint lowest rate ever recorded and has remained low and stable. The UK's tax gap compares favourably with that of our international partners. HMRC has already published performance updates that provide information on its compliance performance every quarter, so we believe that this new clause is not necessary.

New clause 2 is pretty much the same as the new clause 1 rejected in Committee of the whole House. As I have said previously, we believe that the provision is unnecessary, as the information has been published in the tax information and impact notes alongside each policy change. That gives a clear explanation of the policy objective together with details of the implementation costs for both HMRC and businesses.

New clause 3 would require the Government to publish details of sentences given and stop notices issued to tackle evasion and avoidance in the past five years, as well as revenue expected to be generated by measures in this Bill to tackle evasion and avoidance in each of the next five years. However, HMRC publishes information on the number of custodial sentences received for tax compliance offences and the average sentence length in its annual reports and accounts. The 2023-24 annual report and accounts will be published this summer, providing a full overview of HMRC's performance. The Government also publish a list of tax avoidance schemes subject to a stop notice on gov.uk, with the most recent report published on 7 December. HMRC has issued more than 20 stop notices since issuing the first one in 2022. The Government also published revenue estimates

for the next five years of the clauses in this Bill in the tax information and impact notes. Therefore, as the information requested by new clause 3 is publicly available in routine HMRC publications, the publication requested by new clause 3 is unnecessary.

New clause 4 would require the Government to report on the likely impact of the measures in the Bill on public health, inequality and poverty—matters that concern us all and that we discussed in Committee. Existing mechanisms already effectively monitor and assess Government policies in those areas, rendering the amendment redundant. Departments such as the Department of Health and Social Care and its arm's length bodies diligently evaluate policies to enhance health up and down the country. Through the Office for Health Improvement and Disparities and the National Institute for Health and Care Research, they address health inequalities and provide robust evidence for policy development. Various Government units, such as the Cabinet Office equality hub, contribute to levelling-up opportunities and ensuring fairness. The Government Equalities Office, the Race Disparity Unit, the Disability Unit and the Social Mobility Commission all focus on different equality dimensions to guide and support inclusive policy development across the country. We therefore do not believe that new clause 4 is necessary.

On new clause 6, I agree that it is important to regularly review and evaluate policy, and to be transparent, which my right hon. Friend the Member for Wokingham (John Redwood) also highlighted. His Majesty's Revenue and Customs has published a tax information and impact note setting out the impact of the measure, including the economic impact, and the Office for Budget Responsibility has already conducted and published extensive analysis on the investment and growth impact of full expensing. That is available in its "Economic and fiscal outlook—November 2023", which therefore negates the need to publish a separate assessment in six months' time. The impact of permanent full expensing will be monitored through information collected from tax returns, and through regular communication with businesses and representative bodies.

6.30 pm

New clause 7 would require the publication of a review of the multipliers used to calculate the higher rates of air passenger duty that apply to larger private jets. I appreciate that there are some challenges in understanding them, but I assure the hon. Member for Ealing North (James Murray) that there is no attempt to mislead or give inaccurate information to the House. The tables are available, and I will provide him with one. The Government review the rates of taxes and reliefs, including APD, annually to ensure that they are appropriate and reflect the current state of the economy. As has been the usual practice since APD was introduced in 1994, rates are announced over 12 months in advance to provide airlines with sufficient notice.

Some of the challenges with the calculations, and the point about rounding to the pound, have arisen because in April 2023 we cut APD on domestic flights by 50%, but not the rate for private jets, which therefore remained equal to that on short-haul international flights. The Bill provides for the uprating of APD rates by forecasted RPI in 2024-25, rounded to the nearest pound, and then of course there are the multipliers. Some of this is the sheer mathematics of ensuring that we do not have

disparities. Current APD rates ensure that passengers in private jets pay significantly more tax than passengers on commercial flights. For example, in 2024-25, the higher rate for domestic private jet passengers will be more than 10 times the economy rate. Since the Government keep all rates, including all APD rates, under regular review, new clause 7 is unnecessary. I note the appeal of the hon. Member for Strangford (Jim Shannon), which I have heard before.

Jim Shannon: The Minister knows that I am particularly fond of him, but if he has heard my request before, let us now have action.

Nigel Huddleston: We always try to act; I cannot do everything, though. I note the hon. Gentleman's comments. In a similar vein, my hon. Friend the Member for Totnes (Anthony Mangnall) raised the importance more broadly of the tourism, hospitality and leisure sector, and of the creative sector. He is absolutely right. Measures in the Bill and elsewhere will support all those sectors. Of course, business rates relief is vital to the tourism, retail, hospitality and leisure sector. My right hon. Friend the Member for Wokingham made a range of comments, some outside of my direct remit. I assure him that I will raise his points, which ranged from bonds to public sector efficiency—a vital area—with colleagues in the Department.

I was somewhat entertained by the comments of the Labour spokesman, the hon. Member for Ealing North, who was effectively asking me to commit to Conservative party policies as enthusiastically as he does, which is quite a turn up for the books. Of course, we welcome Labour's support for the policies that we have announced, but there is clear blue water between the Labour party and the Conservative party in terms of principles about the size and scale of Government and the level of taxation. We have seen Labour's flip-flopping over the £28 billion. I am not sure what the policy is today. It was rather rich of him to ask for commitments from me, given the flip-flopping that is so prevalent in every area of Labour policy.

At one point, the Labour party was supportive of Brexit. Now I do not know. Are Labour Members against it? Were they supportive of the right hon. Member for Islington North (Jeremy Corbyn) being Prime Minister, or do they not want him in the party? Are they in favour of nationalisation, or against it? Are they in favour of private sector involvement in the NHS, or against it? In a whole host of policy areas, we have seen persistent, perennial flip-flopping from the Opposition. I literally have goldfish whose commitments I would trust more than those from the Labour Front Bench. On those points, we will have to respectfully agree to disagree.

As I said, new clause 5 and the six amendments that the Government have tabled will help to ensure that the changes in the Bill apply as intended, and deliver a vital policy to protect renewable investment. They will make the tax environment more easily understood by business and protect vital tax revenue used to fund our public services. I therefore urge that they be added to the Bill. The six new clauses tabled by the Opposition seek to get the Government to publish data and information that is already being published through other sources, as I have outlined. I therefore urge the House to reject them.

Question put and agreed to.

New clause 5 accordingly read a Second time, and added to the Bill.

New Clause 6**ASSESSMENT OF THE IMPACT OF
PERMANENT FULL EXPENSING**

“(1) The Chancellor of the Exchequer must, within six months of this Act being passed, publish an assessment of the impact of the measures in clause 1 of this Act on—

- (a) business investment, and
- (b) economic growth.

(2) The review under subsection (1) must—

- (a) assess the impact of full expensing being made permanent, and
- (b) consider what other policies would support the effectiveness of the measures in clause 1 of this Act.”—(*James Murray.*)

This new clause would require the Chancellor to publish an assessment of the impact on investment and growth of the measures in this Act to make full expensing permanent, and to consider what other policies could support the effectiveness of permanent full expensing.

Brought up, and read the First time.

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

The House divided: Ayes 185, Noes 285.

Division No. 71]

[6.36 pm

AYES

Abrahams, Debbie	Cruddas, Jon
Ali, Tahir	Cryer, John
Anderson, Fleur	Cummins, Judith
Ashworth, rh Jonathan	Cunningham, Alex
Bardell, Hannah	Daby, Janet
Barker, Paula	Davey, rh Ed
Begum, Apsana	David, Wayne
Benn, rh Hilary	Davies-Jones, Alex
Betts, Mr Clive	Day, Martyn
Blackford, rh Ian	De Cordova, Marsha
Blackman, Kirsty	Debbonaire, Thangam
Blake, Olivia	Dhesi, Mr Tanmanjeet Singh
Blomfield, Paul	Dodds, Anneliese
Bonnar, Steven	Doogan, Dave
Bradshaw, rh Mr Ben	Dorans, Allan (<i>Proxy vote cast by Marion Fellows</i>)
Brennan, Kevin	Doughty, Stephen
Brock, Deidre	Dowd, Peter
Brown, Alan	Duffield, Rosie
Brown, rh Mr Nicholas	Dyke, Sarah
Burgon, Richard	Eagle, Dame Angela
Byrne, Ian	Eagle, rh Maria
Byrne, rh Liam	Eastwood, Colum
Cadbury, Ruth	Edwards, Jonathan
Callaghan, Amy (<i>Proxy vote cast by Marion Fellows</i>)	Edwards, Sarah
Campbell, rh Sir Alan	Efford, Clive
Campbell, Mr Gregory	Elliott, Julie
Carden, Dan	Eshalomi, Florence
Carmichael, rh Mr Alistair	Esterson, Bill
Chamberlain, Wendy	Farron, Tim
Chapman, Douglas	Fellows, Marion
Cherry, Joanna	Flynn, Stephen
Clark, Feryal	Furniss, Gill
Cooper, Daisy	Gardiner, Barry
Cooper, rh Yvette	Gibson, Patricia
Corbyn, rh Jeremy	Gill, Preet Kaur
Cowan, Ronnie	Glindon, Mary
Crawley, Angela (<i>Proxy vote cast by Owen Thompson</i>)	Grant, Peter
Creasy, Stella	Green, Sarah

Greenwood, Lilian	Nicolson, John (<i>Proxy vote cast by Marion Fellows</i>)
Griffith, Dame Nia	O'Hara, Brendan
Haigh, Louise	Olney, Sarah
Hamilton, Mrs Paulette	Onwurah, Chi
Hardy, Emma	Osborne, Kate
Hayes, Helen	Oswald, Kirsten
Healey, rh John	Owen, Sarah
Hendrick, Sir Mark	Peacock, Stephanie
Hendry, Drew	Pennycook, Matthew
Hillier, Dame Meg	Phillips, Jess
Hobhouse, Wera	Phillipson, Bridget
Hodgson, Mrs Sharon	Powell, Lucy
Hopkins, Rachel	Qaisar, Ms Anum
Hosie, rh Stewart	Reed, Steve
Howarth, rh Sir George	Rimmer, Ms Marie
Huq, Dr Rupa	Rodda, Matt
Hussain, Imran	Russell-Moyle, Lloyd
Jardine, Christine	Shanks, Michael
Jarvis, Dan	Shannon, Jim
Johnson, rh Dame Diana	Sharma, Mr Virendra
Johnson, Kim	Siddiq, Tulip
Jones, Darren	Slaughter, Andy
Jones, Ruth	Smith, Nick
Jones, Sarah	Smyth, Karin
Kinnock, Stephen	Sobel, Alex
Lake, Ben	Stephens, Chris
Lavery, Ian	Stevens, Jo
Lewis, Clive	Stone, Jamie
Linden, David	Strathern, Alistair
Long Bailey, Rebecca	Stringer, Graham
Lynch, Holly	Sultana, Zarah
MacAskill, Kenny	Tami, rh Mark
Madders, Justin	Tarry, Sam
Mahmood, Mr Khalid	Thompson, Owen
Mahmood, Shabana	Thomson, Richard
Malhotra, Seema	Timms, rh Sir Stephen
Maskell, Rachael	Trickett, Jon
Mc Nally, John	Turner, Karl
McCabe, Steve	Twist, Liz
McCarthy, Kerry	Vaz, rh Valerie
McDonald, Andy	Webbe, Claudia
McDonald, Stuart C.	Western, Andrew
McDonnell, rh John	Western, Matt
McFadden, rh Mr Pat	Whitehead, Dr Alan
McGovern, Alison	Whitford, Dr Philippa (<i>Proxy vote cast by Marion Fellows</i>)
McKinnell, Catherine	Williams, Hywel
McLaughlin, Anne (<i>Proxy vote cast by Marion Fellows</i>)	Wilson, Munira
McMorrin, Anna	Wilson, rh Sammy
Mearns, Ian	Winter, Beth
Mishra, Navendu	Wishart, Pete
Monaghan, Carol	Yasin, Mohammad
Moran, Layla	Zeichner, Daniel
Morgan, Helen	
Morgan, Stephen	
Murray, Ian	
Murray, James	
Nandy, Lisa	
Nichols, Charlotte	

Tellers for the Ayes:
Christian Wakeford and
Kim Leadbeater

NOES

Afolami, Bim	Argar, rh Edward
Afriyie, Adam	Atkins, rh Victoria
Aiken, Nickie	Bacon, Gareth
Aldous, Peter	Bacon, Mr Richard
Allan, Lucy (<i>Proxy vote cast by Mr Marcus Jones</i>)	(<i>Proxy vote cast by Mr Marcus Jones</i>)
Anderson, Lee	Badenoch, rh Kemi
Anderson, Stuart	Bailey, Shaun
Andrew, rh Stuart	Baillie, Siobhan
Ansell, Caroline	Baker, Duncan

Baker, rh Mr Steve
 Baldwin, Harriett
 Barclay, rh Steve
 Baynes, Simon
 Bell, Aaron
 Beresford, Sir Paul
 Blackman, Bob
 Bottomley, Sir Peter
 Bowie, Andrew
 Bradley, Ben
 Brady, rh Sir Graham
 Braverman, rh Suella
 Bridgen, Andrew
 Brine, Steve
 Bristow, Paul
 Browne, Anthony
 Bruce, Fiona
 Buchan, Felicity
 Burghart, Alex
 Burns, rh Sir Conor
 Butler, Rob
 Cairns, rh Alun
 Carter, Andy
 Cash, Sir William
 Cates, Miriam
 Caulfield, Maria
 Chalk, rh Alex
 Chishti, Rehman
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Sir Simon
 Clarke, Theo
 Clarke-Smith, Brendan
 Clarkson, Chris
 Cleverly, rh James
 Coffey, rh Dr Thérèse
 Colburn, Elliot
 Collins, Damian
 Costa, Alberto
 Coutinho, rh Claire
 Cox, rh Sir Geoffrey
 Crabb, rh Stephen
 Crosbie, Virginia
 Crouch, Tracey
 Davies, rh David T. C.
 Davies, Gareth
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Sir David
 Davison, Dehenna
 Dinanage, Dame Caroline
 Djanogly, Mr Jonathan
 Docherty, Leo
 Donelan, rh Michelle
 Double, Steve
 Doyle-Price, Dame Jackie
 Drummond, Mrs Flick
 Duddridge, Sir James (*Proxy vote cast by Mr Mark Francois*)
 Duguid, David
 Dunne, rh Philip
 Eastwood, Mark
 Edwards, Ruth
 Ellis, rh Sir Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Evans, Dr Luke
 Evennett, rh Sir David
 Everitt, Ben

Fabricant, Michael
 Farris, Laura
 Fell, Simon
 Firth, Anna
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Ford, rh Vicky
 Foster, Kevin
 Fox, rh Sir Liam
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George
 Freer, Mike
 French, Mr Louie
 Fuller, Richard
 Fysh, Mr Marcus
 Garnier, Mark
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Gideon, Jo
 Glen, rh John
 Graham, Richard
 Grant, Mrs Helen (*Proxy vote cast by Mr Marcus Jones*)
 Gray, James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Grundy, James
 Gullis, Jonathan
 Hammond, Stephen
 Hands, rh Greg
 Harris, Rebecca
 Harrison, Trudy
 Hart, Sally-Ann
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Heappey, rh James
 Henry, Darren
 Higginbotham, Antony
 Hinds, rh Damian
 Hoare, Simon
 Holden, rh Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, John (*Proxy vote cast by Mr Marcus Jones*)
 Huddleston, Nigel
 Hudson, Dr Neil
 Hunt, Jane (*Proxy vote cast by Mr Marcus Jones*)
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sir Sajid
 Jayawardena, rh Mr Ranil
 Jenkinson, Mark
 Jenkyns, Dame Andrea
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, rh Mr Marcus
 Kawczynski, Daniel

Kearns, Alicia
 Keegan, rh Gillian
 Knight, rh Sir Greg
 Kniveton, Kate (*Proxy vote cast by Mr Marcus Jones*)
 Kruger, Danny
 Lamont, John
 Langan, Robert
 Latham, Mrs Pauline
 Leadsom, rh Dame Andrea
 Leigh, rh Sir Edward
 Levy, Ian
 Lewer, Andrew
 Lewis, rh Sir Brandon
 Lewis, rh Sir Julian
 Loder, Chris
 Longhi, Marco
 Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig (*Proxy vote cast by John Redwood*)
 Maclean, Rachel
 Mak, Alan
 Malthouse, rh Kit
 Mangnall, Anthony
 Mann, Scott
 Marson, Julie
 Mayhew, Jerome
 Maynard, Paul
 McCartney, Jason
 McPartland, rh Stephen
 McVey, rh Esther
 Menzies, Mark
 Metcalfe, Stephen
 Millar, Robin
 Miller, rh Dame Maria
 Milling, rh Dame Amanda
 Mitchell, rh Mr Andrew
 Moore, Damien
 Moore, Robbie
 Mordaunt, rh Penny
 Morris, Anne Marie
 Morris, James
 Morrissey, Joy
 Mortimer, Jill
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mumby-Croft, Holly
 Murray, Mrs Sheryll
 Murrison, rh Dr Andrew
 Neill, Sir Robert
 Nici, Lia
 Nokes, rh Caroline
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Patel, rh Priti
 Pawsey, Mark
 Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Philp, rh Chris
 Pow, Rebecca
 Prentis, rh Victoria
 Pritchard, rh Mark
 Pursglove, Tom
 Quince, Will

Randall, Tom
 Redwood, rh John
 Rees-Mogg, rh Sir Jacob
 Richards, Nicola
 Richardson, Angela
 Robinson, Mary
 Ross, Douglas
 Rowley, Lee
 Sambrook, Gary
 Saxby, Selaine
 Scully, Paul
 Seely, Bob
 Selous, Andrew
 Shapps, rh Grant
 Sharma, rh Sir Alok
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Smith, rh Chloe
 Smith, Greg
 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
 Streeter, Sir Gary
 Stuart, rh Graham
 Sturdy, Julian
 Sunderland, James
 Swayne, rh Sir Desmond
 Syms, Sir Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, rh Anne-Marie
 Trott, rh Laura
 Tuckwell, Steve
 Tugendhat, rh Tom
 Vara, rh Shailesh
 Vickers, Martin
 Vickers, Matt
 Villiers, rh Theresa
 Walker, Sir Charles
 Walker, Mr Robin
 Warman, Matt
 Watling, Giles
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, rh Craig (*Proxy vote cast by Mr Marcus Jones*)
 Whittingdale, rh Sir John
 Wiggin, Sir Bill
 Wild, James
 Williams, rh Craig
 Williamson, rh Sir Gavin
 Wood, Mike
 Wragg, Mr William
 Young, Jacob

Tellers for the Noes:
Mr Gagan Mohindra and
Suzanne Webb

Question accordingly negatived.

New Clause 7

REVIEW OF MULTIPLIERS USED TO CALCULATE HIGHER RATES OF AIR PASSENGER DUTY

“(1) The Chancellor of the Exchequer must, at the next fiscal event, publish a review of the multipliers used to calculate higher rates of air passenger duty for each destination band.

(2) This review must propose options for introducing a multiplier to link the higher rate and the reduced rate within the domestic band.

(3) The Chancellor must, at the next fiscal event, make clear what changes, if any, he will implement as a result of this review.”—(*James Murray*.)

This new clause would require the Chancellor to publish a review of the multipliers used to calculate the higher rates of air passenger duty, and to propose options for introducing a multiplier to link the higher rate and the reduced rate within the domestic band.

Brought up, and read the First time.

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

The House divided: Ayes 182, Noes 289.

Division No. 72]

[6.50 pm

AYES

Abrahams, Debbie	Davies-Jones, Alex
Ali, Tahir	Day, Martyn
Anderson, Fleur	De Cordova, Marsha
Ashworth, rh Jonathan	Dhesi, Mr Tanmanjeet Singh
Bardell, Hannah	Dodds, Anneliese
Barker, Paula	Doogan, Dave
Begum, Apsana	Dorans, Allan (<i>Proxy vote cast by Marion Fellows</i>)
Benn, rh Hilary	Doughty, Stephen
Betts, Mr Clive	Dowd, Peter
Blackford, rh Ian	Duffield, Rosie
Blackman, Kirsty	Dyke, Sarah
Blake, Olivia	Eagle, Dame Angela
Blomfield, Paul	Eagle, rh Maria
Bonnar, Steven	Eastwood, Colum
Bradshaw, rh Mr Ben	Edwards, Jonathan
Brennan, Kevin	Edwards, Sarah
Brock, Deidre	Efford, Clive
Brown, Alan	Elliott, Julie
Brown, rh Mr Nicholas	Eshalomi, Florence
Burgon, Richard	Esterson, Bill
Byrne, Ian	Farron, Tim
Byrne, rh Liam	Fellows, Marion
Cadbury, Ruth	Flynn, Stephen
Callaghan, Amy (<i>Proxy vote cast by Marion Fellows</i>)	Furniss, Gill
Campbell, rh Sir Alan	Gardiner, Barry
Carden, Dan	Gibson, Patricia
Carmichael, rh Mr Alistair	Gill, Preet Kaur
Chamberlain, Wendy	Glendon, Mary
Chapman, Douglas	Grant, Peter
Cherry, Joanna	Green, Sarah
Clark, Feryal	Greenwood, Lilian
Cooper, Daisy	Griffith, Dame Nia
Cooper, rh Yvette	Haigh, Louise
Corbyn, rh Jeremy	Hamilton, Mrs Paulette
Cowan, Ronnie	Hardy, Emma
Crawley, Angela (<i>Proxy vote cast by Owen Thompson</i>)	Hayes, Helen
Creasy, Stella	Healey, rh John
Cruddas, Jon	Hendrick, Sir Mark
Cryer, John	Hendry, Drew
Cummins, Judith	Hillier, Dame Meg
Cunningham, Alex	Hobhouse, Wera
Daby, Janet	Hodgson, Mrs Sharon
Davey, rh Ed	Hopkins, Rachel
David, Wayne	Hosie, rh Stewart
	Howarth, rh Sir George

Huq, Dr Rupa	Oswald, Kirsten
Hussain, Imran	Owen, Sarah
Jardine, Christine	Peacock, Stephanie
Jarvis, Dan	Pennycook, Matthew
Johnson, rh Dame Diana	Phillips, Jess
Johnson, Kim	Phillipson, Bridget
Jones, Darren	Powell, Lucy
Jones, Ruth	Qaisar, Ms Anum
Jones, Sarah	Reed, Steve
Kinnock, Stephen	Rimmer, Ms Marie
Lake, Ben	Rodda, Matt
Lavery, Ian	Russell-Moyle, Lloyd
Lewis, Clive	Shanks, Michael
Linden, David	Sharma, Mr Virendra
Long Bailey, Rebecca	Siddiq, Tulip
Lynch, Holly	Slaughter, Andy
MacAskill, Kenny	Smith, Nick
Madders, Justin	Smyth, Karin
Mahmood, Mr Khalid	Sobel, Alex
Mahmood, Shabana	Stephens, Chris
Malhotra, Seema	Stevens, Jo
Maskell, Rachael	Stone, Jamie
Mc Nally, John	Strathern, Alistair
McCabe, Steve	Stringer, Graham
McCarthy, Kerry	Sultana, Zarah
McDonald, Andy (<i>Proxy vote cast by Ian Mearns</i>)	Tami, rh Mark
McDonald, Stuart C.	Tarry, Sam
McDonnell, rh John	Thompson, Owen
McFadden, rh Mr Pat	Thomson, Richard
McGovern, Alison	Timms, rh Sir Stephen
McKinnell, Catherine	Trickett, Jon
McLaughlin, Anne (<i>Proxy vote cast by Marion Fellows</i>)	Turner, Karl
McMahon, Jim	Twist, Liz
McMorris, Anna	Vaz, rh Valerie
Mearns, Ian	Webbe, Claudia
Mishra, Navendu	Western, Andrew
Monaghan, Carol	Western, Matt
Moran, Layla	Whitehead, Dr Alan
Morgan, Helen	Whitford, Dr Philippa (<i>Proxy vote cast by Marion Fellows</i>)
Morgan, Stephen	Williams, Hywel
Murray, Ian	Wilson, Munira
Murray, James	Winter, Beth
Nandy, Lisa	Wishart, Pete
Nichols, Charlotte	Yasin, Mohammad
Nicolson, John (<i>Proxy vote cast by Marion Fellows</i>)	Zeichner, Daniel
O'Hara, Brendan	
Olney, Sarah	
Onwurah, Chi	
Osborne, Kate	

Tellers for the Ayes:
Christian Wakeford and
Kim Leadbeater

NOES

Afolami, Bim	Bailey, Shaun
Afriyie, Adam	Baillie, Siobhan
Aiken, Nickie	Baker, Duncan
Aldous, Peter	Baker, rh Mr Steve
Allan, Lucy (<i>Proxy vote cast by Mr Marcus Jones</i>)	Baldwin, Harriett
Anderson, Lee	Baynes, Simon
Anderson, Stuart	Bell, Aaron
Andrew, rh Stuart	Beresford, Sir Paul
Ansell, Caroline	Berry, rh Sir Jake
Argar, rh Edward	Blackman, Bob
Atkins, rh Victoria	Bottomley, Sir Peter
Bacon, Gareth	Bowie, Andrew
Bacon, Mr Richard (<i>Proxy vote cast by Mr Marcus Jones</i>)	Bradley, Ben
Badenoch, rh Kemi	Brady, rh Sir Graham
	Braverman, rh Suella
	Bridgen, Andrew
	Brine, Steve

Bristow, Paul
 Browne, Anthony
 Bruce, Fiona
 Buchan, Felicity
 Burghart, Alex
 Burns, rh Sir Conor
 Butler, Rob
 Cairns, rh Alun
 Campbell, Mr Gregory
 Carter, Andy
 Cash, Sir William
 Cates, Miriam
 Caulfield, Maria
 Chalk, rh Alex
 Chishti, Rehman
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Sir Simon
 Clarke, Theo
 Clarke-Smith, Brendan
 Clarkson, Chris
 Cleverly, rh James
 Coffey, rh Dr Thérèse
 Colburn, Elliot
 Collins, Damian
 Costa, Alberto
 Coutinho, rh Claire
 Cox, rh Sir Geoffrey
 Crabb, rh Stephen
 Crosbie, Virginia
 Crouch, Tracey
 Davies, rh David T. C.
 Davies, Gareth
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Sir David
 Davison, Dehenna
 Dinéage, Dame Caroline
 Djanogly, Mr Jonathan
 Docherty, Leo
 Donelan, rh Michelle
 Double, Steve
 Doyle-Price, Dame Jackie
 Drummond, Mrs Flick
 Duddridge, Sir James (*Proxy vote cast by Mr Mark Francois*)
 Duguid, David
 Dunne, rh Philip
 Eastwood, Mark
 Edwards, Ruth
 Ellis, rh Sir Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Evans, Dr Luke
 Evennett, rh Sir David
 Everitt, Ben
 Fabricant, Michael
 Farris, Laura
 Fell, Simon
 Firth, Anna
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Ford, rh Vicky
 Foster, Kevin
 Fox, rh Sir Liam
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George
 Freer, Mike

French, Mr Louie
 Fuller, Richard
 Fysh, Mr Marcus
 Garnier, Mark
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Gideon, Jo
 Glen, rh John
 Graham, Richard
 Grant, Mrs Helen (*Proxy vote cast by Mr Marcus Jones*)
 Gray, James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Grundy, James
 Gullis, Jonathan
 Hammond, Stephen
 Hands, rh Greg
 Harris, Rebecca
 Harrison, Trudy
 Hart, Sally-Ann
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Heappey, rh James
 Henry, Darren
 Higginbotham, Antony
 Hinds, rh Damian
 Hoare, Simon
 Holden, rh Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, John (*Proxy vote cast by Mr Marcus Jones*)
 Huddleston, Nigel
 Hudson, Dr Neil
 Hunt, Jane (*Proxy vote cast by Mr Marcus Jones*)
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sir Sajid
 Jayawardena, rh Mr Ranil
 Jenkinson, Mark
 Jenkyns, Dame Andrea
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, rh Mr Marcus
 Kawczynski, Daniel
 Kearns, Alicia
 Keegan, rh Gillian
 Knight, rh Sir Greg
 Kniveton, Kate (*Proxy vote cast by Mr Marcus Jones*)
 Kruger, Danny
 Lamont, John
 Langan, Robert
 Latham, Mrs Pauline
 Leadsom, rh Dame Andrea
 Leigh, rh Sir Edward
 Levy, Ian
 Lewer, Andrew
 Lewis, rh Sir Brandon
 Lewis, rh Sir Julian
 Loder, Chris

Longhi, Marco
 Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig (*Proxy vote cast by John Redwood*)
 Maclean, Rachel
 Mak, Alan
 Malthouse, rh Kit
 Mangnall, Anthony
 Mann, Scott
 Marson, Julie
 Mayhew, Jerome
 Maynard, Paul
 McCartney, Jason
 McPartland, rh Stephen
 McVey, rh Esther
 Menzies, Mark
 Metcalfe, Stephen
 Millar, Robin
 Miller, rh Dame Maria
 Milling, rh Dame Amanda
 Mitchell, rh Mr Andrew
 Moore, Damien
 Moore, Robbie
 Mordaunt, rh Penny
 Morris, Anne Marie
 Morris, James
 Morrissey, Joy
 Mortimer, Jill
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mumby-Croft, Holly
 Murray, Mrs Sheryll
 Murrison, rh Dr Andrew
 Neill, Sir Robert
 Nici, Lia
 Nokes, rh Caroline
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Patel, rh Priti
 Pawsey, Mark
 Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Philp, rh Chris
 Pow, Rebecca
 Prentis, rh Victoria
 Pritchard, rh Mark
 Pursglove, Tom
 Quince, Will
 Randall, Tom
 Redwood, rh John
 Rees-Mogg, rh Sir Jacob
 Richards, Nicola
 Richardson, Angela
 Roberts, Mr Rob
 Robinson, Mary
 Ross, Douglas
 Rowley, Lee
 Sambrook, Gary

Saxby, Selaine
 Scully, Paul
 Seely, Bob
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, rh Sir Alok
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Smith, rh Chloe
 Smith, Greg
 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
 Streeter, Sir Gary
 Stuart, rh Graham
 Sturdy, Julian
 Sunderland, James
 Swayne, rh Sir Desmond
 Syms, Sir Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, rh Anne-Marie
 Trott, rh Laura
 Tuckwell, Steve
 Tugendhat, rh Tom
 Vara, rh Shailesh
 Vickers, Martin
 Vickers, Matt
 Villiers, rh Theresa
 Walker, Sir Charles
 Walker, Mr Robin
 Warman, Matt
 Watling, Giles
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, rh Craig (*Proxy vote cast by Mr Marcus Jones*)
 Whittingdale, rh Sir John
 Wiggin, Sir Bill
 Wild, James
 Williams, rh Craig
 Williamson, rh Sir Gavin
 Wilson, rh Sammy
 Wood, Mike
 Wragg, Mr William
 Young, Jacob

Tellers for the Noes:
Mr Gagan Mohindra and
Suzanne Webb

Question accordingly negated.

Schedule 1

RESEARCH AND DEVELOPMENT

Amendments made: 1, page 42, line 12, at end insert—
 “(5A) But—

- (a) expenditure of a company is to be ignored for the purposes of subsection (5) if it consists of a payment, or other transfer of value, to another company with which the company is connected, and
- (b) where expenditure forms part of a company's total relevant expenditure by virtue of subsection (5)(c), a deduction brought into account as mentioned in subsection (5)(a) is to be ignored for the purposes of that provision to the extent that a corresponding deduction for corporation tax purposes is prevented by section 1308(5)."

This amendment deals with two cases in which double-counting might otherwise arise in calculating a company's, or an aggregate of connected companies', total expenditure for the purpose of determining whether the R&D intensity threshold is met.

Amendment 2, page 42, line 16, after "period," insert "or would do but for subsection (5A)(a)."

This amendment is consequential on Amendment 1.

Amendment 3, page 63, line 26, at end insert—

"Avoidance of overlaps and gaps in entitlement during transition

17A (1) Sub-paragraphs (2) and (3) apply if, but for those sub-paragraphs—

- (a) one company ("company A") would be entitled to old R&D relief, and
- (b) another company ("company B") would be entitled to new R&D relief,

in respect of expenditure attributable to the same research and development.

(2) If company B would have been entitled to old R&D relief in respect of its expenditure had the Part 1 amendments not been made, only company B is entitled to the relief.

(3) In any other case, only company A is entitled to the relief.

(4) Sub-paragraph (5) applies if—

- (a) a company incurs pre-commencement expenditure,
- (b) the company is not entitled to old R&D relief in respect of the expenditure, and
- (c) had the expenditure been post-commencement expenditure, it would have been—
 - (i) qualifying Chapter 1A expenditure by virtue of section 1042E of CTA 2009 or section 1042F of that Act as it refers to section 1042E, or
 - (ii) qualifying Chapter 2 expenditure by virtue of section 1053 of CTA 2009 (as it has effect after the Part 1 amendments) or section 1053A of that Act as it refers to section 1053.

(5) The company is to be treated as satisfying sections 1042F(4) and 1053A(4) of CTA 2009 for the purposes of ascertaining the entitlement of another company to new R&D relief in respect of expenditure attributable to the same research and development as the expenditure mentioned in sub-paragraph (4).

(6) Sub-paragraph (7) applies if—

- (a) in respect of pre-commencement expenditure attributable to research and development, one company ("company C")—
 - (i) is not entitled to old R&D relief, but
 - (ii) would be so entitled if none of sections 104C(2), 104G(5), 104H(6), 104J(4), 104K(5), 104L(4), 1052(5) and 1053(4) of CTA 2009 (as they have effect before the Part 1 amendments) applied, and
- (b) in respect of post-commencement expenditure attributable to the same research and development, another company ("company D") would, had the expenditure been pre-commencement expenditure, have been entitled to old R&D relief by virtue of section 1053 of CTA 2009 (as it has effect before the Part 1 amendments).

(7) For the purpose of ascertaining the entitlement of company D to new R&D relief, the research and development is to be treated as contracted out by company D within the meaning of section 1133 of CTA 2009 (as it has effect after the Part 1 amendments).

(8) In this paragraph—

"the new R&D provisions" means Part 13 of CTA 2009 as it has effect after the Part 1 amendments;

"new R&D relief" means relief under the new R&D provisions;

"the old R&D provisions" means Chapter 6A of Part 3 or Part 13 of CTA 2009 as that Chapter or Part has effect before the Part 1 amendments;

"old R&D relief" means relief under the old R&D provisions;

"the Part 1 amendments" means the amendments made by Part 1 of this Schedule;

"post-commencement expenditure" means expenditure incurred in an accounting period beginning on or after the appointed day;

"pre-commencement expenditure" means expenditure incurred in an accounting period beginning before the appointed day."—(Nigel Huddleston.)

This amendment ensures that one, but only one, company can claim relief in certain transitional situations where more than one company is involved in the same R&D but not both or not all of them have become subject to the changes made by Part 1 of Schedule 1.

Schedule 6

ADMINISTRATION OF CREATIVE SECTOR RELIEFS

Amendments made: 4, page 138, leave out lines 15 to 20.

This amendment and Amendments 5 and 6 allow regulations imposing information requirements for creative sector relief to provide for consequences of non-compliance short of the total invalidity of the claim (for instance, by making a claim invalid only so far as it relates to certain items of expenditure).

Amendment 5, page 138, line 25, after "which" insert ", and the time by which,".

See the explanatory statement for Amendment 4.

Amendment 6, page 138, line 26, at end insert—

"(c) the consequences of failing to provide the information as required (which may include the total or partial invalidity of the claim or a reduction of the claimed relief)."—(Nigel Huddleston.)

See the explanatory statement for Amendment 4.

Third Reading

7.2 pm

Nigel Huddleston: I beg to move, That the Bill be now read the Third time.

This Government are backing British business, supporting employment, and creating a simpler and fairer tax system. My right hon. Friend the Chancellor delivered an autumn statement with the clear intention of strengthening the economy, now and for the future. This Finance Bill, which Members of the House have had the opportunity to scrutinise and debate over the past few months, does exactly that. It takes forward important tax measures to help businesses invest for less; encourages innovation and supports our creative industries by elevating rates and simplifying credits; and improves and simplifies our tax system to ensure it remains fit for purpose.

Mr Deputy Speaker, allow me to remind Members of the Bill's key aims. Our first aim is to support British industry, so that we can solidify our position as world leaders in key sectors. Making full expensing permanent allows UK businesses to invest for less. We have moved to make the UK's plant and machinery capital allowances the most generous of any major economy. Permanent full expensing has been called the single most transformational thing we could do for investment, and it was welcomed by more than 200 companies and trade associations.

The Bill also merges two significant Government schemes: the SME scheme and the R&D expenditure scheme. In doing that, we are meeting our aim of simplifying the system while providing greater support to British businesses, so that they can spend less time on administration and more time on innovation. The Bill also introduces greater support for loss-making R&D-intensive SMEs and lowers the intensity threshold required to access that support to 30%, helping around 5,000 extra SMEs. To further support investment in renewable energy, we have introduced a new assets exemption for the electricity generator levy, a measure that will continue to drive growth in both our renewables sector and the wider economy. We also continue to support our world-leading creative industries with tax measures that reform the film, TV and video game tax reliefs, turning them into refundable expenditure credits that are easier for business.

Our second aim is to support employment. We must remove barriers to work and incentives to not work, and most of all, must ensure that hard work and expertise are rewarded. That is why the Bill makes changes to encourage people to stay in work and use their expertise for longer. The Bill will complete the abolition of the lifetime allowance, amending pension tax rules so that employees with valuable, hard-earned expertise are no longer encouraged to reduce their hours or retire early. The Office for Budget Responsibility estimates that this will retain 15,000 workers annually, keeping many high-skilled employees and experienced individuals in our labour market while ensuring that they receive their rightful benefits for working.

Our third aim is to create a simpler, fairer and more modern tax system—an aim that the Bill also supports. Making full expensing permanent is a huge simplification for larger firms, but we are a nation of millions of small businesses. In the Bill, we are expanding the cash basis—a simplified way for over 4 million smaller and growing traders to calculate their profits and pay their income tax. While we remain focused on reducing the tax burden, we cannot overstate the role of tax in supporting public services, so we must all do our part. Everyone must pay their fair share, which is why the Bill introduces a new criminal offence for those who promote tax avoidance schemes and continue to promote them after receiving a stop notice. Alongside this, His Majesty's Revenue and Customs will for the first time be able to bring disqualification action against the directors of companies involved in promoting tax avoidance, including those who control or exercise influence over a company. These are vital steps in ensuring that the system is fair for all, and that those who try to undermine it face the consequences.

I thank right hon. and hon. Members from across the House for their helpful and insightful contributions to the debate on the Bill. I also thank the many stakeholders

who have provided their views on the issues raised, the Treasury, HMRC officials and House Clerks who have helped the Bill to get to this point. This Bill backs British business, rewards hard work, nurtures innovation, and supports our leading industries while solidifying long-term economic growth. For those reasons, I commend it to the House.

7.7 pm

James Murray: I begin by wishing His Majesty the King the very best for a speedy recovery. My colleagues and I are thinking of him and the royal family at this time, and we wish him a swift return to full health.

Throughout consideration of the Bill, the Opposition have made it clear that it contains a number of measures for which we have been calling for some time. For instance, we welcome the Government finally making full expensing permanent after so many years of chopping and changing capital allowances; we have made it clear that we will maintain that policy if we win power this year. We have also made it clear that we will maintain the system of R&D tax credits introduced by the Bill—again, after so many years of this Government chopping and changing the design of the scheme. In both cases, that is because we prize stability and predictability for businesses; they have made it clear to us that they value that greatly.

We know that providing certainty is a critical factor in boosting business investment and economic growth. If Labour won the next general election, we would put that certainty and stability at the heart of our approach in government by publishing a road map in the first six months, setting out our business tax plans for the whole Parliament. We have set out our approach to full expensing and to corporation tax, so I am disappointed that the Minister was not able to give us a clear guarantee that the Conservatives will maintain full permanent expensing and cap corporation tax at 25% for the whole of the next Parliament. Businesses can have confidence, however, that both of those commitments are locked in with Labour.

Of course, there are provisions in the Bill of which we have been critical, not least the fact that it freezes tax for passengers flying around the UK on private jets, while hiking taxes for everyone else who is flying economy or business class. Also, the Government admit that some provisions will need to be returned to and corrected. That is a far from ideal position to be in before a Bill has even become law. We know this is the case because, towards the end of last month, HMRC admitted that the way in which the Government have legislated to remove the lifetime allowance has

“created unintended consequences for members with multiple pension schemes”.

HMRC says that further legislation will be necessary to fix three areas in schedule 9 relating to the abolition of the lifetime allowance. That clearly indicates rushed legislation that runs the risk of creating problems for all involved. The legal firm Wedlake Bell, for instance, has said:

“The proposed new tax regime replacing the LTA at breakneck speed from 6 April 2024 is very risky for all parties including trustees, administrators, members and indeed HMRC itself.”

More widely, our concern with this Bill, as with the autumn statement it followed, is that the Conservatives cannot hide or move on from their 14 years of economic failure. Those 14 years of failure have left economic growth languishing and people across Britain worse off.

[James Murray]

Last November's autumn statement for growth was the 11th attempt at an economic growth plan from the Conservatives. The truth is that the Conservatives are incapable of getting our country back on track. We need a general election so that Labour can offer the change and the plan that families and businesses across Britain need.

Mr Deputy Speaker (Mr Nigel Evans): I call the Chair of the Treasury Committee.

7.11 pm

Harriett Baldwin (West Worcestershire) (Con): I will not detain the House for long, because I have the feeling that not all my colleagues are here to listen to my remarks. However, I want to make a couple of points.

First, having heard the Opposition complain about the measures in this Finance Bill, one would think that they did not like them, but they are not here this evening, they are not voting against Third Reading, and they have not tabled any solid proposals themselves. The only economic policy anyone has heard from the Opposition is the extra £28 billion that they want to impose in taxes on our businesses and our families.

Katherine Fletcher (South Ribble) (Con): Does my hon. Friend agree that it is almost as though the Opposition do not have a plan?

Harriett Baldwin: I would agree with my hon. Friend.

I point out that the 110 pro-growth, pro-supply side measures in this Finance Bill have not stoked inflation. Indeed, inflation has fallen from over 11% down to 4%, and according to the Bank of England's forecast, it is on track to reach 2%, so one has to commend the measures taken in this Bill, and I look forward to voting for that progress shortly.

I add my thanks to the officials from the Treasury and HMRC who have worked so hard on this legislation, only to hear that in a month's time there will be another Budget and another Finance Bill. One has to recognise the hard work that has gone into this Bill, but I do worry that HMRC is being asked to do more and more. I worry about the fact that various thresholds have been frozen, and in particular, as the Minister knows, that the high-income child benefit charge is affecting more taxpayers up and down the land.

I am worried about one of the 110 measures—one that is within HMRC's bailiwick. It is the measure allowing people to put fractional shares into their individual savings accounts. That was a very welcome announcement in last year's autumn statement. I tried to put down an amendment to the Bill about it, but it was found not to be orderly because that change has not been legislated for this time around. In fact, the word is that HMRC will not be able to put that in place until at least the next tax year. Can I ask the Financial Secretary to convey the sense of urgency that I think we all feel about making these pro-growth, pro-investment changes?

There is a wide range of measures in this Finance Bill that I welcome, and I look forward to the Budget on 6 March. I think we can pay tribute to all the hard work that the Financial Secretary, his team, and all the Treasury and HMRC officials have put into this excellent piece of legislation.

Mr Deputy Speaker: I call the SNP spokesperson.

7.14 pm

Drew Hendry: In this Third Reading debate on the Finance Bill, one thing has been conspicuously absent from both the Tory and the Labour Front Benchers' speeches—the one thing affecting people most just now: their struggle with the cost of living crisis. People are struggling to pay their bills. They are struggling to pay their mortgages, which have gone up because of this Government's disastrous mini-Budget. They are struggling to pay their rent. They are struggling to pay their food bills because of these parties' disastrous Brexit, which is pushing food price inflation even higher. They are struggling to pay their energy bills, because this Government have been asleep at the wheel while prices have been rising, and even allowed the energy price cap to go up in January when bills have never been higher. This is a travesty of a Finance Bill. It has done nothing to help the people of Scotland with their finances, it has done nothing to help people across the rest of the UK, and I will definitely vote against it tonight.

7.16 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): May I ask colleagues in all parts of the House for some indulgence? Unfortunately, I was missed out on Report, but I very much wanted to speak about new clause 4, which I tabled. It is very close to my heart, and it is the reason why I became an MP. Specifically, it is about asking the Government to make an assessment of the public health effects of the Bill, particularly in terms of regional inequalities, the impacts on protected characteristics and the impact on the NHS.

I would first like to associate myself with the comments of my hon. Friend the Member for Ealing North (James Murray) about His Majesty King Charles. I wish him a very speedy recovery, and send best wishes to his family.

I had hoped that I might convince the Minister just a little more than I did in Committee about what a difference the assessment in my new clause would make. I am going to extend the arguments just a little more, if he will bear with me. I appreciate that I cannot do anything about the issue in this Bill, but perhaps he could think about it for the one we will have after the Budget, because I will be returning to this issue again. The proposal is not about changing anything in the Finance Bill; it is about publishing the Government's evaluation of the impact of their policies, as announced in the autumn statement, on the health of our constituents as mediated through, for example, changes in poverty and socioeconomic inequalities. Ideally, that would have been done during the planning of the autumn statement, but given that that did not happen, my new clause would have provided the opportunity to make decisions based on an evaluation of the impacts on our health, including our children's health.

Many Members will have heard about and read the report of the Academy of Medical Sciences on child health, which came out earlier today. In it, the UK has been revealed to have a stalling infant mortality rate, which is worse than 60% of that in similar countries. This is after a century during which infant mortality has been decreasing. The academy has put to us, as decision makers, that we need to be doing a lot better. My new

clause would have helped the Government in their quest for transparency, fulfilling the Prime Minister's promise on that, and restoring confidence in the Government and in politics more widely. It would also have allowed the Government to monitor their commitment to levelling up our health across the country and to tackling the appalling north-south divide.

I was director of public health research at the University of Liverpool along with Professor Dame Margaret Whitehead, who in 1987 published her report revealing for the first time the north-south health divide. It came out a few years after the Black report and it showed the causal relationship between poverty and health. Margaret took it a step further, emphasising socioeconomic inequalities, not just poverty, as the key driver of these health inequalities.

We have been building on that evidence base for the past 40 years or so. Many will have read "The Spirit Level" by Professors Richard Wilkinson and Kate Pickett which showed the universal relationship between socioeconomic inequality and educational attainment, social mobility, trust between communities—where has trust gone within our communities?—reducing crime and much more. The narrower the gap in socioeconomic inequalities, the better almost all societies across the world do on a whole host of measures including health and wellbeing.

Professor Sir Michael Marmot's 2010 totemic "Fair Society, Healthy Lives" report set out six objectives across our life course of what we as a country need to do to address these socioeconomic inequalities and reduce health inequalities. He warned us in 2017 when we started to see life expectancy in England as a whole flatlining, which was accompanied by declining healthy life expectancy. We heard many questions in today's Department for Work and Pensions orals about what we can do to get a fit and healthy labour force, and our inequalities are partly why we are in our current position. Professor Marmot also revealed that life expectancy for the poorest women and in the poorest areas was declining, and that we were one of three advanced economies in the world where this had been happening, along with the USA and Iceland. This is not a question of our having reached peak life expectancy; we are falling behind most of our competitors. He also revealed that health inequalities had increased and that there was an even starker north-south health divide.

Then covid hit. The same pattern of infection, ill health and death was seen with covid as was seen before the pandemic with other conditions. The same groups of people and the same areas were affected by covid as were affected by, for example, heart disease.

Last month Michael provided another update in his latest report, "Health Inequalities, Lives Cut Short". He said in *The BMJ* a couple of weeks ago something that I asked the Prime Minister about last week:

"if everyone had the good health of the least deprived 10% of the population, there would have been 1 million fewer deaths in England in the period 2012 to 2019. Of these, 148,000 can be linked to austerity. In 2020, the first year of the covid pandemic, there were a further 28,000 excess deaths."

Today, I see no evidence that policymakers have learned from or even understand this injustice, or its economic consequences. I urge them to watch a short film,

"The Unequal Pandemic", which shows the human cost of this inaction. Our experience of covid and these inequalities is not inevitable.

Today's Academy of Medical Sciences report estimates that a cost of £16.13 billion a year could have been avoided by early childhood intervention. The relationship between population health and productivity is also well established. In its 2018 "Health for Wealth" report, the Northern Health Science Alliance argued that in order to improve our productivity and growth we must improve our health. It calculated that improving the health of the north to the level of the rest of England would increase productivity by £13.2 billion a year. It is in the economy's and the Chancellor's interest to undertake this health assessment of his measures. I appreciate that that is not going to happen in this Bill, but I would be grateful if the Minister would consider it for the next one.

I was grateful in the Finance Bill Committee for the Minister responding with a long list of data that the Government already collect on poverty, and so on. Unfortunately, he did not explain how these data were then analysed to assess the impact of his Government's measures on, for instance, stricter social security sanctions, and how those would affect the current levels of children living in poverty, deep poverty and destitution, as described in the Joseph Rowntree Foundation "UK Poverty 2024" report. He did not explain if these data had been disaggregated to examine the impacts of these policies on different parts of the country, on disabled people or on people from ethnic minority communities, and he did not explain what scenario-modelling on poverty, deep poverty and destitution had been undertaken to understand whether more children will die before their first birthday because they had been born into a poor or destitute family. For each 1% increase in child poverty, an extra 5.8 babies per 100,000 livebirths will die before their first birthday.

Professor Sir Michael Marmot has asked us to provide hope—hope that we as politicians can recognise and understand that these inequalities must be addressed and that they are not inevitable, and I agree. I urge the Minister to really consider this, if not now, then in the next Finance Bill, and to come back with a set of proposals on how the Government are going to do it.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 283, Noes 39.

Division No. 73]

[7.26 pm

AYES

Afolami, Bim	Badenoch, rh Kemi
Afriyie, Adam	Bailey, Shaun
Aiken, Nickie	Baillie, Siobhan
Aldous, Peter	Baker, Duncan
Allan, Lucy (<i>Proxy vote cast by Mr Marcus Jones</i>)	Baker, rh Mr Steve
Anderson, Lee	Baldwin, Harriett
Anderson, Stuart	Baynes, Simon
Andrew, rh Stuart	Bell, Aaron
Ansell, Caroline	Beresford, Sir Paul
Argar, rh Edward	Berry, rh Sir Jake
Atkins, rh Victoria	Blackman, Bob
Bacon, Gareth	Bottomley, Sir Peter
Bacon, Mr Richard (<i>Proxy vote cast by Mr Marcus Jones</i>)	Bowie, Andrew
	Bradley, Ben
	Brady, rh Sir Graham
	Braverman, rh Suella

Bridgen, Andrew
 Brine, Steve
 Bristow, Paul
 Browne, Anthony
 Bruce, Fiona
 Buchan, Felicity
 Burghart, Alex
 Burns, rh Sir Conor
 Butler, Rob
 Cairns, rh Alun
 Cameron, Dr Lisa
 Campbell, Mr Gregory
 Carter, Andy
 Cash, Sir William
 Cates, Miriam
 Caulfield, Maria
 Chalk, rh Alex
 Chishti, Rehman
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Sir Simon
 Clarke, Theo
 Clarke-Smith, Brendan
 Clarkson, Chris
 Coffey, rh Dr Thérèse
 Colburn, Elliot
 Collins, Damian
 Costa, Alberto
 Coutinho, rh Claire
 Crabb, rh Stephen
 Crosbie, Virginia
 Crouch, Tracey
 Davies, rh David T. C.
 Davies, Gareth
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Sir David
 Davison, Dehenna
 Dinenage, Dame Caroline
 Djanogly, Mr Jonathan
 Docherty, Leo
 Donelan, rh Michelle
 Double, Steve
 Doyle-Price, Dame Jackie
 Drummond, Mrs Flick
 Duddridge, Sir James (*Proxy vote cast by Mr Mark Francois*)
 Duguid, David
 Dunne, rh Philip
 Eastwood, Mark
 Edwards, Ruth
 Ellis, rh Sir Michael
 Ellwood, rh Mr Tobias
 Elphicke, Mrs Natalie
 Evans, Dr Luke
 Everitt, Ben
 Fabricant, Michael
 Farris, Laura
 Fell, Simon
 Firth, Anna
 Fletcher, Katherine
 Fletcher, Mark
 Fletcher, Nick
 Ford, rh Vicky
 Fox, rh Sir Liam
 Francois, rh Mr Mark
 Frazer, rh Lucy
 Freeman, George
 Freer, Mike
 French, Mr Louie

Fuller, Richard
 Fysh, Mr Marcus
 Garnier, Mark
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gibson, Peter
 Gideon, Jo
 Glen, rh John
 Graham, Richard
 Grant, Mrs Helen (*Proxy vote cast by Mr Marcus Jones*)
 Gray, James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Griffith, Andrew
 Grundy, James
 Gullis, Jonathan
 Hammond, Stephen
 Hands, rh Greg
 Harris, Rebecca
 Harrison, Trudy
 Hart, Sally-Ann
 Hayes, rh Sir John
 Heald, rh Sir Oliver
 Heappey, rh James
 Henry, Darren
 Higginbotham, Antony
 Hinds, rh Damian
 Hoare, Simon
 Holden, rh Mr Richard
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Holmes, Paul
 Howell, John (*Proxy vote cast by Mr Marcus Jones*)
 Huddleston, Nigel
 Hudson, Dr Neil
 Hunt, Jane (*Proxy vote cast by Mr Marcus Jones*)
 Hunt, Tom
 Jack, rh Mr Alister
 Javid, rh Sir Sajid
 Jayawardena, rh Mr Ranil
 Jenkinson, Mark
 Jenkins, Dame Andrea
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnston, David
 Jones, Andrew
 Jones, rh Mr David
 Jones, rh Mr Marcus
 Kawczynski, Daniel
 Kearns, Alicia
 Keegan, rh Gillian
 Knight, rh Sir Greg
 Kniveton, Kate (*Proxy vote cast by Mr Marcus Jones*)
 Kruger, Danny
 Lamont, John
 Langan, Robert
 Latham, Mrs Pauline
 Leadsom, rh Dame Andrea
 Leigh, rh Sir Edward
 Levy, Ian
 Lewer, Andrew
 Lewis, rh Sir Brandon
 Lewis, rh Sir Julian
 Loder, Chris
 Longhi, Marco

Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig (*Proxy vote cast by John Redwood*)
 Maclean, Rachel
 Mak, Alan
 Malthouse, rh Kit
 Mangnall, Anthony
 Mann, Scott
 Marson, Julie
 Mayhew, Jerome
 Maynard, Paul
 McCartney, Jason
 McPartland, rh Stephen
 McVey, rh Esther
 Menzies, Mark
 Merriman, Huw
 Metcalfe, Stephen
 Millar, Robin
 Miller, rh Dame Maria
 Milling, rh Dame Amanda
 Moore, Damien
 Moore, Robbie
 Mordaunt, rh Penny
 Morris, Anne Marie
 Morris, James
 Morrissey, Joy
 Mortimer, Jill
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mumby-Croft, Holly
 Murray, Mrs Sheryll
 Murrison, rh Dr Andrew
 Neill, Sir Robert
 Nici, Lia
 Nokes, rh Caroline
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Patel, rh Priti
 Pawsey, Mark
 Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Philp, rh Chris
 Pow, Rebecca
 Prentis, rh Victoria
 Pritchard, rh Mark
 Pursglove, Tom
 Quince, Will
 Randall, Tom
 Redwood, rh John
 Rees-Mogg, rh Sir Jacob
 Richards, Nicola
 Richardson, Angela
 Roberts, Mr Rob
 Robinson, Mary
 Ross, Douglas
 Rowley, Lee

Sambrook, Gary
 Saxby, Selaine
 Scully, Paul
 Seely, Bob
 Selous, Andrew
 Shannon, Jim
 Sharma, rh Sir Alok
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Smith, rh Chloe
 Smith, Greg
 Smith, Royston
 Solloway, Amanda
 Spencer, Dr Ben
 Spencer, rh Mark
 Stafford, Alexander
 Stephenson, rh Andrew
 Stevenson, Jane
 Stevenson, John
 Stewart, rh Bob
 Streeter, Sir Gary
 Stuart, rh Graham
 Sturdy, Julian
 Sunderland, James
 Swayne, rh Sir Desmond
 Syms, Sir Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, rh Anne-Marie
 Trott, rh Laura
 Tuckwell, Steve
 Tugendhat, rh Tom
 Vara, rh Shailesh
 Vickers, Martin
 Vickers, Matt
 Villiers, rh Theresa
 Walker, Sir Charles
 Walker, Mr Robin
 Warman, Matt
 Watling, Giles
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, rh Craig (*Proxy vote cast by Mr Marcus Jones*)
 Whittingdale, rh Sir John
 Wiggin, Sir Bill
 Wild, James
 Williamson, rh Sir Gavin
 Wilson, rh Sammy
 Wood, Mike
 Wragg, Mr William
 Young, Jacob

Tellers for the Ayes:
Mr Gagan Mohindra and
Suzanne Webb

NOES

Bardell, Hannah
 Blackford, rh Ian
 Blackman, Kirsty
 Brock, Deidre
 Brown, Alan
 Callaghan, Amy (*Proxy vote cast by Marion Fellows*)
 Chamberlain, Wendy
 Chapman, Douglas
 Cherry, Joanna
 Cooper, Daisy
 Cowan, Ronnie
 Crawley, Angela (*Proxy vote cast by Owen Thompson*)
 Day, Martyn
 Doogan, Dave

Dorans, Allan (<i>Proxy vote cast by Marion Fellows</i>)	Monaghan, Carol
Dyke, Sarah	Moran, Layla
Edwards, Jonathan	Nicolson, John (<i>Proxy vote cast by Marion Fellows</i>)
Fellows, Marion	O'Hara, Brendan
Flynn, Stephen	Oswald, Kirsten
Gibson, Patricia	Stephens, Chris
Hendry, Drew	Thewliss, Alison
Hobhouse, Wera	Thompson, Owen
Hosie, rh Stewart	Thomson, Richard
Jardine, Christine	Whitford, Dr Philippa (<i>Proxy vote cast by Marion Fellows</i>)
Linden, David	Wishart, Pete
MacAskill, Kenny	
Mc Nally, John	
McDonald, Stuart C.	Tellers for the Noes:
McLaughlin, Anne (<i>Proxy vote cast by Marion Fellows</i>)	Peter Grant and Steven Bonnar

Question accordingly agreed to.

Bill read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

LOCAL GOVERNMENT

That the draft Combined Authorities (Mayoral Elections) Order 2017 (Amendment) Regulations 2024, which were laid before this House on 11 December 2023, be approved.—(*Robert Largan.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

LOCAL GOVERNMENT

That the draft Combined Authorities (Mayors) Filling of Vacancies Order 2017 (Amendment) Regulations 2024, which were laid before this House on 11 December 2023, be approved.—(*Robert Largan.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ANIMALS

That the draft Animal Welfare (Primate Licences) (England) Regulations 2023, which were laid before this House on 14 December 2023, be approved.—(*Robert Largan.*)

Question agreed to.

BUSINESS OF THE HOUSE (7 FEBRUARY)

Ordered,

That at the sitting on Wednesday 7 February, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on

(1) the Motion in the name of Secretary James Cleverly relating to Police Grant Report not later

(2) than three hours after the commencement of proceedings on that Motion, and the Motions in the name of Secretary Michael Gove relating to Local Government Finance not later than three hours after the commencement of proceedings on the first such Motion or six hours after the commencement of proceedings relating to Police Grant Report, whichever is the later;

proceedings on those Motions may continue, though opposed, after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—(*Penny Mordaunt.*)

Tri-service Safety Officers: Devon and Cornwall

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

7.39 pm

Steve Double (St Austell and Newquay) (Con): Before I begin, if I may, I will place on the record a few comments following the announcement from the palace regarding the health of King Charles. I am sure that I speak for everyone in sending my best wishes to him for successful treatment and a speedy recovery. Of course, His Majesty, as our longest ever serving Duke of Cornwall, has a special place in the hearts of those of us from Cornwall. I know he still takes a keen interest and has a lot of affection for the Duchy, so on behalf of the people of Cornwall, I say that our thoughts and prayers are with him and his family at this time.

I am delighted once again to be able to speak in an Adjournment debate about something that Cornwall is leading the way on: our excellent tri-service safety officers. As far as I am aware, Devon and Cornwall is the only police force area that has these officers in place, funded and commissioned in the particular way we do it. Let me begin by quickly explaining what a tri-service officer is. These officers, as the name suggests, work across the three services of the police, fire and NHS. They are police community support officers, on-call firemen attached to a local fire station and NHS first-responders. They are jointly funded by Devon and Cornwall police, Cornwall Council's fire service and the local NHS, with some funding coming from the South Western Ambulance Service NHS Foundation Trust and some through the integrated care system.

Tri-service safety officers are embedded in local rural and coastal communities and can be a presence on the ground for all three services, not only providing quick emergency responses when needed but carrying out preventive, wellbeing and information gathering visits. A TSSO's main duties are wide-ranging and complex. They include responding to 999 calls for fire and rescue and ambulance services, dealing with non-immediate police logs and community safety matters, completing multi-agency home and welfare visits, resolving complex neighbourhood policing issues, working with the local antisocial behaviour team, supporting the neighbourhood policing team, and assisting with neighbourhood inquiries such as non-emergency 101 calls made to the police.

Cornwall first piloted tri-service officers in the west of the duchy 10 years ago and has since been growing and rolling them out across the area. We now have 13 TSSOs in Cornwall, including in Fowey and St Dennis in my constituency, and I am pleased that another one will shortly be in place in Mevagissey, but we are not keeping this to ourselves. Being the generous people we are in Cornwall, we are sharing the service with our neighbours in Devon. I am pleased to say that in April a two-year pilot will commence in Holsworthy in the constituency of my right hon. and learned Friend the Member for Torridge and West Devon (Sir Geoffrey Cox).

The value of TSSOs cannot be overstated. They are hugely welcomed by the communities they serve. A key theme from this extensive list of duties is the focus on prevention, early intervention and reducing vulnerability. Emergency response work takes up less than 10% of

their time. Their real value is in providing the three emergency services with a presence in otherwise hard-to-reach communities. When tasked through any of the three services, they look to problem-solve from a multi-agency perspective. That ability to deal with issues is further enhanced by having access to data across all services, with information sharing agreements in place.

To give a basic example of a TSSO's holistic approach, while attending a police neighbourhood dispute, they may fit a smoke alarm, make a mental health referral, signpost a family to a third sector organisation or explore suitable pathways to Cornwall Council services or other available support services. All the while, tri-service officers ensure the highest levels of safeguarding are in place for the vulnerable members of our communities they lead on. All TSSOs are highly skilled, motivated professionals. A bespoke training package has been developed for them in Cornwall.

The outcomes are clear and very positive indeed. First, having TSSOs reduces the demand and impact on the three emergency services. In a part of the world where, as a result of our geography and ever-growing demand, our emergency services are spread out thinly, tri-service officers have been widely praised for their proactive approach as well as their level of dedication shown to the task at hand while maintaining a people-focused approach. They also reduce the demand on key partners within the public, private and voluntary sectors in their local communities.

Where TSSOs help with emergency response work, they do so with excellence. Figures from 2022-23 show that TSSOs in Cornwall responded to 3,000 incidents. In close to 50 incidents, they administered urgent first aid, including through the use of cardiopulmonary resuscitation or defibrillators. Put simply, they save lives. That year, one officer, TSSO Hart, received a chief superintendent's commendation for outstanding work dealing with a collapsed male who was having a heart attack.

TSSOs' performance figures from the past year speak for themselves: there were over 600 police logs attended; nearly 500 ambulance calls attended; nearly 500 domestic premise risk reduction visits conducted; nearly 40 antisocial behaviour incidents addressed; more than 1,200 hours spent providing fire cover; and more than 3,500 hours logged providing safeguarding, community engagement and training for other officers, as well as much else. On top of that, they have been credited with building stronger links between the three services and local communities in Cornwall.

In recent years, TSSOs have linked up with the Cornwall based charity FLEET—the Front Line Emergency Equipment Trust—to deliver 200 Raizer mobile lifting chairs to people who have had a fall, so that those people can be safer at home. All TSSOs now carry a Raizer chair in their vehicle because of the £35,000 funding gained in support of the project. TSSOs have also partnered with schools on junior life skills; across Cornwall, more than 1,500 children have had the chance to engage directly with officers at police and fire stations and learn about their work.

In the long term, that emphasis on prevention of vulnerability and early intervention aims to reduce calls to our 999 service. The communities served by TSSOs have a broad overlap with areas of deprivation, as five tri-service officers are based in the community network

areas of the 10 most deprived areas in Cornwall. Those areas have higher health inequalities, higher crime rates and higher vulnerability risk factors. A whole-system, multi-agency approach is key to addressing the challenges that areas of high deprivation face, building safer communities and reducing frontline demand.

The TSSO is uniquely placed not just to bridge the three-pronged gap, but to do so in a cost-effective way, delivering excellent value for the taxpayer. As TSSOs expand into Devon, will the Minister look at the success we have had, and how the model might benefit other parts of the country, and other rural and coastal areas in particular? I understand that Devon and Cornwall police have begun discussions with the Home Office on that; it led to an opportunity to present the TSSO model to officials at a recent event. The response was apparently warm, and a delegation has arranged to visit later this month. I ask the Minister to take an interest in that visit. I invite him to Cornwall to see for himself the invaluable work of our tri-service officers in our communities. We also plan to hold an event in Parliament in the coming months to give colleagues an opportunity to meet those involved in the scheme, and to discuss how it could benefit their area. I will extend an invitation to the event to the Minister.

This role, which crosses over the three emergency services, has become more understood and used over the last 12 months. That is largely down to the proactive work of TSSOs in making sure that their role and duties are well understood. There is now greater understanding across all the local partners, which has led to TSSOs being better used to support and complement services.

I recently had the pleasure of going on patrol with one of our excellent TSSOs, Lewis Rosewell, who is based in the village of St Dennis and serves many of the clay mining villages in the middle of my constituency. Spending time with Lewis was both informative and inspiring, and gave me a real insight into the valuable work and service provided by TSSOs; we did fire safety visits, visited vulnerable residents, did welfare checks, and followed up on a recent antisocial behaviour incident. It was the nearest thing that I have seen to the old-school “bobby on the beat” style of policing, but there is the additional benefit of TSSOs working closely with a whole range of services.

I want to bring funding concerns to the Minister’s attention; they represent the biggest challenge to our fantastic TSSO programme. The TSSO model is based on each of the three services contributing a third. A tri-service officer costs around £48,000 each year, and each of the three services contributes £16,000, which represents excellent value for money given the positive feedback and outcomes in reducing demand and response times. There is a real desire to expand the service across Cornwall, including to some towns, rather than just villages. There is a commitment from the police and the fire service to make this contribution, but the NHS integrated care board has not yet confirmed that it will match the funding for the coming year.

It would be disappointing if the NHS—the highest funded service in Cornwall—was not able to fund its share of the cost of expanding the service. I would not be doing my job representing my constituents if I did not urge the integrated care system to make the funding commitment. Will the Minister use his offices to promote the scheme to the NHS, and encourage it to confirm the

funding as soon as possible, so that our TSSOs can work alongside our GP surgeries and community health hubs in providing support? I believe that the scheme will become a key part of the prevention agenda in the coming years. It would be frustrating if it were held back by the NHS’s lack of willingness to play its part.

This project should be encouraged, especially in rural areas of the country. What plans does the Minister have to make sure that other parts of the country are aware of its success in Cornwall, and to assist them in developing similar projects? Finally, let me place on record my great thanks to Inspector Miles Topham and all those who have enabled this project to happen, and our excellent TSSOs. I wish them every success for the year ahead and in future.

7.53 pm

The Minister for Crime, Policing and Fire (Chris Philp):

Let me start by congratulating my hon. Friend the Member for St Austell and Newquay (Steve Double) on securing this evening’s Adjournment debate, which has come slightly earlier than we would normally expect. He has done a very good job of explaining the benefits of tri-service safety officers in Devon and Cornwall, who set an example that, as he said, the rest of the country can follow.

We in the Home Office are keen to see a lot more co-operation between blue light services; that is happening in some other parts of the country as well, but not in such an integrated way. In Humberside, Bedfordshire and the wider eastern region, fire and rescue services already work with the health service on dedicated falls and bariatric teams, helping the ambulance service to deal with incidents. In fact, in the year to September 2023, fire and rescue services in England attended 16,000 medical incidents, in addition to 34,000 incidents affecting entry or exit to premises, so there is some co-operation around the country already.

In our White Paper, we strongly encourage further co-operation between blue light services. As my hon. Friend said, in rural areas, where there is not such density of coverage, it makes a great deal of sense for police, ambulance and fire services to work together to provide a response. The tri-service safety officers in Devon and Cornwall, whom he described, are a shining example of how that can work in practice, benefiting residents the length and breadth of both counties. I pay tribute to my hon. Friend for his work in encouraging and supporting those tri-service safety officers.

I pay tribute to the fantastic police and crime commissioner for Devon and Cornwall, Alison Hernandez, who has worked very hard to make this happen. The work of police and crime commissioners can really make a difference, as hers has. In parts of the country such as Essex and Staffordshire where we have police, fire and crime commissioners, this kind of co-operation between police and fire becomes quite a lot easier. I also pay tribute to the work of my hon. Friend the Member for North Cornwall (Scott Mann), who is sitting next to me. He has campaigned successfully to reopen Bude community police station; it recently reopened, and has a tri-service safety officer based in it, for the benefit of all residents of Bude and the surrounding neighbourhoods.

I agree with what my hon. Friend the Member for St Austell and Newquay said about value for money: each of the three services has to contribute only about

[Chris Philp]

£16,000 per TSSO, which is a great deal cheaper than funding a position each. I very much hope that the police and fire services in Devon and Cornwall will continue to fund that. I am sure that he is making the case, both to Health Ministers and to the local integrated care board, for that funding to continue. If he wants any assistance from me in lobbying my ministerial colleagues, he has only to ask, and I will be happy to do that, but I am sure that he and his colleagues in Devon and Cornwall are doing that.

I agree with my hon. Friend's point that other rural forces in England and Wales could learn from what has been happening in Devon and Cornwall. That applies less to large urban areas, where police forces and ambulance services are already very densely concentrated. However, even in urban areas, the fire service tends to be under-used, so there is an opportunity to get the fire service to do more to assist the ambulance service in providing responses. I have been discussing that with my colleagues at the Department of Health and Social Care. However, as he eloquently described and explained, tri-service safety

officers could work well in other rural or sparsely populated areas. Cumbria, which now has a police, fire and crime commissioner, springs to mind [*Interruption.*] I hear support for Cumbria from my hon. Friend the Member for Workington (Mark Jenkinson). I will happily raise that point with the National Police Chiefs' Council and the National Fire Chiefs Council, and will commend the model for consideration by rural forces and fire services around the country.

My hon. Friend the Member for St Austell and Newquay has set out the good work going on in Devon and Cornwall, and the positive impact of tri-service safety officers. Again, I commend police and crime commissioner Alison Hernandez for making this happen. I will do everything I can to assist colleagues in Devon and Cornwall, and rural forces around the country, in making sure that as many places as possible can benefit from this excellent initiative.

Question put and agreed to.

7.59 pm

House adjourned.

Written Statements

Monday 5 February 2024

CULTURE, MEDIA AND SPORT

Sports Grounds Safety Authority Licence Fee

The Secretary of State for Culture, Media and Sport (Lucy Frazer): I wish to inform the House that the Government have taken the decision to reform the Sports Grounds Safety Authority (SGSA) licence fee structure.

The SGSA is the regulator for spectator safety which includes the 92 designated football grounds in the premier league and English football league, as well as Wembley stadium and the Principality stadium. The SGSA also acts as the UK Government's adviser on safety at sports grounds and is a world leader in safety.

As part of its regulatory role, the SGSA issues licences to allow grounds to permit spectators to watch matches. The annual licence fee for clubs was set in 1993 at £100, which does not reflect the cost of regulation.

In 2022 the SGSA took part in the Cabinet Office public bodies review programme, which concluded the current funding model is

“inflexible and not fit for purpose, with the licence fee not reflecting the costs of regulation”.

In the Government response, we committed to working closely with the SGSA to consider the implications and practicalities of amending its existing funding model and explore options to enact any changes.

I am pleased to say that we have acted upon the review's recommendation and that from the 2024-25 season, the SGSA will be implementing a new fee structure for designated football grounds licensed by the SGSA. I have determined that the fee will be based on official average league attendance over the previous two seasons. This decision follows a six-week targeted consultation led by the SGSA with the industry on the proposals to change the licence fee.

This change will ensure that the cost of regulation is met by industry and reduce the burden on the taxpayer. The SGSA will conduct a three-year review of the licence fee, which will include consultation with the sector.

[HCWS238]

HEALTH AND SOCIAL CARE

Public Health Grant: Local Authority Allocations 2024-25

The Parliamentary Under-Secretary of State for Health and Social Care (Dame Andrea Leadsom): Today I am publishing the Public Health Grant allocations to local authorities in England for 2024-25.

Funding for local government's health responsibilities is an essential element of our commitment to investing in preventing ill health, promoting healthier lives and addressing health disparities, and an important complement to our investment in both health and social care.

In 2024-25, we are increasing funding through the Public Health Grant and the pilot of 100% retained business rate funding for local authorities in Greater Manchester to £3.603 billion.

The allocations I am announcing today are part of a wider package of investment in public health services. From 2024-25 we are investing an additional £70 million per year to support local authority-led stop smoking services—nearly doubling current spend on these services—in support of our commitment to deliver a smoke-free generation. This further supplements targeted DHSC allocations to local authorities over the spending review period of £516 million to improve drug and alcohol addiction treatment and recovery, and £170 million to improve the Start for Life services.

This overall package will deliver a real-terms increase of more than 4% over the two years 2023-24 and 2024-25 in DHSC funding allocated for local authority public health functions over the spending review period, enabling local authorities to invest in the prevention of ill health and in essential frontline services.

The 2024-25 Public Health Grant will continue to be subject to conditions, including a ring-fence requiring local authorities to use the grant exclusively for public health activity.

Full details of the Public Health Grant allocations to local authorities for 2024-25 can be found on www.gov.uk. This information has been communicated to local authorities in a Local Authority Circular.

Attachments can be viewed online at:

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2024-02-05/HWS239/>.

[HCWS239]

HOME DEPARTMENT

Terrorism (Protection of Premises) Bill: Public Consultation

The Minister for Security (Tom Tugendhat): Today the Government have launched a public consultation on the Terrorism (Protection of Premises) Bill. The Bill is also known as ‘Martyn’s Law’ in tribute to Martyn Hett, who was tragically killed alongside 21 others in the Manchester Arena terrorist attack in 2017.

The Government reaffirmed their commitment to introduce this important piece of legislation in the King's Speech on 7 November 2023. Extensive engagement and support from security partners, business and victims' groups, including Figen Murray and the Martyn's Law Campaign Team, has enabled significant progress on the development of Martyn's Law to date. The Government would like, once again, to pay particular thanks to Figen Murray for her tireless campaigning and the significant personal contribution she has made to progressing this Bill.

Overview

The threat picture is complex, evolving, and enduring, with terrorists choosing to attack a broad range of locations. Since the start of 2017 there have been 14 terror attacks in the UK. Too many have sadly lost their lives.

The Bill will ensure premises in the UK are better prepared for terrorist attacks by requiring them to take necessary but proportionate steps according to their capacity to mitigate the impact of a terrorist attack and reduce harm. Our expert security partners strongly consider that even basic knowledge will help to protect the public in the event of an attack. Through the Bill, those responsible for premises will be better prepared and ready to respond in the event of a terrorist attack, thereby enhancing public safety.

Following an 18-week public consultation on proposals in 2021, the Government confirmed their intention to bring forward the Bill in December 2022. To ensure the measures can meaningfully enhance public safety while remaining proportionate, we requested that the Home Affairs Select Committee (HASC) conduct pre-legislative scrutiny of the draft Bill, which was published in May 2023.

Pre-legislative scrutiny, as well as our extensive engagement programme, provided important feedback from parliamentarians, businesses and other key stakeholders. This feedback particularly focused on the application of the proposals in relation to standard duty premises. These premises—the Standard Tier—are smaller, being largely those with a capacity of 100 to 799 individuals, e.g. many retail stores, bars, restaurants, theatres and village halls.

Next steps

On the strength of that feedback, we have revised the Standard Tier requirements to make them clearer and more proportionate, while ensuring they deliver on their primary objective: to implement simple procedures which could reduce harm and save lives in the event of a suspected attack. The consultation is focused specifically on this revised approach to the Standard Tier.

Consultation

This new approach is considered to be more proportionate, meaningful, effective and transparent than that previously agreed for the following reasons:

The purpose of the primary duty is now outcome-focused, aligns with comparable regimes—i.e. Health and Safety—and removes any previous assumptions around the Standard Tier requirements being too instructive and rigid, i.e. a “tick box” exercise.

It brings greater clarity to costs and expectations, i.e. the Standard Tier holds no legal requirement for premises to consider physical security measures, but focuses on procedures and the actions people working at the premises should take in response to an attack.

It measures all premises in scope against the same standard of “reasonably practicable”. This approach is better suited to the wide range of organisations that will be within scope of the Standard Tier because they will assess and implement procedures that are suitable for their individual circumstances. The “reasonably practicable” test includes what is financially feasible for premises.

We have moved away from a prescribed training requirement—i.e. a one size fits all package for all relevant staff. Instead, those responsible will be required to ensure that their procedures are adequately communicated and practised by relevant staff. Again, in implementing relevant procedures, those responsible will be held to a “reasonably practicable” standard.

The consultation seeks specific feedback on these measures to ensure the updated requirements proposed for Standard Tier premises are appropriate.

It also seeks respondents’ views on how any costs incurred by the Standard Tier requirements should be met and how premises currently meet similar obligations under Health and Safety and Fire Safety legislation.

The consultation will run until 18 March 2024 and is available on www.gov.uk. It is open to the public, and is targeted at organisations, businesses, and local and public authorities, and/or individuals who own or operate premises that the proposed Bill would affect. We particularly welcome views from those responsible for the smaller premises which would fall within the Standard Tier, especially those in the community and voluntary sector.

I am looking forward to concluding the consultation process, which will support the Government in finalising the legislation and ensuring it is robust and delivers on its core aims ahead of a formal introduction to Parliament.

A copy of the consultation will be placed in the Libraries of both Houses.

[HCWS240]

LEVELLING UP, HOUSING AND COMMUNITIES

Local Government Finance Settlement 2024-25

The Secretary of State for Levelling Up, Housing and Communities (Michael Gove): Today, I set out the final local government finance settlement for 2024-25. This makes available up to £64.7 billion for local authorities in England, an increase in core spending power of up to £4.5 billion, or 7.5% in cash terms, an above-inflation increase, on 2023-24.

The final settlement follows the consultation on the provisional settlement, which closed on 15 January. Having considered the responses, listened to councils, and received representations from colleagues, on 24 January I announced additional measures for local authorities worth £600 million. This included £500 million of new funding for councils with responsibility for adult and children’s social care, distributed through the social care grant. By making progress on the Government’s plan to halve inflation, grow the economy and reduce debt, we now can provide this extra funding to councils to continue to deliver vital services for their communities. Further details on the exceptional provision of this funding will be set out at the upcoming Budget.

Today I am laying before the House: the “Local Government Finance Report (England) 2024-25”; the “Referendums Relating to Council Tax Increases (Principles) (England) Report 2024-25”; and the “Referendums Relating to Council Tax Increases (Alternative Notional Amounts) (England) Report 2024-25”. Together, these form the final local government finance settlement for 2024-25.

We received 267 responses to the provisional 2024-25 local government finance settlement consultation, and I am grateful to everyone who took the time to respond. Following the consultation and engagement process on the provisional settlement, we have made the following changes, which ensures a balanced settlement for the sector.

Social care

I am confirming an additional £500 million for social care services, as announced on 24 January. This will be allocated through the social care grant, which is ringfenced for adult and children’s social care. Together with the additional funding proposed at the provisional settlement,

local authorities can therefore make use of a total of £8.7 billion in grant funding for social care through the 2024-25 settlement, including £1.5 billion in additional grant compared to 2023-24. This is made up of:

£5 billion through the social care grant, a £1.2 billion increase on 2023-24, including £500 million additional funding as announced on 24 January;

£1.1 billion through the market sustainability and improvement fund, a £123 million increase on 2023-24;

£500 million through the discharge fund, a £200 million increase to the local authority component on 2023-24; and

£2.1 billion through the improved better care fund.

While being mindful of pressures in adult social care, where possible councils should use the uplift to the social care grant to invest in areas that help place children's social care services on a sustainable financial footing. This includes investment in expanding family help and targeted early intervention, expanding kinship care, and boosting the number of foster carers. The Government are committed to delivering substantive reform to children's social care. That is why in 2023 we published our strategy for reform, "Stable Homes, Built on Love", and over these next two years we will lay the foundations for wide-reaching reform across the whole system. The strategy is backed by £200 million of additional investment in the current spending review period, so that we can begin making progress immediately.

Council tax

The Government are committed to continuing to protect local taxpayers from excessive council tax increases. This settlement confirms our intention for referendum principles of up to 3% for core council tax and up to 2% for the adult social care precept in 2024-25. These provisions are not a cap, nor do they force councils to set taxes at the threshold level. When taking decisions on council tax levels, I expect all councillors, Mayors, police and crime commissioners and local councils to take into consideration the pressures many households are facing and the need to control unnecessary and wasteful expenditure. In Wales, the Welsh Labour Government have refused to introduce any referendum protection for council tax payers, leading to soaring council tax. Indeed, under the last Labour Government in England, council tax bills more than doubled.

The Government's view continues to be that councils that have taken decisions to get themselves in the most severe financial failure should continue to take all reasonable local steps to support recovery including additional council tax increases. Therefore, for the 2024-25 settlement, in consideration of the significant financial failure of Thurrock Council, Slough Borough Council and Woking Borough Council, bespoke council tax referendum principles will apply. For Thurrock Council, Slough Borough Council and Woking Borough Council, a council tax referendum principle of 10% will apply—for Thurrock and Slough, this comprises 2% for expenditure on adult social care, and 8% for other expenditure.

Birmingham City Council has requested flexibility to increase council tax bills by an additional 5%. The Government have expressed ongoing concern about the significant financial mismanagement at the council and have launched a five-year intervention to tackle its serious financial and governance problems. It is disappointing that Birmingham City taxpayers are having to foot the bill for the council's poor governance and decision making. While the Government will not oppose

this request given the seriousness of the circumstances, any decision to increase council tax is solely one for Birmingham City Council, which should have taken into account the pressures that people in Birmingham are currently facing on living costs. The Government are of course conscious of the effect on local taxpayers, particularly those on low incomes, of having to foot part of the bill for these councils' very significant failings. We have been clear to each of the councils that in implementing any additional increases, they should take steps to mitigate the impact on those least able to pay.

Funding guarantee

I am confirming that, having listened to the requests of local government during the consultation period, and in acknowledgment of the pressures facing all tiers of local government, we are increasing the funding guarantee from 3% to 4%. This means every council in England will receive at least 4% more core spending power, in cash terms, than they did last year, before they have taken any local decisions on council tax.

Rural services delivery grant

I am also confirming that, in response to the consultation feedback and in recognition of the specific challenges and difficulties local councils can face serving rural, sparse populations, we are increasing the rural services delivery grant by £15 million in 2024-25. This is an increase of over 15%, making available a total of £110 million next year. This is the largest cash increase in the rural services delivery grant since 2018-19 and the second successive year of above inflation increases.

Services grant and islands

At the provisional settlement, we announced that the services grant would reduce to £77 million in 2024-25. The Government have noted the concerns raised in the consultation about the proposed reduction, and the calls for clarity on how the reduction has been reallocated within the settlement.

As announced on 24 January, the Government have responded with a funding package worth £600 million for local government, including £500 million of additional funding for social care. The Government's full response to the consultation has been published today and provides more detail on how the reduction in the services grant has been used to uplift other settlement grants. These decisions have been taken to ensure a balanced settlement for all authorities that reflects our assessment of need.

The Government also intend to bring the final total of the services grant to £87 million—£10 million more than the value consulted on at the provisional settlement. This uplift includes an additional £3 million for the Isle of Wight and £0.15 million for the Isles of Scilly in recognition of the circumstances facing island authorities.

Measures outside of the local government finance settlement

Having listened to authorities which continue to face sustained increases to their internal drainage board levies, we are again providing exceptional funding of £3 million in addition to the settlement to support those experiencing the biggest pressures. We will confirm the distribution of this funding in the coming months when data on projected levy spend becomes available. We will work with the Department for Environment, Food and Rural Affairs to explore options to implement a long-term solution.

Every authority in England also stands to benefit from increased growth in business rates income, which has generated a surplus in the business rates levy account in 2023-24. I can confirm that £100 million will be returned to the sector on a one-off basis, to be distributed based on each local authority's 2013-14 settlement funding assessment. I am also announcing today that we will compensate local authorities for the green plant and machinery business rates exemption via grant on a continuing basis until the business rates retention system is reset.

On 19 December 2023, my Department launched a consultation seeking views on options relating to capital flexibilities and borrowing. The aim of this exercise was to explore options for allowing councils greater financial flexibilities to make savings and better manage their own budgets overall. We want to ensure every penny of taxpayer money is well spent and we are considering carefully what proportionate safeguards are needed alongside these measures. This consultation closed on 31 January 2024. I am grateful to all those who took the time to provide views. The Government intend to publish a full response to this consultation in the spring.

Efficiency and reform

I would like to emphasise that this additional funding needs to be used by local authorities to deliver the frontline services on which our communities rely. It should not be put aside for later use, nor spent wastefully. We will therefore continue to monitor the level of local authority reserves. The Government note that while local authority reserves are falling, they remain significantly higher than prior to the pandemic. We continue to encourage local authorities to consider, where possible, the use of their reserves to maintain services in the face of these pressures.

As part of our efforts to return the sector to sustainability in the future, we are also asking local authorities to develop and share productivity plans. These plans will set out how local authorities will improve service performance and reduce wasteful expenditure, for example on consultants or discredited equality, diversity and inclusion programmes. Government will monitor these plans, and funding settlements in future will be informed by performance against these plans.

My Department will work with the local government sector on the approach to producing these plans. The plans should be short and draw on work councils have already done, identifying ways to unlock productivity improvements and setting out the key implementation milestones. Plans should be published by July 2024 before the House rises for the summer recess. They must be agreed by council leaders and members and published on local authority websites, together with updates on progress.

We expect them to cover four main areas:

- 1) transformation of services to make better use of resources;
- 2) opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;
- 3) ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and discredited staff equality, diversity and inclusion programmes—this does not include programmes designed to promote integration and civic pride, and counter extremism; and
- 4) barriers preventing activity that Government can help to reduce or remove.

Alongside this, we will establish a new productivity review panel, made up of sector experts including the Office for Local Government and the Local Government Association.

The Government are grateful to all those who provided views on the proposal to use levers in local government finance settlements beyond 2024-25 to disincentivise the “four day working week” or equivalent arrangements of part-time work for full-time pay. The Government continue to believe that this reduces the potential capacity to deliver services by up to 20%, and as a result does not deliver value. We will consider responses to this question carefully as part of continuing policy development to deter local government from operating these practices, with any changes at future settlements subject to further consultation.

We are committed to improving the local government finance system beyond this settlement in the next Parliament and the Minister for Local Government—the Under-Secretary of State for Levelling Up, Housing and Communities, my hon. Friend the Member for North Dorset (Simon Hoare)—will be engaging with the sector over the coming months.

Conclusion

This settlement, and the changes we have made to address concerns raised through the consultation, will provide local authorities with the tools to support their local communities, continue to reform their services for the long-term, and help communities prepare for the future.

This written ministerial statement covers England only. The Barnett formula will apply to this funding in the usual way.

[HCWS241]

WORK AND PENSIONS

Disability Action Plan: Publication

The Minister for Disabled People, Health and Work (Mims Davies): Later today I shall make an oral statement on this subject.

[HCWS242]

Ministerial Correction

Monday 5 February 2024

CABINET OFFICE

Topical Questions

The following is an extract from Cabinet Office questions on 18 January 2024.

T7. [901046] **Jessica Morden** (Newport East) (Lab): As others have said this morning, every week victims of the contaminated blood scandal will die as we wait for the final report. We know the will of the House on this. Why do constituents have to wait any longer for the compensation scheme? Yes, it is complex, but the Government have been repeatedly challenged on getting on with this and they are still not doing it. We need it urgently.

John Glen: As I have said, if the House of Commons has indicated its will by the amendment, that piece of legislation moves to the House of Lords and the Government will respond at that point. That is the week

after next. That is the process of the House. I have recognised the need to ensure that we get the clinical, legal and care experts in place. They are in place, and they are working on some of the complex issues the hon. Lady alludes to. The psychological support is now in place, but I am doing everything I can in every dimension of this complicated problem to deliver as quickly as I can.

[Official Report, 18 January 2024, Vol. 743, c. 1015.]

Letter of correction from the Minister for the Cabinet Office and Paymaster General:

An error has been identified in my response to the hon. Member for Newport East (Jessica Morden) in Topical Questions. The correct response should have been:

John Glen: As I have said, if the House of Commons has indicated its will by the amendment, that piece of legislation moves to the House of Lords and the Government will respond at that point. That is the week after next. That is the process of the House. I have recognised the need to ensure that we get the clinical, legal and care experts in place. They are in place, and they are working on some of the complex issues the hon. Lady alludes to. The psychological support **will be in place by summer 2024**, but I am doing everything I can in every dimension of this complicated problem to deliver as quickly as I can.

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MINISTERIAL CORRECTION

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